

ANALYSIS

Item 6: Department of Early Learning and Care Systems Alignment

Analyst: Wendy Gibson

Request: Approve, retroactively, the submission of a federal grant application to the U.S. Administration for Children and Families, in the amount of \$7,479,464, to support strategic systems alignment in early learning.

Analysis: The U.S. Department of Health and Human Services' Office of the Administration for Children and Families (ACF) administers the Preschool Development Grant Birth to Five (PDG B-5) program. The grant is a competitive funding opportunity open to states and territories for early learning systems integration. The Early Learning Division within Department of Education previously received this grant during the 2021-23 biennium to support strategic systems alignment while planning for the new Department of Early Learning and Care (DELC).

DELC applied for a \$7.5 million grant to continue the previous systems integration work with an external focus on how families and providers navigate the larger system, including reducing duplicative processes, aligning policies, and improving data systems. If awarded, the funding will be available for use during the 2026 calendar year. A 30% state match is also required, which DELC intends to meet with existing agency resources.

ACF announced the grant opening on November 18, 2025, with an application deadline of December 1, 2025. The short turnaround time did not allow DELC to give the full 10 days of required notice before applying. The agency contacted the Legislative Fiscal Office and submitted a notice of intent on November 24, 2025.

Recommendation: The Legislative Fiscal Office recommends that the Joint Interim Committee on Ways and Means approve the request.

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Department of Early Learning and Care
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Request: Retroactive authorization to apply for a grant totaling \$7,479,464 from the Administration for Children and Families to support early-learning system development focusing on data alignment, consumer education, and workforce recruitment.

Recommendation: Approve the request.

Discussion: The Preschool Development Grant Birth through Five (PDG B-5) program is a competitive federal grant designed to improve states' early childhood systems by building upon existing early learning and care investments. PDG B-5 was established in 2015 through the Every Student Succeeds Act. The Administration for Children and Families (ACF) posted details on the PDG B-5 grant opportunity on November 18, 2025. The deadline for grant submission was December 1, 2025, leaving the Department of Early Learning and Care (DELIC) very little time to submit the 10-day notification to the Legislature and finalize the grant application. The Department submitted its notification on November 24, 2025. The last PDG grant received by the Early Learning Division spanned 2020-23 at approximately \$8.9 million funding annually.

DELIC's grant application was for \$7,479,464, and the grant requires a 30 percent state match. The Department intends to utilize \$4,884,004 in existing state Personal Services funding to satisfy the matching requirement, for a total project budget of \$12,363,468. The grant timeline is through December 30, 2026. The grant does not create a new program but builds upon existing work being done by the Department.

DELIC's grant application includes two critical elements that will be addressed if the funds are awarded. The first includes an update to the Early Care and Education (ECE) needs assessment to understand shifts in Oregon's early learning system since original completion of the assessment in 2019. Prior grant funding helped support that work, which received updates through 2023. Critical element #1 also includes an update to DELIC's existing strategic plan *Raise Up Oregon*, as well as an updated household survey and early learning map of Oregon.

Critical element #2 in the grant application includes a proposal to focus on strategies to advance programmatic priorities, with an emphasis on program integrity, fiscal accountability, systems alignment, modernization of training platforms and courses, and parental choice. This will build on DELIC's program and fiscal integrity work to streamline grant administration, enhance oversight and improve customer service.

The Department also aims to improve development of data monitoring tools to evaluate outcomes and inform policy and program implementation. This work involves building a unified early-learning data system to improve coordination and decision-making. Oregon's most recent ECE needs assessment identified fragmented data systems and limited analytic capacity as major obstacles to effective service coordination, accountability, and decision-making. These challenges limit the state's ability to understand how children and families interact with services, evaluate program

performance, and respond to emerging needs. The Department intends to use grant funding to implement a strategic data integration initiative that strengthens the infrastructure, governance, and capacity needed to support a more connected and transparent early learning system.

Finally, DELC intends to utilize grant funds to document overall project progress, results, and outcomes from the various activities performed as part of the overall PDG B-5 grant.

Approximately \$5.9 million of the \$7.5 million in grant funds would go towards contractual services. If the grant is awarded, DELC would need to request additional Federal Funds expenditure limitation at a future point in the biennium and can bring forward more details on the vendors, higher education institutions, nonprofits or community-based organizations that may assist with the work. Currently, the Department estimates approximately \$0.5 million will be used to offset staffing costs associated with the grant. The Department does not anticipate needing additional positions to support grant implementation at this time.



Oregon

Tina Kotek, Governor



Oregon Department of
**Early Learning
and Care**

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December 4, 2025

The Honorable Senator Kate Lieber, Co-Chair
The Honorable Representative Tawna Sanchez, Co-Chair
Interim Joint Committee on Ways and Means
900 Court Street NE, H-178
Salem, OR 97301

Dear Senator Lieber and Representative Sanchez:

Nature of the Request

Oregon Department of Early Learning and Care (DEL C) requests retroactive approval to apply for the Preschool Development Grant Birth to Five (PDG B-5) through the federal Administration for Children and Families, Office of Early Childhood Development.

Agency Action

The PDG B-5 grant helps states develop and implement a broader state birth-through-five early childhood vision. The activities of the grant contribute to fulfilling that statewide vision. The grant funding is intended to strengthen Oregon's early care and education (ECE) system by making it more connected, efficient, and easier for families and early educators to navigate. PDG B-5 supports Oregon's broader vision: a statewide system where programs work together, resources are aligned, and families can find the care and learning opportunities that best meet their needs.

ACF posted the grant notification on November 18, 2025 with an application due date of December 1, 2025. DELC submitted its application requesting \$7,479,464 in federal grant funds. There is a 30 percent matching requirement. DELC plans to meet this match using current existing General Fund budget for the staff who would work to complete the objectives of the proposed grant projects.

Funds requested through the PDG B-5 grant are intended to support pre-planned system-building work for early learning and care infrastructure throughout Oregon, such as data alignment, consumer education improvements, and workforce recruitment efforts. If awarded,

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the funds would be available from December 31, 2025 through December 30, 2026, allowing DELC to accelerate movement on these initiatives. After December 31, 2026, planned projects would continue at their current pace.

Action Requested

DELC requests retroactive approval from the Interim Joint Committee on Ways and Means Committee to apply for the Preschool Development Grant Birth to Five (PDG B-5) through the Administration for Children and Families, Office of Early Childhood Development.

Legislation Affected

None.

Sincerely,

Carey McCann
Interim Early Learning System Director

cc: Amanda Beitel, Legislative Fiscal Officer
Kate Nass, Chief Financial Officer
Wendy Gibson, Legislative Fiscal Office
Mike Streepy, DAS Chief Financial Office

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