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Date: May 23, 2019
To: Sen. Lew Frederick, Co-Chair
Rep. Susan McLain, Co-Chair
Joint Ways and Means Subcommittee on Education
From: Miriam Calderon, Early Learning System Director
RE: Early Learning Division – May 21, 2019

On May 21, 2019 the Early Learning Division presented their POPs and breakdown of the Child Care Development Fund federal dollars to the Joint Ways and Means Subcommittee on Education. During the presentation, three questions were asked requiring a follow-up from the Department. The question and answer are provided below.

1. Is there a Maintenance of Effort associated with CCDF? How are we meeting that? (Rep. Drazan)

ELD Response: Child care federal funding has two components of “maintenance of effort.” The Maintenance of Effort (MOE) requirement for Federal Mandatory funds received is a fixed amount based on historic spending prior to 1996. The fixed amount for Oregon is \$11,714,966. Oregon is well within meeting the MOE with the following State dollars:

- Department of Human Services, General Fund direct service dollars. The amount is set at \$5,991,341 per federal fiscal year.
- Oregon Pre-Kindergarten (OPK), General Fund direct service dollars. Per federal guidelines, 20% of OPK expenditures per federal fiscal year may be reported as MOE.
- Family Tax Credits authorized by the Legislature and reported by the Department of Revenue.
- Early Learning Division, General Fund and Other Fund expenditures on direct services.

The state share rate for Federal Matching grant is the federal Medicaid matching rate (FMAP) established each federal fiscal year. The State share of matching grant changes each federal fiscal year (FFY) based on FMAP rates established for Oregon. For Federal Fiscal Year 2019, the FMAP rate is 62.56% which equates to \$11,761,898 in State share of matching funds. Oregon meets the State share of matching requirement with the following State dollars:

- Oregon Pre-Kindergarten (OPK), General Fund direct service dollars. Per federal guidelines, 30% of OPK expenditures per FFY may be reported as State match.

- Family Tax Credits authorized by the Legislature and reported by the Department of Revenue.
- Early Learning Division, General Fund and Other Fund expenditures on direct services.

Note on Supplantation: Supplanting occurs when a state or unit of local government reduces State or local funds for an activity specifically because federal funds are available to fund that same activity. The Consolidated Appropriations Act law requires that CCDF Discretionary funds made available under the law must be used to supplement, not supplant, State general revenue funds for child care assistance to low-income families.

2. How many complaints did you receive to arrive at 5 Tandem Investigators? (Rep. McLain)

ELD Response: At the time of the request for five Tandem Investigators, the Office of Child Care was tracking over 200 allegations of abuse, please note this number fluctuates greatly. However, the Office of Child Care has seen a steady increase in complaints and allegations over the last several years:

- **2016:** 737 complaints and 1,313 allegations of abuse
- **2017:** 809 complaints and 1,474 allegations of abuse
- **2018:** 1,030 complaints and 1,801 allegations of abuse
- **2019 so far:** 362 complaints and 624 allegations of abuse

In conversations with DHS Child Welfare and thinking through the work load, we estimated the need for five FTE, knowing if they had capacity these investigators would also go out on complaints and allegations of illegal care.

3. What was the timeframe for investigations before the Tandem Pilot? What is the timeframe now? (Rep. Alonso-Leon)

ELD Response: The average timeframe for Office of Child Care staff to visit a facility in response to a regulatory complaint was about two weeks, depending on the allegation. Now with the Tandem Pilot, OCC is generally able to visit the facility the same day we receive the complaint or allegation.