Purpose of Federal Child Care and Development Funds (CCDF): CCDF dollars are composed of two categories: subsidies and quality. Subsidy dollars are administered by the Child Care Division and contracted to the Department of Human Services. Quality dollars are the most flexible funds states have and the Child Care Division has wide latitude in how they are spent. These funds provide a way for communities to extend the reach of CCDF beyond families that are eligible for subsidies.

The majority of quality funds are contracted to a wide variety of organizations in the child care system that provide training, technical assistance, child care networks, recruitment and retention services, child care workforce professional development, compensation initiatives, or other quality enhancements. Coordination and collaboration between child care system partners and their programs is extremely important to meet the needs of children of working families, maximize resources, and avoid duplication of services.

Planning: Local Commissions on Children and Families are designated in Oregon statute (417.705 to 417.777) to lead and coordinate planning across the continuum of services for children, youth and their families. Planning for early childhood systems will include local resource and referral agencies and child care providers.

Eligibility: Children served with CCDF funds must:
1. be under the age of 13, or under 19 if physically or mentally incapable of self-care, or under court supervision;
2. reside with a family who’s income does not exceed 85 percent of the State Median Income (SMI) for a family of the same size (to be eligible to receive DHS subsidy); and
3. have a parent(s) who is (are) working or attending a job training or educational program, or receive or need to receive protective services.

Programs and Services contracted by a local Commission on Children and Families (LCCF):
1. Activities shall support Oregon’s child care infrastructure and promote outcomes identified in the local coordinated comprehensive plan. Outcomes shall be consistent with the State CCDF plan and priorities identified by the Childhood Care and Education Coordinating Council. Strategies include:
   a. Increase the availability and quality of hard-to-find child care including infant/toddler\(^1\), school-age, non-traditional hours, sick, and/or children with special needs\(^2\);

---
\(^1\) *Infant and Toddler Earmark:* at least twenty percent (20%) of LCCF funds shall be for activities to improve the availability of quality child care for infants and toddlers and/or support activities that inform the child care workforce and the public about the impact of quality care and education during the earliest years of a child’s life on later success in life

\(^2\) *Definition of a Child with Special Needs:* A child with disabilities under age 18 and who may require a level of care over and above the norm for his/her age due to a physical, developmental, mental behavioral, or medical disability such as mental retardation, cerebral palsy, Down Syndrome, autism, serious emotional and behavioral disorders, attention deficit hyperactivity disorder, mental health disorders, hearing impairment, vision impairment, physical or mobility disabilities, serious chronic illness, brain injury and other disabilities. The higher level of care may include, but is not limited to, additional staffing, special medical procedures, adaptive equipment, structural or other types of accommodation. The disability must be verified by one of the following: 1) documentation by a physician, nurse practitioner, licensed/certified psychologist or clinical social worker; 2) eligibility for Early Intervention/Early Childhood Special Education services or school-age special education services; or 3) eligibility for Supplemental Security Income (SSI).
b. Improve child care quality through provider-focused efforts, including recruitment and retention strategies, training and professional development, and compensation initiatives.

c. Improve child care quality through the development and/or enhancement of the local early childhood system, focusing on the childhood care and education component.

2. Activities shall support the following state approved performance measures:
   - Number 4 – Number of providers in the Oregon Registry at Level One or higher.
   - Number 12 – Percent of providers serving children with special needs.
   - Number 15 – Percent of child care providers willing to care for infants and toddlers.
   - Number 16 – Percent of providers willing to provide child care in non-traditional hours.

3. Activities must be research-based and described in the local coordinated comprehensive plan. Counties shall further demonstrate efforts to make child care equally available to children of all abilities, as well as ethnically and culturally diverse groups and their families.

Allowable use of funds:

1. Child Care and Development Funds (CCDF) may be used for activities to improve child care quality and availability. These activities are identified in 45 CFR Parts 98 and 99, Oregon’s Child Care and Development Fund Plan for FFY 2008-2009, and by the Childhood Care and Education Coordinating Council. These activities include:
   a. Child care provider compensation initiatives, which include enhanced support of child care providers who are participating in professional development,
   b. Professional development, including training, education, and technical assistance to support child care providers for underserved populations, as determined by the local comprehensive plan, for:
      1) Infant and toddler care (CCDF Quality Earmark)
      2) School-age or out-of-school time care
      3) Children with special needs
      4) Non-traditional hours
      5) Sick children
   c. Improvement of child care facilities to meet state licensing health and safety regulations and access for children with special needs,
   d. Environmental improvements of child care facilities such as use of environmental rating scales, mini-grants for toys and educational equipment, and financial and/or technical assistance for program accreditation.
   e. Enhance local resource and referral agencies core services:
      1) Provide referrals and education to parents,
      2) Recruit and educate new providers,
      3) Provide assistance to businesses on work/life initiatives,
      4) Maintain a database of child care supply,
   f. Health/mental health consultation services to child care providers that link with existing child care initiatives.
   g. Quality enhancements to improve the quality of afterschool programs for children ages 5-12, particularly those from low-income families, communities of color, and those with special needs.
      1) staff training and development tied to compensation initiatives;
      2) National Afterschool Accreditation (NAA);
      3) contracted services from guest trainers;
      4) culturally relevant/anti-bias materials;
5) adaptive play equipment;  
6) field trip costs and associated transportation;  
7) service-learning projects;  
8) academic enrichment activities;  
9) age-appropriate furniture;  
10) portable storage equipment;  
11) computers and educational software;  
12) parent involvement activities;  
13) food as long as it is part of an enrichment activity such as a cooking class, not for food that is part of regularly offered snacks.

**Non-allowable use of funds includes the following:**

1. Supplantation of general fund or other dollars that pay for staff or operating costs of pre-school, out-of-school time, afterschool programs, Head Start (including wrap-around care), Oregon pre-kindergarten, or half-day preschool.
2. Administrative costs as described in 45 CFR Part 98.52 (a), which includes operating costs.
3. Purchase of child care slots or scholarships to pay for child care. This includes support of targeted populations that are already funded by or eligible to receive funds from the Child Care Division:
   a. Migrant and seasonal farm workers;  
   b. Inclusive child care for children with disabilities;  
   c. Teen parent programs; and  
   d. Parents in alcohol or drug treatment programs.
4. Respite care, drop in child care programs, or short term child care associated with group sessions and meetings.
5. Child care for the homeless, children in foster care, or relief nurseries.
6. Afterschool programs: staff salaries, student scholarships, rent, regular food costs, remodeling, renovation, operational costs or capital outlays such as permanent fixtures, built in cabinets, wiring for computers, or playground equipment.
7. Purchase of real estate, building new, or remodeling existing facilities (except to bring them in compliance with state licensing health and safety requirements).
8. LCCF planning activities not directly related to child care.
9. Any purposes not directly related to child care quality.
10. Duplication of services provided by other programs funded with CCDF dollars.

**Criteria for child care providers to access CCDF funds:**

1. Providers must be a center-based, family child care, or in-home care receiving compensation for services. Provider must:
   a. be licensed under applicable state law OR be listed as an exempt provider under Department of Human services eligibility guidelines;  
   b. satisfy state and local requirements, including health and safety requirements, applicable to the child care services provided;  
   c. be 18 years of age or older.
2. Out of School time program providers must participate in quality improvement activities, in order to receive CCDF funds. Note: Licensing requirements and clear definitions for these providers are under development and may result in required licensing of programs in the future.
Exception Process: Exceptions to these Guidelines may be allowed under the following condition:

1. A county or community, especially rural as defined by Oregon law, will be in danger of losing adequate access to child care due to the provisions in these Guidelines.

Applications for Exception will be reviewed and approved by a team of state partners. The team will include representation from the Child Care Division, Oregon Commission on Children and Families, Department of Human Services and the Child Care Resource and Referral Network. Any exceptions will be time limited.