



June 11, 2021

Dear Early Learning Provider and Partner,

You are receiving this notice because you have a current grant or contract agreement with the Early Learning Division (ELD). We are informing you of a new ELD policy on administrative costs that will be effective for most agreements (with some exceptions) on July 1, 2021.

ELD recognizes there are several partner agencies that have more than one agreement with ELD funded by federal, state, or both sources. Our goal is to simplify administrative cost limits across all types of funding and create clear guidance through a new policy. The new policy is published on [ELD's "Grants" webpage](#) for partners to view.

Administrative Cost Limit Policy

The following administrative cost limits do not replace the statute, regulation, or terms and conditions of an award. In the case of discrepancies, follow the regulatory and statutory definitions. Funds in a contract or grant earmarked for child care provider financial support may not be eligible for administrative costs. See your ELD contract or grant for additional details.

State Funding

ELD requires grant recipients of state funds (both "General" and "Other") to limit administrative costs so the public receives the greatest benefit.

ELD Program Name	Statute / Policy	Administrative Cost Limit*
Early Learning Hubs	ORS 417.827	15%
Oregon Pre-Kindergarten	Agency Policy	15%
Preschool Promise		
Relief Nurseries		
Early Childhood Equity Fund		
Kindergarten Partnership & Innovation		
Healthy Families Oregon	Healthy Family America	10%

**Administrative costs incurred by the recipient's subcontractor(s) must be accounted for within the overall administrative cost limit.*

Federal Funding

Sub-recipients of federal funding awarded by ELD are allowed to charge indirect costs, unless federal statutes provide caps on the administrative costs. The sub-recipients must have an approved "Indirect Cost Rate" by the designated agency or cost allocation plan to charge indirect costs.

ELD Program	Fund	CFDA#-Title	Administrative Cost Limit*
Early Learning Hubs and Healthy Families Oregon	Family Preservation and Family Support Services Program - Title IV-B(2)	93.556-Promoting Safe and Stable Families	10%
Healthy Families Oregon	Medicaid - Title XIX	93.778-Medical Assistance Program	Not allowed
Relief Nurseries	Social Services Block Grant - Title XX	93.667-Social Services Block Grant	9%
Child Care Resources and Referral (CCR&R) Oregon Registry Online Spark Child Care Reimbursements Central Coordination of CCR&R Oregon Child Care Partnership and Research Baby Promise	Child Care & Development Fund - Title 45	93.575-Child Care and Development Block Grant; and 93.596-Child Care and Development Block Grant (Matching/Mandatory)	a) Indirect Cost Rate, except for activities listed in §98.54(a) which are limited to 5% and must be negotiated b) Organizations w/o an approved indirect rate and not using “de minimis” may negotiate their indirect rate with ELD
N/A	Oregon Head Start Collaboration	93.600-Head Start	15%
N/A	Evaluating CCDBG in Oregon - OPRE	93.575-Child Care and Development Block Grant	Indirect Cost Rate
N/A	Preschool Development Grant	93.434-ESSA Preschool Development Grants Birth through Five	Indirect Cost Rate

**Administrative costs incurred by the recipient’s subcontractor(s) must be accounted for within the overall administrative cost limit.*

If you have any questions, please reach out to your ELD agreement administrator. We appreciate your continued efforts to support families and children in Oregon.

Thank you,

The Early Learning Division