

Board Action Summary

AGENDA ITEM: Child Care Development Fund State Plan

Summary of Recommended Board Action

ACTION: Adopt the Child Care Development Fund State Plan

ISSUE:

The Child Care and Development Fund (CCDF) is a federal program that provides approximately \$5 billion to States, Territories, and Tribes to

- Provide financial assistance to low-income families to access child care so they can work or attend a job training or educational program.
- Provide funding to improve the quality of child care and increase the supply and availability of child care for all families, including those who receive no direct assistance through CCDF.

The CCDF State Plan is essentially a survey by the federal Office of Child Care of state-level child care policies and an opportunity to hear from state's how they are pursuing policy objectives established by the federal Office of Child Care. The CCDF State Plan template is organized around the following eight goal areas:

1. Define CCDF Leadership and Coordination with Relevant Systems
2. Promote Family Engagement through Outreach and Consumer Education
3. Provide Stable Child Care Financial Assistance to Families
4. Ensure Equal Access to High Quality Child Care for Low - Income Children
5. Establish Standards and Monitoring Processes to Ensure the Health and Safety of Child Care Settings
6. Recruit and Retain a Qualified and Effective Child Care Workforce
7. Support Continuous Quality Improvement
8. Ensure Grantee Accountability

BACKGROUND:

This cycle of the CCDF Plan has special significance. In the fall of 2014, Congress enacted the Child Care and Development Block Grant Act of 2014, a reauthorization of CCDF, the first time it had done so since 1996. In addition to strengthening CCDF's focus on positive child development and quality care, the reauthorization includes a number of new requirements that states receiving CCDF are obligated to implement. These requirements include:

- New monitoring & safety requirements
- On-site monitoring of license exempt providers
- Fingerprinting and other enhancement for background checks
- Enhanced requirements for parent and public access to complaints and compliance information and enhanced requirements for consumer education
- New pre-service & on-going training requirements

ACTION PRECEDING RECOMMENDED BOARD ADOPTION:

Staff presented updates on the Child Care Development Fund State Plan in June 2014, December 2015 and January 2016.

BOARD MEMBER PRESENTING REPORT FOR ADOPTION: Bobbie Weber

CONTACT: Dawn Woods, Child Care Director



CCDF State Plan Overview

December 14, 2015

The Child Care and Development Fund (CCDF) is a federal program that provides approximately \$5 billion to States, Territories, and Tribes to

- Provide financial assistance to low-income families to access child care so they can work or attend a job training or educational program.
- Provide funding to improve the quality of child care and increase the supply and availability of child care for all families, including those who receive no direct assistance through CCDF.

Oregon receives approximately \$130 million per biennium to provide financial assistance for child care, funding that supports serving children in safe, healthy child care settings, and improving the quality of child care. As a requirement of receiving CCDF, states are obligated to submit a CCDF State Plan every three years.

This document is designed to provide a brief synopsis for each section of the Child Care and Development Fund (CCDF) State Plan, outline the connection to the Early Learning Council Strategic Plan, and provide a list of key activities for each section. Each section also highlights areas touched on in the plan where there will be need for deeper policy engagement with the CCEC and the ELC over the next two years. The plan itself is in draft stage with a draft template due to come out of the federal Office of Child Care in late December.

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- New monitoring & safety requirements
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- Fingerprinting and other enhancement for background checks
- Enhanced requirements for parent and public access to complaints and compliance information and enhanced requirements for consumer education
- New pre-service & on-going training requirements

These changes have led to significant overhaul of the CCDF Plan template, as well as the timeline for its submission. As a result of these timelines changes, ELD staff is submitting this overview of the CCDF Plan to the ELC Child Care and Education Committee for discussion and input at their December 17th meeting. The full ELC will have a chance to discuss and offer feedback on the plan in January and will vote on the plan at the February meeting. The Plan will also be open for public comment 60 days before submission

with a formal public hearing in February. The final date for states to submit their plans to the federal Office of Child Care is March 1st.

Oregon has the flexibility to make changes to any of the policies described in the CCDF Plan over the course of the next three years. The State Plan is a living document and as Oregon makes changes in legislation, policy, rule and practice, the plan is amended.

What information does CCDF State Plan ask for?

The CCDF State Plan is essentially a survey by the federal Office of Child Care of state-level child care policies and an opportunity to hear from state’s how they are pursuing policy objectives established by the federal Office of Child Care. The CCDF State Plan template is organized around the following eight goal areas:

1. Define CCDF Leadership and Coordination with Relevant Systems
2. Promote Family Engagement through Outreach and Consumer Education
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4. Ensure Equal Access to High Quality Child Care for Low-Income Children
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6. Recruit and Retain a Qualified and Effective Child Care Workforce
7. Support Continuous Quality Improvement
8. Ensure Grantee Accountability

The CCDF State Plan template is very prescriptive. Where is it possible and appropriate, staff have attempted to highlight key work or initiatives underway in Oregon. Much of the CCDF State Plan consists of check boxes to indicate whether an activity has taken place or to mark who is responsible for a particular function. For instance, the CCDF Plan asks the following question about who is responsible for setting payment rates for child care subsidies and asks states to check one of the boxes:

- Payment rates are set by the:
- State/Territory
 - County. If checked, describe the type of payment rate policies the county can set _____
 - Other local entity (e.g., workforce boards, early learning coalitions). If checked, identify the entity (e.g. workforce board) and describe the type of payment rate policies the local entity(ies) can set _____
 - Other. Describe _____

In other places, states are asked to provide short, one- or two-sentence answers. In most of these cases, the Plan is asking the state to describe policies already in place or defined in statute. For instance:

How does the Lead Agency define “working, attending job training and education” for the purposes of eligibility at the point of determination?

There are also sections where states are asked about how they are implementing important work moving forward, particularly around some of the new requirements that were part of the CCDBG Act of 2014. These include areas where the CCEC will be involved in rule-making and providing policy input. For instance, the CCDF State Plan asks states to describe how they are planning to implement the new health and safety monitoring requirement for licensed-exempt providers receiving child care subsidies:

The State/Territory certifies that the State/Territory has in effect policies and practices to ensure that providers for children receiving assistance and their facilities comply with applicable State or local licensing and health and safety requirements. (658E(c)(2)(J))

If no, the State/Territory must provide a State/Territory-specific implementation plan for achieving compliance with this requirement, including planned activities, necessary legislative or regulatory steps to complete, and target completion date.

In the summary of the draft CCDF State Plan below, ELD has provided:

- A. A synopsis of each section.
- B. How each section links to the Early Learning Council's strategic plan.
- C. A list of some of the key Oregon initiatives or activities that have been highlighted in that section.
- D. Identification of some of the key policies areas with which the CCEC and ELC will be engaging over the next two years, including through rule-making.

Section 1: Define CCDF Leadership and Coordination with Relevant Systems

Synopsis: *Section 1 outlines the details of CCDF leadership, decision making and coordination, and identifies state systems, partners and other entities involved in developing, approving, implementing and administering the CCDF State Plan. Section 1 addresses partnerships with Child Care Resource and Referral, identifies coordination with partners to expand accessibility and continuity of child care, and addresses the new requirement for a Statewide Child Care Disaster Plan.*

The Early Learning Division is the lead agency for CCDF and responsible for submitting the CCDF State Plan. The ELD transfers about 80% of CCDF monies to the Department of Human Services for Employment Related Day Care (ERDC). DHS is responsible for setting rates and other policies related to ERDC.

The Early Learning Council (ELC) and the Early Learning Division (ELD) have identified the creation of "an Early Learning System that is aligned, coordinated and family-centered" as one of their three primary goals. The ELC, directly appointed by the Governor, was created to provide high-level leadership and to breakdown traditional cross-system silos. Its membership reflects this goal, including representation from K12, health, and human services. The ELD has also demonstrated its commitment comprehensive, equity-focused, community-engagement strategy through the launch of its community-engagement toolkit, which has guided community outreach for this plan.

ELC Goal 3: Early Learning System is Coordinated Family Centered & Aligned

Strategy 3.1: Strengthen birth through 3rd grade policy, planning and service coordination.

Key Activities:

- Early Learning Council as key leadership entity with multi-sector representation ensuring an aligned, coordinated, family centered early learning system.
- Early Learning Hubs acting as key partners for coordination of services.
- Creation of P-3 Public Private Partnership (P3P3) dedicated to increasing collaboration around prenatal to third grade work.
- Implementation of ELD Community Engagement Framework to ensure consistent and meaningful community engagement in all policy development.
- Department of Human Services ERDC contract is the child care financial assistance program for Oregon.
- Government to Government (Education and Health Services cluster with Oregon Tribes) is a partnership between state agencies and tribal governments to coordinate services.
- Child Care Resource and Referral contracts deliver statewide services in partnership with ELD.

CCEC and ELC Policy Engagement:

The State Plan asks states how they have created a coordinated system. One of the primary goals of the ELC is to create linkages and coordination across systems that serve families. ELC continually engages in system coordination.

Section 2: Promote Family Engagement through Outreach and Consumer Education

Synopsis: Section 2 describes how the child care system interacts with parents and provides useful information on child care and other child and family services. This includes how the state provides information about accessing child care assistance, making informed child care decisions; information on child care quality and best practices, accessing other human services programs, state policies on emotional/behavioral and early childhood mental health, and developmental screening. The State’s status on new federal requirements for web based consumer education is also outlined.

The Early Learning Council has identified providing “parents with the information and support they need to meet the developmental and educational needs of their children and the child care needs of their families” (1.3) as a key strategic activity. This strategy follows from the recognition that parents are their children first teacher and that the Early Learning Division has an obligation to provide parents with the information that to make informed decisions about early care and education programs and support all programs to treat parents as partners in their child’s education.

ELC Goal 1: Ready children - All children enter kindergarten with the skills, experiences and supports to succeed

Strategy 1.3: Provide parents with the information and support they need to meet the developmental and educational needs of their children and the child care needs of their families

ELC Goal 2: Stable and Attached Families - Families have the information and support they need to nurture and prepare their children for school

Strategy 2.1: Strengthen community supports for family health and well being

Key Activities:

- Public Access Work to communicate QRIS ratings and centralize child care and early learning service referrals.
- Development of a statewide Early Learning Referral System to provide coordinated information to parents.
- Developmental screening partnership with OHA to increase access and share information.
- Early Learning Information System development to increase accuracy and efficiency of information.
- ELD website development to increase ease of information access.
- DHS Eligibility and Case Manager training on informed child care quality decision making.
- Development of consumer education materials in multiple languages

CCEC and ELC Policy Engagement:

The CCEC and the ELC will need to provide policy guidance on how information is shared with parents and on the development of consumer education strategies. Over the next two years, the Early Learning Division will be revamping its website and developing consumer engagement materials, including materials and branding for the QRIS. ELD will be seeking input from both CCEC and ELC in this work. In accordance with CCDF requirements, Oregon will also need to develop guidelines for expulsion policies for preschool age children.

Section 3: Provide Stable Child Care Financial Assistance to Families

***Synopsis:** Section 3 describes the eligibility requirements for receiving child care assistance in Oregon and articulates the State’s policies and procedures on graduated phase out of assistance, parent copayments, and documentation and verification of applicant information. This section also addresses how the State prioritizes assistance to children furthest from opportunity including children with special needs, families with very low incomes, children and families experiencing homelessness, and families transitioning from Temporary Assistance for Needy Families (TANF).*

The ELC and the ELD have identified “healthy, stable and attached families” as one of their three goals. Achieving this goals requires that families are able to find affordable, accessible and quality child care. The Oregon Legislature also demonstrated its commitment to the goals through the passage of HB 2015, which put into statute one-year protected eligibility and high income exit eligibility for families receiving Employment Related Day Care (ERDC) child care subsidy.

ELC Goal 2: Stable and Attached Families - Families have the information and support they need to nurture and prepare their children for school

Strategy 2.1: Strengthen community supports for family health and well being

Key Activities:

- House Bill 2015 established several statutes in support of CCDBG 2014:
 - 12 month eligibility and redetermination period
 - Three month job search
 - Child care assistance for education hours of working students
 - Self-employment eligibility
 - Raised exit income eligibility
 - Reduced co-pay fluctuations
- Priority processing at DHS for families experiencing homelessness.
- Priority processing at DHS for children in foster care.
- Minimum copayment for families with a child in a contracted slot

CCEC and ELC Policy Engagement:

The Department of Human Services administers the Employment Related Day Care (ERDC) child care subsidy program and is responsible for rule-making for the activities described above. Input will be sought from the CCEC and the ELC on the effectiveness of current child care policies in supporting working families and reaching prioritized populations.

Section 4: Ensure Equal Access to High Quality Child Care for Low-income Children

Synopsis: *The CCDBG Act of 2014 is designed to help States and Territories advance improvements to the quality of child care in order to promote the healthy social-emotional, cognitive and physical development of participating children. Ensuring that low-income and vulnerable children can access high-quality care (and remain enrolled to school entry and beyond) is an equally important purpose of CCDBG. Payment levels and policies have a major impact on access. Section 4 describes Oregon’s approach and policies on parent choice, payment rates, payment practices and market price survey, and strategies employed to increase supply and improve quality particularly for children in traditionally underserved areas.*

The Early Learning Council has identified “ensuring equitable access for families to quality early learning and development programs, overcoming traditional barriers of race, culture, income and geography” as a key strategy (1.2) for ensuring that all children arrive at school ready to succeed. Following the passage of HB 2015, Oregon has introduced tiered reimbursement and reduced co-pays for families receiving child care subsidies that choose star-rated providers in order to encourage families to choose high-quality programs. Oregon is also launching a new preschool program for families up to 200% FPL that builds on the state’s QRIS that will expand access for low-income families. The ELC and ELD are deeply committed to ensuring that high-quality programs reflect the communities that they serve, and have been using Focus Child Care Networks to build the capacity of programs serving focus populations.

ELC Goal 1 Ready children - All children enter kindergarten with the skills, experiences and supports to succeed

Strategy 1.2 Ensure equitable access for children and families to quality early learning and development programs, overcoming traditional barriers of race, culture, income and geography.

Key Activities:

- Tiered reimbursement for QRIS rated child care providers.
- Preschool Promise increases access to more children.
- Focused Family Child Care Networks help build supply of high quality child care to meet needs of priority populations.
- Child care grants and contracts provide an alternative to vouchers for children furthest from opportunity.
- Market Price Survey analysis to ensure that families receiving subsidies have access to a broad choice of child care providers in their community.

CCEC and ELC Policy Engagement:

The CCEC and ELC are currently actively involved in policy consultation and rule-making for Preschool Promise. Guidance will also be sought to ensure that policy tools, such as child care contracts and tiered-reimbursement are increasing access to quality early learning programs for children and families who have been historically underrepresented and supporting the needs of the priority populations that the ELC has identified

The Race to the Top Early Learning Challenge Grant (RTT-ELCG) not only enabled Oregon to develop its Quality Rating and Improvement System (QRIS), but also supported coaching and other supports, such as the Quality Improvement Specialists that worked directly with programs to strengthen child development practices. With the funding ending December 2016 and the new requirements from the Reauthorization of CCDF the Early Learning Division has been exploring ways of sustaining and integrating this important work. A “Breakthrough Team” has been meeting since this summer to develop innovative and cost-effective strategies for better integrating licensing and quality supports across the continuum of care. Additionally, the QRIS Implementation Team is developing a revision process which incorporates both community input and findings from the QRIS Evaluation and Validation Studies to improve both the QRIS Standards and process. The CCEC ELC will have an opportunity to engage in this work over the upcoming months.

Section 5 Establish Standards and Monitoring Processes to Ensure the Health and Safety of Child Care Settings

Synopsis: *Section 5 defines the State’s health and safety requirements for child care providers and covers licensing, inspections, comprehensive background checks, pre-service and ongoing training requirements, and group size and child-to-provider ratios. CCDBG added new provisions for monitoring license exempt child care providers receiving subsidy, requirements for pre-service training and new standards for comprehensive background checks.*

The Early Learning Council has identified “strengthen community supports for family health and well-being” as a crucial strategy. Ensuring the health and safety of children in child care is an essential part of this strategy and the reason why licensing provides the foundation for Oregon’s QRIS. Through HB 2015, the Legislature has authorized the Early Learning Division to undertake the monitoring of license-exempt providers receiving child care subsidies, as required by CCDF re-authorization.

ELC Goal 1 Ready children - All children enter kindergarten with the skills, experiences and supports to succeed

Strategy 1.2 Develop a supply of high quality, community based early learning programs that support the diversity of family values and experiences in our state, across a variety of settings

ELC Goal 2 Stable and Attached Families - Families have the information and support they need to nurture and prepare their children for school

Strategy 2.1 Strengthen community supports for family health and well being

Key Activities:

- House Bill 2015 authorized monitoring of CCDF providers accepting subsidies
- Health & Safety training curriculum improvements
- Rule promulgation for monitoring of license-exempt providers receiving subsidy
- Develop staff protocols, forms, manuals, and training plan for new monitoring
- Develop staff training modules for new health and safety requirements.
- Implement license exempt monitoring system by November 2016
- Implement changes in background check by September 2017

CCEC and ELC Policy Engagement:

CCEC and ELC will be giving input on health, safety and monitoring practices. The CCEC will be recommending rules for promulgation by the ELC for Regulated Subsidy (license exempt) rules in June 2016 and Central Background Registry rule changes in 2017. Policy guidance will also be sought for new pre-service and on-going training requirements.

Section 6 Recruit and Retain a Qualified and Effective Child Care Workforce

Synopsis: Section 6 asks states to describe their professional development and training requirements and strategies for the early care and education workforce. Particular emphasis in CCDBG requires States to establish requirements for all providers caring for children receiving CCDF across the entire age span from birth through age 12 with training accessible across settings and types of providers.

In recognition that quality early learning experiences depend upon a stable, qualified and effective workforce, the Early Learning Council has identified “develop robust educational certification pathways for early learning providers” (1.4) as one of its strategies. The Oregon Registry’s Core Body of Knowledge provides a common framework for the professional development offerings providers receive from community-based offering to higher education.

ELC Goal 1 Ready children - All children enter kindergarten with the skills, experiences and supports to succeed

Strategy 1.4 Develop robust educational certification pathways for early learning provider.

Key Activities:

- The Oregon Registry: Pathways for Professional Recognition in Childhood Care and Education serves as the repository for capturing the training and professional development activities of early learning providers in the state.
- Oregon After School for Kids supports professional development and training for individuals serving school aged child care children.
- Oregon’s QRIS acknowledges educational development within the rating system.
- Statewide CCR&R offer training and professional development opportunities.
- Standards Alignment work
- Education Awards for early learning providers

CECC and ELC Policy Engagement:

The ELC will be developing policy recommendation in support of the ECE professional development system and will be consulting the CCEC. Input from the CCEC and ELC will also be sought in developing strategies to increase the availability of culturally relevant training and professional development opportunities to communities of color and language specific providers, as well as making becoming a master trainer more accessible A policy paper on the professional development system will be presented to the ELC at its January meeting.

Section 7 Support Continuous Quality Improvement

Synopsis: Lead Agencies are required to reserve and use a portion of their Child Care and Development Block Grant funds for activities designed to improve the quality of child care services and increase parental options for, and access to, high-quality child care. Section 7 describes the State’s activities to

improve the quality of child care and includes the Quality Rating and Improvement System (QRIS), activities to improve the supply and quality of infant toddler child care, Child Care Resource and Referral services, and program standards efforts.

The Early Learning Division is committed to the goal that all monitored and supported programs are continually improving. In addition to the coaching and quality-incentives built around Oregon's QRIS, the Divisions is also developing quality supports for licensed-exempt providers receiving subsidies.

ELC Goal 1 Ready children - All children enter kindergarten with the skills, experiences and supports to succeed

Strategy 1.1 Develop a supply of high quality, community based early learning programs that support the diversity of family values and experiences in our state, across a variety of settings.

Key Activities:

- The QRIS documents quality standards.
- QRIS offers supports and incentives to increase the quality of child care.
- Tiered ERDC reimbursement for rated child care facilities.
- Teen Parent programs designed for high quality infant and toddler care.
- Focused Family Child Care Networks emphasis on supporting providers who care for children furthest from opportunity.
- Early Head Start Child Care Partnerships support high quality infant and toddler care.
- HB 2015 creates opportunities to develop quality supports for exempt family child care (HB2015).
- Investments in Oregon After School For Kids supports quality improvement in high quality school age child care.

CECC and ELC Policy Engagement:

ELD is currently developing a process for reviewing and revising QRIS standards and will be engaging the CCEC and the ELC in that process. Future rule creation for the Oregon's Quality Rating and Improvement System as well as changes in rule for the Special Populations Subsidy will go to the ELC from recommendations by the CECC.

Section 8 Ensure Program Integrity and Accountability

Synopsis: Program integrity and accountability are grounded in the State's policies for implementing CCDF. Section 8 describes the accountability measures in place to ensure integrity and to identify fraud and other violations.

The Early Learning Council and the Early Learning Division are committed to "strengthen[ing] systems that support cost-effective results drive services. This means develop efficient and effective contracting process and minimizing administrative errors

ELC Goal 3: Early Learning System is Coordinated Family Centered & Aligned

Strategy 3.2: Strengthen systems that support cost- effective results driven services.

Key Activities:

- Internal DHS desk audits to monitor errors.
- Ongoing case sampling by quality assurance unit for error trends.

- Sub-recipient monitoring of contracts to assure compliance with federal regulations.
- DHS Office of Payment Accuracy and Recovery unit works to identify and collect improper payments.
- DHS toll free number for reporting fraud.