

# **Child Care and Development Fund (CCDF)**

**Report to Congress**

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*for FY 2002 and FY 2003*



**Administration for Children and Families  
U.S. Department of Health and Human Services**



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## Introduction

This report to Congress is required by Section 658L of the Child Care and Development Block Grant Act as amended by the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996 (P.L. 104–193) and the Balanced Budget Act of 1997 (P.L. 105–33). The report describes and analyzes current information about the Child Care and Development Fund (CCDF) from a variety of sources, including State plans, expenditure reports, administrative data reports, and research. The report also includes information about training and technical assistance that is provided to States, Territories, and Tribes.

CCDF is a significant source of Federal support to improve the affordability, supply, and quality of child care in the United States. CCDF assists low-income families, including families receiving or transitioning from temporary public assistance, in obtaining child care so they can work, or at State option, attend training or education.

For both fiscal years (FY) 2002 and 2003, \$4.8 billion in CCDF was available through block grants to all 50 States, the District of Columbia, 5 Territories, and 262 Tribal grantees in FY 2002 and 259 Tribal grantees in FY 2003 (representing approximately 500 Indian Tribes). Through CCDF and other funding streams available for child care – including State Matching and Maintenance of Effort (MOE) funds, Social Services Block Grant (SSBG) funds, and TANF dollars transferred to CCDF or spent directly by States on child care services – an estimated \$11.8 billion in FY 2002 and \$11.5 billion in FY 2003 was available for child care.

### CCDF Grantees

CCDF grantees include—

- 50 States
- District of Columbia
- Five Territories (American Samoa, Guam, Northern Mariana Islands, Puerto Rico, Virgin Islands)
- Tribal grantees providing services to about 500 Indian Tribes, many through consortia arrangements (262 grantees in FY 2002 and 259 in FY 2003)

CCDF is administered at the Federal level by the Child Care Bureau (CCB), Administration on Children, Youth and Families (ACYF) of the Administration for Children and Families (ACF), in collaboration with ACF Regional Offices in

the Department of Health and Human Services. States, Territories, and Tribes are responsible for ensuring that their CCDF grants are administered in compliance with statutory and regulatory requirements. In administering CCDF, States have significant discretion in how funds are used and where emphasis is placed in achieving the overall goals of CCDF.

CCDF funds are used primarily to provide subsidized child care services through vouchers or certificates to low-income working families with children under age 13. Parents may select any legally operating child care provider, including child care centers, family members, neighbors, family child care homes, after-school programs, and faith-based programs.

Providers serving children funded by CCDF must meet basic health and safety requirements set by States, Territories, and Tribes. Within general Federal rules, States decide how their subsidy system will be administered and determine payment rates for providers, the co-payment amounts that parents pay, specific eligibility requirements that a family must meet to receive a subsidy, and how CCDF services will be prioritized.

CCDF Lead Agencies must use a minimum of 4 percent of CCDF funds to improve the quality of child care. CCDF also includes earmarks for specific purposes: quality enhancement, improving the quality of care for infants and toddlers, improving school-age care, and child care resource and referral services. Quality activities include provider staff training, grants and loans to providers, health and safety improvements, monitoring of licensing requirements, and other initiatives.

### **What Data Sources Are Used in This Report?**

This report is largely based on information and data reported by States to CCB, including—

- Biennial State Plans effective for the period October 1, 2001, through September 30, 2003 (FY 2002 and FY 2003)
- State CCDF expenditure reports for FY 2002 and FY 2003
- Administrative data about the families and children receiving CCDF services in FY 2002 and FY 2003

The report also describes CCB's research and technical assistance efforts in FY 2002 and FY 2003.

## OVERVIEW OF THE REPORT

This report consists of eight parts:

- Part I provides background on the CCDF program including funding, eligibility requirements, a description of how funds may be used, information about program administration, and key child care and CCDF terms.
- Part II provides information from aggregate and case-level data reported by States for FY 2002 and FY 2003 (October 1 through September 30), including information about children receiving subsidized care and the providers who cared for them.
- Part III summarizes expenditure data obtained from State quarterly financial reports on expenditures in FY 2002 and FY 2003.
- Part IV summarizes information reported by States in their CCDF plans for FY 2002 and FY 2003. States are required to submit plans every 2 years that describe how they will implement CCDF policies and services.
- Part V describes child care services provided by Indian Tribes that receive CCDF funding.
- Part VI describes ongoing research efforts, highlighting projects funded by the U.S. Department of Health and Human Services (HHS), and summarizing some of the latest research findings about child care.
- Part VII describes training and technical assistance provided by CCB to assist States, Territories, and Tribes in administering CCDF, including the Bureau's efforts with the President's *Good Start, Grow Smart* initiative.
- Part VIII, the Appendix, provides detailed information about services provided as reported in the FY 2002 and FY 2003 State aggregate and case-level reports, State policies and practices from Biennial State Plans for FY 2002 and FY 2003, and CCB-funded research initiatives.

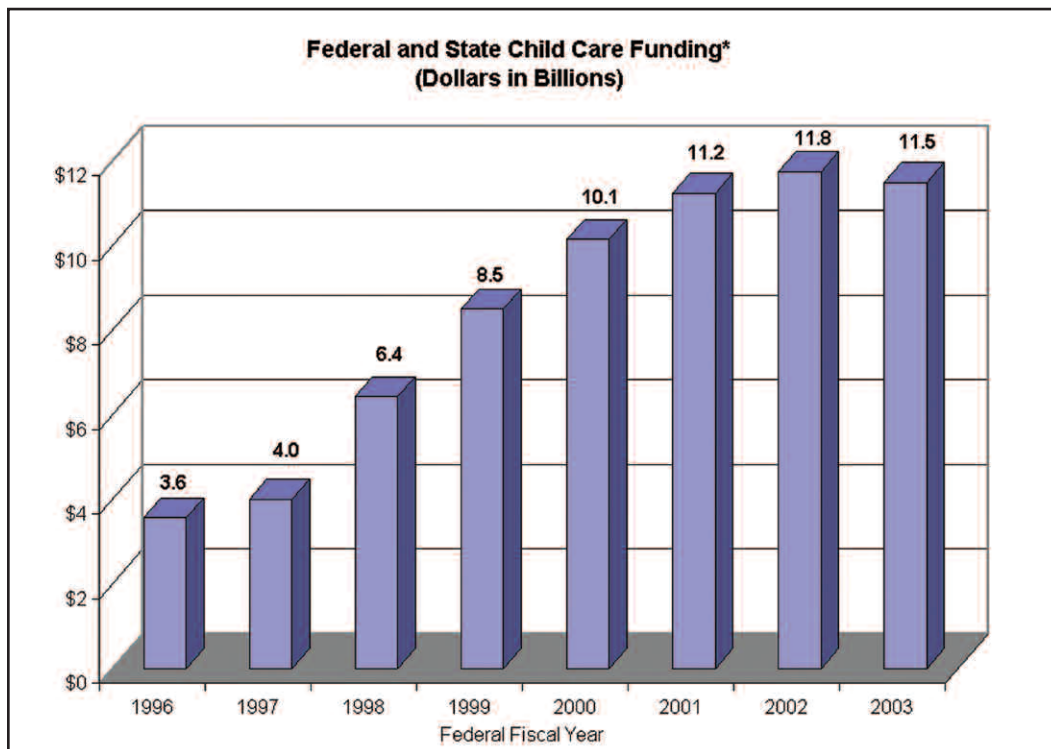
## HIGHLIGHTS FROM THE REPORT

### Child care funding is at a historically high level.

There has been a significant increase in Federal and State funds for child care over the past decade, particularly since the 1996 welfare reform legislation was enacted. The chart below, Federal and State Child Care Funding, includes Federal funds appropriated for child care, TANF dollars transferred to CCDF and spent directly on child care, Social Services Block Grant spending (FY 1996 through FY 2003), and State MOE and Matching Funds for child care.

### Key Developments

- In FY 2002 and FY 2003, States maintained their high level of TANF investments in child care despite State budget constraints.
- In FY 2002, quality expenditures reached \$945 million, a 30 percent increase over FY 2001 quality spending and 11 percent of total spending. FY 2003 quality spending was \$881 million or 9 percent of total spending.
- States made significant progress on implementing efforts to promote children's early literacy and school-readiness in support of the President's *Good Start, Grow Smart* initiative.



\*Federal funds include mandatory and discretionary Child Care and Development Fund (CCDF) appropriations, Temporary Assistance for Needy Families direct spending and transfers to CCDF, Social Services Block Grant spending, and State MOE and Matching funds for child care.

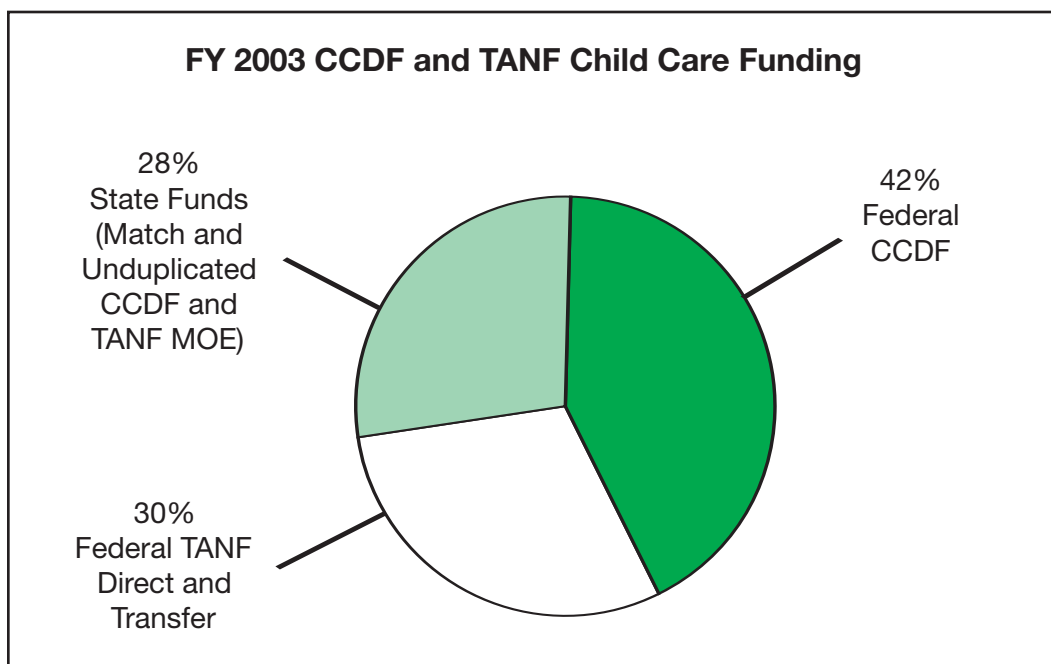


As a result of the increase, the following sources provide an unprecedented level of funding for child care subsidies, quality improvements, and related programs.

- **Child Care and Development Fund (CCDF):** Since 1996, Federal funding specifically appropriated for child care through CCDF has more than doubled—from \$2.2 billion in 1996 (CCDBG and Title IV-A) to \$4.8 billion (CCDF) in FY 2002 and FY 2003.
- **Temporary Assistance for Needy Families (TANF):** States can transfer up to 30 percent of their Federal TANF dollars to CCDF and spend TANF funds directly for child care. (See more detailed discussion of TANF funding below.)
- **State Spending Associated With CCDF and TANF:** State spending accounts for more than a quarter of total State and Federal child care expenditures under CCDF and TANF. In both FY 2002 and FY 2003, States reported spending a total of \$2.2 billion in State funds under CCDF, exceeding the aggregate amount required to access the maximum amount of available Federal funds. As discussed below, States also include child care expenditures in reports of State MOE Funds for the TANF program.
- **Social Services Block Grant (SSBG or Title XX):** The Social Services Block Grant funds a broad range of social services, including child care. Based on the most recent data from FY 2003, 41 States reported spending \$165 million of SSBG funds for child care.
- **State Pre-Kindergarten Programs:** According to a 2004 Government Accountability Office report, 40 States spent more than \$2.4 billion for pre-kindergarten during the 2001–2002 school year. Ten States accounted for over 80 percent of this amount. A portion of these funds is reported as State spending under CCDF to meet State Match and MOE requirements.
- **Other Federal Sources:** Head Start, a \$6.5 billion dollar program in FY 2002 and a \$6.7 billion program in FY 2003, works directly and through referrals to other programs to provide comprehensive developmental services for low-income preschool children and social services for their families. Additionally, the U.S. Department of Education provided nearly \$1 billion for after-school programs through its 21st Century Community Learning Centers in both FY 2002 and FY 2003.

## States are using significant amounts of Temporary Assistance for Needy Families (TANF) funds for child care.

Through transfers to CCDF and direct spending, many States rely on TANF as a major funding source for child care. In FY 2002, 41 States transferred \$2.1 billion in TANF funds to CCDF and spent approximately \$1.6 billion in TANF funds directly on child care. In FY 2003, 41 States transferred \$1.8 billion in TANF funds to CCDF and spent roughly \$1.7 billion directly on child care services. Between TANF transfers and direct spending, States invested \$3.7 billion in FY 2002 and \$3.5 billion in FY 2003 in TANF funds for child care—representing almost a third of all Federal and State child care funding through CCDF and TANF in each of the 2 years.



States have MOE requirements for both the CCDF and TANF programs. State spending on child care can dually qualify toward both the CCDF and TANF MOE requirements. In agreement with the Congressional Research Service (CRS), ACF considers State spending on child care reported in their TANF MOE reports to be additional State spending on child care only to the extent that it exceeds the CCDF MOE requirement in the State. ACF estimates that in FY 2003, States spent \$865 million in child care services that met TANF State spending requirements but also exceeded the required CCDF State spending. This is a conservative estimate because it assumes that, of the TANF MOE funds spent on child care, 100 percent are also reported as CCDF MOE.

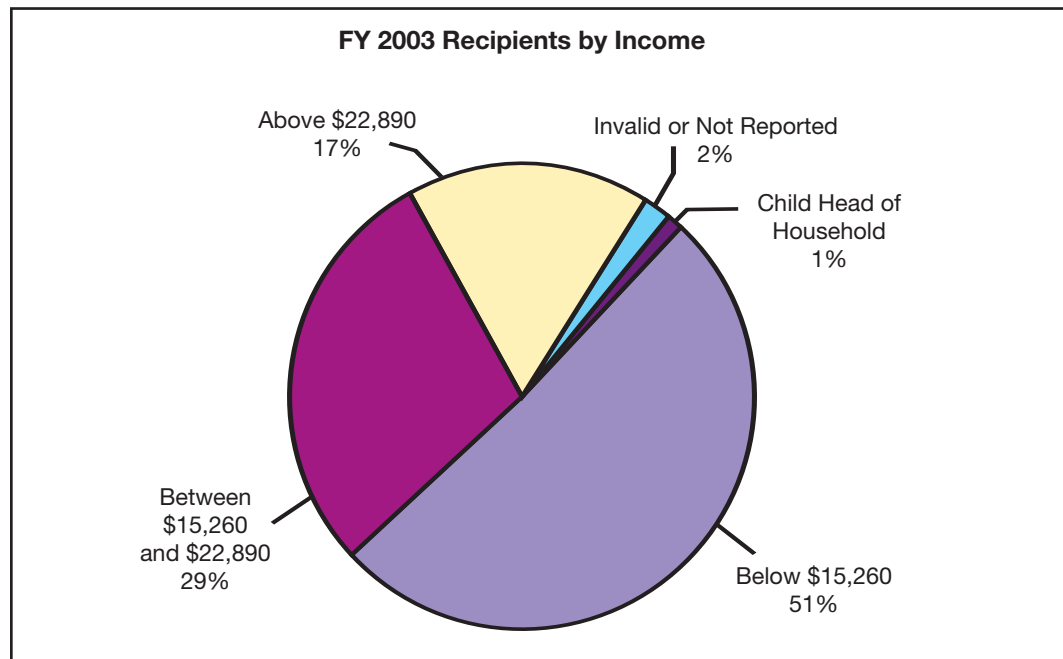
**CCDF serves on average 1.75 million children per month.**

In an average month in FY 2002, 1.74 million children (1.03 million families) received child care services with CCDF funds, including TANF transfers and State Matching and MOE Funds. This number slightly increased to 1.75 million children (1.02 million families) in FY 2003. HHS estimates that an additional 700,000 children were served in FY 2002 and 610,000 in FY 2003 through SSBG, direct TANF, and excess TANF MOE Funds. Hence, on average 2.4 million children per month were served in both FY 2002 and FY 2003 after accounting for all Federal and related State funding sources. The number of children served reflects both a slight increase in total State expenditures on child care in FY 2003 (including use of prior year funds) and the flexibility given to States in setting child care policies, including income eligibility requirements and parent co-payments.

**CCDF largely serves families with incomes below or near poverty level.**

Median monthly income for families served in FY 2002 was \$1,235, or \$14,820 when annualized; about 13 percent of families had income that exceeded \$2,000 per month. In FY 2003, median monthly income increased slightly to \$1,255, or \$15,060 when annualized, and nearly 14 percent of families had income that exceeded \$2,000. TANF was reported as a source of income for 17 percent of families receiving services through CCDF in FY 2002 and 18 percent in FY 2003.

This pie chart shows the distribution of income for CCDF recipients in FY 2003. Over half the families receiving CCDF reported incomes below the Federal poverty level (\$15,260 for a family of three in the contiguous United States).



For context, the following table displays Federal poverty guidelines in FY 2003. These guidelines provide a consistent standard across States and take into account family size. They do not, however, take into account variations in the cost of living among States (except Alaska and Hawaii) or the benefits low-income families may receive such as Food Stamps, medical assistance, housing allowances, child care assistance, or the Earned Income Tax Credit.

### 2003 HHS Poverty Guidelines (Annual Income)

Size of Family Unit	48 Contiguous States and DC	Alaska	Hawaii
1	\$8,980	\$11,210	\$10,330
2	\$12,120	\$15,140	\$13,940
3	\$15,260	\$19,070	\$17,550
4	\$18,400	\$23,000	\$21,160
5	\$21,540	\$26,930	\$24,770

Source: *Federal Register*, Vol. 68, No. 26, February 7, 2003, pp. 6456–6458.

*Prior to January 2002, case-level administrative data reported by States did not indicate the size of the family receiving services. Some of the analysis included in this report, such as the use of Federal poverty levels, requires data on the size of the family. For these purposes, CCB has assumed a family size of three, which available data indicates is reasonable for a typical family receiving CCDF services.*

### Key Findings From CCB-Supported Research: Child Care Subsidies

- A survey of selected communities found the co-payments of low-income parents receiving subsidies were less than half the amount paid by those who did not receive subsidies (*National Study of Child Care for Low-Income Families*).
- Based on analysis completed by the HHS Office of the Assistant Secretary for Planning and Evaluation (ASPE), 28 percent of the 8.33 million children ages birth through 12 potentially eligible for child care services under State CCDF eligibility rules were served in calendar year 2003. The participation rate increased to 37 percent for children of families with incomes below the Federal Poverty Level for their family size.
- Subsidy recipients are more likely to use center-based care, while those without subsidies more frequently rely on relatives, friends, and neighbors (Shlay, 2002; Burstein, in press).
- A majority of eligible families leaving TANF do not use child care subsidies for a variety of reasons: preference for care by family members; administrative accessibility or cost barriers; and lack of information about the availability of subsidies (Shlay et al., 2002; Adams, 2001).
- The typical duration of subsidy use is brief. A study of selected States found a median duration of 3–7 months. Many of the families who stop receiving subsidies return to receive subsidies again at a later time (*The Dynamics of Child Care Subsidy Use*, 2002).

### State policy decisions result in a wide variety of State subsidy systems and coverage patterns.

States have a great deal of flexibility under CCDF to develop child care programs and policies to suit the needs of individual children and parents they serve. States have flexibility in at least four key areas: income eligibility, target population, parents' co-payments, and provider reimbursement rates.

- **Income Eligibility:** States have authority to set income eligibility up to 85 percent of the State median income. Most States set program eligibility below 85 percent of the Federal maximum in order to concentrate the funding on families with very low incomes.
- **Priorities and Target Population:** States decide whether to target certain populations—for example, whether to focus on families transitioning off TANF or to treat all families the same, regardless of

TANF status or history. Some States serve all eligible families who apply, while others have waiting lists of eligible families. A number of States, including Illinois, Kansas, Oregon, Rhode Island, Vermont, Washington, and Wisconsin, have created a single subsidy system that serves low-income families regardless of welfare status or history. States must give priority to children with special needs and children from very low-income families but have the flexibility to define “special needs” and “very low-income” in their Biennial State Plans.

- **Parent Co-Payments:** Some States have co-payment schedules that are designed to gradually ease families into paying child care costs, while others require very small co-payments even for families well above the poverty line. Nationally, of families with income who were served through CCDF in FY 2002 and FY 2003, approximately one-fourth had no assessed co-payment. The average co-payment for all families receiving CCDF assistance was roughly 4 percent of family income. Excluding families with no assessed co-payment, the national average was about 6 percent.
- **Provider Reimbursement:** In setting reimbursement rates, States must ensure that eligible children have equal access to child care services comparable to those available to children whose parents are not eligible to receive CCDF assistance. Twenty-seven States report capping rates at the 75th percentile or higher (FY 2002–FY 2003 State plans). This means that families in these States should have access to at least 75 percent of the care in the local market. A growing number of States pay higher rates to providers that meet quality benchmarks (such as accreditation) or hard-to-find care (e.g., nights and weekends), providing an incentive to improve quality and supply.

### **States use CCDF dollars to fund a variety of innovative efforts to improve the quality of care.**

As child care funding has increased in recent years, so has the amount States are spending to improve the quality of care. In FY 2002, States spent \$945 million in current and prior year CCDF funds (including State funds and funds transferred from TANF) to improve the quality of child care services—accounting for 11 percent of combined Federal and State expenditures. In FY 2003, quality spending was \$881 million, or 9 percent of total CCDF expenditures.

These figures underestimate State expenditures on quality because they do not reflect State investments and choices made through the child care subsidy system that impact the quality of care, such as decisions related to provider payment rates and family co-payment levels. A large number of States, for example, encourage improved caregiver training and program quality through tiered reimbursement; that is, payment systems that pay more for higher quality care.

## States are implementing efforts to promote children's early learning through the President's *Good Start, Grow Smart* initiative.

In April 2002, President Bush announced an initiative to promote the school readiness of young children through nurturing environments that foster early literacy, language, prereading, and early math skills. The initiative encourages a Federal-State partnership linking CCDF—including funds used for improving the quality of child care—and Federal and State public and private efforts to promote early learning. Specifically, *Good Start, Grow Smart* asks CCB to work with States to achieve three goals:

1. Early learning guidelines on literacy, language, prereading, and early math skills for children aged 3–5 that align with State K–12 standards and describe what children need to know and be able to do to succeed in kindergarten.
2. Statewide professional development and training of child care teachers, providers, and administrators to enable them to support the school readiness of young children.
3. State plans for coordination across early childhood programs and funding streams.

During FY 2002 and FY 2003, CCB's Early Learning Team fostered State implementation efforts through extensive training and technical assistance, including regional forums, and through coordination with the U.S. Department of Education.





*The Child Care Bureau's Early Learning Team shows off its Administration for Children & Families' 2003 Partnering for Excellence Award: Shown from left to right: (Back) Ivelisse Martinez-Beck, Carolyn Dean, Ginny Gorman, Lori Connors-Tadros, Eleanor Wagoner, Cathy Overbagh. (Front) Shannon Rudisill, Brenda Coakely, Associate Commissioner Shannon Christian. Not shown: Carol Gage, Valerie Krajec, Mary Jeffers-Schroeder, and Linda Reese-Smith.*

### **The Child Care Bureau's research initiatives provide States with the data and evidence on which to base decisions about improving child care services and systems.**

In collaboration with others in HHS and ACF, CCB makes substantial investments in child care research. These investments increase understanding about States' child care policy decisions, the implications of these decisions for the availability and quality of child care, the choices families make, and the outcomes for children and families. These research efforts provide information and data to help decisionmakers choose how best to use resources and craft child care policies.

Today, these efforts increasingly involve rigorous methodologies (including experimental designs) that will provide a sound basis for evidence-based practices and policies. They also involve a growing number of collaborative relationships with other Federal agencies and national organizations that promote coordinated and comprehensive efforts. A few of the activities currently underway include—

- Rigorous evaluation of alternative State child care subsidy policies designed to identify effective strategies for improving outcomes for families and children



- A multisite study of promising nontraditional approaches for improving the knowledge, skills, and performance of child care providers
- Child Care Policy Research Grants on a broad range of topics related to quality of care, parental choice, the availability of care for underserved populations, and the child care workforce
- Child care research partnerships, composed of teams of policymakers, practitioners, and researchers studying State and local child care markets, child care needs, utilization patterns, and outcomes for low-income families

Given that States make many of the key decisions in administering CCDF within the State and local child care markets, CCB is also investing in efforts to enhance States' capacity to collect administrative data and conduct policy-relevant research and analysis.

### **CCB provides training and technical assistance related to child care services and systems to thousands of constituents each year.**

Through its network of technical assistance projects and services, along with Federal leadership, CCB provides training and technical assistance to States, Tribes, and local communities.

This network assesses States' needs, identifies innovations in child care administration, and promotes the dissemination and replication of solutions to the challenges faced by State and local child care programs. CCB technical assistance helps States, Tribes, and local communities build integrated child care systems that enable parents to work and promote the health and development of children. The network also supports public outreach and information dissemination. Some of the key themes that shaped the Bureau's work in FY 2002 and FY 2003 were the President's early learning initiative *Good Start, Grow Smart*, collaboration, and financing.

### **CCDF funds child care programs for over 500 federally recognized Indian Tribes.**

In both FY 2002 and FY 2003, \$96 million in CCDF funds was awarded to Indian Tribes, representing 2 percent of total funding. With few exceptions, Tribal CCDF grantees are located in rural, economically challenged areas. In these communities, the CCDF program plays a crucial role in offering child care options to parents as they move toward economic self-sufficiency. There is often a strong emphasis on traditional culture and language in Tribal child care settings and curricula. Unlike States, Tribes can apply to use a portion of their CCDF allocations for construction or renovation of child care facilities, as long as the level of direct services is not reduced. Between FY 1997 and FY 2003, ACF approved over \$54 million in CCDF funds to construct or renovate 111 Tribal child care facilities.



## Part I: Background

### The Child Care and Development Fund (CCDF)

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) created three major streams of funding within CCDF. These components include Discretionary Funds under the Child Care and Development Block Grant Act as well as Mandatory and Matching Funds under Section 418 of the Social Security Act. To access the Matching Funds, States must provide a share of the Matching Funds and spend their required Maintenance of Effort (MOE) level. As of October 1, 1996, PRWORA repealed the old welfare-related child care programs provided under the Social Security Act (AFDC/JOBS Child Care, Transitional Child Care, and At-Risk Child Care).

*CCDF consists of three Federal funding streams: Discretionary, Mandatory and Matching.*

#### ***FUNDING, OBLIGATIONS, AND EXPENDITURES***

Each of the component funds of CCDF has its own rules regarding funding and periods of obligation and expenditure. The variations are summarized in the chart below and described in more detail in the pages that follow:

<b>If Source of Funds is FY 2002—</b>	<b>Obligation Must Be Made by End of—</b>	<b>And Liquidated by the End of—</b>
Discretionary	FY 2003 (i.e., by 9/30/03)	FY 2004 (i.e., by 9/30/04)
Mandatory	FY 2002 (i.e., by 9/30/02; but <b>ONLY</b> if Matching Funds are used)	No requirement to liquidate by a specific date
Matching	FY 2002 (i.e., by 9/30/02)	FY 2003 (i.e., by 9/30/03)
MOE	FY 2002 (i.e., by 9/30/02)	FY 2002 (i.e., by 9/30/02)

#### **Discretionary Fund**

PRWORA authorized Discretionary Funds that are subject to annual appropriation. The amount an individual State receives in a fiscal year is determined according to a formula that consists of three factors—

- **Young child factor:** The ratio of the number of children under age 5 in the State to the number of children under age 5 in the country
- **School lunch factor:** The ratio of the number of children in the State who receive free or reduced-price school lunches under the National School Lunch Act to the number of such children in the country
- **Allotment proportion factor:** A weighting factor determined by dividing the 3-year average national per capita income by the 3-year average per capita State income (as calculated every 2 years).

The Discretionary Fund is 100 percent Federal funds. No State match is required. States have 2 years to obligate their Discretionary Funds and an additional year to liquidate those obligations.

Consistent with prior year appropriations, in FY 2002 and FY 2003, Congress earmarked specific amounts of the Discretionary Fund for—

- Child care quality improvement activities (\$172 million)
- Infant and toddler quality improvement (\$100 million)
- Child care resource and referral and school-age child care activities (\$19 million, of which \$1 million is for the Child Care Aware toll-free hotline)
- Child care research, demonstration, and evaluation activities (almost \$10 million)

### **Mandatory Funds**

A State's allocation of the Mandatory Funds is the greater of the—

- Federal share of expenditures in the State IV-A child care programs (AFDC, JOBS, Transitional, and At-Risk Child Care) in 1994 or 1995 (whichever is greater), or
- Average Federal share of expenditures in the State Title IV-A child care programs (AFDC, JOBS, TCC, At-Risk) for 1992 through 1994

The Mandatory Funds are 100 percent Federal funds. No State match is required. Mandatory Funds are available until expended unless the State chooses to expend its Matching Funds. To qualify for its share of the Matching Funds, a State must obligate its Mandatory Funds by the end of the Federal fiscal year (September 30) in which they are granted.

### **Matching Funds**

The Matching Funds are the remaining amount appropriated under section 418(a)(3) of the Social Security Act after the Mandatory Funds are allotted. A State's allocation of the Matching Funds is based on the number of children under age 13 in the State compared with the national total of children under age 13. The Matching Funds must be matched by a State at its applicable Federal Medical Assistance Percentage (FMAP) rate. Matching Funds are available to a State if—

***To access the Matching portion, States must provide a share of the Matching Funds and spend their required Maintenance of Effort (MOE) level.***

- Its Mandatory Funds are obligated by the end of the Federal fiscal year in which they are awarded
- Within the same fiscal year, the State expends State funds equal to its State MOE level
- Its Federal and State shares of the Matching Funds are obligated by the end of the fiscal year in which they are awarded

Matching Funds must be fully expended within 2 years of award.

### **Maintenance of Effort (MOE)**

To be eligible for its share of the Matching Funds, a State must continue to spend at least the same amount on child care services that it spent on the repealed Title IV-A child care programs in FY 1994 or FY 1995, whichever was greater.

#### **Example**

At the beginning of FY 2002, a State was awarded \$90 million in Mandatory Funds. The State was also awarded Federal Matching Funds of \$7 million. To receive the Federal Matching Funds, the State must match the Federal funds with State funds at the State's FMAP rate of 70 percent. Therefore, to receive its \$7 million share of Matching Funds, the State had to provide \$3 million in State funds.

Before the end of FY 2002, the State was required to obligate its \$90 million in Mandatory Funds; obligate its \$10 million in Matching Funds (both the \$7 million of Federal funds and the \$3 million of State Matching Funds); and obligate and expend its required MOE level of \$15 million in State funds.

Before the end of the following year, FY 2003, the State was required to expend all its Matching Funds of \$10 million (both the \$7 million of Federal funds and the \$3 million of State match). There is no time limit for expending the Mandatory Funds.

### **ELIGIBLE FAMILIES AND CHILDREN**

By statute, States may serve families when parents are working, in education or training, or when children are receiving protective services. The income level of such families may not exceed the eligibility levels set by the State and the Federal maximum of 85 percent of the State Median Income (SMI) for a family of the same size. CCDF services may be provided up to age 13, or age 19 for children who are under court supervision or are mentally or physically incapable of self-care. States must give priority to children with

*States may serve families when parents are working, in education or training, or when children are receiving protective services.*

special needs and to children from very low-income families and are required to define “special needs” and “very low-income” in their State Plans. States can also give priority to other categories of children.

## ***HOW FAMILIES RECEIVE SUBSIDIES AND CONTRIBUTE TO THE COST OF CARE***

### **Parental Choice**

The statute provides for parental choice of child care provider. Parents may choose any legally operating child care provider. The regulations define child care provider as one who provides child care in a center, a group home, a family home, or in the child’s own home. States may limit the use of in-home care. Care by a faith-based provider, a relative provider, and any other type of legally provided child care are allowable choices.

*Parents may choose any legally operating child care provider.*

### **Certificates**

Families receiving a CCDF subsidy must be given the choice to receive a certificate for child care services. A certificate is defined in the statute as a check or other disbursement that is issued by a State or local government directly to a parent who may use the certificate only as payment for child care services. Certificates must be flexible enough to allow funds to follow the child to any participating child care provider the parent selects.

### **Access**

By statute, a State’s CCDF Plan must certify that payment rates for the provision of CCDF child care services facilitate access for eligible children. Services must be comparable to those provided to children whose parents are not eligible to receive assistance. In their CCDF Plans, States must describe—

- How a choice of the full range of providers is made available
- How payment rates are adequate, based on a local market rate survey conducted within the previous 2 years
- The affordability of family co-payments

### **Co-payments**

Families must contribute to the cost of care on a sliding fee basis. The CCDF Plan must include the scale or scales used to determine the family’s contribution, which must be based on family size and income. The State may add other factors; for example, the number of children in care and rules for counting income. States may exempt families below the Federal poverty level from paying a co-payment.

*Families must contribute to the cost of care on a sliding fee basis.*

## ***HEALTH, SAFETY, AND QUALITY OF CARE***

A State must certify that it has licensing requirements in effect, and its CCDF Plan must detail the requirements and how they are enforced. States must also certify that they have health and safety requirements in place that apply to those providing child care to CCDF children. The requirements must include measures to prevent and control infectious diseases (including immunization), ensure building and physical premises safety, and provide minimum health and safety training appropriate to the provider setting. States may choose to exempt certain categories of relatives from health and safety requirements.

***States must have health and safety requirements that apply to CCDF providers.***

CCDF Lead Agencies must use a minimum of 4 percent of CCDF funds to improve the quality of child care. CCDF also includes earmarks for specific purposes: quality enhancement, improving the quality of care for infants and toddlers, and improving school-age care and child care resource and referral services. Quality activities include provider staff training, grants and loans to providers, health and safety improvements, monitoring of licensing requirements, and other initiatives.

## ***EXAMPLES OF QUALITY ACTIVITIES***

### **Child Care Services for Infants and Toddlers**

States use CCDF funds to support a variety of initiatives to improve the quality of care for infants and toddlers, including: practitioner training and technical assistance; specialists who work with programs on unique health, safety, and developmental needs of infants and toddlers; and enhancement grants to allow programs to purchase needed equipment, make minor renovations, develop new curricula, or pursue accreditation.

### **Grants and Loans to Providers**

A number of States offer support to child care programs by making start-up grants and loans available to providers including school districts and community-based organizations. In some cases, grants are targeted to programs that need funds to maintain compliance with health and safety standards. In others, funds are targeted to quality improvement such as the purchase of equipment.

### **Monitoring Compliance With Regulatory Requirements**

CCDF funds support States in monitoring compliance with child care licensing and regulatory requirements. These Federal funds help States to lower caseloads for licensing staff and to expand training opportunities for these staff and create cross-system regulatory and technical assistance teams.

### **Training and Technical Assistance**

Every State is involved in training and technical assistance. Increasingly, States view these services as part of a broader career development approach and link them to training strategies in other systems (such as Head Start, pre-kindergarten, and early intervention). States are also working with statewide systems like the child care resource and referral agencies and institutions of higher education to administer/coordinate training and technical assistance.

### **Child Care Resource and Referral Services**

A September 2002 Government Accountability Office (GAO) report found that 20 percent of State expenditures for quality improvement initiatives in FY 2000 were for child care resource and referral (CCR&R) services. Local CCR&R agencies help families find child care and financial assistance and provide consumer education to inform parents of choices. Many CCR&Rs also play other roles, such as helping to train child care providers, document the supply of care, and administer the child care subsidy program.

### **Compensation of Child Care Providers**

Several States provide additional compensation for child care providers such as grant programs specifically aimed at improving wages for child care providers. Over half the States have implemented some form of tiered reimbursement to pay higher rates for child care centers and family child care providers that achieve one or more levels of quality beyond the basic licensing requirements.



## Key Terms

### Legislation and Initiatives

**Child Care and Development Fund (CCDF):** Integrated entitlement and discretionary child care funding program created in 1996 as a result of PRWORA

**Child Care and Development Block Grant (CCDBG) Act:** The primary law governing CCDF; created by the Omnibus Budget and Reconciliation Act of 1990 and amended by PRWORA

**Good Start, Grow Smart:** President Bush's early learning initiative to improve school readiness for young children in all types of early care and educational settings

**Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA or P.L. 104–193):** The welfare reform legislation of 1996 that created TANF and unified several Federal child care programs to form CCDF

**Temporary Assistance for Needy Families (TANF):** A comprehensive welfare reform program with time-limited assistance that focuses on moving recipients into work and supporting family formation. TANF replaced the former Federal welfare program, Aid to Families With Dependent Children (AFDC)

### Categories of Care

**Center-based child care provider:** A provider who is licensed or otherwise authorized to provide child care services in a nonresidential setting

**Family child care (FCC) provider:** An individual who provides child care services as the sole caregiver in a private residence other than the child's home

**Group home child care provider:** Two or more individuals who provide child care services in a private residence other than the child's home

**In-home child care provider:** An individual who provides child care services in the child's own home

**Legally operating without regulation:** A caregiver providing services under CCDF who would not be subject to State or local child care regulations if she or he were not participating in the CCDF program; a number of States, for example, exempt from regulation family child care homes that care for a small number of children

**Licensed/Regulated:** A provider subject to regulation under the laws of a State or local jurisdiction

## Key Terms

### Subsidies and Services

**Accessibility and Affordability:** In their Biennial State Plans, States must demonstrate that families eligible for services through CCDF can choose from among the same types of care as privately paying families. Affordable family co-payments and adequate reimbursement rates are central to access. (The CCDF final rule encourages States to set their maximum rates no lower than the 75th percentile, based on their most recent market rate survey; this is intended to provide families with access to 75 percent of the child care slots in their communities.)

**Annual Aggregate Report:** The annual report required of the States and Territories (45 CFR 98.70 (b)) that provides aggregate or summary data on children and families served, providers receiving CCDF funds, and public education efforts. Tribes receiving CCDF grant funds are required to provide a similar annual report.

**Biennial State Plan:** A 2-year plan required of each State and Territory to receive its CCDF grant funding. The plan must include information on how the CCDF program will be administered in the State in compliance with CCDF statute, regulations, and policy.

**CCDF Lead Agency:** The State, Territorial, or Tribal entity designated to receive and administer the CCDF program, either directly or indirectly through another entity.

**Case-Level Report:** Provided monthly or quarterly, a report required of the States and Territories (45 CFR 98.70 (a)) that provides monthly family case-level data, including demographics of families and children served, sources of income for families served, types of child care used, and reasons for receiving care.

**Certificate:** A certificate, check, voucher, or other disbursement issued by a State Lead Agency to a parent to facilitate payment for child care services.

**Contract:** An agreement between a State Lead Agency and a provider to provide funding in exchange for direct child care services and/or reserved “slots” in child care facilities for specific populations. These services may include Head Start “wraparound” initiatives, school-age child care, and programs that target specialized populations or services, such as child care for migrant or teen parent populations or child care during nontraditional hours.

## Key Terms

**Co-Payment:** The financial contribution a family receiving CCDF funding must make toward the cost of child care. The CCDBG Act requires that co-payments be determined based on a sliding fee scale that takes family size and income into account. By Federal regulation, States may consider other factors in determining co-payments, such as the number of children in child care, and may exempt families below the poverty level from making a payment. States may waive the co-payment for families at or below the Federal poverty level.

**Discretionary Funds:** A funding stream of CCDF authorized under the CCDBG Act and appropriated by Congress to provide child care services. In accordance with the CCDBG Act, these Federal funds are allocated based on the number of children under age 5 in a State compared to the number of such children in all States; the number of children receiving free or reduced-price lunches in a State compared to the number of such children in all States; and the per capita income of all individuals in the State (averaged over a 3-year period) compared to the national per capita income (averaged over a 3-year period).

**Eligible Children:** By Federal statute, children under age 13 of families with incomes up to 85 percent of the State median income and whose parent(s) is (are) working or attending a job training or educational program. States have the flexibility to set eligibility below the federally set 85 percent level. The CCDBG Act also allows States to serve children of eligible families who are under age 19 and under court supervision or mentally or physically incapable of self-care. In their Biennial State Plans, States must also indicate how they prioritize services to the very lowest income families and children with special needs.

**Health and Safety Requirements:** Under CCDF, States must implement requirements for child care providers that are designed to protect the health and safety of children. While States have tremendous discretion in these requirements, they must include prevention and control of infectious diseases (including immunizations), building and physical premises safety, and minimum health and safety training appropriate to the provider setting.

**Mandatory Funds:** A funding stream of CCDF appropriated under Title IV of the Social Security Act to States and Tribes to provide child care services. A State's share of the Mandatory Funds is based on its Federal share under the now-repealed AFDC child care programs (AFDC/JOBS Child Care, Transitional Child Care, and At-Risk Child Care) in 1994 or 1995, whichever was greater, or the average Federal share of expenditures in the State Title IV-A child care programs for 1992 through 1994. A State is not required to expend its own funds in order to receive its share of the Mandatory Funds (also known as Child Care Entitlement to the States).

## Key Terms

**Market Rate Survey:** A survey of the child care rates charged by providers who care for children within the local child care market. States are encouraged to set their provider payment rates based on information from the survey.

**Matching Funds:** A funding stream of CCDF appropriated under Title IV of the Social Security Act to States to provide child care services. The Federal Matching Funds are the remaining portion of the funds appropriated under Title IV of the Social Security Act that are not allocated as Mandatory Funds to the States. These funds are distributed based on the number of children under age 13 in a State compared with the national total of children under age 13. To receive these funds, States must expend a designated amount of their own funds for Maintenance of Effort and must match these “remainder” funds at their Federal Medicaid Assistance Percentage Rate.

**Four Percent Minimum Quality Expenditure and Earmarks:** States must spend at least 4 percent of their CCDF funds to improve the quality of care through activities such as consumer education, technical assistance and training, and grants and loans to providers. In addition, there are specially earmarked funds for quality expansion, school-age care, resource and referral, and services to infants and toddlers.

**Sliding Fee Scale:** A system of cost sharing by a family. The family’s co-payment is determined by the State (or Territory/Tribe) and is based, at a minimum, on income and size of family.

## Part II: FY 2002 and FY 2003 CCDF Administrative Data

### MAJOR FINDINGS\*

**Children Served:** Approximately 1.74 million children and 1.03 million families per month received child care assistance in FY 2002. Approximately 1.75 million children and 1.02 million families per month received child care assistance in FY 2003.

**Family Income:** Median monthly income for families served in FY 2002 was \$1,235; about 13 percent of families had income that exceeded \$2,000 per month. In FY 2003, median monthly income increased slightly to \$1,255, and nearly 14 percent of families had income that exceeded \$2,000. TANF was reported as a source of income for 17 percent of families receiving services through CCDF in FY 2002 and 18 percent in FY 2003.

**Family Co-payments:** Of those families with reported income in FY 2002 and FY 2003, approximately 75 percent paid a co-payment. Of those families with co-payments, child care payments represented on average 6 percent of family income in FY 2002 and FY 2003. A majority of States and Territories (32) served families where the assessed family co-payment was 5 percent or less of family income.

**Type of Care:** In both FY 2002 and FY 2003, approximately 60 percent of the children served were in centers; 30 percent in family child care homes; 7 percent in the child's own home; and 4 percent in group homes.

**Regulatory Status of Providers:** In both FY 2002 and FY 2003, three-fourths of children served were in regulated settings; of the remaining one-fourth in unregulated settings, approximately half were in relative care and half were in nonrelative care.

**Reasons for Care:** In FY 2002, over 90 percent of families cited either employment or education and training as the reason for needing child care. The remaining families cited protective services and other needs as reasons for care. FY 2003 data were comparable.

\*These statistics mask the wide variations that exist among States on many of these variables. In a few instances, percentages do not total 100 percent due to rounding.

## **SERVICE PATTERNS**

The following patterns of services, including the scope, type, and methods of child care delivery, as well as the cost and level of child care services, are derived from the FY 2002 and FY 2003 aggregate and case-level data. Differences are noted where data varied in interesting or substantial ways. In some instances, similarities across years are noted as well.

Given the flexibility States have in the implementation of CCDF (as well as variations in demographics, employment, economic circumstances, and population density that influence the availability of child care and the choices that parents make within the local context), national statistics about CCDF mask significant variation among States. For this reason, the narrative below notes variations among States.

### **Average Monthly Number of Children and Families Served**

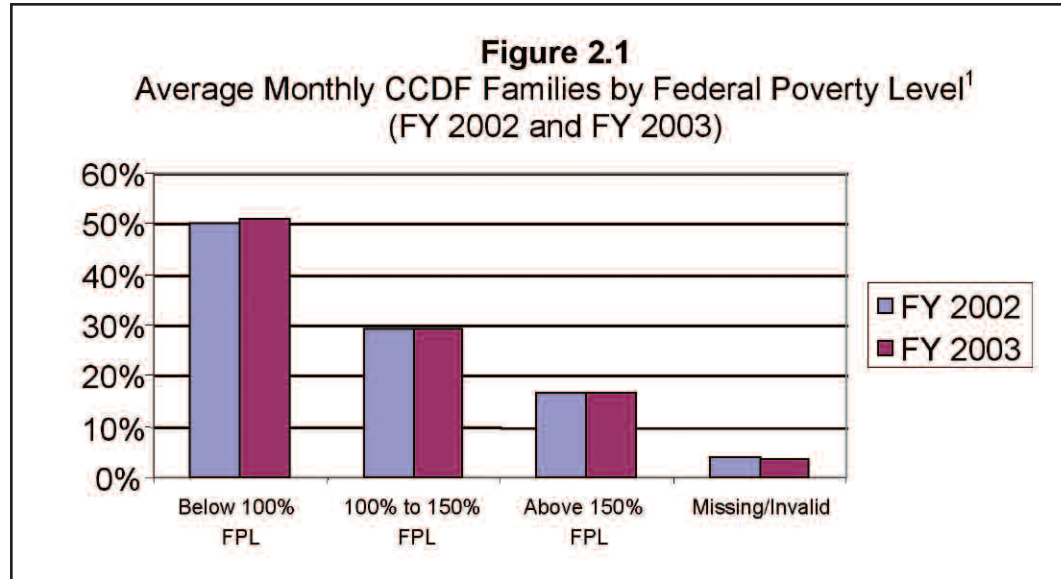
In an average month in FY 2002, 1.74 million children (1.03 million families) received child care services with CCDF funds, including TANF transfers and State Matching and MOE Funds. This number slightly increased to 1.75 million children (1.02 million families) in FY 2003. (Refer to Tables 1a and 1b in the appendices.) HHS estimates that an additional 700,000 children were served in FY 2002 and 610,000 in FY 2003 through SSBG, direct TANF, and excess TANF MOE Funds. Hence, on average, 2.4 million children per month were served in both FY 2002 and FY 2003 after accounting for all Federal and related State funding sources. The number of children served reflects both a slight increase in total State expenditures on child care in FY 2003 (including use of prior year funds) and the flexibility given to States in setting child care policies, including income eligibility requirements and parent co-payments.

### **Family Income**

States have the flexibility to serve families with income up to 85 percent of the State Median Income. However, States generally target eligibility to families most in need. Assuming a family size of three, in FY 2002 the median monthly income was \$1,235, or \$14,820 when annualized. In FY 2003, the median monthly income was \$1,255, or \$15,060 when annualized.

*Prior to January 2002, case-level administrative data reported by States did not indicate the size of the family receiving services. Some of the analysis included in this report, such as the use of Federal poverty levels, requires data on the size of the family. For these purposes, CCB has assumed a family size of three, which available data indicate is reasonable for a typical family receiving CCDF services.*

Of the families served, approximately half were below 100 percent of the Federal Poverty Level, or \$15,020 in FY 2002 and \$15,260 in FY 2003 for a family of three. Another 29 percent had incomes between 100 percent and 150 percent of the Federal Poverty Level (FPL), and 17 percent had incomes above 150 percent of FPL. The remaining families had invalid or unreported data. (Refer to Figure 2.1.)



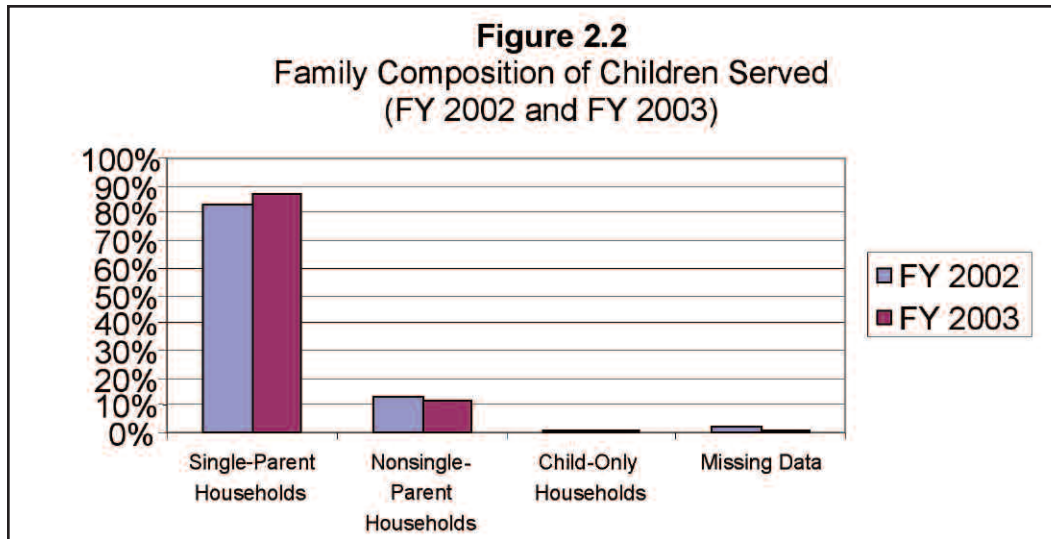
<sup>1</sup>Assumes a family size of three.

Nationally, TANF was reported as a source of income for approximately 17 percent of families receiving services through CCDF in FY 2002 and 18 percent in FY 2003. At the State and Territory level, however, there was considerable variation. Thirteen States had fewer than 10 percent of their families reporting TANF as a source of income in FY 2002 vs. 11 States in FY 2003. Ten States reported that TANF was a source of income for one in four families (25 percent), and 13 States reported this in FY 2003. (Refer to Tables 14a and 14b in the appendices.)

### Family Composition

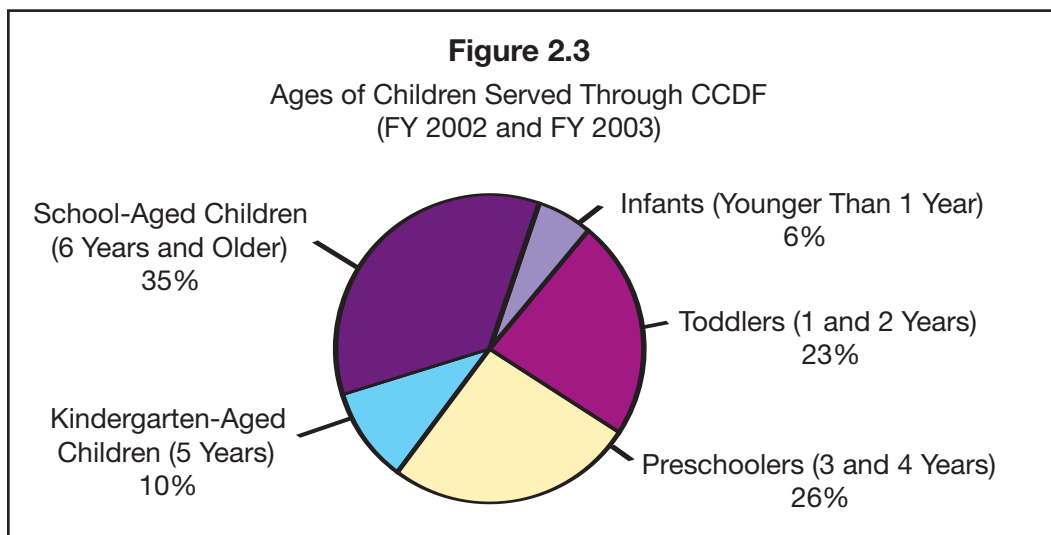
The CCDF statute requires States and Territories to report whether or not families served are headed by a single parent. Nonsingle-parent households include two or more parents or adults living with a child who are legally or financially responsible for the child in that eligible family unit. In FY 2002, approximately 84 percent of families receiving services through CCDF were single-parent households as compared to 87 percent in FY 2003. In FY 2002, 14 States and Territories reported that fewer than 80 percent of the families served were headed by a single parent, compared to 11 States in FY 2003. (Refer to Figure 2.2.)

In FY 2002 and FY 2003, the proportion of single-parent families varied by income level. Assuming a family size of three, almost 90 percent of families with an income under 150 percent of the Federal Poverty Level were single-parent households. However, among families with incomes above 150 percent of the Federal Poverty Level, slightly fewer than 75 percent were single-parent households.



### Ages of Children

Of children served through CCDF in FY 2002 and FY 2003, school-aged children (6 years and older) made up slightly more than a third of the caseload (35 percent). For the same period, children under 3 years of age were the next highest group served at 29 percent, followed by preschoolers (aged 3–4) at 26 percent. Kindergarten-aged children (aged 5 years) were 10 percent of those served. Fewer than 1 percent of children were aged 13–18. (Refer to Figure 2.3.)



During FY 2002 in six States, 40 percent or more of the children served were 6 years and older. Those States included California, Connecticut, Illinois, Michigan, New York, and Pennsylvania. This was true for six States in FY 2003: Connecticut, Illinois, Michigan, New Jersey, New York, Pennsylvania, and Rhode Island. In both FY 2002 and FY 2003, children under the age of 7 made up over half of those served in every State. Guam and American Samoa had the highest percentage of children served under the age of 6 for both years. (Refer to Tables 2a and 2b in the appendices.)



## Race and Ethnicity

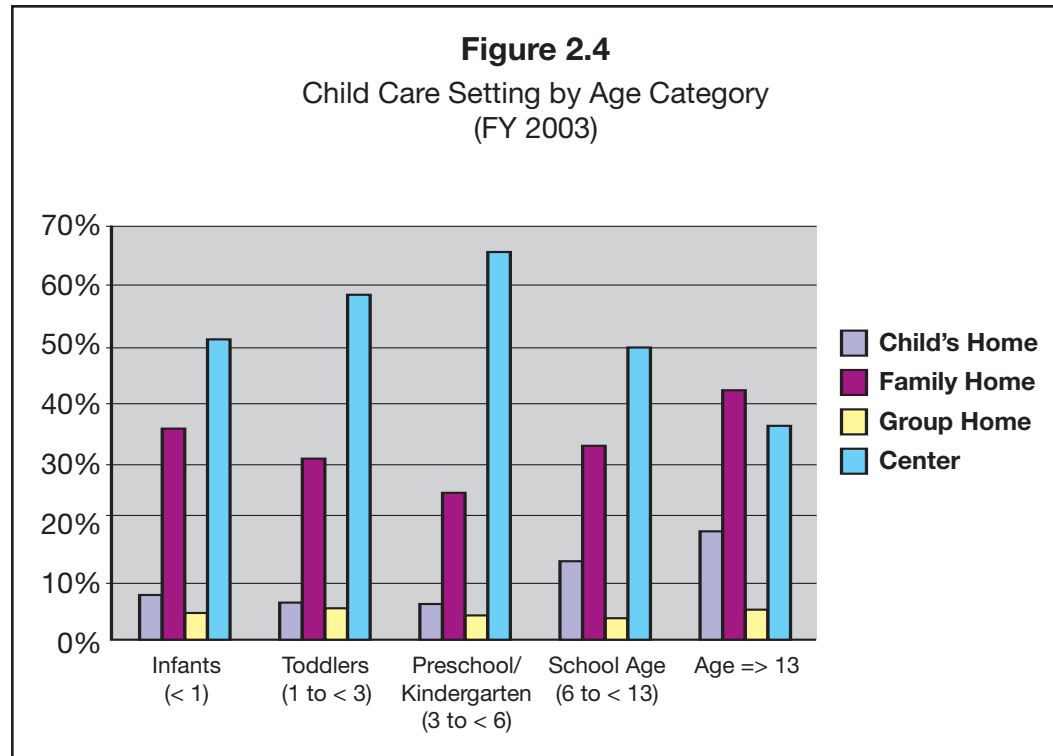
In collecting and reporting race and ethnicity for purposes of CCDF, ACF uses “Standards for the Classification of Federal Data and Ethnicity” as prescribed by the Office of Management and Budget (OMB). Of the children served in FY 2002, 41 percent were African American, 35 percent White, 3 percent multiracial, 1 percent Asian, and 1 percent Native American or Native Alaskan. Fewer than 1 percent of the children served were Native Hawaiian or Pacific Islander. For the balance, race was not reported by States and Territories. In FY 2003, the race distribution was comparable. (Refer to Tables 3a and 3b in the appendices.)

In both FY 2002 and FY 2003, 16 percent of families reported Latino ethnicity. The States with the highest concentrations of Latino children were Arizona, California, New Mexico, and Texas. (Refer to Tables 4a and 4b in the appendices.)

## Children Served by Type of Care

In FY 2002 and FY 2003, center care was the most prevalent type of care used by CCDF-subsidized families although there were significant variations among States. Nationally, 60 percent of children were in center care, 30 percent were in family child care homes, 7 percent in the child’s own home, and 4 percent in group homes. In over half of the States and Territories, 50 percent or more of the children received center-based care. However, in four States and one Territory (Michigan, North Dakota, Northern Mariana Islands, Oregon, and Wyoming), 33 percent or fewer of the children were in centers. This was true for FY 2003 with the addition of Hawaii and Kansas. In 43 States and Territories, no more than 10 percent of children received care in their own homes during FY 2002 vs. 41 States during FY 2003. (Refer to Tables 10a and 10b in the appendices.)

In FY 2002 and FY 2003, children between the ages of 3 and 6 (preschoolers and kindergarten-aged children) were more likely to be served in child care centers than children who were younger or older. (Refer to Figure 2.4 and Tables 5a and 5b.)



### Average Monthly Provider Payment

In FY 2002, the average monthly provider payment was highest for group homes (\$397) and center-based care (\$365), followed by family child care homes (\$316) and care provided in the child's home (\$253). Provider payments were higher for younger children than older children because younger children tend to be in child care for longer periods. FY 2003 data were comparable. (Refer to Tables 7a and 7b in the appendices.)

### Family Co-Payment Amounts

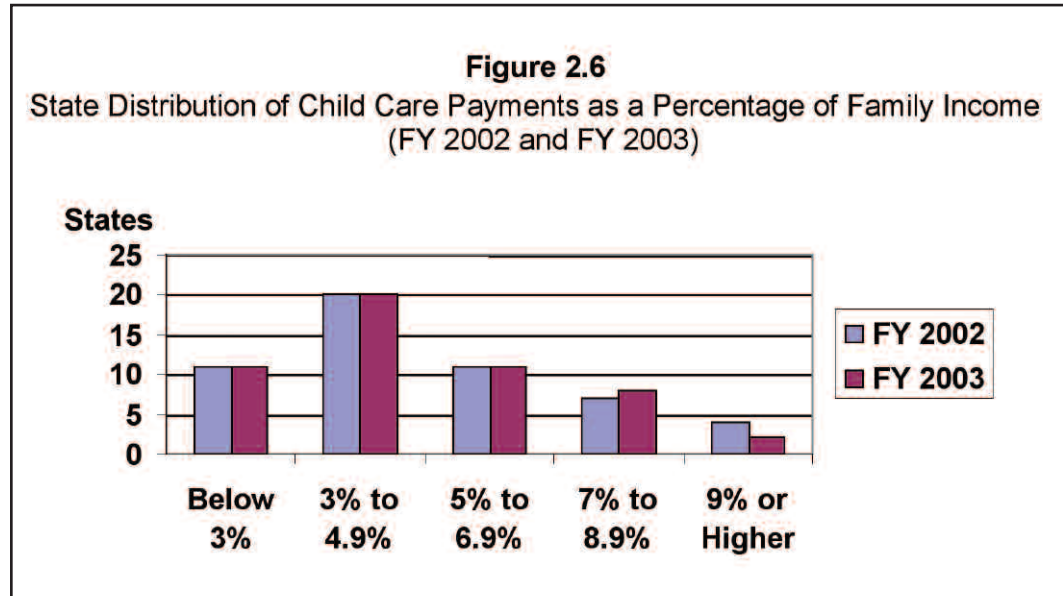
Of those families with reported income in FY 2002 and FY 2003, approximately 75 percent paid a co-payment. Figure 2.5 shows the mean family co-payments according to poverty level, assuming a family size of three.

**Figure 2.5**  
Mean Family Co-Payments by Federal Poverty Level (FPL)  
Assuming a Family Size of Three

	Families Below 100% of FPL	Families Between 100% and 150% of FPL	Families Above 150% FPL
FY 2002	\$23.59	\$76.23	\$122.38
FY 2003	\$26.46	\$80.49	\$128.98

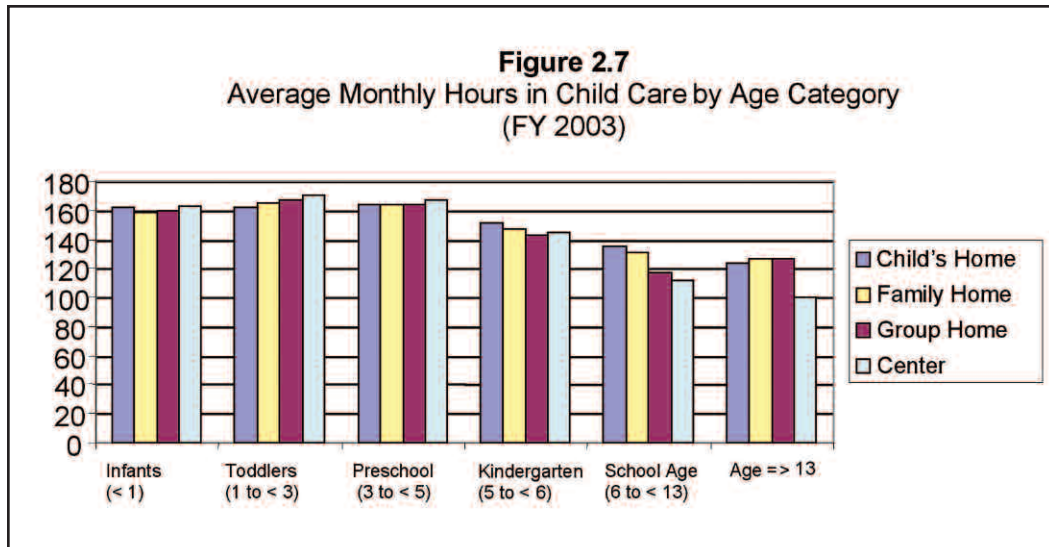
Source: ACF-801 Administrative Data

Of those families with co-payments, child care payments represented on average 6 percent of family income in FY 2002 and FY 2003. Including families who did not have a co-payment, families paid on average slightly more than 4 percent of family income toward child care. Including those families with \$0 copayments, a majority of States and Territories (32) served families where the assessed family co-payment was 5 percent or less of family income. (Refer to Figure 2.6 and Table 15.) In 11 States, families paid less than 3 percent of their income for child care co-payments.



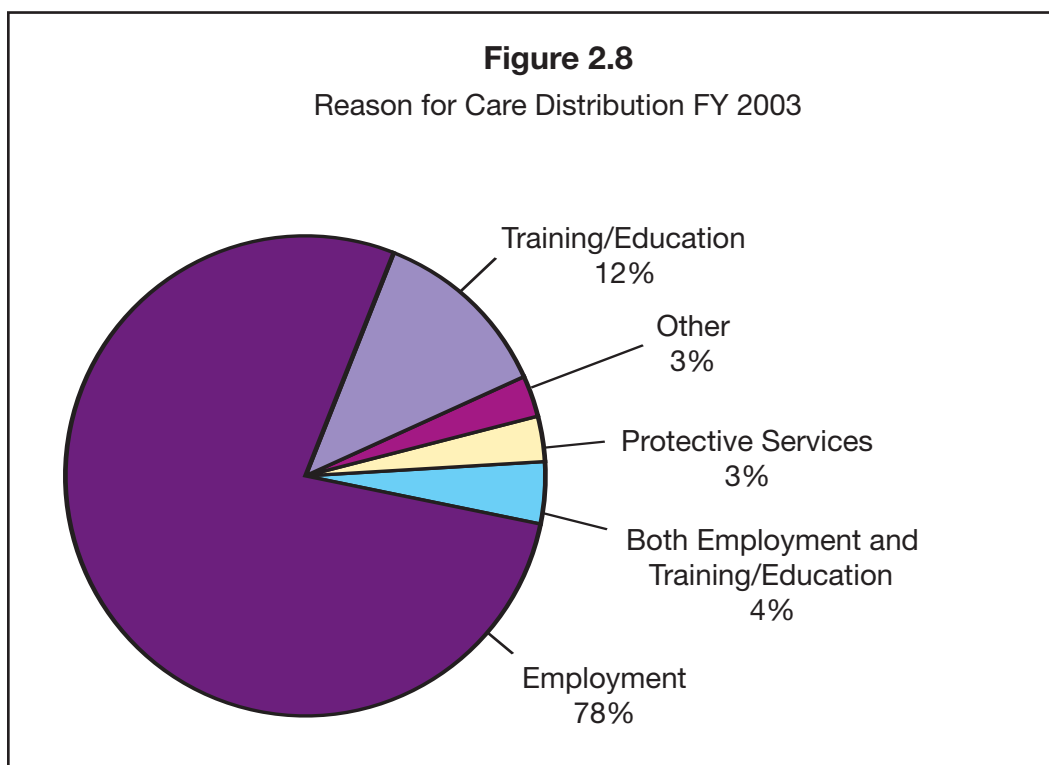
### Average Monthly Hours of Child Care by Child's Age and Type of Care

In FY 2003, children were in care on average 148 hours per month. Average hours of care by setting type did not vary significantly. However, hours in care by age did vary. Children under age 5 averaged significantly more hours in child care than children aged 5 and older. For instance, toddlers (aged 1–2) averaged 168 hours of care per month, compared with 122 hours for children aged 6–13. This reflects the fact that older children attend school part of the day during the school year. FY 2002 data were comparable. (Refer to Figure 2.7 and Tables 6a and 6b in the appendices.)



### Reasons for Care

In FY 2003, over 90 percent of families cited either employment or education and training as the reason for needing child care. Specifically, 78 percent of families cited employment. Another 12 percent cited training and education. An additional 4 percent cited employment as well as training and education. The remaining families cited protective services and other needs as reasons for care. FY 2002 data were comparable. (See Figure 2.8 and Tables 8a and 8b in the appendices.)



## Numbers and Types of Child Care Providers

Of those providers receiving CCDF funds in FY 2002 and FY 2003, approximately 60 percent were family child care homes. Slightly fewer than 25 percent served children in their own home, and 13 percent were child care centers. The remaining providers were group homes. (Refer to Tables 9a and 9b in the appendices.)

### Providers Serving CCDF Children in FY 2002

- 457,950 Family Child Care Homes
- 182,193 Serving in Child's Own Home
- 100,881 Child Care Centers
- 26,633 Group Homes

### Providers Serving CCDF Children in FY 2003

- 441,134 Family Child Care Homes
- 170,915 Serving in Child's Own Home
- 104,679 Child Care Centers
- 27,690 Group Homes

## Regulated Vs. Unregulated Settings

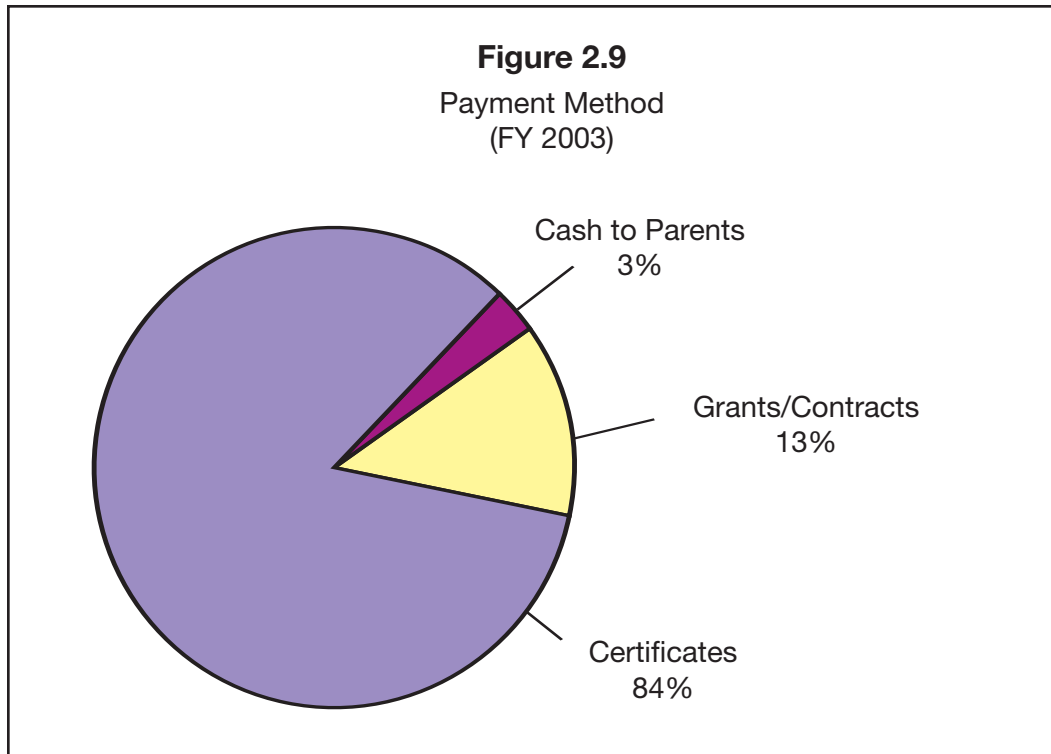
In FY 2002 and FY 2003, about three-fourths of the children were served in regulated child care settings vs. one-fourth served in settings legally operating without regulation. Nearly all children served in child care centers and group homes were in regulated settings. Nearly all of the children served in the child's home were in settings legally operating without regulation. Of the children served in family child care homes, about half were in regulated family child care homes. Fewer than half of the children were in regulated care in five States in FY 2002 and four States in FY 2003. (Refer to Tables 10a and 10b in the appendices.)

## Relative Vs. Nonrelative Care

In FY 2002 and FY 2003, children served in legally operating settings without regulation (child's own home or family child care) were nearly as likely to be served by a nonrelative as a relative. (Refer to Tables 11a and 11b in the appendices.) In four States in FY 2002 and five States in FY 2003, over 90 percent of children served by relatives were in the child's home or family child care (not including regulated care).

## Children Served by Payment Method

The most frequently used method of payment in both FY 2002 and FY 2003 was certificates (84 percent). Grants and contracts were 13 percent of payments and cash payments accounted for 3 percent of payments. In FY 2002, Alaska, American Samoa, the District of Columbia, Florida, Hawaii, and Utah used certificates less than half of the time. In FY 2003, American Samoa, Florida, Puerto Rico, and Utah used certificates less than half of the time. (Refer to Figure 2.9 and Tables 12a and 12b in the appendices.)



### State and Territorial Methods of Consumer Education

In FY 2002 and FY 2003, brochures, booklets, or written materials about types of care and quality of care were used by every State and Territory. Lists of legally operating child care providers were used by 52 of the 56 States and Territories. Almost all States and Territories reported providing parents and the public with information about policies regarding complaints; this was done as a form of consumer education in FY 2002 and FY 2003. (Refer to Tables 13a and 13b in the appendices.)

## About the Administrative Data

**Required Reports:** The statute governing CCDF requires that States, Territories, and Tribes provide aggregate and case-level information about the families and children receiving direct services through CCDF. This information is collected from States and Territories through OMB-approved instruments, the Child Care Annual Aggregate Report (ACF-800), and the Child Care Quarterly Case-Level Report (ACF-801). Tribal information is collected using the Child Care Annual Aggregate Report (ACF-700). The appendices provide a summary of the reports grantees are required to submit.

Since funds transferred from TANF to CCDF are subject to the rules governing the Discretionary Fund, State reports include children who were served through TANF transfers as well as State Matching and MOE Funds. Although States are encouraged to provide case-level information about services provided directly with TANF dollars, the statute does not require States to provide specific information about child care funded with TANF. Consequently, detailed data about these services are not available. (States do report expenditure data on TANF services, and these data were used to estimate aggregate children served under TANF).

**Annual Aggregate Report and Pooling:** The annual aggregate report provides unduplicated annual counts of children and families served through the CCDF, payment methods, the number of child care providers receiving CCDF funding by type of care, consumer education methods, and information about pooling of funding sources. In support of integrated approaches to the administration of child care subsidies, States are encouraged to provide data on the families and children receiving child care services through all funding sources (e.g., Social Services Block Grant, TANF, State dollars). If States choose to report pooled information, they must indicate the percentage of CCDF funds. This allows ACF to provide information about the numbers of families and children whose child care services are provided specifically through CCDF.

**Quarterly Case-Level Report:** The quarterly report provides case-level data on the children and families served during the month of service, including demographics, family income and co-payments, and types of settings including licensure status. States have the option of submitting data on a sample basis, or for all cases on a monthly or quarterly basis.

Many States and Territories have experienced difficulty in providing case-level data about families and children served through CCDF. These difficulties are related to problems with technology, rapid program growth, workload issues, multiple subsidy programs (as opposed to integrated approaches), and devolution of child care administration to local entities. For instance, the small decline in the number of children and families served between FY 2001 and FY 2002 is partially due to changes in methodology used by two major States for developing caseload numbers. CCB devotes considerable technical assistance resources to helping States improve their capacity to provide accurate, timely reports.

FY 2002 and FY 2003 statistical tables based on annual aggregate and case-level reports may be found in the appendices, along with the methodology employed to derive national estimates. Limitations of the aggregate and case-level data are described as well.



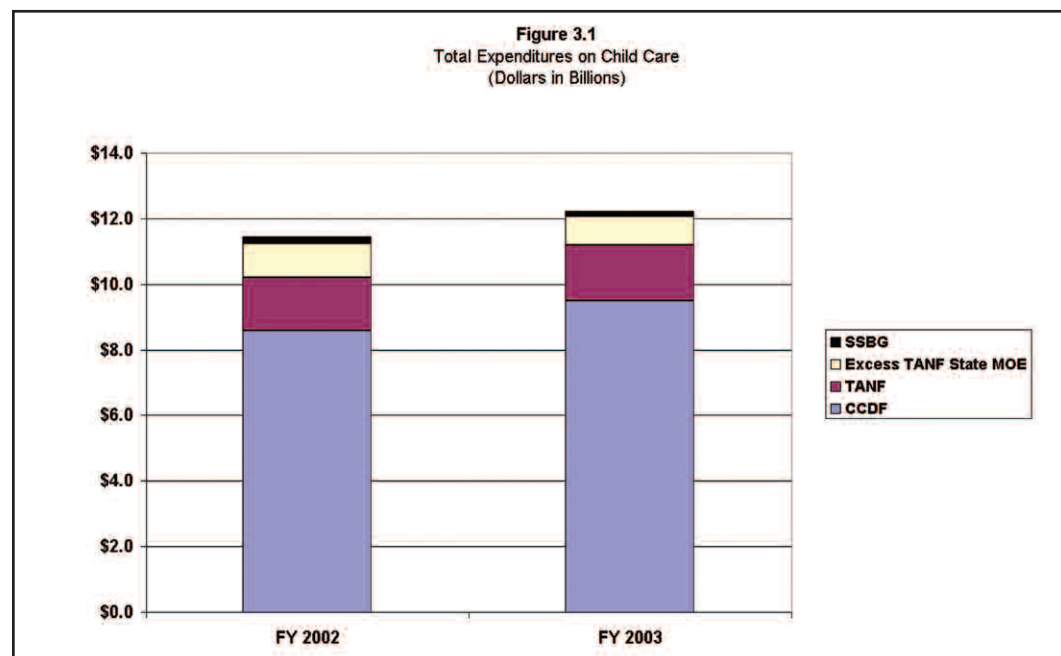


## Part III: FY 2002 and FY 2003 CCDF Financial Data

Information about FY 2002 and FY 2003 CCDF expenditures was obtained from State quarterly financial reports submitted to ACF. These reports detail expenditures from each of the CCDF funding streams and by major spending categories. Since States have more than 1 year to liquidate their CCDF funds, total expenditures reflect funding from current and prior fiscal years. Because States continue to report on their expenditures until the funds are expended, these numbers are subject to update and should not be considered final. TANF direct spending on child care was reported for TANF funds appropriated in FY 1997 and FY 2003 (taken from quarterly TANF reports).

### TOTAL FY 2002 AND FY 2003 SPENDING ON CHILD CARE

State expenditures for child care reached peak levels in FY 2002 and FY 2003. In FY 2002, Federal and State CCDF expenditures were \$8.6 billion, including TANF funds transferred to CCDF. After accounting for additional “TANF direct,” excess TANF State MOE, and SSBG spending on child care, overall spending was \$11.4 billion. In FY 2003, total spending reached a landmark \$12.3 billion, almost 10 percent more than FY 2002, as a result of \$1 billion in additional State and Federal CCDF spending and continued TANF direct and SSBG spending on child care.



*Notes: In FY 2002, States reported on CCDF funds appropriated in FY 1999–FY 2002. In FY 2003, States reported on CCDF funds appropriated in FY 1997–FY 2003. SSBG includes SSBG appropriated funds spent on child care and TANF transferred to SSBG and used for child care. TANF includes funds spent directly on child care; CCDF includes TANF transfers to CCDF.*

Of the \$8.6 billion in total CCDF spending in FY 2002, \$6.4 billion were Federal CCDF funds (including amounts transferred from TANF), and \$2.2 billion were State spending (Matching and MOE). Of the \$9.5 billion in total CCDF spending in FY 2003, \$7.3 billion were Federal CCDF funds (including amounts transferred from TANF), and \$2.2 billion were State spending (Matching and MOE).

Another way to look at expenditures is how States spend their appropriations for a particular fiscal year. In FY 2002, States spent a total \$6.2 billion of FY 2002 combined Federal and State funds, which includes both CCDF and TANF transfers into CCDF. This amount is broken down to \$4.2 billion in Federal funds and \$2.0 billion in State funds. In FY 2003, States spent a total \$6.6 billion of FY 2003 combined Federal and State funds, including CCDF and TANF transfers into CCDF. Expenditures of Federal CCDF funds were \$4.6 billion, and State Matching and MOE Funds were \$2.0 billion.

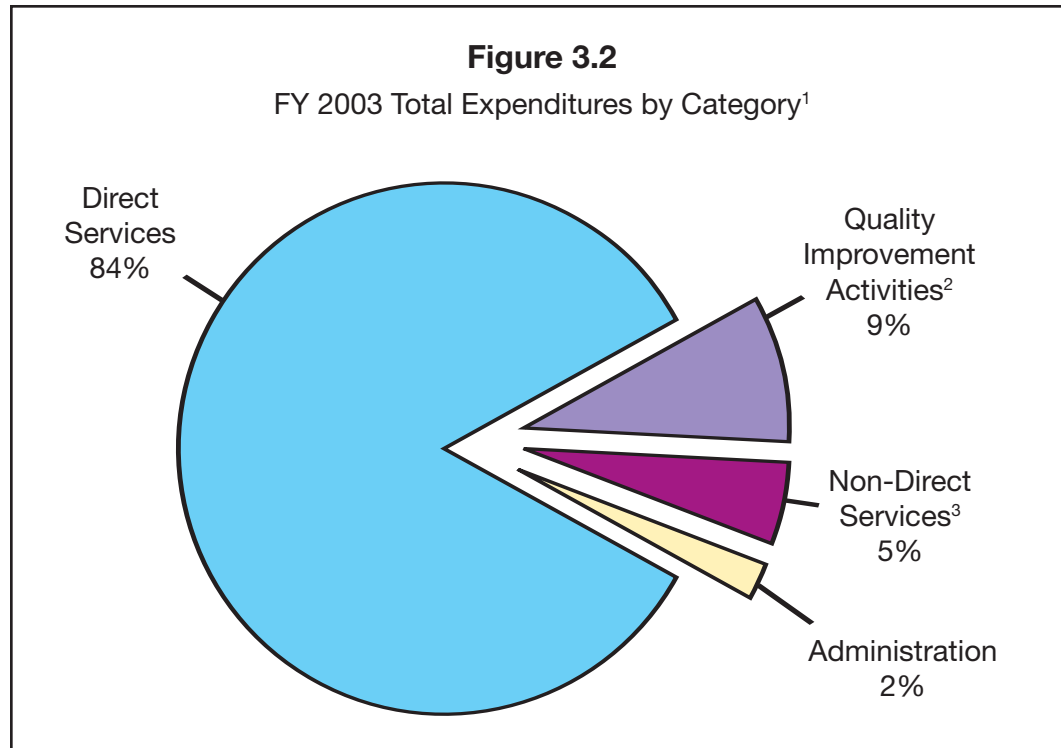
### ***TANF BLOCK GRANT FUNDS FOR CHILD CARE***

PRWORA of 1996 allows States to transfer up to 30 percent of their TANF grant to CCDF or the Social Services Block Grant (SSBG). No more than 10 percent of the TANF grant may be transferred to SSBG, however. According to TANF Final Regulations, States may transfer current year TANF funds only. States may also spend a portion of their TANF block grant directly on child care services.

States used this flexibility greatly to support child care services. In FY 2002, 41 States transferred \$2.1 billion in TANF funds to CCDF and spent approximately \$1.6 billion in TANF funds directly on child care. In FY 2003, 41 States transferred \$1.8 billion in TANF funds to CCDF and spent roughly \$1.7 billion directly on child care services. Between TANF transfers and direct spending, States invested a total of \$7.2 billion in TANF funds for child care in FY 2002 and FY 2003, which represents almost a third of all Federal and State child care funding through CCDF and TANF.

### ***CCDF SPENDING BY CATEGORY***

States report on how expenditures are used: direct services, quality improvement activities, non-direct services, and administration. TANF spending on child care directly (as opposed to TANF transferred to CCDF) is not categorized, and therefore is not included in the following figure on spending by category. Unless otherwise noted, total expenditures reflect available funding from multiple fiscal years.



Notes: <sup>1</sup>TANF direct spending on child care is not categorized; therefore, the \$1.7 billion in TANF direct expenditures are not included in this chart. <sup>2</sup>Quality activities include the expenditure of earmarked funds. <sup>3</sup>Non-direct services include State expenditures related to the operation of voucher programs and include such costs as information and referral, eligibility determination and recertification, and maintaining computer systems.

### Direct Services

States spend the majority of their funds on direct services for child care services, primarily through vouchers and contracts. In FY 2002, States spent \$6.9 billion, or 81 percent, on direct services. This increased slightly in FY 2003, with States spending \$7.6 billion, or 84 percent, on direct services. Because TANF direct spending on child care services is not categorized, the total amount spent on direct services (and other costs) is underestimated.

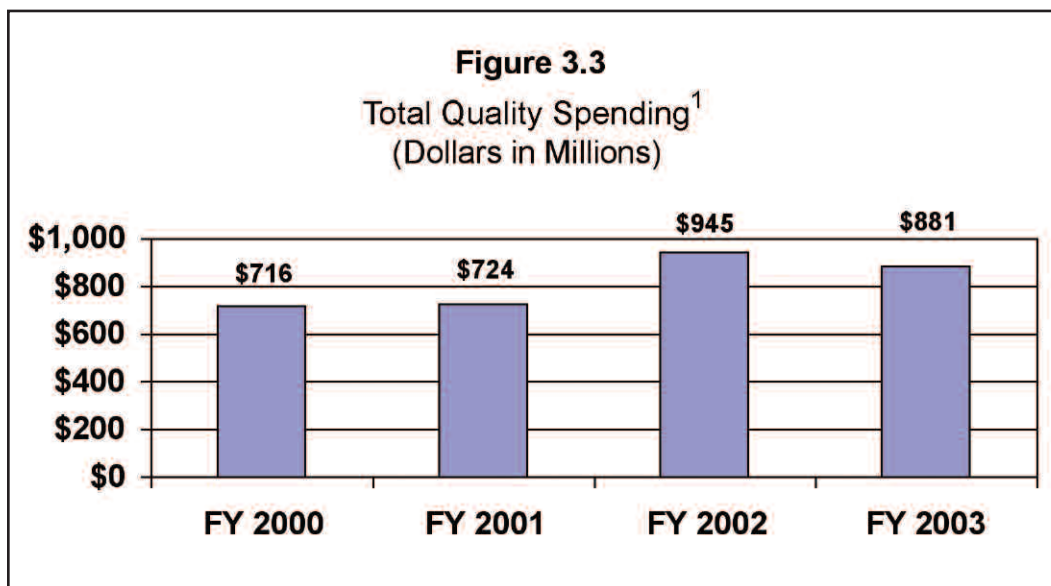
### Quality Improvement Activities

While direct services make up the bulk of total spending, the largest percentage growth has occurred for quality improvement activities. Including the earmarks established above the 4 percent minimum quality spending requirement, FY 2002 quality expenditures reached \$945 million, a 30 percent increase over FY 2001 quality spending and 11 percent of total spending. FY 2003 quality spending was \$881 million, or 9 percent of total CCDF expenditures.

- **Earmarks:** States spent \$141 million of the \$292 million earmarked in FY 2002 for quality in that year. States have 3 years to fully expend these funds. Expenditures to date include \$72 million on child care

quality improvement, \$43 million on infant and toddler quality improvement, and \$25 million on child care resource and referral and school-age care. States spent \$112 million of the \$290 million in earmarked discretionary funds for FY 2003 in FY 2003. Expenditures include: \$469 million on child care quality improvement activities, \$31 million on infant and toddler quality improvement, and \$12 million on child care resource and referral and school-age care.

- **Four Percent Set-Aside:** States reported spending \$359 million of FY 2002 appropriations on improving the quality of child care (excluding the earmarks). This was 7 percent of combined FY 2002 Federal and State expenditures and well above the 4 percent quality spending requirement of the CCDBG Act. An additional \$48 million was spent on quality activities from the States' MOE expenditures. In FY 2003, State spending was \$346 million, or a little over 6 percent of FY 2003 total Federal and State expenditures, also above the statutory requirement. An additional \$10 million was spent on quality activities from the States' MOE expenditures.



<sup>1</sup>Total quality spending includes discretionary earmarks for quality improvement activities.

### Non-Direct Services

Non-direct spending on items such as information technology, referral services, and eligibility determination declined in both FY 2002 and FY 2003. Compared to FY 2001, there was a 5 percent decrease of approximately \$25 million. Overall, however, non-direct services remained at between 5 and 6 percent of total expenditures.

### **Administrative Expenses**

In both FY 2002 and FY 2003, administrative expenses made up 2 percent of total expenditures at \$207 million and \$227 million, respectively. By law, no more than 5 percent of any fiscal year's CCDF appropriation may be used for administrative costs. In both FY 2002 and FY 2003, the States used less than 3 percent of each year's appropriation on administration.

### ***SPENDING OF CCDF FOR PUBLIC PRE-KINDERGARTEN***

According to Federal regulation, States may use public pre-kindergarten funds for up to 20 percent of the funds serving as MOE. In FY 2002, nine States counted a total of \$27.1 million, or about 3 percent of total MOE expenditures on pre-kindergarten for their MOE requirement (Alabama, Georgia, Michigan, Oklahoma, Oregon, South Carolina, Texas, Washington, and Wisconsin). In FY 2003, 10 States counted a total of \$34.9 million, or about 4 percent of total MOE expenditures on pre-kindergarten for their MOE requirement (Alabama, Michigan, Oklahoma, Oregon, South Carolina, Tennessee, Texas, Virginia, Washington, and Wisconsin).

In addition, States may count other public pre-kindergarten expenditures for up to 20 percent of the States' Matching Funds requirement. In FY 2002, 10 States reported a total of \$50.6 million in spending on pre-kindergarten toward their Match requirement (Alabama, Georgia, Maryland, Massachusetts, Michigan, Oregon, South Carolina, Texas, Washington, and Wisconsin). In FY 2003, 11 States reported a total of \$46.2 million in spending on pre-kindergarten toward their Match requirement (Alabama, Maryland, Massachusetts, Michigan, Nevada, Oklahoma, Oregon, South Carolina, Texas, Washington, and Wisconsin). In both FY 2002 and FY 2003, these public pre-kindergarten expenditures made up about 5 percent of the Match requirement.

*More detail about FY 2002 and FY 2003 State expenditures can be found on the CCB Web site at:*

<http://www.acf.hhs.gov/programs/ccb/research/02acf696/overview.htm>  
<http://www.acf.hhs.gov/programs/ccb/research/03acf696/overview.htm>



## Part IV: FY 2002 and FY 2003 State Plans

### *BACKGROUND*

States, Territories, and Tribes are required to submit Biennial Plans that describe how they intend to implement CCDF. These plans are submitted through a preprint (form) that asks for information about the Lead Agency, CCDF administration, the process for developing the plan including public hearings, service priorities, processes with parents, and activities that will be funded with the quality set-aside and earmarks.

The Biennial State Plan, which the Lead Agency must submit to HHS for funding, identifies the—

- State Lead Agency (designated by the State chief executive)
- Entity designated to receive private donated funds (as appropriate)
- Purposes for which the funds will be expended
- Amount of funds requested, as prescribed by HHS
- Information specified by HHS

In developing the Biennial State Plan, the Lead Agency must—

- Consult with appropriate representatives of local government
- Coordinate the provision of services with other Federal, State, and local child care and early childhood development programs, including such programs for the benefit of Indian children
- Hold at least one public hearing

In consultation with the ACF Regional Offices, CCB reviews the Biennial State Plans to ensure compliance with the CCDF statute and regulations. The following summarizes the information States provided in their plans for FY 2002–FY 2003 (October 1, 2001, through September 30, 2003). More detailed information about how specific States are implementing CCDF is provided in the appendices to this report in the “Child Care and Development Fund State Information Chart.”

### *ADMINISTRATION*

States indicate that CCDF Lead Agencies are working in partnership with multiple Federal, State, Tribal, and local entities to administer CCDF funds. Many Lead Agencies directly administer funds for child care services through child care certificates, vouchers, or contracting with child care programs to serve families that are eligible for child care assistance. However, all of the Lead

Agencies contract with at least one other entity to assist them in administering funds to improve the quality and availability of child care.

In some cases, States devolved substantial administrative responsibility for CCDF to local jurisdictions. In a number of States, including California, Colorado, and Indiana, administrative responsibility for CCDF is at the county level. Other States, such as Texas and Florida, granted the authority to administer CCDF at the local level to nongovernmental entities created by statute.

### **State Flexibility**

States have significant flexibility in administering and funding child care assistance programs under CCDF and TANF. Almost half of the States (24) indicate they give families participating in TANF first priority for child care assistance. However, a few States use the flexibility under CCDF to establish eligibility requirements, family co-payment amounts, reimbursement rates, and funding levels that allow them to provide child care services to all eligible low-income working family applicants without regard to TANF status.

### **Eligibility**

In the FY 2002–FY 2003 Biennial State Plans, maximum family income eligibility levels across States ranged from 39 to 85 percent of the State Median Income (SMI) (or 122 to 325 percent of the Federal Poverty Level assuming a family size of three).

While four States and three Territories reported they set the income eligibility ceiling at 85 percent of the SMI, the Federal maximum, most set eligibility at a lower level in order to prioritize families with very low incomes. On average, States reported an income eligibility level equivalent to 62 percent of SMI.

Most States use pretax gross income, usually expressed in monthly terms, to determine if a family is eligible to receive child care assistance. However, some States exclude or exempt certain income, or allow deductions to income for certain expenses. Most commonly, States exclude or exempt income received from certain public assistance programs such as TANF, Supplemental Security Income, Volunteers in Service to America (VISTA), food stamps, energy assistance, and housing allotments.

In their definition of “working,” 15 States indicate that parents must work a certain number of hours per week or month to qualify for child care assistance. The hours specified range from 15 to 35 hours per week.

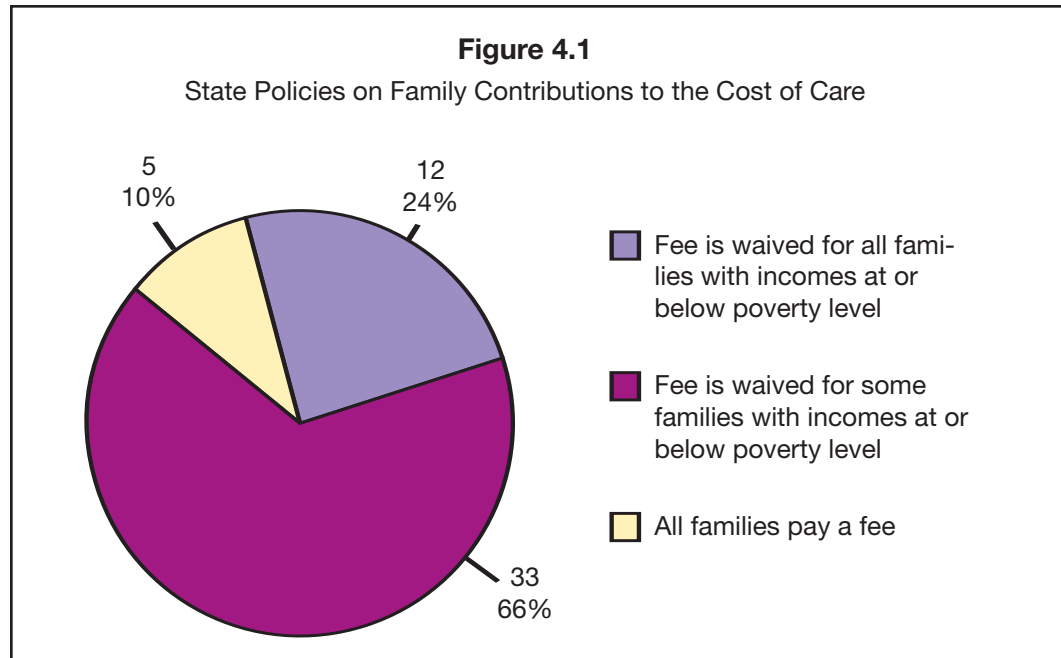


## Priorities

States decide whether to target certain populations or to treat all families the same regardless of welfare receipt status or history. Twenty-four States give families currently receiving, at risk of receiving, or transitioning off TANF first priority for child care assistance. Eleven States indicate that first priority is given to families that include a child with special needs, as defined by the States. Other States give priority to teen parents, non-TANF teen parents with no high school or general education diploma, families with medical emergencies, parents who are students in postsecondary education, parents in homeless or spousal-abuse shelters, children in protective services or foster care, and children in need of before- and after-school care.

## Family Contributions to the Cost of Care

States are required to establish a sliding fee scale, based on income and family size, whereby families receiving services through CCDF contribute to the cost of care. Some States use other factors including the price of care, the State reimbursement rate, or both, in determining the amount of co-payments. In the FY 2002–FY 2003 Biennial State Plans, close to 75 percent of States indicated that co-payments were based on a percentage of family income. Of these States,



*States may choose to waive co-payments for families with income below the Federal Poverty Level. Five States require all families to pay a fee. Twelve States waive fees for all families with income at or below the poverty level. Thirty-three States waive fees for some families with incomes at or below the poverty level.*

co-payments were also based on other factors, such as number of children receiving care, number of hours in care, the cost of care, whether care is full- or part-time, and years of participation in CCDF.

In addition to assessed family co-payments, many States allow providers to charge families the difference between their usual and customary rates and what the State reimburses. Fourteen States reported that they prohibit providers from charging fees in addition to the co-payments established by the State. Three additional States said that they prohibit some, but not all providers from charging families fees in addition to the established co-payments. Of the 17 States that have prohibitions against additional charges, many said providers may charge fees such as late charges or costs related to registration, transportation, and field trips.

## ***PAYMENT RATES***

All States reported that they rely on data from a market rate survey to establish rates and to ensure that families who receive child care assistance have equal access to comparable child care services. Twenty-seven States indicated that they cap reimbursement at levels equal to or higher than the 75th percentile of the local market rate. (This means that the State's maximum rates are equal to or more than the price of 75 percent of child care slots in the market.) This compares with 29 States in FY 2000 and FY 2001. While some States have been unable to update their rates in recent years, 81 percent of States reported that rates were updated to reflect the results of the market rate survey within a year of the survey. While there were significant variations among States and rate categories, overall, States increased their maximum reimbursement rates an average of 11 percent between FY 2000–FY 2001 and the FY 2002–FY 2003 Biennial State Plans. The increases frequently were not consistent across types of care and ages of children. The largest overall growth in rates was for the care of preschool children.

Almost all States implemented or plan to implement a tiered reimbursement system whereby providers are paid more if they can demonstrate that they offer higher quality care. In the FY 2002–FY 2003 Biennial State Plans, 29 States indicated they have rate differentials for various levels of quality. An additional 10 States were in various stages of studying or planning for a tiered system of rates.

## **Limitations on the Use of In-Home Care**

States must allow the use of in-home care but may set limits on its use. While 22 States indicated that they do not limit the use of in-home care, 28 States said they do impose limits for financial or quality reasons. Many of the States that impose limits require that a sufficient number of children be in care to ensure that the provider receives a minimum wage. For example, Indiana, Nebraska, Rhode Island, and Wisconsin limit in-home care to families in which three or more children require child care. Other States impose special quality provisions for in-home care, including criminal background checks, training, or both.

## Processes With Parents

Eleven States reported that they contract with a community-based voucher management agency to determine eligibility for child care assistance; this compares with 14 in FY 2000 and 9 in FY 1998. Additionally, four States are using the internet to disseminate information about child care subsidies or help families request applications for assistance. Thirty-eight States indicate they allow families to request applications for child care services by mail or telephone. Fourteen of those States allow families to complete the subsidy application by mail or telephone.

Sixteen States allow child care programs that collaborate with Head Start to determine eligibility once a year, at the beginning of the program year, rather than using the more typical 3–6 month eligibility period.

States also have increased their capacity to track and report on complaints against child care programs. Eight States have developed automated systems to track complaints and ensure that staff—and in some cases parents—have access to up-to-date information. States are also establishing toll-free numbers to make it easier for parents to file complaints or request information about complaints against programs or providers.

## *CERTIFICATES, GRANTS, AND CONTRACTS*

Although most States administer the bulk of their CCDF funds as certificates or vouchers, 25 States reported they also have grants or contracts for child care slots. In most cases, these grants and contracts are limited to specific populations and/or low-income neighborhoods where child care supply is limited. States also use contracts to support Head Start “wraparound” initiatives, school-age child care, or programs that target specialized populations such as teen parents or children with special needs. With the CCDF quality set-aside, earmarks, and other funds, States also use grants and contracts to expand and improve the quality of care for infants and toddlers and to address issues of compensation and professional development. These quality improvement grants are often combined with funding from child care certificates and vouchers, parent fees, and other sources.

The Biennial State Plans indicate that an increasing number of States are exploring the feasibility of awarding grants and contracts targeted to quality improvement outcomes such as lower child-staff ratios, increased staff training, or national accreditation. These contracts may be used in combination with funding from vouchers and certificates, parent fees, employer contributions, and other fundraising efforts to support the cost of good, quality child care. Often the contracts are used to support tiered reimbursement or other quality enhancement strategies.

## ***SERVICE COORDINATION***

Lead Agencies work with many Federal, State, local, and Tribal entities in developing their Biennial State Plans. Many States have established State and local coordinating councils or advisory boards that meet regularly to provide input and direction on CCDF funded programs. In some States, social service and education departments jointly fund and administer full-day, year-round early care and education systems for children aged 3–4. Head Start is often involved as a major partner in these efforts as well. School districts are also coming on board and have begun to develop collaborative approaches for preschool-age children, and for before- and after-school care.

Collaborative efforts extend far beyond the typical care and education agencies. States are working with State and local labor and economic development agencies to support initiatives that allow TANF recipients or low-income families to apply for a variety of benefits in one place (typically called “one-stop shopping”). Early intervention experts are helping to make child care systems more responsive to families that have children with special needs. State and community-based training organizations, colleges, and universities are playing an important role in creating and implementing career development systems for early care and education practitioners. Additionally, the juvenile justice system is exploring a variety of ways it can prevent crime by reaching children in their younger years and supporting out-of-school-time programs.

**Child Care Lead Agencies typically collaborate and coordinate services with—**

- Federal partners
- Education departments
- Health departments
- Welfare departments
- Juvenile justice agencies
- Private entities

State health departments play a central role in making more comprehensive services available, as well as increasing the quality of many child care settings. Innovative examples of collaborations with health agencies include the use of public health nurses to train child care providers and the funding of a toll-free telephone line that provides parents and providers information on health and safety topics related to child care. Some States have developed broader, system-wide collaborations, such as ensuring that families seeking child care

assistance are also informed about subsidized health care, and coordinating the monitoring of compliance with health and safety regulations. In 38 States, Lead Agencies also collaborate with health agencies on data collection and technology issues, ranging from maintenance of immunization records to the development of cross-agency online information retrieval systems.

All 50 State CCDF plans contain descriptions of public-private partnership activity. Those partnerships support a wide range of activities, from adding programs to building infrastructure to developing systems of care. The States

report a wide range of partners, including child care resource and referral agencies, businesses, housing authorities, economic development authorities, and welfare-to-work agencies. Several States discussed their intent to use private, donated funds to meet part of the CCDF matching requirements.

## ***IMPROVING THE QUALITY OF EARLY CHILDHOOD SERVICES***

The law requires that States spend no less than 4 percent of their CCDF allocation for quality activities. In FY 2002, States actually spent 11 percent on quality (including earmarked funds for infants and toddler quality, quality improvement activities, resource and referral, and school-age care). States may use these funds for a variety of quality initiatives, including those that target—

- Infants and toddlers
- Child care resource and referral services
- School-age child care
- Comprehensive consumer education
- Grants or loans to providers to assist in meeting State and local standards
- Monitoring compliance with licensing and regulatory requirements
- Training and technical assistance
- Compensation of child care providers
- Other activities that increase parental choice and improve the quality and availability of child care

### **Child Care Services for Infants and Toddlers**

Increasingly, States are using CCDF funds to improve the quality of care provided to infants and toddlers, and they are doing so in ways that promote systemic change. For example, the number of States that have developed a special infant-toddler credential doubled during the FY 2002–FY 2003 Biennial State Plan period. Many States also describe initiatives that link caregiver credentials, compensation, and program assessment. More Lead Agencies have launched planning efforts that target infant-toddler care, and close to 25 percent of States fund infant-toddler specialists or health consultants focused on infant-toddler issues. These efforts are frequently done in collaboration with Healthy Child Care America, a partnership between CCB and the Maternal and Child Health Bureau (MCHB) in HHS Health Resources and Services Administration, operating through FY 2004. After FY 2004, MCHB's new Early Childhood Comprehensive Systems grants to States will encourage improved health practices in child care.

## Resource and Referral

States report they provide some type of child care resource and referral services, which include consumer information and referrals, development of new family child care homes and centers, training and/or technical assistance to child care providers, and other quality enhancement initiatives. These services are typically provided via contract with a nonprofit community-based organization, although a few States provide resource and referral services directly, and some use State or local public agencies. Several States described unique initiatives that use resource and referral agencies as coordinating bodies to support a range of services for parents and providers, including infant and toddler training programs.

## Consumer Education

All States report they support child care resource and referral services that include, among other activities, consumer education. Most States also conduct a consumer education campaign that includes, at a minimum, written information about child care subsidies, services, and choosing quality child care providers (via brochures and pamphlets). Some States use broadcast and news media in their public education campaigns. A few States also dedicate staff or established regional teams to focus on consumer education.

## School-Age Child Care

Most States make funds available to support school-age child care programs and services. While some Lead Agencies focus on efforts to improve the quality and supply of school-age child care, States also use CCDF funds to help make school-age child care more affordable for families. States provide this support as subsidies for low-income children (i.e., certificates that facilitate parent choice). Most States report that they use set-aside funds for school-age child care provider training. In addition to providing scholarships and other training resources, some States are developing school-age care credentials, special mentor programs, and targeted distance-learning courses.

## Inclusive Child Care

Nearly all States provide child care services to children with disabilities over the age of 13, and States are required to give priority to children with special needs. States are also pursuing fiscal policies and initiatives, as well as training efforts, to expand and enhance inclusive child care. Strategies that States employ include—

- Ensuring that resource and referral entities provide child care referrals and parental education to families having children or youth with special needs
- Assessing programs to identify necessary physical or programmatic changes
- Training providers to care for children with special care needs

- Funding health consultants to provide support and technical assistance to providers for children with special needs
- Establishing lending centers for adaptive equipment and assistive devices

### **Grants and Loans to Child Care Providers**

A number of States offer support to child care programs by providing start-up grants and loans to providers, including school districts and community-based organizations. In some cases, grants are targeted to programs that need funds to maintain compliance with health and safety standards. In others, funds are targeted to quality improvement. A number of States are also linking grant funds to deficiencies that were identified during a program assessment. In some cases, these assessments are linked to achieving accreditation or meeting benchmarks established by the State. Others are based on nationally recognized scales used to assess the quality of child care environments. In either case, the approach is an incentive: To receive grant funds, programs must make progress toward meeting specific goals.

### **Health and Safety Requirements**

In order to improve the health and safety of children in child care settings, many States revise requirements on a periodic basis. Close to one third of all States report changes to licensing requirements since the FY 2000–FY 2001 Biennial State Plans. States also increase the number of licensing staff to intensify their monitoring efforts and thereby assure a higher compliance level with health and safety requirements. While nearly all States conduct unannounced onsite monitoring visits, many States also provide technical assistance, training, and orientation sessions in their efforts to increase compliance with regulatory requirements. In addition, many States coordinate their monitoring activities with other agencies, such as health and fire departments, to increase the health and safety of children.

### **Monitoring Compliance With Regulatory Requirements**

CCDF funds support States in monitoring compliance with State child care licensing and regulatory requirements. Twenty-nine States—up from 25 in the FY 2000–FY 2001 Biennial State Plans—reported using CCDF to lower caseloads for licensing staff. In addition, a growing number of Lead Agencies report that they use CCDF quality funds to support training for licensing staff, with emphasis on improved observation and interaction skills as well as regulatory knowledge. Seven States also use quality set-aside funds to help pay for new or upgraded automation systems to track compliance with licensing standards.

### **Training and Technical Assistance**

Every State reports involvement in training and technical assistance activities. The number of States that report using CCDF quality funds to help build or



support a career development system for early care and education continues to climb, from 17 States in FY 2000–2001 to 28 in FY 2002–2003. In many States, these systems serve as a framework for other training, technical assistance, and quality improvement activities.

### **Public-Private Partnerships**

Many States' public-private partnerships focus on important gaps in service. Increasingly, these partnerships are beginning to focus on special needs and early intervention, health, and early literacy efforts. Twenty-four States are establishing public-private partnerships to improve the quality of child care. Fourteen States partner with businesses to increase availability of child care. Twenty-four States partner with the private sector around the issues of training, education, and professional development. Partnerships in 12 States are assisting with facility startup and ongoing enhancements.

### **Compensation of Child Care Providers**

As State involvement in career development efforts grow, so does the desire to have direct impact on caregiver compensation. States describe initiatives including wage supplements, mentoring programs, and one-time bonuses or quality awards. Several States have multiple initiatives. As compared with the FY 2000 and FY 2001 Biennial State Plans, nearly twice as many States report spending CCDF funds for T.E.A.C.H., a scholarship program that links increased education with compensation. Fourteen States report developing early care and education mentoring initiatives, which typically compensate skilled early childhood teachers who provide leadership and support to new staff entering the field. Twelve States report that they use CCDF to support wage and benefit initiatives for the early care and education workforce, up from eight States in the last plan period.



## THE TERRITORIES

### Introduction

Five Territories receive Child Care and Development Fund (CCDF) Discretionary Funding:

- American Samoa
- Guam
- The Commonwealth of Northern Mariana Islands (CNMI)
- Virgin Islands
- Puerto Rico

Discretionary Funds include earmarks for—

- Child care quality improvement activities
- Infant and toddler quality improvement
- Child care resource and referral and school-age care activities

The Territories do not receive CCDF Mandatory or Matching Funds, which means they are not required to meet the Maintenance of Effort (MOE) or Matching Fund requirements for CCDF (which are tied to accessing the Matching Funds). However, they are required to meet the same CCDF Biennial State Plan and reporting requirements as States.

The Territories received the following CCDF Discretionary Fund allocations in FY 2002 and FY 2003:

**Figure 4.2**  
Territories: CCDF Discretionary Fund Allocations FY 2002 and FY 2003

Territory	FY 2002	FY 2003
American Samoa	\$2,663,480	\$2,646,159
Commonwealth of Northern Mariana Islands (CNMI)	\$1,636,489	\$1,625,883
Guam	\$4,000,757	\$3,974,740
Puerto Rico	\$47,373,817	\$44,888,941
Virgin Islands	\$2,199,244	\$2,184,938

### Activities To Increase Quality and Availability of Child Care

Territories use earmarked funds to support a variety of activities that increase the quality and availability of child care. For example, American Samoa is collaborating with the Department of Education's Early Child Education Program to develop plans and activities in support of early language, literacy, prereading,

and early math concepts development. CNMI is developing a continuum of training opportunities for skill building in prereading, language, vocabulary, and early math concepts. Other training includes followup mentoring and coaching of child care providers and staff. Guam uses quality earmarks for provider training, support, and technical assistance in language and early literacy skills. The Virgin Islands plan development of a seamless system for professional development in early childhood education. Puerto Rico is developing a plan for professional development based on its early learning standards to be implemented in child care and other preschool settings.

### **Challenges Specific to Territories**

The CCB and ACF Regional Offices have worked to overcome some of the challenges of delivering services to the Territories. Challenges include travel restrictions and limited access to the internet, which hinder the ability to receive technical assistance. In addition, technical assistance must be delivered across the international date line, making it difficult to schedule conference calls during their regular business hours. The lack of early childhood education (ECE) resources available to some Territories is another problem that prevents improving child care services.

### **Technical Assistance**

CCB has employed a variety of strategies—nationally, regionally, and locally focused—to address these challenges. Examples include—

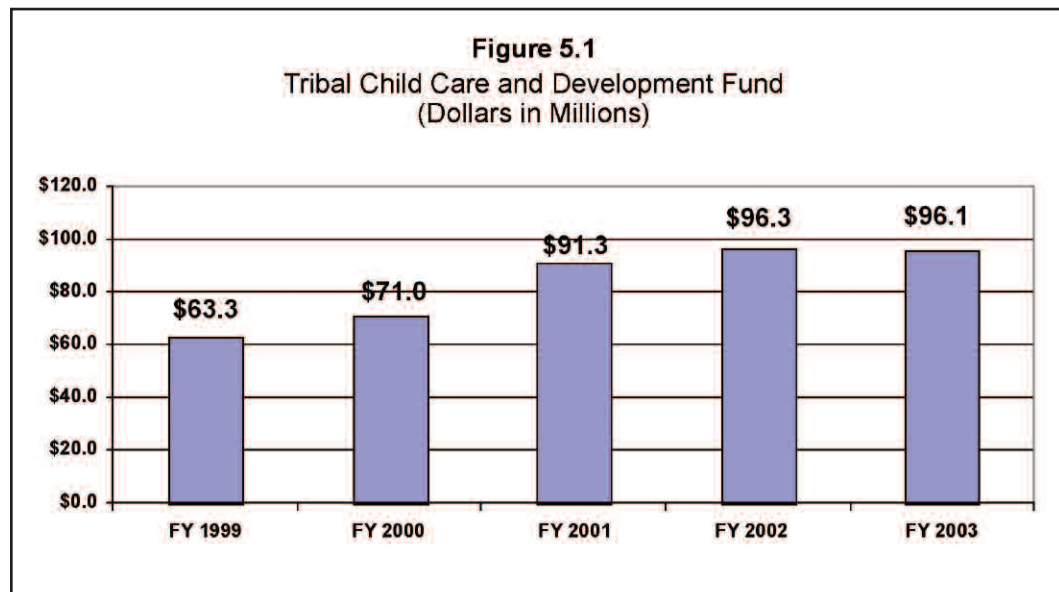
- Onsite or nearby technical assistance that is responsive to the specific needs of the population served by the Territories
- A technical assistance session specifically for the Pacific Territories at the Bureau's annual Child Care State Administrators Meeting
- Onsite training on the early learning, professional development, and coordination provisions of the President's *Good Start, Grow Smart* initiative in the Virgin Islands and Puerto Rico
- Onsite technical assistance for data collection software

## Part V: Tribal Child Care

### BACKGROUND

The 1996 welfare reform law (P.L. 104–193) amended the Child Care and Development Block Grant Act of 1990 (CCDBG) to reserve “not less than 1 percent and no more than 2 percent” of the aggregate Child Care and Development Fund (CCDF) funds for Indian Tribes. HHS elected to reserve the full 2 percent set-aside. In FY 2002, 262 Tribal grantees were awarded \$96,339,880 in CCDF funds. In FY 2003, 259 Tribal grantees were awarded \$96,066,881 in CCDF funds. Over 500 federally recognized Indian Tribes, Alaska Native Villages, and a Native Hawaiian organization received CCDF funds directly or through consortium arrangements. Indian children are dually eligible to receive services from a Tribal or State CCDF program. With few exceptions, Tribal CCDF grantees are located in rural, economically challenged areas.

An Indian Tribe is eligible to receive CCDF monies if the Tribe is federally recognized and the Tribal population includes at least 50 children under age 13. A federally recognized Tribe, including a Tribe with fewer than 50 children, may join a consortium of Tribes to receive funding. Grant awards are calculated based on the number of children under age 13 reported by each Tribe. As part of the annual CCDF funds application process, a Tribe must submit a signed declaration that certifies the number of Indian children under age 13 who reside on or live near the reservation or Tribal service area.



*Note: In FY 2003, there was a .65 percent across-the-board cut for all Discretionary Funds in certain Federal agencies, including HHS, which accounts for the decrease from FY 2002 to FY 2003.*

The CCDF regulations provide enormous flexibility for Tribes to design and administer their programs in accordance with the unique needs and challenges in their communities. Recognizing that many smaller Tribes do not have the infrastructure to support certain CCDF requirements, CCB exempts these Tribal grantees from two key provisions. Unlike the States and large Tribes, exempt Tribes are not required to spend at least 4 percent of their CCDF funds on activities to promote child care quality. Second, “exempt” Tribes are not required to operate a certificate (voucher) program. The 1998 CCDF regulations (45 CFR Parts 98 and 99) set the exempt/nonexempt threshold at \$500,000. Therefore, a Tribe with an annual CCDF allocation of \$500,000 or greater is considered nonexempt and must operate a certificate program and meet the 4 percent quality requirement.

### **Tribal Program Flexibility: Public Law 102–477 Option**

Through the Indian Employment, Training, and Related Services Demonstration Act of 1992 (P.L. 102–477), Tribes have the option to consolidate their CCDF funds with other employment and training funds, which allows them to submit abbreviated CCDF applications, plans, and program reports. Tribes may also request waivers for certain CCDF statutory provisions, regulations, policies, or procedures, given that the waiver is consistent with P.L. 102–477 and the Child Care and Development Block Grant Act of 1990. This option gives Tribes increased flexibility in developing comprehensive service delivery models and program outcomes that support the policy of Tribal self-determination and meet the unique needs of Tribal families.

In FY 2003, 29 Tribes consolidated their CCDF plans into P.L. 102–477 plans. These 29 Tribes received over a quarter of the FY 2003 CCDF funds. As the statutorily designated Lead Agency of the 102–477 option, the Department of the Interior conducts onsite reviews for all 102–477 grantees during their approved 2- or 3-year grant periods. Tribes receive copies of review findings and are provided with corrective actions, if necessary. Over the past 10 years, CCB has worked closely with the Department of the Interior to administer the consolidation option.

Tribes may use their CCDF funds to construct or renovate child care facilities, subject to ACF approval of an application for construction and major renovation application. Between FY 1997 and FY 2003, ACF approved over \$54 million in CCDF funds to construct or renovate 111 child care facilities.

In Tribal communities, CCDF plays a critical role in offering affordable, accessible, and quality child care options to parents as they move toward economic self-sufficiency. Tribes employ a number of creative strategies to leverage their child care resources and coordinate with other early childhood programs, such as Head Start and Early Head Start programs and the U.S. Department of Education’s 21st Century Community Learning Centers (for school-age children).

## ***NATIVE LANGUAGE AND CULTURE***

There is a strong emphasis on traditional culture and language in Tribal child care settings, which is usually reflected in a Tribe's program activities. For example, in a number of Tribal communities, parents place their children with Tribal child care providers or relative providers, where the child's heritage and culture will be emphasized. A 1998 HHS Office of Inspector General report on Tribal child care found that most Tribal families prefer to have neighbors and relatives care for their children.



*In a 3-week period, children from Alaska's Ninilchik Traditional Council's after-school program read close to 2,300 pages. They are eager and ready to learn, as depicted in their innovative "reading circle."*

## ***CHILD CARE TECHNICAL ASSISTANCE FOR TRIBES***

### **Tribal Work Group**

The Tribal Work Group (TWG) is a technical advisory group that assists with the implementation of CCDF and provides assistance to CCB in developing policies and procedures for Tribal child care programs across the country.

With the exception of ACF Region III (Delaware, Maryland, Pennsylvania, Virginia, Washington, DC, and West Virginia), which has no federally recognized Indian Tribes, the TWG consists of one Tribal child care administrator from each ACF Region and one member from Alaska. Tribal child care administrators are nominated to the TWG by ACF Regional Offices and serve 2-year terms. Throughout the year, several meetings are held to discuss Tribal policy and technical assistance issues.

## **Tribal Child Care Technical Assistance Center**

The majority of CCB Tribal technical assistance is provided by the Tribal Child Care Technical Assistance Center (TriTAC). Through a contract with Native American Management Services Inc. of McLean, Virginia, TriTAC designs specialized technical assistance for child care directors on administering their CCDF programs. TriTAC assists Tribal grantees in child care capacity-building efforts through—



- A Tribal child care Web page (<http://nccic.org/Tribal>)
- A toll-free information and referral line
- A database of “Effective Program Strategies”
- Tribal cluster trainings
- An annual National American Indian/Alaska Native (AI/AN) Child Care Conference
- Training for new administrators

## **National American Indian and Alaska Native Child Care Conference**

Sponsored by CCB, the annual National American Indian and Alaska Native Child Care Conference provides training and workshops for Tribal child care directors on CCDF program administration. Over 400 participants attend, including Tribal leaders; directors of Tribal child care, Head Start, and Employment and Training Lead Agencies; child care staff; national Tribal and child care organization representatives; and Federal agency staff from HHS and the Department of the Interior. In FY 2002, the Conference focused on quality child care issues. The FY 2003 conference focused on strengthening the foundations for early learning in Tribal child care settings.

## **Tribal CCDF New Administrators Training**

Each year, CCB sponsors a 2½-day training session for new administrators. This training is to provide new Tribal CCDF administrators with comprehensive information ranging from basic CCDF policy topics (statutory, regulatory, and data collection requirements) to CCDF contacts at the Federal and State levels and accessing child care information on the internet.

## **Tribal Cluster Trainings**

In conjunction with TriTAC, CCB holds cluster training for Tribal child care grantees each year across the country. In FY 2002, this training provided information on working with providers to enhance the quality of Tribal child care programs in both center-based and in-home settings. Topics included ages and

stages of child development, health and safety, promoting literacy, and supporting professional development and staff retention. Other training focused on financial management and technical assistance for data collection.

In 2003, extensive technical assistance was provided on the three key *Good Start, Grow Smart* components: early learning and literacy, professional development, and coordination. As a result of these training opportunities, a number of Tribes are collaborating with their State CCDF agencies.

### **Tribal Data Collection and Submission**

Tribes are required to provide aggregate child care data on the ACF-700 report, including annual counts of Tribal children and families served through CCDF, average hours of service per child by type of care, average monthly payment and co-payments per child, and the number of children served by income. The Tribes are required to submit the ACF-700 report for each Federal fiscal year. Tribes may submit their reports up to 3 months after the end of the reporting period.

In FY 2002, 16,605 families and 29,810 children were served with CCDF funds (73 percent of grantees reporting) and in FY 2003, 18,333 families and 32,911 children were served (75 percent of grantees reporting). Although data quality is improving, some Tribal grantees have difficulty providing accurate, complete data due to a number of factors, including staff turnover and a lack of technology resources and infrastructure. To address these issues with data quality, CCB continues to provide technical assistance and specialized software (*Tribal Data Tracker*) to help Tribes with data reporting.

## ***COORDINATION WITH TRIBAL PARTNERS***

The CCDF statute and regulations require CCDF Lead Agencies to—

- Consult with appropriate representatives of local government
- Coordinate services with other Federal, State, and local child care and early childhood development programs, including those serving Indian children
- Coordinate with other State and Tribal agencies responsible for public health, employment, education, and TANF

These State-Tribal child care collaborations have increased over the past few years. For example, the Leech Lake Band of Chippewa operates a child care resource and referral service through collaboration with the State of Minnesota and on behalf of the 11 Tribal grantees of Minnesota. The Inter-Tribal Council of Arizona contracts with Arizona's lead CCDF agency to provide Tribal training and assistance to Tribes in the State. Following several years of negotiations with the Confederated Tribes of the Warm Springs, the State of Oregon agreed to



outstation two full-time case workers and a part-time TANF case manager on the Warm Springs reservation.

The Tribes also coordinate with Tribal colleges and universities (TCU) to develop professional development and training opportunities for child care providers. Many Tribal child care programs partner with TCUs and local community colleges for training classes that will eventually lead to a professional child care credential or other child care-related training courses, such as health and safety.

For those Tribes not located near an existing TCU, distance learning technology is emerging as a vital resource to provide culturally relevant training to students in remote areas. For example, the Nez Perce Tribe in Idaho has a distance learning agreement with the Northwest Indian College (NWIC) in Washington State to provide early education services to the Nez Perce Tribe Early Childhood Development Program. In December 2003, the United Tribes Technical College (UTTC) in Bismarck, North Dakota, received accreditation to grant a 2-year early childhood education degree online.



## Part VI: Child Care Research

### **BACKGROUND**

The Administration on Children, Youth, and Families (ACYF) has a long history in child care research, with child care studies that date back to the early 1970s. These early studies laid the foundation for CCB's research agenda, which is designed to support decisionmakers in crafting child care policies that support positive outcomes. It is also intended to increase the capacity for child care research at the national, State, and community levels and to promote linkages among research, policy, and practice.

Beginning in FY 2000, Congress authorized the Bureau to spend \$10 million annually in CCDF funds for research, demonstration, and evaluation. Based on recommendations obtained through a broad-based planning process that included an HHS task force, a 2-day Child Care Research Leadership Forum, and a national call for input, CCB developed a strategic research agenda designed to build a solid research infrastructure and yield timely, useful information for child care policymakers.

#### **The Child Care Bureau's Research Priorities**

CCB seeks to address the questions that are most relevant to Federal, State, and local community policymakers. These questions include—

- What are the effects of alternative child care subsidy policies and practices on children and families served?
- What are cost-effective investments in child care quality?
- What are the issues and outcomes related to caregiver professional development and training?
- How does school readiness vary among young children in a range of care settings, and what factors promote children's early learning?
- What are promising models of coordination between child care and other services for children and families in the States?

### **FY 2002 AND FY 2003 RESEARCH ACTIVITIES**

CCB's research projects support implementation of Federal and State priorities including supporting employment for low-income families and the President's early learning initiative, *Good Start, Grow Smart*. They involve sophisticated research methodologies including quasiexperimental and experimental designs. Several national evaluations have been launched to examine variations in State

child care policies and explore promising approaches to child care provider training. In addition, CCB is investing in efforts to increase State capacity for research and data analysis, encourage doctoral students to choose careers in child care research, and improve research quality and usefulness through the Child Care Policy Research Consortium and the *Child Care and Early Education Research Connections* Web site ([www.childcareresearch.org](http://www.childcareresearch.org)). Collaborative relationships with other Federal agencies and national organizations are being strengthened, and many studies now involve partnerships that bring together diverse constituencies and research interests.

The following provides an overview of CCB's research initiatives in FY 2002 and FY 2003.

### **Child Care Policy Research Consortium**

During FY 2002 and FY 2003, CCB continued to expand its national Child Care Policy Research Consortium of grantees and contractors. The purpose of this consortium is to help CCB increase national capacity for sound child care research, identify and respond to critical issues, and link child care research with policy, practice, and consumer demand. As part of its responsibility to foster child care research and dissemination of research findings, in collaboration with CCB, the Consortium sponsored annual meetings in FY 2002 and FY 2003. Members of the consortium participated in panel discussions, workshops, and poster board sessions to explore current issues facing researchers and policymakers.

As a result of the Consortium's activities, child care researchers across the country are working in collaboration with policymakers and practitioners on studies that are timely and interdisciplinary. Members work to develop improved consensus about child care data definitions, measures, and methods. They are also creating longitudinal data sets from child care subsidy systems, regulatory information systems, resource and referral systems, and other key sources. Finally, members are producing new studies that examine interrelationships among programs and their effects on families and children, as well as some that replicate existing studies in different States and communities.

### **Child Care and Early Education *Research Connections***

*Research Connections* is a Web-based, interactive database of research documents and public use data sets for conducting secondary analyses on topics related to early care and education. The project—

- Conducts literature reviews
- Develops and disseminates materials designed to improve child care policy research
- Provides technical assistance to researchers and policymakers

- Synthesizes findings into policy research briefs
- Provides support to the Child Care Policy Research Consortium

CCB entered into a cooperative agreement in FY 2003 with the National Center for Children in Poverty (NCCP) at Columbia University and the Inter-University Consortium for Political and Social Research (ICPSR) at the University of Michigan for ongoing development and operations. The project was publicly launched in FY 2004 and can be found at [www.childcareresearch.org](http://www.childcareresearch.org).

### **Child Care Research Partnerships**

Since 1995, teams of policymakers, practitioners, and researchers have studied State and local child care markets using data collected by States and communities in the course of operating subsidy, licensing, and resource and referral programs. In recent years, the partnerships have moved beyond a single State focus to multi-State consortia that study crucial topics such as child care quality and characteristics of the child care workforce as these themes play out in different State policy contexts. Several of these partnerships have provided State and cross-State information on child care needs, utilization patterns, and outcomes for low-income families. The partnership projects have conducted research involving nearly half of the States and many local communities. Four Child Care Research Partnership projects awarded in FY 2000 continued their research through FY 2001, FY 2002, and FY 2003.

### **Child Care Policy Research Grants**

CCB has funded 24 Child Care Policy Research Grants to study a broad range of issues highlighted by policymakers and investigators in the field. Topics include—

- Outcome assessment related to the quality of child care children receive
- Quality ratings of child care facilities
- Evaluation of parents' choice of child care based on information about quality of care
- Availability of care for infants and toddlers, children with special needs, and underrepresented populations
- Child care workforce issues
- Administrative barriers that may affect low-income families' access to child care
- Strategies States and communities are implementing to improve their child care services and systems

In FY 2002, 3 new unsolicited grants were awarded, and 12 continued from previous years. In FY 2003, 14 grants awarded in prior years were continued. See appendices for descriptions of the new grants awarded in FY 2002.

### **Evaluation of Child Care Subsidy Strategies**

In FY 2001, ACF contracted with Abt Associates Inc. for a multi-State evaluation (up to four subsidy strategy evaluations) to study the impact, implementation, cost, and benefits of various child care subsidy strategies. This evaluation will expand the knowledge of subsidy policies by assessing causality through experimental design. Implementation is underway in Miami-Dade County in Florida. Miami-Dade County is conducting an experimental test of the effects of training child care providers to implement three early language and literacy curricula in centers serving low-income and subsidized preschoolers. Outcomes will be measured through classroom observations and child assessments related to school readiness.

### **State Child Care Data and Research Capacity Projects**

These projects assist State CCDF Lead Agencies in developing greater capacity for policy-relevant research and analysis. In partnership with research organizations, these States are designing more effective child care policies and programs with identifiable outcomes for children, families, and communities. Within each project, the primary goal is to create a statewide research infrastructure to better understand child care needs, services, and outcomes for families in the context of social, economic, and cultural change. In FY 2002, three States were awarded 3-year grants, and three grants were continued from FY 2001. These six grants continued through FY 2003. The grantees work together to address common issues and are collaborating with the Child Care Policy Research Consortium on the ongoing development of a national State-by-State research infrastructure. See appendices for descriptions of the new grants awarded in FY 2002.

### **Child Care Research Scholars**

Since FY 2000, CCB has funded doctoral candidates to conduct dissertation research on child care issues. In FY 2002, 3 new scholars were awarded grants, and 6 scholars were awarded grants in FY 2003, bringing the total number of funded scholars to 18. Scholars examined topics such as—

- Informal care in a Tribal community
- Training strategies for providers of infant and toddler care
- The impact of kindergarten entrance age policies on families' child care needs
- State policies for early childhood education
- The impact of child care on women's employment

Nearly all scholars from the first two waves have completed their dissertations, and several have been published in peer-reviewed journals.

### **Evaluation of Promising Models and Approaches to Child Care Provider Training**

In FY 2003, CCB, in collaboration with the Office of the Assistant Secretary for Planning and Evaluation (ASPE), awarded two cooperative agreements to a consortium of seven academic institutions along with their partners in State and local agencies and community organizations. The consortium is evaluating the effectiveness of two onsite training models and will assess outcomes related to knowledge, skills, and practices, as well as children's early learning and literacy. The lead universities for this effort include the University of North Carolina at Chapel Hill and Georgetown University.

### **Interagency Efforts that Support the President's Good Start, Grow Smart Initiative**

CCB actively supports interagency research initiatives within HHS as well as with the Department of Education. These efforts include(d)—

- *Enhanced analyses of the National Household Education Survey (NHES) 2001 Early Childhood Program Participation data.* Indicators of emerging literacy and numeracy will be analyzed by family background characteristics and type of early childhood program participation. Analysis will begin in early FY 2004, and these variables will be tracked across future NHES data collection waves to determine trends in the proportion of children ready for school on those learning domains. This information will be used to help CCB track progress on long-term school readiness measures.
- Partnership with the ACF Office of Planning, Research, and Evaluation to complete the *National Study of Child Care for Low-Income Families*. Research findings were released in 2004–2005. A forthcoming report entitled *Care in the Home: A Description of Family Child Care and the Experiences of Families and Children That Use It* examines the experiences of children and their providers—including factors that relate to early learning and literacy—as well as what parents consider when selecting their children's care. Another report also forthcoming, *Patterns of Child Care Use Among Low-Income Families*, looks at family child care decisionmaking.

- *An interagency meeting in February 2003 to assess current knowledge about the characteristics of the early care and education workforce, including professional development and training.* In follow-up, CCB is taking the lead in the spring 2005 publication of an edited book of critical issues in early care and education professional development and recommendations for future research. It also sponsored a roundtable in February 2004 that explored definitions related to the professional development of the early care and education workforce in research, systems, and practice.
- *Identification of workplace policies and practices to improve the health and well-being of workers, their families, and communities.* In 2003, the National Institute of Child Health and Human Development (NICHD) led an initiative that included a workshop entitled *Workplace Policies and Practices To Improve Health and Well-Being*. Future studies funded by NICHD will employ rigorous methodologies to test workplace policies and practices across a variety of workplace settings.
- A partnership with other HHS agencies to support the *Evaluation Data Coordination Project (EDCP)*. Carried out by the American Institute for Research, EDCP is aimed at facilitating the use of data sets for secondary data analysis among administrators and researchers and encouraging common measurement in future studies. Nine HHS studies are involved in the assessment of data and survey instruments.

## ***EMERGING FINDINGS FROM CCB AND OTHER FUNDED RESEARCH***

### **Parent Choice and Patterns of Child Care Use**

Research about what American parents want and need for their children in care indicates that parents balance many considerations, including the hours of care they need, whether there is another adult in the household, the experiences they want for their child, convenience, and child care affordability. Parents appear to make employment and child care decisions simultaneously, taking into account a variety of considerations including values and constraints such as income and work schedules. When parents have care they trust, and that allows them the flexibility to balance the demands of parenting and work, they express satisfaction with the quality of their child care.

Over the past 20 years, there has been considerable research on the determinants of child care choice. One body of research has developed econometric models using data from a variety of household surveys to estimate the effects of household demographic characteristics, maternal employment, and the price of care on the type of care selected. These studies have found that income, education, race and ethnicity, family composition, and the availability of social

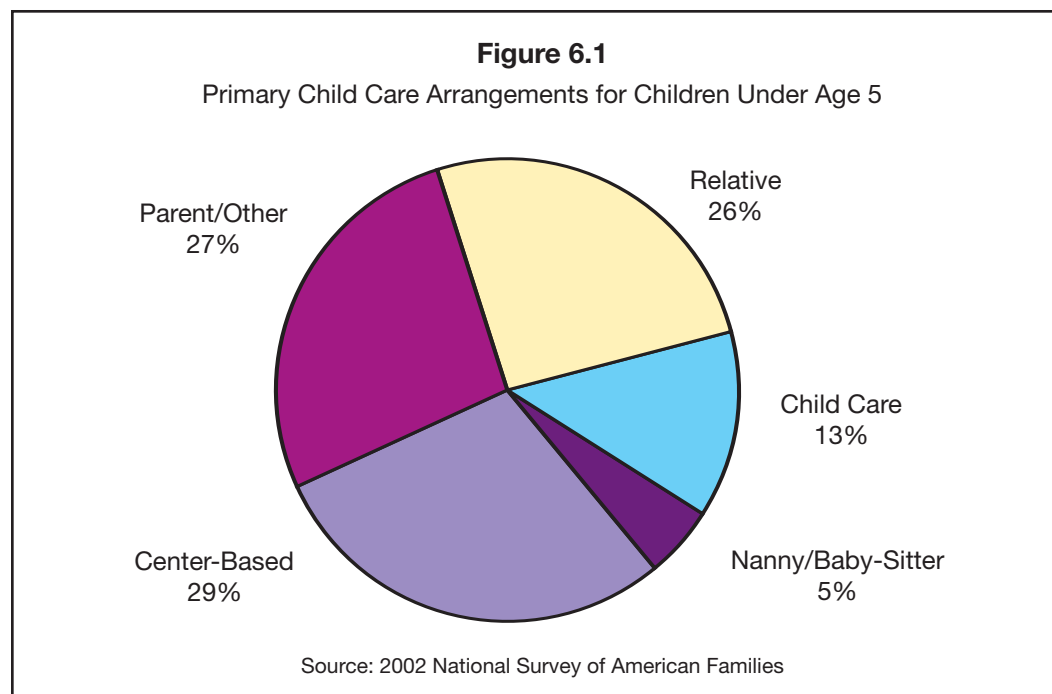
supports (e.g., availability of nearby relatives) are significant factors in the selection of child care arrangements. As income and level of education rise, families are more likely to choose market care over relative care for their children. However, if social supports are accessible, families are more likely to use informal care provided by family members, friends, and neighbors. Families with more children are more likely to use informal care as compared to families with fewer children. These studies have also found that the choice of child care arrangement is sensitive to the price of care. As the price of a given type of care increases, the likelihood of a family using that type of care decreases.

Another body of research uses focus groups, in-depth interviews, and surveys to capture parental attitudes and considerations. This research suggests that regardless of the type of child care used, most parents care about the quality of their child care arrangement. However, users of different modes of care have different views about what constitutes quality care. Families that use regulated care (and especially center-based care) place greater emphasis on opportunities for cognitive and social development and tend to stress the importance of professional standards. Users of informal care are more likely to emphasize familiarity with their providers.

According to an analysis conducted by the Urban Institute on its 2002 National Survey of American Families (NSAF), nearly 19.1 million children under age 13 were in nonparental care arrangements while their parents worked. This number includes 73 percent of children under age 5 (8.0 million), 75 percent of 5-year-olds (1.8 million), and 47 percent of school-age children aged 6–12 (9.3 million).

The 2002 NSAF data also revealed that the most common primary care arrangements for children aged 5 and younger with employed parents or guardians were center-based care (29 percent), parent or other care (27 percent), relative care (26 percent), family child care (13 percent), and nanny or babysitter (5 percent). The parent and other care category includes children whose mothers did not report the use of any regular care while they worked.





Low-income children under age 5 were less likely to be in center care in 2002 than their higher-income counterparts (NSAF). In large part, this was due to the decreased use of nonparental care for children from birth through age four 4 in low-income two-parent families. Forty-three percent of preschool children in low-income two-parent families were in the care of a parent while their other parent worked.

In another study based on the 1999 National Survey of American Families (NSAF), *Getting Help With Child Care Expenses*, the Urban Institute finds that while fewer low-income working families paid for child care as compared to their higher-income counterparts, 38 percent of families with incomes under 100 percent of the Federal Poverty Level had child care expenses. These families paid an average of \$227 per month or 18 percent of their earnings on care (after any assistance they received from Government, relatives, or other sources). However, for purposes of the survey, “earnings” do not include other supports that may have been available to low-income families, such as food stamps, medical assistance, and Earned Income Tax Credit (EITC) benefits.

As part of the *National Study of Child Care for Low-Income Families (National Study)*, 2,500 low-income families (under 200 percent of the Federal Poverty Level) with children under age 13 were surveyed regarding their child care arrangements. The results of this survey are described in the *National Study of Child Care for Low-Income Families: Patterns of Child Care Use Among Low-Income Families* (Burstein et al., under review). This study found that the most frequently mentioned influences on parental choice are safety (51 percent), convenience (40 percent), and the family’s relationship with the provider (35 percent). Very low



income families (under 100 percent of the Federal Poverty Level) were less likely to note the importance of developmental aspects of care than families with more income. Overall, only about 20 percent of families mentioned an issue related to development such as “prepare child for school,” “staff is trained, professional,” or “program/activities/structure” as a reason for choosing their primary child care arrangement. Twelve percent of mothers who were using family child care and 10 percent of those using relative care and in-home nonrelative care said they would prefer center care.

### **Child Care Use Among Minority Families**

Cultural traditions and child rearing values appear to exert a powerful influence on the choices parents make. The *National Study* found that Hispanic children were much less likely to receive care in a center-based program than either White or African-American children (14 percent as compared to 31 percent and 27 percent, respectively). Hispanic mothers were more likely to mention safety and their relationship with the provider and less likely to note child development issues. However, the reasons why some minority families are more likely to use home-based child care arrangements are unclear. Some researchers argue that minorities place a high value on care by relatives and people in their communities who are more likely to share their child-rearing beliefs than center-based providers (Fuller et al., 2001). Others suggest that home-based care is more flexible and more likely to be available during the nontraditional work schedules required by the low-wage retail and services industries (Bromer, 2003; Fuller et al., 2001; Henley & Bromer, 2002; Henley & Lambert, 2003; Whitebook, 2004).

### **Child Care Usage Among Children With Special Needs**

Numerous studies indicate that families that include a child with special needs experience heightened challenges in finding and maintaining child care. The CCB-supported Midwest Child Care Research Partnership completed a study in 2003 that includes a sample of parents who reported having a child with a disability. Parents of children with disabilities reported significantly higher levels of stress related to their child care, even after controlling for family income. These parents rated a number of factors including center accreditation, provider’s credentials, and acceptance of subsidies as significantly more important than did parents of typically developing children. Overall, children with disabilities began participating in child care at later ages. Despite this, they had experienced a higher number of child-care arrangements across a variety of types of care.

The University of Southern Maine (Ward & Morris, 2004) found that parents of children with more severe disabilities expressed particular concern over whether any child care provider could adequately meet the needs of their children. Parents of children in programs caring specifically for children with special needs or those with significant experience caring for children with disabilities seemed more satisfied than parents whose children attended regular child care programs.

## State Implementation of CCDF and Related Child Care Programs

Research confirms what we know from State case-level and financial reports: public investment in child care subsidies increased rapidly in recent years, and State flexibility under CCDF (and TANF) results in patterns of subsidy use that vary greatly among States. CCDF helps low-income working families access a range of child care options. However, the choices families have are influenced by State decisions about how much income a family can have and still be eligible for services, whether all eligible families that apply are served, which families are given priority for services (when waiting lists exist), the amount of cost-sharing required of families (co-payment), what constitutes an eligible provider, and how much providers are paid.

## Increased Child Care Spending

Since 1996, welfare caseloads have dropped by almost 60 percent, from 12,644,915 recipients to 4,995,719, thereby reducing the proportion of TANF block grant funds that States must use for cash assistance. According to a Government Accountability Office (GAO) study *Supports for Low-Income Families: States Serve a Broad Range of Families Through a Complex and Changing System*, States spent only 33 percent of their welfare dollars on cash assistance in FY 2002 compared to 58 percent in FY 1998. Over the same period, the proportion of TANF dollars used for child care increased from 9 to 19 percent. In FY 2002, States invested a total of \$3.7 billion in TANF funds on child care through transfers to CCDF or direct expenditures.

## Proportion of Families and Children Served

In FY 2003, 1.75 million children received child care services with CCDF-related funds including TANF transfers and State matching and MOE Funds. Expenditure data suggest that an estimated 610,000 additional children received subsidized care through SSBG, direct TANF funding, and excess TANF MOE, resulting in a total of 2.36 million children receiving services in an average month in FY 2003.

While earlier studies suggest that a small proportion of children potentially eligible for child care subsidies received child care subsidies, recent studies provide a more nuanced view of utilization. In *Take-Up Rates and Trade Offs After the Age of Entitlement: Some Thoughts and Empirical Evidence for Child Care Subsidies* (2002), Witte and Queralt estimate that the family take-up rate for States serving all applicants eligible under State rules was approximately 40 percent in early 2000. For those States that had waiting lists and were unable to serve all eligible applicants, approximately 14–50 percent of families were served. Another recent study *Child Care Subsidy Use and Employment Outcomes of TANF Mothers During the Early Years of Welfare Reform: A Three-State Study* (Lee et al., 2004) found that the proportion of TANF families receiving child care subsidies within a few months of employment ranged from 24 percent in Maryland to 34 percent in Illinois and Massachusetts.

Based on an analysis completed by the HHS Office of the Assistant Secretary for Planning and Evaluation (ASPE), 28 percent of the 8.33 million children aged birth through 12 who are potentially eligible for child care services under State CCDF eligibility rules were served through CCDF, TANF, and SSBG and related funds in FY 2003 (see Table 6.2). For children in families with income below the Federal Poverty Level for a family of three, the proportion of children served increases to 37 percent for children birth through 12, and 56 percent for children aged 3–5. (See Table 6.3.)

The ASPE eligibility estimates for FY 2003 are based on State rules effective October 1, 2003, and Current Population Survey data for calendar year 2003. The eligibility estimates exclude children aged 4–12 with parents who work part-time. Part-time is defined as working less than the specified minimum hour requirements in the 12 States that explicitly reported such requirements (ranging from 15 to 40 hours) as a condition of eligibility for child care subsidies. In all other States, part-time is defined as less than 20 hours for parents of children aged 4 and older.

These estimates take into account State CCDF eligibility limits and a range of programs, including public schools, which may help meet the child care needs of low-income working families. However, they do not provide a true estimate of take-up rates among families who are eligible and have expressed a need for child care. Instead, they show the extent to which CCDF, TANF, and SSBG funds serve the broad pool of children and families whose age, income, and parental work status indicate a possible need for child care. In fact, research indicates that many parents prefer unpaid care provided by relatives and friends, especially for very young children.

**Table 6.2**

Percent of Eligible Children Under State Eligibility Rules Receiving Subsidies FY 2003  
(Average monthly estimates in millions)

	Ages 0-2	Ages 3-5	Ages 6-9	Ages 10-12*	Total Children 0-12*
Enrollment in CCDF, TANF, and SSBG Funded Care (FY2003)	0.66	0.86	0.61	0.24	2.36
Potentially Eligible Children (based on State eligibility rules as of October 2003)	1.84	1.99	2.46	2.04	8.33
Percentage Served	36%	43%	25%	12%	28%
*Includes a few children 13 and older who are eligible for subsidies because of special needs. Numbers may not add to total due to rounding.					

**Table 6.3**

Percent of Eligible Children Below Poverty Receiving Child Care Subsidies FY 2003  
(Average monthly estimates in millions)

	Ages 0-2	Ages 3-5	Ages 6-9	Ages 10-12*	Total Children 0-12*
Enrollment of Poor Children in CCDF, TANF, and SSBG Funded Care (FY 2003)	0.41	0.47	0.34	0.14	1.37
Potentially Eligible Children Below Poverty Level for A Family of Three (2003)	0.96	0.85	1.04	0.81	3.66
Percentage Served	43%	56%	33%	17%	37%
*Includes a few children 13 and older who are eligible for subsidies because of special needs. Numbers may not add to total due to rounding.					

## Characteristics of Families That Use Subsidies

Researchers find that some families have a greater likelihood of using child care subsidies. These include families with a preschool child as well as those that are headed by a single parent, have a history of using TANF and child care subsidies, are African American, and have a mother who has at least a high school degree (Burstein et al., in progress; Lee et al., 2004).

An analysis conducted by the Urban Institute (unpublished, 2004) finds that compared with families and children who are potentially eligible for child care subsidies under State policies, families actually receiving services are likely to be poorer and headed by a single parent. In addition, relatively few infants (aged 0-1) and older children (aged 7-12) are served.

## Where Subsidy Recipients Work

Using administrative data from State subsidy systems and unemployment insurance, a number of States have examined the question of where parents receiving child care subsidies work. Across States, the major employers of parents receiving child care subsidies are the retail trade and service industries. Almost three quarters of subsidy-receiving workers in Alabama, Florida, Oregon, and the District of Columbia are employed in these two industries (Glantz & Collins, unpublished). The most recent such study was completed in Minnesota. This study *Working in Minnesota: Parents' Employment and Earnings in the Child Care Assistance Program* (Jeffreys & Davis, 2004) finds that 62 percent of Minnesota subsidy recipients work in four sectors: health care and social assistance; retail trade; accommodations and food services; and administrative and support services. These sectors respond to local needs and are characterized by high job vacancy and low wages. This study concludes that child care subsidies play an important role in supporting working families, businesses, and local economies.

## Patterns of Care Used by Subsidized Families

Several studies indicate that families who use center-based care are more likely to apply for or use subsidies than families using other types of arrangements (Shlay et al., 2002; Burstein et al., in progress). Families who use relative care in the child's own home were less likely to apply for subsidies. Lee et al. (2004) found that greater than average use of relative and in-home care among subsidized families in Illinois was largely explained by the use of these types of care by African American and Hispanic families. Mothers who were on TANF at the time of subsidy take-up and mothers in urban settings were more likely to use relative and in-home care in Illinois. Urban families in Massachusetts were more likely to use center or family child care settings.

## Family Co-Payments

While most States base child care subsidy co-payments on family income, some tie co-payments to the cost of care and number of children in care. State co-payments vary greatly, and differences in assessed co-payments are greatest for eligible families at the higher end of the income scale. Based on data from the *National Study, the Review and Analysis of the Literature on Child Care Subsidies* (Glantz et al., unpublished) indicates that among those families that paid for child care, the average monthly payment for child care for families with subsidies was \$164 per month, compared to \$249 dollars per month for families without subsidies. Among families using family child care and relative care, subsidized families paid \$118 per month as compared with \$210 per month for eligible nonrecipients. The *National Study* also found that 80 percent of the surveyed families who were receiving subsidies paid a monthly fee equal to the required co-payment, and 10 percent had no co-payments. However, of the remaining 9 percent, half of the families paid more out-of-pocket than the assessed co-payment.

In *Changing Policies Changing Impacts: Employment and Earnings of Child-Care Subsidy Recipients in the Era of Welfare Reform* (Queralt et al., 2000), using econometric research methods, the researchers found that for current and former welfare recipients receiving child care subsidies in Miami-Dade County, Florida, co-payments of up to about 10 percent of earnings had no detrimental effects on earnings. Over that amount, family earnings declined.

### **Provider Reimbursement Rates**

The maximum reimbursement rates that States pay providers for caring for subsidized children may also affect the types of care available to low-income families. GAO surveyed States and visited nine communities in three States to understand State child care reimbursement rates and to calculate child care access based on families' subsidies and co-payments. As described in *Child Care: States Exercise Flexibility in Setting Reimbursement Rates and Providing Access for Low-Income Children* (GAO, 2002), States reported that market rate survey results and budget and policy goals were determining factors for reimbursement rates. Ten States reported that while they were in compliance with the CCDF Biennial State Plan market rate survey requirement, provider reimbursement rates were actually based on an older survey. GAO found that reimbursement rates were lower than the price charged by providers in many communities. However, according to State and local officials, reimbursement rates did not necessarily limit the choices families had since some families were able to find providers who would accept the State's reimbursement rate as full payment. Witte et al. (2001) similarly found that some families were able to reach financial agreements with providers who accepted the State's reimbursement rate (including the assessed family co-payment) as full payment.

### **Waiting Lists**

As of September 2003, according to State reports, 22 States had families on waiting lists. However, while the existence of a waiting list indicates that the need for child care subsidies is not fully met, it does not provide a true estimate of the demand due to differences in how States and communities maintain their waiting lists. Some States purge their waiting lists on a regular basis; others add to the lists indefinitely. Waiting lists are also affected by the amount of information about subsidies that is available and the length of time families must wait to receive subsidies. (See CCDF State Information Chart in the appendices.)

### **Barriers to Services**

Several studies have examined how well the subsidy system works for families (Shlay et al., 2002; Adams et al., 2002). These studies find that some families lack necessary information about the availability of subsidies, encounter extensive waiting lists, or find that the barriers to using a subsidy outweigh the benefits or make it impossible to use a subsidy. While barriers vary based on how States administer their programs, common challenges include unclear rules,

burdensome paperwork, and language or transportation barriers. Parents often must take time off work to maintain their eligibility for subsidies. Other barriers in some States include lack of eligibility for part-time workers, inability to find a provider for the amount the State is willing to pay, and co-payments that exceed the cost of nonsubsidized alternatives.

## **Child Care Supply**

### **Availability of Care**

Evidence regarding the supply of care for low-income families (subsidized or unsubsidized) is mixed. Some studies document increased availability and access while others suggest that demand is overtaking supply, that there is considerable “churning” in the marketplace, and that the distribution of care in many communities is skewed away from the needs of low-income families toward those of the middle class. Supply studies by the Child Care Policy Research Consortium, some using mapping or geo-coding techniques, document the extent to which the existing supply of child care is unevenly distributed, with shortages in many local communities (Witt et al., 2000; California Child Care Resource and Referral Network, 1999).

The *National Study’s State and Community Substudy: Interim Report* (Collins et al., 2000) and *The Supply of Regulated Child Care in 25 Study Communities* (Collins, in progress) both found that the availability and array of child care services and early education programs differed considerably among their study communities. For example, Collins (2004) found that the number of child care slots for children under age 13 and center-based slots for children under age 6 varied greatly from county to county. In general, however, counties reported greater center care supply for infants, toddlers, and preschoolers than for school-age children.

Collins (2004) also found that substantial public funding, such as child care subsidies, Head Start, and publicly funded pre-kindergarten supports the supply of early childhood care and education. While care offered on the open market was largely unaffordable to low-income families, public subsidies made many otherwise unaffordable centers and regulated family child care homes accessible to low-income families.

### **Effects of Subsidies on the Child Care Market**

In a study that examined welfare reform and subsidies in Florida and Massachusetts, *The Policy Context and Infant and Toddler Care in the Welfare Reform Era*, researchers found that there was a large increase (150 percent) in the number of low-income infants and toddlers in child care centers and homes after Florida required welfare recipients to participate in work activities when their youngest child was 3 months old (Witte et al., 2001). Overall, the increase in full-time enrollment of infants and toddlers was less than might have been expected given the increase in subsidized infants and toddlers. The researchers



suggest that nonsubsidized children may have been displaced by those with subsidies. In *Child Care Price Dynamics in California*, Marrufo et al. (2003) describe how they found that between 1992 and 2001, average child care prices increased by 14 percent (constant dollars), in part due to increased child care subsidy funding. During that period, California child care subsidy expenditures increased from \$125 million to \$1.5 billion and now represent roughly 20 percent of gross receipts in the child care market (licensed centers and homes). The researchers suggest that child care prices would have increased more if the supply of licensed child care had not also increased.

## **Child Care Providers**

Understanding child care supply, particularly the early care and education workforce, is critical to the development of policies that respond to the training, compensation, and other needs of providers. In turn, policies that result in improved caregiver skills and retention can positively affect families and children.

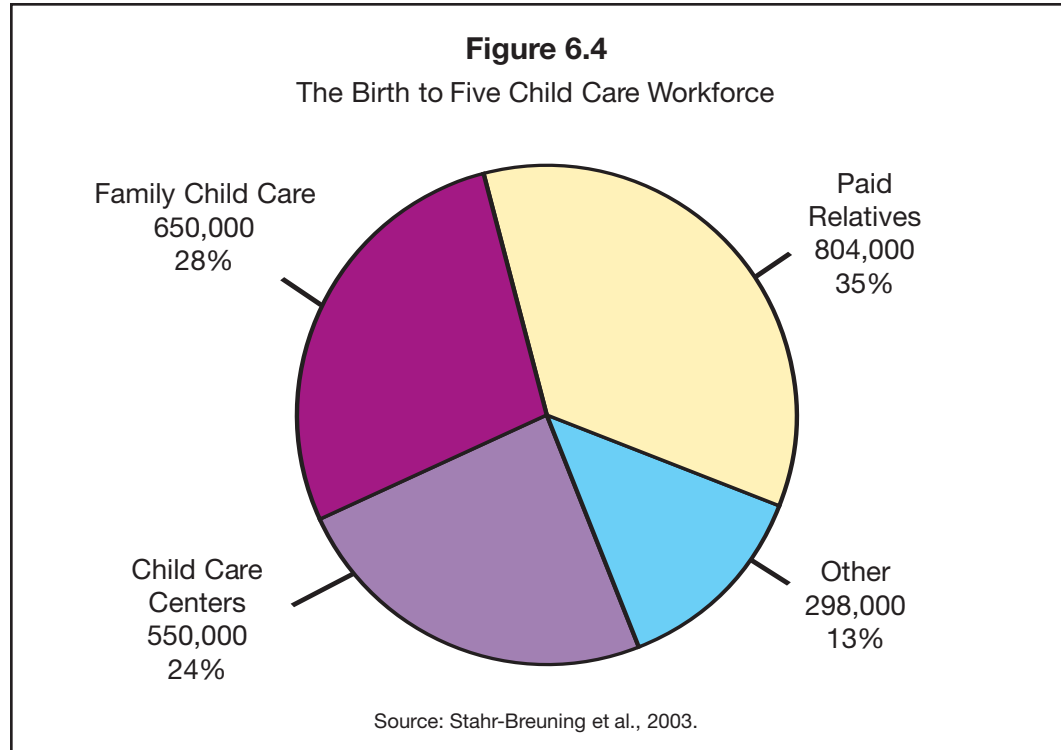
### **Information About the Early Care and Education Workforce**

Data is available about the workforce through child care licensing agencies, market rate surveys, resource and referral agencies, certification and training registries, and other research. However, a recent report *Counting the Child Care Workforce: A Catalog of State Data Sources To Quantify and Describe Child Caregivers in the Fifty States and the District of Columbia* (Stahr-Breunig et al., 2003) found that approximately half of the States lack the current child care workforce data necessary to estimate the size and characteristics of the child care workforce. Using national data (NHES), the Center for the Child Care Workforce and the Human Services Policy Center at the University of Washington developed a model for estimating the child care workforce (Maher et al., 2003). This study found that approximately 2.3 million individuals are paid to care for children under the age of 6. By provider setting: 804,000 are paid relatives (other than family child care providers), 650,000 are working in family child care, 550,000 in centers, and 298,000 are other paid nonrelatives.

### **Use of License-Exempt and Home-Based Care**

Using State-specific data, the Human Services Policy Center in *Understanding Family, Friend, and Neighbor Care in Washington State: Developmentally Appropriate Training and Support* reported that in Washington State, license-exempt, home-based care accounted for about two thirds of nonparental care for infants, almost half for toddlers, and about three fifths for school-age children (Brandon et al., 2002). Most informal caregivers were grandparents (36 percent), other relatives (22 percent), and friends or neighbors (32 percent). About 40 percent of the family, friends, and neighbors providing care in this study were paid, often with the help of child care subsidies. Forty percent had received child-care-related training of some kind, but few had received the combination of training in child development, early childhood education, and parenting that has been shown to





facilitate children’s social and cognitive development. Two thirds of these caregivers said that training and support would help them do a better job.

Preliminary findings from Maxwell and Kraus describe the characteristics of legal, nonregulated family child care providers in North Carolina. This study finds that the average provider was 50 years old. Moreover, 70 percent of providers were African American, 44 percent had a high school diploma or less, and 96 percent cared for at least one child who was related to them. Eighty-one percent of the providers in this sample cared for at least one child who received a child care subsidy, 36 percent cared only for children receiving subsidies, and 4 percent received a child care subsidy for a child who lived with them. A study by Anderson et al. (2003) also found that over 60 percent of subsidized children in Illinois were cared for by license-exempt providers (including relatives).

In an in-depth study of 533 family child care home providers (including those subject to regulation) in five communities, researchers found that the average number of children enrolled with such providers was just over six. As reported in the *National Study’s Care in the Home: A Description of Family Child Care and the Experiences of the Families and Children That Use It* (Layzer & Goodson, under review), 80 percent of homes provided care for infants, and 62 percent cared for children that included the provider’s own children or other relative children. Across all homes, care was provided for an average of 67 hours per week; more than half of the homes provided care during weekend hours, and a majority (58 percent) provided off-hours care. Most (77 percent) made special arrangements for early drop-off or late pick-up at the parent’s request.

### **Services to Children With Special Needs**

Data from the *National Study's* in-depth research on family child care also revealed that 26 percent of the homes in that sample had at least one child with special needs. A Montana survey of child care providers found that at some point, two thirds of child care providers had made available services to a child with a disability (McGregor et al., 2003). In a 2001–2003 study of child care providers in Alameda County, California, *Who Stays? Who Leaves?* Whitebook et al. (2004) found that 69 percent of centers in their sample cared for children with special needs, with an average of 5.8 children with special needs enrolled per center. Fifty-seven percent of center directors felt their staff was sufficiently trained to care for children with special needs. In licensed homes, 30 percent cared for children with special needs, and one third of these providers had received specific training for working with such children. The Midwest Child Care Research Consortium found that child care providers who worked in inclusive settings that served children with disabilities were more likely to report having training specific to child development and to view their jobs as a personal calling and career.

### **Reasons for Providing Care**

A number of recent studies suggest that finding enjoyment in working with children and the desire to support parents and children weigh heavily in the decision to work in child care (Bromer & Henley, in press; Whitebook et al., 2004; Ramsburg et al., 2003; Marshall et al., 2003). In a study of license-exempt providers in Illinois, providers stressed the desire to care for children and an enjoyment of providing care as the reasons they choose to do this type of work. Grandparents and other relatives commonly expressed love for child care (Ramsburg et al., 2003). Providers in Massachusetts reported that the most rewarding aspects of their jobs were doing work they considered important and that impacted people's lives (Marshall et al., 2003). The most stressful aspects of the work included the unpredictability of earnings and the need to juggle conflicting tasks or duties.

### **Provider Turnover**

Child care quality and positive outcomes for children are associated with caregivers who are engaged and responsive to the needs of the children in their care; consistent and have established trusting relationships; and better educated, trained, and paid. Indications are, however, that turnover continues to be a barrier to continuity and the development of responsive relationships critical to child care quality. According to the *Then and Now* study (Whitebook, 2000), two thirds of the child care workforce is gone in 4 years. Most States are spending some of their CCDF quality funds to address workforce issues including initiatives that link training and compensation.

Whitebook et al. (2004) looked at patterns and predictors of movement within and out of child care employment in Alameda County, California, for home-based

providers (licensed and license-exempt), teaching staff, and directors in child care centers. Turnover for center-based directors and teachers and licensed home-based providers was about 20 percent, lower than in the 1990s. About 80 percent of this sample indicated they planned to stay in their child care job for at least 3 years. Retention was associated with factors that indicate a professional and personal commitment to the field and intentionality in selecting child care as a career. Among home-based providers, those who had selected child care because they had young children or because others in their community needed assistance were less likely to remain in the field over time. Subsidized license-exempt providers were less likely to remain in child care. Only 31 percent of providers receiving subsidies in December 2000 were still on the subsidy lists a year later.

A study on the cost and quality of family child care homes in Massachusetts (Marshall et al., 2003) found that one quarter of licensed providers expect to stop providing child care within the next 3 years. Most of the providers indicate that their next job will not be in early care and education.

### **Wages and Benefits of Child Care Workers**

Some researchers report that wages and benefits commensurate with training and experience are among the key factors that help retain workers in centers and family child care homes. When teachers and caregivers have formal education and training, and therefore are able to earn higher wages, they tend to stay in the field and provide higher quality care.

In its in-depth study of family child care providers, the *National Study* found an average provider household income of \$36,570 and a median income of \$28,500. Providers who cared just for unrelated children had higher incomes than providers who cared for some or all related children. In Marshall et al. (2003), child care income was at least half of household total income for a majority of licensed providers. More than 10 percent of providers did not have any health insurance. Providers said they would be more likely to continue in child care if they received retirement savings, better pay, health benefits, and greater respect for the work they do.

Whitebook et al. (2004) showed that the 2001 median income for center directors in Alameda County, California, was \$62,692 and \$45,588 for center teachers; 23 percent of teachers lived in households with earnings below \$25,000 per year. Eight percent of teachers reported holding a second job. Fifty-two percent of centers reported offering fully paid health insurance to teachers, with subsidized centers more likely to offer this benefit than nonsubsidized centers. An analysis conducted by the Wisconsin Child Care Research Partnership (2001) found that 56 percent of child care center teachers earned less than \$8 an hour, and programs with higher teacher salaries and more experienced directors had lower staff turnover than other centers.

## Child Care Quality and Outcomes for Children

New scientific discoveries underscore the importance of children's early experiences for their future healthy development. These discoveries include improved understanding about—

- Early brain development and learning processes
- The competencies necessary for success in school
- The environments necessary to support children's healthy development, especially for at-risk children
- The roles and differential impacts of diverse care environments in a continuum that spans parents, relatives, friends, family child care providers, and center-based programs

Research on the experiences of school-age children during nonschool hours and the conditions that lead to risky behaviors and school failure point to the need to better understand how programs and caregivers can provide older children with supervision and enriching and stimulating experiences. Several key findings are described below.

**Higher quality care is associated with better cognitive and language outcomes for children, particularly for African American children (Burchinal et al., 2000).** Such positive outcomes persist into the early elementary school years for children from various backgrounds (Peiner-Feinberg et al., 2001).

**The key characteristic for higher quality in child care is the relationship between the child and the child care provider.** Positive caregiver-child interactions are developmentally appropriate, language-stimulating interactions in which the caregiver is warm, engaged, and responsive. Adult-child ratios, group size, caregiver training, and caregiver education are related to caregiver-child interaction. Positive interactions are positively associated with school readiness (NICHD Study of Early Child Care; Vandell & Wolfe, 2000).

**Child care may not provide children, especially those with risk factors, the experiences necessary to succeed in school.** The NICHD study found that despite professional consensus and scientific evidence about the importance of group size and ratios, a large proportion of centers appear to have larger group sizes and more children per caregiver than is recommended.

In a CCB-funded project in Massachusetts on family child care study (Marshall et al., 2003), researchers found that many homes met only minimal standards of health and safety in food preparation, diapering, and toileting. Almost half of the licensed family child care homes were judged “good” in providing a warm, caring environment, including the use of nonpunitive approaches to child discipline and

support to children's differences. Only 40 percent met the "good" standard on supporting language and reasoning development, and a majority of homes did not provide the kind of stimulation that supports children's later success in school. Licensed providers who believed that children learn best through experiences and that children's curiosity should be fostered tended to provide a more stimulating, language-rich environment for children. The CCB-funded Wisconsin Child Care Research Partnership study (Roach et al., 2002) found that caregivers' child-centered beliefs were related to quality interactions with children.

### **Workforce Variables Affecting Quality**

A number of studies have examined the relationship between quality and licensing, accreditation, and professional memberships. The Wisconsin Partnership study (Adams et al., 2002) found that 73 percent of directors in accredited centers had a bachelor's degree. Staff turnover rates were higher in nonaccredited centers (39 percent) than in accredited centers (25 percent).

The CCB-funded Midwest Research Consortium (Raikes et al., 2003) examined the roles of regulation and subsidy receipt in a sample of 117 family child care homes from four Midwestern States and found both related to child care quality in homes. Regulation and subsidy receipt appear to influence quality directly and indirectly through effects on provider characteristics. Unregulated and less regulated family child care homes were of lower quality (as assessed using global rating scales) than more highly regulated care.

*Care in the Home: A Description of Family Child Care and the Experiences of Families and Children that Use It* (Layzer & Goodson, 2005) describes differences between providers who cared for nonrelated children as compared to those who cared for related children only. Providers caring for nonrelated children were more likely to be licensed, to participate in the Child and Adult Care Food Program, and to belong to a family child care organization. While physical environments and interactions with children did not vary significantly between providers who cared for related vs. nonrelated children, dangerous situations were more prevalent in homes where all the children were related to the provider.

### **Child Care and Employment Outcomes**

Research indicates that child care subsidies have a positive effect on women's labor force decisions, but the amount of effect varies significantly across studies, depending on the research approach. Because the availability of subsidies is only one factor in a complex decisionmaking process about employment, other issues such as child care quality; cost and policies related to welfare, taxes, family and medical leave; and health insurance must be taken into account. In general, research indicates that subsidies may have stronger effects on women who are single parents and less well educated.

A study funded by CCB tracking TANF families in Maryland, Massachusetts, and Illinois (Lee et al., 2004) found that among families who began receiving child care subsidies within two quarters of becoming eligible, the probability of ending employment decreased by 25 percent in all three States. In Illinois, the median employment duration was nearly 26 months for those who took up subsidies within two quarters of eligibility as compared with 9 months for those who did not.

*Child Care and Employment: Evidence From Random Assignment Studies of Welfare and Work Programs* (Gennetian and Michalopoulos, 2003) explored the relationship among policy, employment, and child care in 21 welfare pilot programs in more than 20 States and two Canadian provinces to better understand the effects of expanded child care policies on employment among single parents. Expanded child care assistance increased child care subsidy use, lowered parents' out-of-pocket costs, and reduced the proportion of parents who reported having child care problems that interfered with finding or keeping jobs. Enhanced child care assistance resulted in increased use of formal care options.

Other CCB-funded projects looked at the impact of subsidies on parent incomes. In a Philadelphia survey of child care and work, subsidies were found to reduce the incidence of work schedule interruptions (Fagan et al., 2003). In *Impacts of Eligibility Expansions and Provider Reimbursement Rate Increases on Child Care Subsidy Take-Up Rates, Welfare Use, and Work*, Witte and Queralt (2003) describe how they found that income and age eligibility expansions and increases in reimbursement rates paid to formal providers in Rhode Island significantly increased the likelihood that current and former welfare families would: use child care subsidies, work 20 or more hours per week, and leave welfare for work. These researchers estimate that the reforms nearly tripled the likelihood of current and former welfare recipients working 20 or more hours per week, and reduced by one half the probability of a single mother receiving cash assistance without working or participating in some other approved activity.

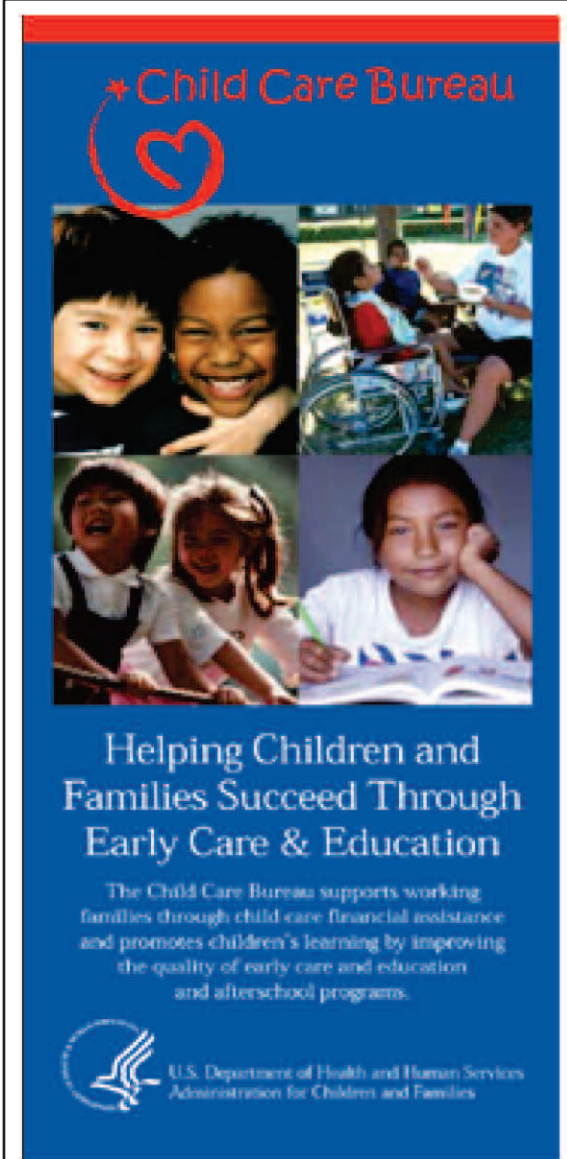


## Part VII: Training and Technical Assistance

### BACKGROUND

Federal regulations [45 CFR Section 98.60(b)(1)] set aside 1 quarter of 1 percent (.25 percent) of the Federal Child Care and Development Fund (CCDF) for technical assistance. In each of FY 2002 and FY 2003, just over \$12 million was targeted to the needs of State, Territorial, and Tribal grantees. Through training and technical assistance (TA) activities, CCB works with CCDF administrators to build capacity to support working parents and promote learning and healthy development for children in child care.

Each State, Territory, and Tribe strives to increase the quality of child care administration and services. In partnership with a network of contracted TA providers and ACF Regional Offices, the Bureau identifies promising practices and brings CCDF grantees together to learn from one another. CCB seeks to deliver evidence-based TA through links with the CCB research team and its partners. The Bureau's expert TA providers, many of whom have worked as State child care administrators, provide direct consultation to CCDF administrators and child care stakeholders in States and communities. In addition, our TA partners provide information and outreach to parents and child care providers.



The brochure cover features a blue background with a red heart icon and the text "Child Care Bureau" in red. Below the title is a collage of four photographs: two young children smiling, a child in a wheelchair, and two children reading a book. The main text on the cover reads "Helping Children and Families Succeed Through Early Care & Education" in white. Below this, a smaller white text block states: "The Child Care Bureau supports working families through child care financial assistance and promotes children's learning by improving the quality of early care and education and afterschool programs." At the bottom left is the logo of the U.S. Department of Health and Human Services, Administration for Children and Families.

***To provide a comprehensive overview of the work and services of the Child Care Bureau, this brochure describes the Bureau's activities, the consumer groups served, the funding streams supporting the child care subsidy program, and the Good Start, Grow Smart school readiness initiative.***

Some of the key themes that shaped CCB's work in FY 2002–2003 were the President's early literacy initiative *Good Start, Grow Smart*, collaboration, and financing.

## **MAJOR TECHNICAL ASSISTANCE PRIORITIES**

### **Good Start, Grow Smart**

The President's *Good Start, Grow Smart* early learning initiative was a cornerstone of CCB's TA efforts in FY 2002 and FY 2003. Launched in April 2002, *Good Start, Grow Smart* challenged State CCDF programs to improve children's literacy through: voluntary early learning guidelines (ELGs), professional development plans, and coordination of early childhood programs. The Associate Commissioner's Early Learning Team (ELT), composed of Federal and contract staff, designed a comprehensive training model to provide States with the resources and tools to implement and assess their efforts in meeting *Good Start, Grow Smart* priorities, as well as plan next steps with other Early Childhood Education (ECE) partners.

CCB joined with Head Start and the U.S. Department of Education to disseminate the latest early childhood literacy research through joint conferences and training. In September 2002 the Bureau hosted a roundtable for nine States that had successfully developed ELGs across early childhood programs. Building on the lessons shared during the roundtable, CCB worked with States toward the development and implementation of ELGs and plans for professional development and coordination.

In FY 2003, CCB directed its TA network to deliver *Good Start, Grow Smart* training to the 50 States, Territories, and the District of Columbia through 10 HHS/ACF regional meetings. *Good Start, Grow Smart* was introduced to Tribes at both their spring 2003 National Tribal Conference and at the Regional Tribal Cluster Trainings. These forums helped tribal policymakers find ways to use CCDF dollars to leverage State early learning funding and build stronger partnerships with early care and education stakeholders in States' systems.

With the Department of Education, CCB also cosponsored regional Early Childhood Educator Academies for State and local early childhood policymakers to advance the goals of the *Good Start, Grow Smart* initiative. Head Start State Collaboration Directors were also invited to the Academy trainings. The key training goals of the Academies were to—

- Develop an understanding of high quality voluntary State guidelines in early literacy.
- Create a common base of knowledge about scientific research-based instructional practices, professional development, and assessment.



- Promote interagency collaboration across the field of early childhood education.

As a result of CCB's regional and interagency *Good Start, Grow Smart* training opportunities, States requested and received onsite TA to focus on one or more of the *Good Start, Grow Smart* priority areas. For example, West Virginia received TA from the National Child Care Information Center (NCCIC) TA team that helped them develop a comprehensive professional development system that may serve as a model for other States. The National Infant and Toddler Project and NCCIC worked with Connecticut, Louisiana, Minnesota, and several other States on the development of ELGs for children birth to age 3, while NCCIC worked with Alaska, South Carolina, Montana, and many other States to develop ELGs for children aged 3–5. By the end of FY 2003, all State child care administrators were planning, developing, or implementing ELGs and professional development programs in collaboration with other ECE partners in their State.

In recognition that a comprehensive, child development-based approach is necessary, the Center for the Social and Emotional Foundations of Early Learning, a joint project of CCB and the Head Start Bureau, developed research-based training materials on creating a positive learning environment and preventing disruptive behavior in child care facilities and Head Start programs. These materials are available in English and Spanish.

### **Supporting an Early Learning Framework CD-ROM**

CCB released a TA CD-ROM titled “*Supporting an Early Learning Framework*” based on the July 2003 State Administrators Meeting (SAM). This interactive tool includes research, practice, and resources focused on the President’s *Good Start, Grow Smart* early literacy initiative. It includes video clips of plenary sessions and selected workshops, PowerPoint presentations, handouts, electronic links, and additional resources available for download. The CD-ROM is suitable for use by State child care administrators, Head Start directors, preschool and early care education providers, TA trainers, and others. The CD-ROM can be used to train staff, learn what States are doing to support early learning, engage new partners, find print and online resources and reports in specific topic areas, and reach new constituencies. The Bureau is currently developing a second CD-ROM based on the SAM 2004 conference.

## ***COLLABORATION AND FINANCING***

In FY 2002 and FY 2003, CCB consulted with States and Tribes to improve coordination across early care and education programs and funding streams toward better use of available dollars and more seamless service delivery. The Bureau's TA efforts highlighted ways to better use the flexibility CCDF and TANF funding offer; disseminated research and expertise to support smarter policy choices; and promoted partnerships with others who receive funding for similar purposes.

## ***CHILD CARE TECHNICAL ASSISTANCE NETWORK (CCTAN)***

CCB coordinates the work of the TA contractors and grantees through the Child Care Technical Assistance Network (CCTAN). During FY 2002 and FY 2003, CCTAN members assessed the needs of CCDF grantees, provided strategic direction, shared resources between projects, and coordinated efforts to improve TA services. Through the network approach, CCB supports both coordinated services and specialization by each TA provider. Services are provided without charge to States, Territories, Tribes, and the public, with a few limited exceptions (for example, reprint costs on some publications).

In late FY 2002, CCB launched two new multiyear projects aimed at understanding and meeting the needs of school-age children, and infants and toddlers, respectively. The Afterschool Investments Project and the National Infant and Toddler Child Care Initiative are described below. Child care for these age groups is distinct in terms of workforce characteristics, access and availability for families, regulatory issues, and market dynamics. CCB hopes that these targeted efforts will build capacity at the Federal, State, and local levels to sustain systems of care for infants, toddlers, and school-age children.

### ***Afterschool Investments Project***

Afterschool Investments provides TA to CCDF grantees and other State and local leaders supporting out-of-school time efforts. CCDF is one of the largest public funding sources for out-of-school time programs; over a third (36 percent) of children served are aged 6–12. Many States devote a significant portion of CCDF quality dollars to enhance and expand school-age programs.

The project provides practical tools that help CCDF administrators make strategic decisions about after-school programming. The project identifies other major programs and sectors that are potential partners for CCDF administrators in supporting out-of-school time programs and provides models, strategies, and tools for coordination with other programs and sectors. The Finance Project serves as a contractor in partnership with the National Governors Association for this project.

*FY 2002–FY 2003 Accomplishments*

- Produced publications and tools to help States and communities document the supply and demand for after-school programs
- Promoted coordination between CCDF and the U.S. Department of Education's 21st Century Community Learning Centers
- Conducted workshops on State after-school collaboration at national and regional conferences and provided information and resources at State-level meetings for after-school program developers and policymakers

**National Infant & Toddler Child Care Initiative**

The National Infant & Toddler Child Care Initiative works with CCDF administrators and their designated teams to develop and implement action plans to improve child care for children under age 3. Participating States and Territories were provided onsite and distance consulting, resources to support the work of the State teams, and evaluation assistance to measure progress. ZERO TO THREE serves as the contractor for this project.

*FY 2002–FY 2003 Accomplishments*

- Developed and implemented a Web site with State profiles and a searchable database of initiatives in infant and toddler child care in all 50 States and Territories
- Expanded the national Birth to Three Institute to build leadership capacity for an additional 75 leaders in infant and toddler child care and related fields
- Provided resource materials on infant and toddler child care to over 1,000 organizations serving children and families

**Center for the Social and Emotional Foundations of Early Learning**

The Center on the Social and Emotional Foundations of Early Learning (CSEFEL) promotes the social and emotional development of children as a means of preventing challenging behaviors in early childhood programs. Jointly funded by the Head Start and CCB, this 5-year project began in FY 2001. Serving as the grantee for this project, the University of Illinois at Urbana-Champaign works with other nationally recognized researchers and trainers from a variety of universities and early childhood organizations, including the University of Colorado at Denver, the University of South Florida, the University of Connecticut, Tennessee Voices for Children, Inc., and Education Development Center, Inc.

*FY 2002–FY 2003 Accomplishments*

- Developed and disseminated over 50,000 copies of “What Works Briefs,” which highlight evidence-based practices to support young children’s social and emotional development
- Developed a series of training modules that have been used to train over 6,000 early care educators
- Facilitated strategic planning in 20 States to improve children’s social and emotional development through better classroom practices in child care and Head Start
- Worked with six local demonstration sites to implement evidence-based practices in early childhood settings; activities included training for early care providers, developing cohorts of local trainers, creating demonstration classrooms, and developing materials to support families
- Initiated the first annual National Training Institute focusing on supporting young children’s social and emotional development and preventing challenging behavior

### **Child Care Aware**

Child Care Aware (CCA) connects families to local child care experts who help them understand what to look for in a child care setting and how to locate child care and other parenting resources. The CCA Web site and toll-free hotline provide easy access to approximately 800 local child care resource and referral agencies (CCR&R) as well as consumer education materials for parents.

CCA administers the Consumer Education Quality Assurance Program, a national, voluntary system of performance benchmarks for local child care resource and referral agencies. The project is operated through a cooperative agreement between the National Association of Child Care Resource and Referral Agencies and CCB.

*FY 2002–FY 2003 Accomplishments*

- Launched Child Care Aware Consumer Education Quality Assurance Program, a national, voluntary quality assurance system for community child care resource and referral agencies designed to ensure public access to consistent, high-quality consumer education and referral services
- Distributed over 600,000 publications to parents via direct mailings
- Hosted over 650,000 visitors to [www.ChildCareAware.org](http://www.ChildCareAware.org) who received child care information and parenting resources in both English and Spanish

- Connected over 65,000 consumers to local CCR&Rs and parent information through a toll-free hotline and Web site and served 9,401 families in English and Spanish through a national toll-free information line
- Recognized as the number one search result for “child care” on Google, Yahoo!, and Alta Vista internet search engines

### **Child Care Information Systems Technical Assistance Project**

The Child Care Information Systems Technical Assistance Project helps States, Territories, and Tribes collect and submit accurate and timely data about services provided under CCDF. Grantees face many challenges in data collection, management, and reporting, including outdated systems, the use of multiple systems across jurisdictions, and limited communication between information system staff and child care program staff. Staff offer a wide range of support including free software, computer-based training, a toll-free hot line, data review and analysis, and onsite visits to help resolve complex data collection and system problems. In addition, the project analyzes data to paint a picture of child care services, including the number of families served and the characteristics of families and providers participating in CCDF. Anteon Corporation serves as the contractor for this project.

#### *FY 2002–FY 2003 Accomplishments*

- Deployed a new Web-based national child care information system that enables State administrators to electronically input their administrative CCDF data and develop analyses of State profiles
- Completed analysis of requirements and design of the new CCB Information System (CCBIS) and began system development
- Developed and launched the ACF-800 data submission site to allow for electronic submission of the ACF-800 annual data
- Provided extensive customized TA to States and Territories including the District of Columbia, Guam, Mississippi, Missouri, New Hampshire, New Mexico, Ohio, Puerto Rico, Tennessee, and the Virgin Islands
- Responded to over 2,000 requests for assistance from State, Territory, and Tribal grantees, and from CCB Regional and Central Office staff

### **Healthy Child Care America**

Healthy Child Care America (HCCA) is a collaboration of health professionals, child care providers, and families to improve the health and well-being of children in child care. CCB sponsors TA for Healthy Child Care America, in partnership with the Maternal and Child Health Bureau (MCHB) at HHS's Health Resources and Services Administration (HRSA), which provided grants to States and Territories to support HCCA activities.

Healthy Child Care America, a cooperative agreement among MCHB, CCB, and the American Academy of Pediatrics, increased child care provider and health professional partnerships in all States and Territories. These partnerships help ensure that children in child care have access to safe physical environments and quality medical, dental, and preventive health services, including immunization screening.

*FY 2002–FY 2003 Accomplishments*

- Hosted 47,955 families, child care providers, and health care professionals on its Web site, providing information on strategies for promoting healthy, safe, and nurturing care environments for children
- Developed a network of over 200 pediatric experts to provide health consultation to child care providers, offer classes to parents and providers, and teach pediatric residents and others about the links between child care and child health
- Created a training kit on Sudden Infant Death Syndrome for child care providers and a network of 265 trainers in 41 States and Puerto Rico

**National Child Care Information Center (NCCIC)**

The National Child Care Information Center (NCCIC) serves as the nation's one-stop clearinghouse on child care through its toll-free telephone line and Web site.

TA is provided to States on an ongoing basis through telephone consultation, research on innovative practices, audio conferences, and onsite consultation through TA liaisons. The project produces publications for State CCDF administrators on issues such as licensing regulations, tiered quality rating strategies, and partnering among State early childhood programs. The NCCIC Online Library, the largest online collection of child care and early childhood education resources, delivers more than 5,000 documents to support informed decisionmaking by State leaders and others. Collins Management Consulting, Inc. served as the contractor for this project. It now continues with Caliber Corporation.

*FY 2002–FY 2003 Accomplishments*

- Responded to more than 1,650 TA requests and 2,000 information requests from State, Tribal, and Territorial grantees, other State and Federal agencies, and national organizations
- Supported States in implementing administration priorities on literacy and early learning by aiding in the planning, design, facilitation, materials development and follow-up publications for the National Literacy Forum

- Assisted in the design, facilitation, and follow-up to the first *Good Start, Grow Smart* Roundtable on early learning guidelines, in cooperation with the Department of Education and Head Start
- Designed *Good Start, Grow Smart* training sessions focusing on early learning guidelines, professional development, and program coordination and financing that were delivered to all States through regional meetings and conferences
- Researched and compiled information for State decisionmakers on key topics including subsidy administration, tiered reimbursement, funding, professional development of early childhood educators, regulations/standards, and literacy
- Helped States plan improvements in their early care and education systems and supported Montana, Kentucky, and Wisconsin, among others, in implementing their recently completed State early learning guidelines

### **Tribal Child Care Technical Assistance Center (TriTAC)**

The Tribal Child Care Technical Assistance Center (TriTAC) provides targeted TA to Tribal grantees that encompass approximately 500 Indian Tribes. TriTAC builds capacity in Tribal child care programs by linking Tribes to share information and innovations. The project facilitates peer-to-peer learning and provides specialized training in program administration and quality improvement in Tribal programs. It also operates a toll-free information and referral line to respond to grantees' TA inquiries and also maintains TA resources on the project's Web site. Native American Management Services serves as the contractor for this project.

#### *FY 2002–FY 2003 Accomplishments*

- Hosted two national conferences, six training sessions on working with providers to enhance the quality of tribal child care programs, and five training sessions on early learning and school readiness in support of the President's *Good Start, Grow Smart* initiative
- Conducted four new administrator training sessions, designed particularly for grantees with new staff, to provide an overview of the CCDF program requirements
- Provided TA leadership to tribal child care grantees and stakeholders on how to build and sustain collaborations across early childhood programs.

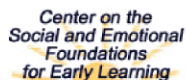


## **CHILD CARE TECHNICAL ASSISTANCE NETWORK (CCTAN)**

In support of its TA goals, CCB sponsors the following projects through contracts and grants:



*Afterschool Investments provides information and tools to create and sustain successful partnerships between CCDF grantees and public and private afterschool partners. (202) 587-1000 \_ [www.nccic.org/afterschool](http://www.nccic.org/afterschool)*



*Center on the Social and Emotional Foundations of Early Learning strengthens the capacity of child care and Head Start programs to promote the social and emotional well-being of young children. (217) 333-0260 \_ [www.csefel.uiuc.edu](http://www.csefel.uiuc.edu)*



*Child Care Aware links families to local agencies that help them find and select quality child care. (800) 424-2246 \_ [www.childcareaware.org](http://www.childcareaware.org)*

*Child Care Bureau Conference Management Center coordinates and supports national and regional meetings for State, Territorial, and Tribal Child Care Administrators. (301) 315-2825 \_ [www.acf.dhhs.gov/programs/ccb/ta/conf/index.htm](http://www.acf.dhhs.gov/programs/ccb/ta/conf/index.htm)*

*Child Care Information Systems Technical Assistance Project supports administrative data reporting by CCDF grantees. • [www.acf.hhs.gov/programs/ccb/ta/ccarc/index.htm](http://www.acf.hhs.gov/programs/ccb/ta/ccarc/index.htm)*



*Healthy Child Care America improves the health and well-being of children in child care settings, in partnership with the American Academy of Pediatrics. (888) 227-5409 \_ [www.nccic.org/hcca](http://www.nccic.org/hcca)*



*National Child Care Information Center provides a wide variety of child care information and offers technical assistance to State child care staff. (800) 616-2242 \_ [www.nccic.org](http://www.nccic.org)*



*National Infant and Toddler Child Care Initiative works with States to establish infant and toddler child care systems and to improve key indicators for infants and toddlers. (202) 638-1144 \_ [www.nccic.org/itcc](http://www.nccic.org/itcc)*



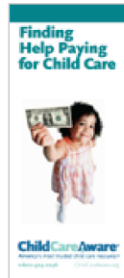
*Quality in Linking Together (QUILT) supports partnerships between early childhood programs to increase the availability of quality full-day, full-year care for children and families. • [www.nccic.org/QUILT](http://www.nccic.org/QUILT)*



*Tribal Child Care Technical Assistance Center provides targeted technical assistance services to more than 500 Indian Tribes. 800-388-7670 \_ [www.nccic.org/Tribal](http://www.nccic.org/Tribal)*



## ***PRODUCTS PRODUCED IN 2002 AND 2003***



**Finding Help Paying for Child Care.** This brochure addresses the difficulties many families face in meeting the cost of child care. It describes how families might be able to reduce child care costs by taking advantage of child care subsidies, tax credits, and exploring alternatives to full-time care. Available at: [www.childcareaware.org](http://www.childcareaware.org).



**A Guide for Dads: Give Your Child an Early Lead in Life...Quality Child Care.** This brochure is written specifically for fathers, to help them get and stay involved with their child's early care and education. It describes key indicators of child care quality and tips for choosing child care. Available at: [www.childcareaware.org](http://www.childcareaware.org).



**Learning to Read & Write Begins at Birth.** Available in English and Spanish, this brochure explains how parents and caregivers can build children's early reading and writing skills. Published by Child Care Aware for the Child Care Bureau, the brochure provides an Early Literacy Child Care Checklist to help parents evaluate the early literacy materials offered by caregivers. Available at: <http://childcareaware.org/en/tools/pubs/>.

**Supporting an Early Learning Framework CD-ROM** This interactive tool includes research, practice, and resources focused on the President's *Good Start, Grow Smart* early literacy initiative. It includes video clips of plenary sessions and selected workshops, PowerPoint presentations, handouts, electronic links, and additional resources available for download. Available at: <http://nccic.acf.hhs.gov/sam2004>.

***Good Start, Grow Smart* Training Tools.** To help States implement *Good Start, Grow Smart*, the National Child Care Information Center produced several training tools addressing the three major areas of the early learning initiative:

- Early Learning Guidelines
- Professional Development
- Linking Early Learning Guidelines and Professional Development

Available at: <http://nccic.org/pubs/goodstart/index.html>.



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## Reporting Overview for States and Territories

	State/Territorial Plan	Financial Report	Aggregate Data Report	Case-Level Data Report
Form Number	ACF-118	ACF-696	ACF-800	ACF-801
Purpose	Serves as the agreement between the Lead Agency and the Federal Government as to how CCDF programs will be administered in conformance with legislative requirements, pertinent Federal regulations, and other instructions and guidelines issued by ACF	Lists State estimates and expenditures for the Mandatory Fund, the Matching Fund, and the Discretionary Fund. Territories are required to use the ACF-696 to report estimates and expenditures for the Discretionary Fund only	Provides unduplicated annual counts of children and families served through the CCDF; payment methods; CCDF providers; State licensed capacity by type of child care setting; consumer education methods; and pooling information	Provides case-level data on the families and children served during the month of the report, including demographics, family income and co-payments, and type of setting with licensure status. States have the option of submitting a sample or all cases
Report Frequency	Biennially	Quarterly	Annually	Monthly or Quarterly (grantee's choice)
Reporting Period(s)	<ul style="list-style-type: none"> <li>2-year periods starting with an even-numbered fiscal year; e.g., FY 2002– FY 2003, or October 1, 2001– September 30, 2003</li> </ul>	<ul style="list-style-type: none"> <li>October 1–December 31</li> <li>January 1–March 31</li> <li>April 1–June 30</li> <li>July–September 30</li> </ul>	<ul style="list-style-type: none"> <li>Federal fiscal year (October 1– September 30)</li> </ul>	<ul style="list-style-type: none"> <li>Every month or quarter</li> </ul>
Due Date	<ul style="list-style-type: none"> <li>July 1 prior to the reporting period</li> </ul>	<ul style="list-style-type: none"> <li>30 days after the end of the quarter</li> </ul>	<ul style="list-style-type: none"> <li>December 31 (3 months after the end of the reporting period)</li> </ul>	<ul style="list-style-type: none"> <li>Monthly reporting: 90 days after end of month</li> <li>Quarterly reporting: 60 days after end of quarter</li> </ul>
Submission Method	<ul style="list-style-type: none"> <li>Hard copy, or</li> <li>E-mail attachment (to ACF Regional Office, by prior arrangement)</li> </ul>	<ul style="list-style-type: none"> <li>Hard copy, or</li> <li>Internet data entry and submission (at <a href="https://extranet.acf.hhs.gov/oldc/">https://extranet.acf.hhs.gov/oldc/</a>)</li> </ul>	<ul style="list-style-type: none"> <li>Internet data entry and submission (at <a href="http://www.acf.hhs.gov/cgi-bin/ccis/acf800.cgi">http://www.acf.hhs.gov/cgi-bin/ccis/acf800.cgi</a>)</li> <li>Electronic and attachments (to <a href="mailto:info@nccic.org">info@nccic.org</a>)</li> </ul>	<ul style="list-style-type: none"> <li>Electronic data files (via Social Security Administration's Connect: Direct Network)</li> </ul>
Submit To	<ul style="list-style-type: none"> <li>ACF Regional Office</li> </ul>	<ul style="list-style-type: none"> <li>ACF Regional Office and Central Office</li> </ul>	<ul style="list-style-type: none"> <li>Child Care Bureau, Reports Manager (via internet)</li> </ul>	<ul style="list-style-type: none"> <li>Department of Health and Human Services (via Connect: Direct)</li> </ul>
Technical Assistance	<ul style="list-style-type: none"> <li>ACF Regional Office</li> </ul>	<ul style="list-style-type: none"> <li>ACF Regional Office</li> </ul>	<ul style="list-style-type: none"> <li>Online help for ACF-800: <a href="http://www.acf.dhhs.gov/programs/ccb/report/formhelp/acf800/">http://www.acf.dhhs.gov/programs/ccb/report/formhelp/acf800/</a></li> <li>ACF Regional Office</li> <li>Child Care Automation Resource Center</li> </ul>	<ul style="list-style-type: none"> <li>ACF Regional Office</li> <li>Child Care Automation Resource Center</li> </ul>

### Reporting Overview for Tribes

	Tribal Application	Tribal Plan	Financial Report	Tribal Annual Report
Form Number	N/A Child Care Bureau issues annual Program Instruction	ACF-118a	ACF-696T	ACF-700
Purpose	To apply for fiscal year CCDF Tribal Mandatory and Discretionary Funds. NOTE: Tribe must have an approved Plan Preprint	Serves as the agreement between the Lead Agency and the Federal Government as to how CCDF programs will be administered in conformance with legislative requirements, pertinent Federal regulations, and other instructions and guidelines issued by ACF	Reports expenditures for the Tribal Mandatory, Discretionary, and Construction/ Renovation funds	Provides annual counts of children and families served through CCDF; average hours of service per child by type of care; average monthly payment and co-payments per child; number of children served by income; and supplemental narratives.
Report Frequency	Annually	Biennially (every 2 years)	Annually	Annually
Reporting Period(s)	• Federal fiscal year (October 1–September 30)	• 2- year plan period (October 1, 2001–September 30, 2003)	• Federal fiscal year (October 1–September 30)	• Federal fiscal year (October 1–September 30)
Due Date	• July 1	• July 1 prior to the new plan period (due every 2 years)	• 90 days after the end of the fiscal year	• December 31
Submission Method	• Hard copy, or • E-mail attachment (to ACF Regional Office, by prior arrangement)	• Hard copy, or • E-mail attachment (to ACF Regional Office, by prior arrangement)	• Currently: hard copy, or • Online data collection (OLDC)	ACF-700: Internet data entry <a href="http://www.acf.dhhs.gov/cgi-bin/acf700/acf700.cgi">http://www.acf.dhhs.gov/cgi-bin/acf700/acf700.cgi</a> or mail to the ACF Regional Office and the Child Care Automation Resource Center 2600 Tower Oak Blvd., Suite 600 Rockville, MD 20852 Fax (301) 692-0700  Supplemental Narratives: E-mail attachment in Word, WordPerfect, or text to <a href="mailto:ccarc@childcaredata.org">ccarc@childcaredata.org</a> , or mail to the ACF Regional Office and the Child Care Automation Resource Center 2600 Tower Oak Blvd., Suite 600 Rockville, MD 20852 Fax: (301) 692-0700
Technical Assistance	• ACF Regional Office	• ACF Regional Office	• ACF Regional Office	• Online help for ACF-700: <a href="http://www.acf.dhhs.gov/programs/ccb/report/forhelp/acf700/">http://www.acf.dhhs.gov/programs/ccb/report/forhelp/acf700/</a>  • Policy: ACF Regional Office  • New passwords, forgotten passwords, or electronic submission: Child Care Automation Resource Center

Child Care and Development Fund State Information Chart (12/31/03)

State	85% of State Median Income (Annual) 2002-2003 State Plan 1	Income Eligibility Level, as Listed in 2002-2003 State Plan 2	Eligibility Level, as a Percentage of State Median Income	Eligibility Level, as a Percentage of 2002 Poverty Level	Wait List September 2003 3	TANF Transfer to CCDF FY 2002 4	TANF Direct Spending on Child Care FY 2002 5	TANF Transfer to CCDF FY 2003 6	TANF Direct Spending on Child Care- FY 2003 7
AL	\$37,416	\$19,020	43%	127%	15,884	\$24,742,924	\$20,723,128	\$20,545,839	\$35,000,000
AK	\$53,772	\$53,772	85%	286%	None: Serves all eligible applicants <sup>9</sup>	\$13,389,000	\$5,977,744	\$15,737,700	\$6,405,306
AZ	\$37,872	\$24,156	54%	161%	4,600	\$749,798	\$16,608,727	\$0	\$30,253,183
AR	\$33,323	\$23,523	60%	157%	800	\$0	\$790,206	\$6,000,000	\$0
CA	\$39,780	\$35,100	75%	234%	280,000	\$423,361,000	\$425,888,948	\$572,514,000	\$495,054,911
CO	\$45,288	\$32,916	62%	219%	Does not maintain a waiting list <sup>8</sup>	\$33,889,736	\$6,340,043	\$22,241,896	\$1,002,329
CT	\$53,940	\$47,592	75%	317%	Does not maintain a waiting list.	\$0	\$0	\$0	\$0
DE	\$46,824	\$41,640	76%	277%	None: Serves all eligible applicants	\$1,019,154	\$0	\$1,142,400	\$0
DC	\$44,472	\$29,280	56%	195%	1,300	\$18,521,963	\$29,667,574	\$18,521,964	\$24,491,986
FL	\$39,684	\$29,268	63%	195%	47,489 <sup>10</sup>	\$122,549,158	\$30,800,331	\$122,549,160	\$67,321,878
GA	\$42,828	\$42,828	85%	285%	33,859	\$23,200,000	\$0	\$32,200,000	\$0
HI	\$41,748	\$39,288	80%	227%	Does not maintain a waiting list	\$9,000,000	\$0	\$11,050,000	\$0
ID	\$34,056	\$20,472	51%	136%	None: Serves all eligible applicants	\$9,010,271	\$0	\$8,731,981	\$1,462,112
IL	\$47,376	\$21,816	39%	145%	Does not maintain a waiting list	\$0	\$141,605,285	\$0	\$152,662,453
IN	\$39,468	\$26,484	57%	176%	1,375	\$21,052,906	\$324,205	\$18,352,906	\$0
IA	\$41,460	\$22,680	46%	151%	Does not maintain a waiting list	\$27,440,320	\$4,857	\$28,199,491	\$5,113,184
KS	\$46,488	\$27,060	49%	180%	No data	\$15,079,471	\$0	\$12,741,228	\$0
KY	\$37,260	\$24,144	55%	161%	None: Serves all eligible applicants	\$36,240,000	\$16,990,064	\$47,135,000	\$10,639,257
LA	\$35,304	\$24,924	60%	166%	No data	\$40,362,082	\$0	\$39,030,549	\$0
ME	\$36,456	\$36,456	85%	243%	2,250	\$6,340,215	\$9,357,709	\$10,699,122	\$8,998,797
MD	\$53,412	\$25,140	40%	167%	8,877	\$17,737,994	\$1,018,367	\$48,884,560	\$1,190,196
MA	\$49,248	\$28,968	50%	193%	19,800	\$91,874,224	\$133,479,742	\$91,874,222	\$123,368,647
MI	\$43,740	\$26,064	51%	174%	Does not maintain a waiting list	\$0	\$221,206,418	\$0	\$135,909,459
MN	\$47,604	\$42,012	75%	280%	6,086	\$22,002,795	\$2,242	\$26,603,000	\$3,177
MS	\$30,156	\$30,156	85%	201%	12,372	\$19,160,710	\$14,115,524	\$19,323,838	\$15,739,096
MO	\$36,120	\$17,784	42%	118%	Does not maintain a waiting list	\$12,939,632	\$0	\$24,882,439	\$0
MT	\$36,384	\$21,948	51%	146%	256	\$9,372,239	\$52,633	\$8,612,239	\$0
NE	\$40,476	\$25,260	53%	168%	Does not maintain a waiting list	\$9,000,000	\$0	\$9,000,000	\$0
NV	\$42,468	\$37,476	75%	250%	5,980	\$0	\$0	\$0	\$1,450,696
NH	\$43,560	\$31,776	62%	212%	None: Serves all eligible applicants	\$0	\$0	\$1,195,910	\$0

Child Care and Development Fund State Information Chart (12/31/03) (Continued)

State	85% of State Median Income (Annual) 2002-2003 State Plan 1	Income Eligibility Level, as Listed in 2002-2003 State Plan 2	Eligibility Level, as a Percentage of State Median Income	Eligibility Level, as a Percentage of 2002 Poverty Level	Wait List September 2003 3	TANF Transfer to CCDF FY 2002 4	TANF Direct Spending on Child Care FY 2002 5	TANF Transfer to CCDF FY 2003 6	TANF Direct Spending on Child Care FY 2003 7
NJ	\$50,682	\$36,575	61%	244%	14,430	\$79,806,965	\$0	\$78,806,965	\$0
NM	\$31,896	\$29,256	78%	195%	Does not maintain a waiting list	\$29,370,826	\$0	\$29,813,209	\$0
NY	\$40,800	\$29,256	61%	195%	Does not maintain a waiting list	\$394,338,564	\$0	\$39,900,000	\$0
NC	\$38,784	\$34,224	75%	228%	11,654	\$75,470,062	\$28,192,499	\$74,499,688	\$27,000,544
ND	\$36,420	\$29,556	69%	197%	None: Serves all eligible applicants	\$0	\$1,685,143	\$0	\$2,717,993
OH	\$40,152	\$27,060	57%	180%	Does not maintain a waiting list	\$145,593,652	\$64,558,085	\$0	\$234,109,125
OK	\$37,320	\$23,232	53%	155%	Does not maintain a waiting list	\$29,518,846	\$0	\$30,822,071	\$0
OR	\$38,496	\$27,060	60%	180%	None: Serves all eligible applicants	\$0	\$4,379,552	\$0	\$5,415,374
PA	\$42,516	\$29,256	58%	195%	2,604	\$31,447,000	\$29,527,838	\$124,484,000	\$20,007,687
PR	\$15,348	\$15,348	85%	102%	4,065	\$1,000,000	\$0	---	\$0
RI	\$46,128	\$32,918	61%	219%	None: Serves all eligible applicants	\$0	\$0	\$9,091,106	\$0
SC	\$46,134	\$21,948	40%	146%	3,000	\$1,500,000	\$0	\$1,300,000	\$0
SD	\$39,960	\$21,948	47%	146%	None: Serves all eligible applicants	\$2,000,000	\$0	\$1,700,000	\$0
TN	\$42,048	\$24,324	49%	162%	26,000	\$50,600,000	\$27,367,540	\$52,025,586	\$17,092,767
TX	\$37,116	\$38,052	87%	253%	34,970	\$2,349,075	\$141,649	\$0	\$8,226,543
UT	\$40,872	\$26,928	56%	179%	Does not maintain a waiting list	\$0	\$4,516,052	\$0	\$5,001,686
VT	\$34,408	\$31,032	77%	207%	None: Serves all eligible applicants	\$7,630,095	\$3,094,303	\$9,224,074	\$3,123,269
VA	\$45,948	\$23,400	43%	156%	4,428	\$29,157,034	\$191,620	\$10,000,000	\$16,008
WA	\$44,040	\$32,916	64%	219%	None: Serves all eligible applicants	\$109,930,000	\$85,468,259	\$107,300,000	\$64,477,515
WV	\$32,268	\$28,296	75%	188%	None: Serves all eligible applicants	\$0	\$26,039,248	\$0	\$20,152,360
WI	\$45,288	\$27,060	51%	180%	None: Serves all eligible applicants	\$63,335,234	\$40,431,292	\$65,308,581	\$97,363,503
WY	\$39,720	\$27,060	58%	180%	None: Serves all eligible applicants	\$3,801,751	\$1,500,000	\$7,660,106	\$0

<sup>1</sup> Source: FY 2002-2003 CCDF State Plans; median income based on a family of 3

<sup>2</sup> Source: FY 2002-2003 CCDF State Plans; median income based on a family of 3

<sup>3</sup> Source: State Child Care Lead Agency

<sup>4</sup> Source: ACF 696 State TANF Report for FY 2002, quarter ending 9-30-02, available at [www.acf.hhs.gov/programs/ofs/data/tableA1\\_spending\\_2002.html](http://www.acf.hhs.gov/programs/ofs/data/tableA1_spending_2002.html)

<sup>5</sup> Source: ACF 196 State TANF Report for FY 2002, quarter ending 9-30-02, available at [www.acf.hhs.gov/programs/ofs/data/tableA1\\_summary\\_2002.html](http://www.acf.hhs.gov/programs/ofs/data/tableA1_summary_2002.html) and [www.acf.hhs.gov/programs/ofs/data/tableA1\\_expend\\_2002.html](http://www.acf.hhs.gov/programs/ofs/data/tableA1_expend_2002.html)

<sup>6</sup> Source: ACF 696 State TANF Report for FY 2003, quarter ending 9-30-03, available at [www.acf.hhs.gov/programs/ofs/data/tableA1\\_spending\\_2003.html](http://www.acf.hhs.gov/programs/ofs/data/tableA1_spending_2003.html)

<sup>7</sup> Source: ACF 196 State TANF Report for FY 2003, quarter ending 9-30-03, available at [www.acf.hhs.gov/programs/ofs/data/tableA1\\_summary\\_2003.html](http://www.acf.hhs.gov/programs/ofs/data/tableA1_summary_2003.html) and [www.acf.hhs.gov/programs/ofs/data/tableA1\\_expend\\_2003.html](http://www.acf.hhs.gov/programs/ofs/data/tableA1_expend_2003.html)

<sup>8</sup> For the purposes of this chart, "None: Serves all eligible applicants" means that no waiting list is necessary; all who are eligible receive services.

<sup>9</sup> For the purposes of this chart, "Does not maintain a waiting list" means that the State does not keep a record of eligible applicants who are not receiving services.

<sup>10</sup> Includes Head Start waiting list

Note: The waiting list number reflects a moment in time; some States have changed their policies recently to start or eliminate waiting lists, and the numbers fluctuate from month to month.

## FY 2002 CCDF Data From Aggregate and Case-Level Reports

**Table 1a Child Care and Development Fund**  
Average Monthly Adjusted Numbers of Families and Children Served (FY 2002)

States/Territories	Average Number of Families	Average Number of Children
Alabama	18,800	32,300
Alaska	3,700	6,200
American Samoa	300	400
Arizona	15,600	26,600
Arkansas	6,000	10,400
California	107,900	163,300
Colorado	14,000	25,100
Connecticut	8,900	15,300
Delaware	3,800	6,300
District of Columbia	6,600	9,200
Florida	55,500	96,000
Georgia	36,000	63,800
Guam	200	300
Hawaii	7,100	11,400
Idaho	4,300	7,600
Illinois	45,200	88,900
Indiana	22,700	41,400
Iowa	9,400	15,400
Kansas	8,500	15,500
Kentucky	22,700	39,100
Louisiana	26,200	45,700
Maine	2,500	3,600
Maryland	17,500	28,100
Massachusetts	22,600	32,500
Michigan	19,500	38,400
Minnesota	14,900	26,600
Mississippi	11,600	19,900
Missouri	20,700	34,500
Montana	4,100	6,800
Nebraska	7,200	12,300
Nevada	5,000	8,400
New Hampshire	4,700	7,000
New Jersey	28,900	43,300
New Mexico	13,100	22,700
New York	85,900	138,100
North Carolina	48,800	77,300
North Dakota	3,000	4,600
Northern Mariana Islands	100	200
Ohio	50,000	86,800
Oklahoma	20,900	34,500
Oregon	13,200	24,200
Pennsylvania	29,000	51,400
Puerto Rico	-	-



**Table 1a Child Care and Development Fund (Continued)**

States/Territories	Average Number of Families	Average Number of Children
Rhode Island	3,100	4,900
South Carolina	13,100	22,300
South Dakota	2,300	3,700
Tennessee	25,600	49,900
Texas	61,500	116,200
Utah	4,800	9,100
Vermont	2,200	3,300
Virgin Islands	-	-
Virginia	14,400	24,000
Washington	31,700	52,500
West Virginia	5,800	9,600
Wisconsin	12,900	22,600
Wyoming	2,200	3,600
<b>Total</b>	<b>1,026,200</b>	<b>1,743,100</b>

Notes applicable to all tables:

All counts are “adjusted” numbers of families and children unless otherwise indicated. These “adjusted” numbers represent the number funded through CCDF only. The “adjusted” number is the raw or “unadjusted” number reported by the State, multiplied by the pooling factor as reported on the ACF-800. A few States have indicated that the pooling factor reported on the ACF-800 is not applicable to the ACF-801. This report takes all these factors into consideration in calculating the “adjusted” numbers.

Notes applicable to this table:

<sup>1</sup> The source for this table is ACF-801 data for FY 2002.

<sup>2</sup> The “adjusted” numbers were obtained by multiplying the respective “unadjusted” numbers by the reported pooling factor percentage that was applicable to the ACF-801 data.

<sup>3</sup> The reported results shown above have been rounded to the nearest 100. The national numbers are simply the sum of the State and Territory numbers.

<sup>4</sup> Puerto Rico and the Virgin Islands were unable to report ACF-801 case-level data before report preparation.

**Table 2a Child Care and Development Fund**

Average Monthly Percentages of Children by Age Group (FY 2002)

States/Territories	0 to < 1 yr	1 yr to < 2 yrs	2 yrs to < 3 yrs	3 yrs to < 4 yrs	4 yrs to < 5 yrs	5 yrs to < 6 yrs	6 yrs to < 13 yrs	13+ yrs	Invalid/Not Reported	Total
Alabama	8%	14%	15%	15%	13%	9%	27%	0%	0%	100%
Alaska	6%	11%	12%	13%	12%	10%	37%	1%	0%	100%
American Samoa	10%	21%	21%	23%	17%	8%	1%	0%	0%	100%
Arizona	6%	11%	13%	13%	13%	11%	33%	0%	0%	100%
Arkansas	10%	15%	16%	16%	13%	9%	22%	0%	0%	100%
California	3%	5%	9%	14%	17%	12%	40%	0%	0%	100%
Colorado	7%	12%	13%	13%	12%	11%	32%	0%	0%	100%
Connecticut	5%	10%	11%	12%	12%	9%	41%	1%	0%	100%
Delaware	8%	12%	13%	13%	12%	10%	32%	1%	0%	100%
District of Columbia	3%	10%	15%	19%	15%	9%	29%	0%	0%	100%
Florida	6%	11%	13%	14%	13%	10%	33%	0%	0%	100%
Georgia	8%	14%	15%	14%	12%	9%	29%	0%	0%	100%
Guam	6%	12%	16%	20%	16%	12%	17%	0%	0%	100%
Hawaii	5%	11%	14%	16%	15%	9%	30%	1%	0%	100%

**Table 2a Child Care and Development Fund (Continued)**

States/Territories	0 to < 1 yr	1 yr to < 2 yrs	2 yrs to < 3 yrs	3 yrs to < 4 yrs	4 yrs to < 5 yrs	5 yrs to < 6 yrs	6 yrs to < 13 yrs	13+ yrs	Invalid/Not Reported	Total
Idaho	7%	12%	13%	13%	13%	11%	31%	0%	0%	100%
Illinois	6%	9%	10%	11%	10%	9%	45%	1%	0%	100%
Indiana	4%	11%	13%	14%	13%	11%	34%	0%	0%	100%
Iowa	8%	12%	13%	13%	12%	9%	33%	0%	0%	100%
Kansas	7%	12%	14%	14%	13%	10%	30%	0%	0%	100%
Kentucky	7%	12%	13%	13%	12%	9%	32%	0%	0%	100%
Louisiana	7%	14%	16%	14%	11%	8%	30%	0%	0%	100%
Maine	4%	9%	12%	15%	17%	12%	32%	0%	0%	100%
Maryland	5%	11%	13%	13%	12%	10%	36%	0%	0%	100%
Massachusetts	5%	9%	11%	13%	13%	10%	38%	0%	0%	100%
Michigan	6%	10%	10%	10%	10%	9%	45%	1%	0%	100%
Minnesota	7%	10%	12%	12%	12%	11%	36%	0%	0%	100%
Mississippi	5%	10%	14%	14%	13%	10%	34%	0%	0%	100%
Missouri	7%	11%	13%	13%	12%	10%	33%	0%	2%	100%
Montana	7%	13%	14%	14%	13%	11%	29%	0%	0%	100%
Nebraska	9%	12%	13%	13%	12%	10%	31%	1%	0%	100%
Nevada	5%	10%	12%	13%	13%	11%	35%	1%	0%	100%
New Hampshire	4%	9%	13%	14%	15%	12%	33%	0%	0%	100%
New Jersey	4%	10%	13%	13%	13%	12%	35%	1%	0%	100%
New Mexico	7%	12%	13%	13%	12%	10%	35%	0%	0%	100%
New York	3%	8%	11%	13%	13%	11%	40%	0%	0%	100%
North Carolina	5%	11%	15%	15%	13%	10%	31%	0%	0%	100%
North Dakota	9%	13%	13%	14%	13%	12%	27%	0%	0%	100%
Northern Mariana Islands	6%	13%	16%	13%	13%	10%	29%	0%	0%	100%
Ohio	7%	11%	13%	13%	13%	10%	33%	0%	0%	100%
Oklahoma	8%	13%	14%	14%	13%	10%	28%	0%	0%	100%
Oregon	7%	11%	12%	12%	11%	10%	37%	0%	0%	100%
Pennsylvania	5%	10%	11%	12%	12%	11%	40%	0%	0%	100%
Puerto Rico	-	-	-	-	-	-	-	-	-	-
Rhode Island	5%	9%	11%	13%	13%	11%	38%	0%	0%	100%
South Carolina	4%	10%	14%	14%	13%	11%	33%	0%	0%	100%
South Dakota	8%	13%	14%	14%	13%	11%	28%	0%	0%	100%
Tennessee	6%	12%	13%	13%	12%	10%	34%	0%	0%	100%
Texas	7%	12%	14%	14%	12%	10%	32%	0%	0%	100%
Utah	6%	10%	12%	13%	13%	12%	34%	0%	0%	100%
Vermont	5%	9%	12%	14%	13%	11%	37%	1%	0%	100%
Virgin Islands	-	-	-	-	-	-	-	-	-	-
Virginia	6%	11%	14%	14%	13%	9%	33%	0%	0%	100%
Washington	6%	11%	12%	12%	12%	10%	36%	0%	0%	100%
West Virginia	6%	10%	12%	13%	12%	10%	38%	0%	0%	100%
Wisconsin	8%	12%	13%	13%	12%	10%	32%	0%	0%	100%
Wyoming	8%	12%	14%	14%	13%	11%	30%	0%	0%	100%
<b>National Average</b>	<b>6%</b>	<b>10%</b>	<b>13%</b>	<b>13%</b>	<b>13%</b>	<b>10%</b>	<b>35%</b>	<b>0%</b>	<b>0%</b>	<b>100%</b>

Notes applicable to this table:

<sup>1</sup> The source for this table is ACF-801 data for FY 2002.

<sup>2</sup> National percentages are based on the “adjusted” national numbers unless otherwise indicated. In other words, the national percentages are equivalent to a weighted average of the State percentages, where the weights are the “adjusted” number of families or children served as appropriate.

<sup>3</sup> Puerto Rico and the Virgin Islands were unable to report ACF-801 case-level data before report preparation.

<sup>4</sup> Alaska’s population reported does not accurately reflect the population served due to sampling difficulties the State is trying to resolve.

<sup>5</sup> In some instances, the total may appear to be slightly more or less than 100% because of rounding.

**Table 3a Child Care and Development Fund**  
Average Monthly Percentages of Children by Racial Group (FY 2002)

States/Territories	Native American or Alaskan		Black or African American	Native Hawaiian or Pacific Islander		Multi-Racial	Invalid/Race not Reported	Total
	Native	Asian	American	White	Islander			
Alabama	0%	0%	71%	0%	28%	0%	1%	100%
Alaska	8%	3%	9%	2%	53%	11%	15%	100%
American Samoa	0%	0%	0%	99%	0%	0%	0%	100%
Arizona	5%	0%	13%	1%	78%	3%	0%	100%
Arkansas	0%	1%	68%	0%	31%	1%	0%	100%
California	1%	4%	26%	1%	36%	2%	31%	100%
Colorado	1%	1%	19%	0%	77%	0%	1%	100%
Connecticut	0%	0%	40%	0%	21%	1%	37%	100%
Delaware	0%	0%	66%	0%	26%	0%	8%	100%
District of Columbia	0%	0%	95%	0%	3%	0%	2%	100%
Florida	0%	0%	52%	0%	46%	0%	2%	100%
Georgia	0%	0%	80%	0%	18%	1%	1%	100%
Guam	0%	11%	0%	84%	0%	5%	0%	100%
Hawaii	0%	36%	3%	44%	12%	2%	3%	100%
Idaho	2%	0%	1%	0%	83%	1%	13%	100%
Illinois	0%	0%	68%	2%	16%	0%	13%	100%
Indiana	1%	0%	48%	0%	46%	5%	0%	100%
Iowa	1%	1%	21%	0%	78%	0%	0%	100%
Kansas	1%	0%	30%	0%	66%	0%	2%	100%
Kentucky	0%	0%	30%	0%	63%	0%	6%	100%
Louisiana	0%	0%	84%	0%	15%	0%	0%	100%
Maine	2%	1%	3%	0%	87%	4%	5%	100%
Maryland	0%	1%	77%	0%	19%	1%	2%	100%
Massachusetts	0%	1%	12%	0%	22%	0%	65%	100%
Michigan	-	-	-	-	-	-	-	-
Minnesota	4%	3%	29%	1%	61%	2%	0%	100%
Mississippi	0%	0%	87%	0%	11%	1%	0%	100%
Missouri	0%	0%	54%	0%	43%	0%	3%	100%
Montana	10%	1%	1%	0%	84%	2%	3%	100%
Nebraska	3%	1%	27%	0%	69%	0%	0%	100%
Nevada	2%	1%	29%	1%	62%	3%	1%	100%
New Hampshire	0%	0%	1%	0%	18%	1%	80%	100%
New Jersey	0%	1%	52%	1%	15%	0%	31%	100%
New Mexico	6%	0%	4%	0%	86%	3%	0%	100%
New York	0%	1%	24%	0%	19%	1%	54%	100%
North Carolina	3%	0%	59%	1%	36%	0%	0%	100%
North Dakota	15%	0%	3%	0%	79%	2%	0%	100%
Northern Mariana Islands	0%	2%	0%	98%	0%	1%	0%	100%
Ohio	0%	0%	55%	0%	41%	0%	3%	100%
Oklahoma	9%	0%	35%	0%	56%	0%	0%	100%
Oregon	2%	2%	10%	0%	85%	1%	0%	100%
Pennsylvania	0%	0%	22%	0%	23%	1%	54%	100%
Puerto Rico	-	-	-	-	-	-	-	-
Rhode Island	0%	0%	11%	0%	31%	1%	58%	100%
South Carolina	0%	0%	80%	0%	20%	0%	0%	100%
South Dakota	24%	0%	4%	0%	70%	1%	0%	100%
Tennessee	0%	0%	72%	0%	28%	0%	0%	100%

**Table 3a Child Care and Development Fund (Continued)**

States/Territories	Native American or Alaskan		Black or African American	Native Hawaiian or Pacific Islander	White	Multi-Racial	Invalid/Race not Reported	Total
	Native	Asian	American	Islander				
Texas	0%	0%	38%	0%	17%	0%	44%	100%
Utah	0%	6%	4%	0%	77%	0%	13%	100%
Vermont	0%	0%	1%	0%	98%	0%	0%	100%
Virgin Islands	-	-	-	-	-	-	-	-
Virginia	0%	1%	67%	0%	31%	1%	0%	100%
Washington	2%	1%	8%	0%	37%	0%	52%	100%
West Virginia	0%	0%	14%	0%	79%	6%	1%	100%
Wisconsin	2%	0%	35%	0%	36%	1%	26%	100%
Wyoming	3%	0%	4%	0%	81%	0%	12%	100%
<b>National Average</b>	<b>1%</b>	<b>1%</b>	<b>42%</b>	<b>1%</b>	<b>36%</b>	<b>1%</b>	<b>18%</b>	<b>100%</b>

Notes applicable to this table:

<sup>1</sup> The source for this table is ACF-801 data for FY 2002.

<sup>2</sup> National percentages are based on the “adjusted” national numbers unless otherwise indicated. In other words, the national percentages are equivalent to a weighted average of the State percentages, where the weights are the “adjusted” number of families or children served as appropriate.

<sup>3</sup> The multiracial category includes any child where more than one race was answered Yes (1).

<sup>4</sup> The Invalid/Not Reported category includes children where one or more race fields had anything other than a No (0) or Yes (1), blank, null, or space.

<sup>5</sup> All MI race data have a known significant MI system-generated error that makes 95% of the children appear to be multi-racial. Therefore, no MI race data were reported for FFY 2002. The MI race data were not included in the calculation of the national average shown.

<sup>6</sup> Puerto Rico and the Virgin Islands were unable to report ACF-801 case-level data before report preparation.

<sup>7</sup> Some States have not yet completed modifications of their State systems to capture and report the updated Census race and ethnicity requirements.

<sup>8</sup> Alaska’s population reported does not accurately reflect the population served due to sampling difficulties the State is trying to resolve.

<sup>9</sup> In some instances, the total may appear to be slightly more or less than 100% because of rounding.

**Table 4a Child Care and Development Fund**

Average Monthly Percentages of Children by Latino Ethnicity (FY 2002)

States/Territories	Latino	Not Latino	Invalid/Not Reported	Ethnicity Total
Alabama	1%	100%	0%	100%
Alaska	9%	91%	0%	100%
American Samoa	0%	100%	0%	100%
Arizona	43%	57%	0%	100%
Arkansas	1%	99%	0%	100%
California	47%	51%	2%	100%
Colorado	34%	66%	0%	100%
Connecticut	33%	66%	1%	100%
Delaware	7%	93%	0%	100%
District of Columbia	7%	93%	0%	100%
Florida	20%	80%	0%	100%
Georgia	1%	99%	0%	100%
Guam	0%	100%	0%	100%
Hawaii	2%	98%	0%	100%
Idaho	15%	86%	0%	100%
Illinois	8%	87%	5%	100%
Indiana	5%	96%	0%	100%
Iowa	4%	96%	0%	100%

Table 4a Child Care and Development Fund (Continued)

States/Territories	Latino	Invalid/ Not Latino	Ethnicity Not Reported	Total
Kansas	8%	92%	0%	100%
Kentucky	1%	94%	5%	100%
Louisiana	1%	99%	0%	100%
Maine	2%	98%	0%	100%
Maryland	2%	98%	0%	100%
Massachusetts	23%	54%	22%	100%
Michigan	4%	96%	0%	100%
Minnesota	4%	96%	0%	100%
Mississippi	1%	100%	0%	100%
Missouri	2%	96%	2%	100%
Montana	4%	97%	0%	100%
Nebraska	8%	92%	0%	100%
Nevada	20%	80%	0%	100%
New Hampshire	1%	0%	99%	100%
New Jersey	21%	68%	11%	100%
New Mexico	72%	28%	0%	100%
New York	14%	80%	6%	100%
North Carolina	5%	95%	0%	100%
North Dakota	3%	97%	0%	100%
Northern Mariana Islands	0%	100%	0%	100%
Ohio	3%	97%	0%	100%
Oklahoma	4%	96%	0%	100%
Oregon	16%	84%	0%	100%
Pennsylvania	4%	96%	0%	100%
Puerto Rico	-	-	-	-
Rhode Island	21%	79%	0%	100%
South Carolina	0%	100%	0%	100%
South Dakota	3%	97%	0%	100%
Tennessee	0%	100%	0%	100%
Texas	42%	58%	0%	100%
Utah	13%	87%	0%	100%
Vermont	0%	100%	0%	100%
Virgin Islands	-	-	-	-
Virginia	7%	93%	0%	100%
Washington	17%	83%	0%	100%
West Virginia	1%	99%	0%	100%
Wisconsin	4%	96%	0%	100%
Wyoming	12%	88%	0%	100%
<b>National Average</b>	<b>16%</b>	<b>82%</b>	<b>2%</b>	<b>100%</b>

Notes applicable to this table:

<sup>1</sup> The source for this table is ACF-801 data for FY 2002.

<sup>2</sup> National percentages are based on the “adjusted” national numbers unless otherwise indicated. In other words, the national percentages are equivalent to a weighted average of the State percentages, where the weights are the “adjusted” number of families or children served as appropriate.

<sup>3</sup> The Invalid/Not Reported category includes children where anything other than a No (0) or Yes (1) was in the Ethnicity field.

<sup>4</sup> Puerto Rico and the Virgin Islands were unable to report ACF-801 case-level data before report preparation.

<sup>5</sup> Some States have not yet completed modifications of their State systems to capture and report the updated census race and ethnicity requirements.

<sup>6</sup> Alaska’s population reported does not accurately reflect the population served due to sampling difficulties the State is trying to resolve.

<sup>7</sup> In some instances, the total may appear to be slightly more or less than 100% because of rounding.

### Table 5a Child Care and Development Fund

Average Monthly Percentages of Children in Child Care by Age Category and Type of Care (FY 2002)

Age Group	Child's Home	Family Home	Group Home	Center	Total
Infants (0 to < 1 yr)	8.1%	37.4%	4.8%	49.7%	100.0%
Toddlers (1 to < 3 yrs)	6.0%	31.9%	4.6%	57.5%	100.0%
Preschool (3 to < 6 yrs)	5.3%	24.4%	3.9%	66.4%	100.0%
School Age (6 to < 13 yrs)	11.4%	33.3%	3.5%	51.8%	100.0%
13 years and older	18.0%	48.9%	4.1%	29.0%	100.0%
<b>All Ages</b>	<b>7.8%</b>	<b>30.1%</b>	<b>4.0%</b>	<b>58.2%</b>	<b>100.0%</b>

Notes applicable to this table:

<sup>1</sup> The source for this table is ACF-801 data for FY 2002.

<sup>2</sup> The National values were determined by multiplying each State's percentage by the adjusted number of children served for each State, summing across the States and then dividing by the adjusted number of children served for the Nation. "Adjusted" means adjusted to represent CCDF funding only.

<sup>3</sup> Puerto Rico and the Virgin Islands were unable to report ACF-801 case-level data before report preparation.

<sup>4</sup> Some children are reported to have multiple settings for the same month.

<sup>5</sup> If a child utilized more than one of the above categories of settings within the same month, the child was counted in more than one setting. The denominator for all the percentages shown was the number of child-setting-category combinations, which results in the totals being exactly 100%.

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### Table 6a Child Care and Development Fund

Average Monthly Hours of Child Care by Age Group and Type of Care (FY 2002)

Age Group	Child's Home	Family Home	Group Home	Center	Average
0 to < 1 yr	162	159	156	160	160
1 to < 2 yrs	165	162	163	167	165
2 to < 3 yrs	164	163	166	168	166
3 to < 4 yrs	164	163	165	166	166
4 to < 5 yrs	161	162	163	162	162
5 to < 6 yrs	154	147	146	142	144
6 to < 13 yrs	138	131	115	109	120
13+ yrs	126	128	121	99	119
<b>Average</b>	<b>149</b>	<b>149</b>	<b>147</b>	<b>145</b>	<b>147</b>

Notes applicable to this table:

<sup>1</sup> The source for this table is ACF-801 data for FY 2002.

<sup>2</sup> Nationally 3.8% of the children were excluded from the above table because either their age was invalid/not reported or one or more setting elements of a child's setting record was invalid or not reported.

<sup>3</sup> For children served by multiple providers, the child's count is proportioned based on the ratio of the monthly hours with each provider divided by the monthly total hours of service. The average hours and payments for each State-month combination are based on the sum of hours in each category divided by the sum of proportional counts in each category. The State's annual results are determined by calculating a weighted average of the monthly results where the weight was the "adjusted" number of children served in each month. The national results shown above represent a weighted average of the State's fiscal annual results where the weight for each State is the average monthly "adjusted" number of children served in each State for the fiscal year.

<sup>4</sup> Some States have been reporting the maximum number of hours authorized rather than the actual number of hours of service provided.

<sup>5</sup> Puerto Rico and the Virgin Islands were unable to report ACF-801 case-level data before report preparation.

**Table 7a Child Care and Development Fund**  
Average Monthly Provider Payments by Age Group and Care Type (FY 2002)

Age Group	Child's Home	Family Home	Group Home	Center	Average
0 to < 1 yr	\$282	\$345	\$444	\$415	\$380
1 to < 2 yrs	\$291	\$363	\$433	\$423	\$394
2 to < 3 yrs	\$283	\$359	\$438	\$407	\$387
3 to < 4 yrs	\$273	\$341	\$425	\$399	\$379
4 to < 5 yrs	\$266	\$333	\$419	\$402	\$381
5 to < 6 yrs	\$263	\$309	\$393	\$367	\$346
6 to < 13 yrs	\$233	\$275	\$334	\$284	\$277
13+ yrs	\$218	\$291	\$297	\$291	\$278
<b>Average</b>	<b>\$253</b>	<b>\$316</b>	<b>\$397</b>	<b>\$365</b>	<b>\$342</b>

Notes applicable to this table:

<sup>1</sup> The source for this table is ACF-801 data for FY 2002.

<sup>2</sup> Nationally 3.8% of the children were excluded from the above table because either their age was invalid/not reported or one or more setting elements of a child's setting record was invalid or not reported.

<sup>3</sup> For children served by multiple providers, the child's count is proportioned based on the ratio of the monthly hours with each provider divided by the monthly total hours of service. The average hours and payments for each State-month combination are based on the sum of hours in each category divided by the sum of proportional counts in each category. The State's annual results are determined by calculating a weighted average of the monthly results where the weight was the "adjusted" number of children served in each month. The national results shown above represent a weighted average of the State's fiscal annual results where the weight for each State is the average monthly "adjusted" number of children served in each State for the fiscal year.

<sup>4</sup> Some States have been reporting the maximum number of hours authorized rather than the actual number of hours service provided.

<sup>5</sup> Puerto Rico and the Virgin Islands were unable to report ACF-801 case-level data before report preparation.

**Table 8a Child Care and Development Fund**  
Reasons for Receiving Care (FY 2002)

States/Territories	Employment	Training/ Education	Both		Other	Invalid or not Reported	Total
			Emp. and Training/ Education	Protective Services			
Alabama	81%	7%	6%	5%	1%	0%	100%
Alaska	85%	4%	7%	0%	4%	0%	100%
American Samoa	90%	1%	7%	0%	0%	2%	100%
Arizona	78%	1%	7%	13%	2%	0%	100%
Arkansas	68%	4%	0%	5%	23%	0%	100%
California	81%	8%	5%	2%	4%	0%	100%
Colorado	78%	14%	5%	0%	3%	0%	100%
Connecticut	95%	5%	1%	0%	0%	0%	100%
Delaware	87%	5%	1%	3%	5%	0%	100%
District of Columbia	69%	20%	1%	1%	9%	0%	100%
Florida	71%	4%	9%	14%	1%	0%	100%
Georgia	83%	13%	2%	1%	1%	1%	100%
Guam	79%	11%	11%	0%	0%	0%	100%
Hawaii	84%	12%	3%	0%	1%	0%	100%
Idaho	73%	11%	16%	0%	0%	0%	100%
Illinois	87%	7%	2%	0%	4%	0%	100%
Indiana	76%	9%	7%	1%	8%	0%	100%
Iowa	76%	14%	1%	9%	0%	0%	100%

Table 8a Child Care and Development Fund (Continued)

States/Territories	Employment	Training/ Education	Both Emp. and Training/ Education	Protective Services	Other	Invalid or not Reported	Total
Kansas	91%	6%	1%	0%	1%	0%	100%
Kentucky	73%	14%	3%	10%	0%	0%	100%
Louisiana	78%	10%	9%	3%	0%	0%	100%
Maine	84%	6%	5%	2%	3%	0%	100%
Maryland	82%	11%	6%	0%	1%	0%	100%
Massachusetts	73%	10%	0%	11%	3%	2%	100%
Michigan	91%	6%	2%	1%	1%	0%	100%
Minnesota	79%	8%	9%	0%	5%	0%	100%
Mississippi	82%	17%	0%	0%	1%	0%	100%
Missouri	58%	16%	0%	15%	11%	0%	100%
Montana	69%	18%	9%	3%	1%	0%	100%
Nebraska	76%	12%	2%	9%	1%	0%	100%
Nevada	79%	9%	3%	2%	8%	0%	100%
New Hampshire	0%	0%	0%	8%	0%	92%	100%
New Jersey	57%	1%	2%	4%	37%	0%	100%
New Mexico	73%	13%	13%	0%	2%	0%	100%
New York	83%	10%	1%	1%	5%	0%	100%
North Carolina	88%	12%	0%	0%	0%	0%	100%
North Dakota	69%	20%	10%	0%	0%	0%	100%
Northern Mariana Islands	55%	28%	17%	0%	0%	0%	100%
Ohio	71%	16%	3%	0%	11%	0%	100%
Oklahoma	70%	4%	22%	3%	0%	0%	100%
Oregon	78%	3%	18%	1%	0%	0%	100%
Pennsylvania	91%	3%	1%	0%	5%	0%	100%
Puerto Rico	-	-	-	-	-	-	-
Rhode Island	86%	11%	3%	0%	0%	0%	100%
South Carolina	83%	17%	0%	0%	0%	0%	100%
South Dakota	59%	11%	16%	14%	1%	0%	100%
Tennessee	50%	37%	12%	0%	1%	0%	100%
Texas	66%	28%	3%	0%	2%	1%	100%
Utah	90%	2%	3%	0%	5%	0%	100%
Vermont	80%	13%	0%	4%	4%	0%	100%
Virgin Islands	-	-	-	-	-	-	-
Virginia	81%	5%	12%	0%	1%	0%	100%
Washington	82%	7%	1%	7%	2%	0%	100%
West Virginia	82%	11%	7%	0%	0%	0%	100%
Wisconsin	91%	1%	7%	0%	2%	0%	100%
Wyoming	87%	13%	0%	0%	0%	0%	100%
<b>National Average</b>	<b>77%</b>	<b>11%</b>	<b>5%</b>	<b>3%</b>	<b>4%</b>	<b>1%</b>	<b>100%</b>

Notes applicable to this table:

<sup>1</sup> The source for this table is ACF-801 data for FY 2002.

<sup>2</sup> National percentages are based on the “adjusted” national numbers unless otherwise indicated. In other words, the national percentages are equivalent to a weighted average of the State percentages, where the weights are the “adjusted” number of families or children served as appropriate.

<sup>3</sup> The Invalid/Not Reported only includes family records with an invalid or missing number for ACF-801 element 6.

<sup>4</sup> Several States only capture the primary reason for receiving services and therefore do not report any families in the Both Employment and Training/Education category.

<sup>5</sup> Inconsistencies in income reporting appear in several States between ACF-801 element 6 (reason for receiving a subsidy, element 9 (total income for determining eligibility), and elements 10 through 15 (the sources of income). Records containing such inconsistencies are included in the measures above.

<sup>6</sup> Puerto Rico and the Virgin Islands were unable to report ACF-801 case-level data before report preparation.

<sup>7</sup> Alaska’s population reported does not accurately reflect the population served due to sampling difficulties the State is trying to resolve.

<sup>8</sup> In some instances, the total may appear to be slightly more or less than 100% because of rounding.



**Table 9a Child Care and Development Fund**  
Number of Child Care Providers Receiving CCDF Funds (FY 2002)

States/Territories	Child's Home	FCC Home	Group Home	Center	Total
Alabama	54	2,645	391	1,586	4,676
Alaska	755	2,942	101	331	4,129
American Samoa	0	0	0	25	25
Arizona	922	4,569	262	1,225	6,978
Arkansas	0	1,148	0	1,082	2,230
California	10,316	59,974	9,690	17,313	97,293
Colorado	2,331	7,363	0	1,542	11,236
Connecticut	15,009	4,181	46	1,492	20,728
Delaware	467	1,605	38	443	2,553
District of Columbia	21	184	0	278	483
Florida	356	6,886	0	8,937	16,179
Georgia	1,384	6,000	272	5,355	13,011
Guam	42	59	2	54	157
Hawaii	349	9,318	4	439	10,110
Idaho	88	2,846	405	430	3,769
Illinois	45,889	44,199	316	3,108	93,512
Indiana	816	9,953	0	1,454	12,223
Iowa	225	7,042	951	678	8,896
Kansas	1,065	1,898	2,385	732	6,080
Kentucky	610	6,731	106	1,683	9,130
Louisiana	4,936	2,871	0	1,911	9,718
Maine	172	1,975	0	433	2,580
Maryland	3,849	7,666	0	1,615	13,130
Massachusetts	3,159	3,198	1,308	1,415	9,080
Michigan	31,514	44,336	2,592	2,483	80,925
Minnesota	4,781	17,417	0	1,569	23,767
Mississippi	1,402	2,139	90	1,369	5,000
Missouri	870	11,561	165	2,008	14,604
Montana	98	1,827	1,022	769	3,716
Nebraska	481	4,196	451	538	5,666
Nevada	222	823	10	488	1,543
New Hampshire	-	-	-	-	3,956
New Jersey	1,461	10,366	0	2,485	14,312
New Mexico	11	9,059	190	459	9,719
New York	8,968	28,639	1,774	4,874	44,255
North Carolina	220	5,705	0	4,319	10,244
North Dakota	0	2,131	875	98	3,104
Northern Mariana Islands	0	97	0	9	106
Ohio	30	17,492	100	3,521	21,143
Oklahoma	40	3,203	0	1,193	4,436
Oregon	40	15,520	135	1,227	16,922
Pennsylvania	5,035	20,484	592	3,560	29,671
Puerto Rico	87	6,724	0	1,100	7,911
Rhode Island	287	1,442	7	268	2,004
South Carolina	755	3,395	232	1,561	5,943
South Dakota	86	1,435	77	199	1,797
Tennessee	524	2,989	432	1,678	5,623
Texas	10,368	15,261	988	6,093	32,710
Utah	1,388	5,955	354	496	8,193
Vermont	467	2,206	0	365	3,038
Virgin Islands	41	43	21	103	208
Virginia	-	-	-	-	-
Washington	19,590	15,103	0	1,991	36,684
West Virginia	40	5,139	63	405	5,647

**Table 9a Child Care and Development Fund (Continued)**

<b>States/Territories</b>	<b>Child's Home</b>	<b>FCC Home</b>	<b>Group Home</b>	<b>Center</b>	<b>Total</b>
Wisconsin	83	6,684	0	1,956	8,723
Wyoming	489	1,326	186	136	2,137
<b>National Total</b>	<b>182,193</b>	<b>457,950</b>	<b>26,633</b>	<b>100,881</b>	<b>771,613</b>

*Notes applicable to this table:*

<sup>1</sup> *The source for this table is ACF-800 data for FY 2002.*

<sup>2</sup> *New Hampshire and Virginia did not report the number of providers by setting type.*

<sup>3</sup> *Virginia did not report the number of providers.*

<sup>4</sup> *New York reports monthly averages rather than disaggregated annual totals reported by all other States.*

**Table 10a Child Care and Development Fund**  
Average Monthly Percentages of Children Served in All Types of Care (FY 2002)

States/ Territories	Total %	Total % Licensed or Regulated Providers				Total % Providers Legally Operating Without Regulation						
		Child's Home	Family Home	Group Home	Center	Child's Home		Family Home		Group Home		Center
		Relative	Non-Relative	Relative	Non-Relative	Relative	Non-Relative	Relative	Non-Relative	Relative	Non-Relative	
Alabama	100%	0%	6%	6%	67%	0%	0%	6%	0%	0%	0%	15%
Alaska	100%	0%	10%	3%	42%	4%	6%	11%	23%	0%	0%	0%
American Samoa	100%	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	0%
Arizona	100%	0%	9%	5%	73%	3%	0%	10%	0%	0%	0%	0%
Arkansas	100%	0%	24%	0%	76%	0%	0%	0%	0%	0%	0%	0%
California	100%	0%	11%	9%	50%	4%	1%	14%	6%	0%	0%	5%
Colorado	100%	0%	18%	0%	59%	1%	6%	9%	6%	0%	0%	0%
Connecticut	100%	0%	6%	0%	43%	35%	6%	10%	0%	0%	0%	0%
Delaware	100%	0%	32%	2%	46%	4%	0%	6%	0%	0%	0%	11%
District of Columbia	100%	0%	2%	0%	51%	0%	0%	0%	0%	0%	0%	46%
Florida	100%	0%	11%	0%	81%	0%	0%	1%	1%	0%	0%	6%
Georgia	100%	0%	9%	2%	82%	1%	1%	3%	2%	0%	0%	0%
Guam	100%	0%	0%	1%	54%	15%	0%	25%	1%	0%	0%	4%
Hawaii	100%	0%	4%	0%	19%	5%	1%	34%	7%	0%	0%	31%
Idaho	100%	0%	0%	14%	44%	0%	1%	21%	21%	0%	0%	0%
Illinois	100%	0%	15%	1%	32%	11%	16%	18%	4%	0%	0%	3%
Indiana	100%	0%	28%	0%	25%	2%	1%	13%	12%	0%	0%	20%
Iowa	100%	0%	28%	14%	36%	0%	1%	6%	15%	0%	0%	0%
Kansas	100%	0%	7%	41%	35%	4%	4%	10%	0%	0%	0%	0%
Kentucky	100%	0%	6%	2%	71%	1%	1%	12%	7%	0%	0%	0%
Louisiana	100%	0%	0%	0%	72%	8%	7%	3%	10%	0%	0%	0%
Maine	100%	0%	32%	0%	48%	2%	2%	9%	7%	0%	0%	0%
Maryland	100%	0%	36%	0%	41%	10%	4%	9%	0%	0%	0%	1%
Massachusetts	100%	0%	6%	14%	72%	2%	3%	3%	0%	0%	0%	0%
Michigan	100%	0%	9%	9%	16%	15%	16%	35%	0%	0%	0%	0%
Minnesota	100%	0%	28%	0%	33%	7%	7%	8%	15%	0%	0%	3%
Mississippi	100%	0%	0%	2%	80%	5%	1%	6%	6%	0%	0%	0%
Missouri	100%	0%	17%	2%	43%	2%	1%	7%	22%	0%	0%	6%
Montana	100%	0%	17%	34%	37%	1%	0%	5%	5%	0%	0%	0%
Nebraska	100%	0%	23%	12%	44%	0%	1%	0%	20%	0%	0%	0%
Nevada	100%	0%	4%	1%	67%	2%	1%	1%	8%	0%	0%	16%
New Hampshire	-	-	-	-	-	-	-	-	-	-	-	-
New Jersey	100%	0%	13%	0%	69%	1%	2%	4%	11%	0%	0%	0%
New Mexico	100%	0%	1%	6%	44%	0%	0%	36%	13%	0%	0%	0%
New York	100%	0%	13%	6%	41%	6%	7%	11%	15%	0%	0%	0%
North Carolina	100%	0%	13%	0%	84%	0%	0%	2%	0%	0%	0%	0%
North Dakota	100%	0%	36%	27%	29%	0%	0%	8%	0%	0%	0%	0%
N. Mariana Islands	100%	0%	67%	0%	33%	0%	0%	0%	0%	0%	0%	0%
Ohio	100%	0%	41%	1%	59%	0%	0%	0%	0%	0%	0%	0%
Oklahoma	100%	0%	18%	0%	81%	0%	0%	0%	0%	0%	0%	0%
Oregon	100%	0%	21%	1%	20%	0%	0%	42%	13%	1%	0%	1%
Pennsylvania	100%	0%	9%	4%	41%	3%	8%	3%	31%	0%	0%	0%
Puerto Rico	100%	0%	1%	0%	61%	0%	0%	10%	29%	0%	0%	0%
Rhode Island	100%	0%	23%	0%	66%	1%	2%	8%	0%	0%	0%	0%
South Carolina	100%	0%	4%	4%	77%	0%	3%	0%	13%	0%	0%	0%
South Dakota	100%	0%	39%	9%	40%	1%	0%	9%	3%	0%	0%	0%
Tennessee	100%	0%	6%	5%	77%	2%	0%	2%	8%	0%	0%	0%
Texas	100%	0%	3%	3%	76%	8%	0%	10%	0%	0%	0%	0%
Utah	100%	5%	8%	6%	37%	5%	1%	35%	3%	0%	0%	0%
Vermont	100%	0%	40%	0%	44%	0%	4%	1%	11%	0%	0%	0%
Virgin Islands	100%	0%	1%	9%	86%	2%	1%	1%	0%	0%	0%	0%
Virginia	100%	1%	24%	0%	62%	1%	0%	8%	5%	0%	0%	0%
Washington	100%	0%	28%	0%	43%	11%	10%	9%	0%	0%	0%	0%
West Virginia	100%	0%	42%	3%	46%	0%	0%	6%	1%	0%	0%	2%
Wisconsin	100%	0%	38%	0%	61%	0%	0%	0%	0%	0%	0%	0%
Wyoming	100%	0%	13%	13%	28%	15%	4%	15%	11%	0%	0%	0%
National Percentage	100%	0%	14%	4%	57%	4%	3%	9%	7%	0%	0%	3%

Notes applicable to this table:

<sup>1</sup> The source for this table is ACF-800 data for FY 2002

<sup>2</sup> New Hampshire did not report number of children by setting type.

<sup>3</sup> A "0%" indication often means the value is less than 0.5% rather than actually zero.

<sup>4</sup> In a few instances, the sum of the categories may not appear to add up to exactly 100% because of rounding.

<sup>5</sup> New York reports monthly averages rather than disaggregated annual totals reported by all other States.

**Table 11a Child Care and Development Fund**  
Of Children in Settings Legally Operating Without Regulation,  
Percent Served by Relatives vs. Non-Relatives (FY 2002)

<b>States/Territories</b>	<b>Relative</b>	<b>Non-Relative</b>
Alabama	29%	71%
Alaska	33%	67%
American Samoa	-	-
Arizona	100%	0%
Arkansas	-	-
California	58%	42%
Colorado	47%	53%
Connecticut	88%	12%
Delaware	47%	53%
District of Columbia	1%	99%
Florida	8%	92%
Georgia	57%	43%
Guam	89%	11%
Hawaii	50%	50%
Idaho	49%	51%
Illinois	56%	44%
Indiana	30%	70%
Iowa	28%	72%
Kansas	79%	21%
Kentucky	64%	36%
Louisiana	40%	60%
Maine	55%	45%
Maryland	81%	19%
Massachusetts	63%	37%
Michigan	76%	24%
Minnesota	37%	63%
Mississippi	59%	41%
Missouri	25%	75%
Montana	53%	47%
Nebraska	0%	100%
Nevada	12%	88%
New Hampshire	-	-
New Jersey	25%	75%
New Mexico	74%	26%
New York	44%	56%
North Carolina	80%	20%
North Dakota	100%	0%
Northern Mariana Islands	-	-
Ohio	-	-
Oklahoma	-	-
Oregon	75%	25%
Pennsylvania	13%	87%
Puerto Rico	25%	75%
Rhode Island	78%	22%
South Carolina	2%	99%
South Dakota	75%	25%
Tennessee	31%	69%

**Table 11a Child Care and Development Fund (Continued)**

States/Territories	Relative	Non-Relative
Texas	100%	0%
Utah	91%	9%
Vermont	5%	95%
Virgin Islands	74%	26%
Virginia	62%	38%
Washington	68%	32%
West Virginia	73%	27%
Wisconsin	-	-
Wyoming	67%	33%
<b>National Average</b>	<b>52%</b>	<b>48%</b>

Notes applicable to this table:

<sup>1</sup> The source for this table is ACF-800 data for FY 2002.

<sup>2</sup> New Hampshire did not report the number of children by setting type.

<sup>3</sup> A "0%" indication often means the value is less than 0.5% rather than actually zero.

<sup>4</sup> In a few instances, the sum of the categories may not appear to add up to exactly 100% because of rounding.

<sup>5</sup> In some States there were no children served in unregulated settings.

<sup>6</sup> New York reports monthly averages rather than disaggregated annual totals reported by all other States.

**Table 12a Child Care and Development Fund**

Average Monthly Percentages of Children Served by Payment Method (FY 2002)

States/Territories	Grants/Contracts %	Certificates %	Cash %
Alabama	0%	100%	0%
Alaska	58%	42%	0%
American Samoa	100%	0%	0%
Arizona	0%	100%	0%
Arkansas	0%	100%	0%
California	42%	58%	0%
Colorado	2%	96%	1%
Connecticut	23%	77%	0%
Delaware	0%	100%	0%
District of Columbia	52%	48%	0%
Florida	61%	39%	0%
Georgia	5%	95%	0%
Guam	0%	100%	0%
Hawaii	32%	0%	68%
Idaho	0%	100%	0%
Illinois	11%	89%	0%
Indiana	2%	98%	0%
Iowa	0%	100%	0%
Kansas	0%	93%	7%
Kentucky	0%	100%	0%
Louisiana	0%	100%	0%
Maine	26%	74%	0%
Maryland	0%	100%	0%
Massachusetts	50%	50%	0%
Michigan	0%	100%	0%

Table 12a Child Care and Development Fund (Continued)

States/Territories	Grants/Contracts %	Certificates %	Cash %
Minnesota	0%	100%	0%
Mississippi	2%	98%	0%
Missouri	0%	100%	0%
Montana	0%	99%	1%
Nebraska	0%	100%	0%
Nevada	17%	83%	0%
New Hampshire	0%	100%	0%
New Jersey	17%	83%	0%
New Mexico	0%	100%	0%
New York	31%	69%	0%
North Carolina	0%	100%	0%
North Dakota	0%	100%	0%
Northern Mariana Islands	0%	100%	0%
Ohio	0%	100%	0%
Oklahoma	0%	100%	0%
Oregon	7%	93%	0%
Pennsylvania	0%	78%	22%
Puerto Rico	48%	52%	0%
Rhode Island	0%	100%	0%
South Carolina	11%	89%	0%
South Dakota	2%	98%	0%
Tennessee	0%	100%	0%
Texas	0%	100%	0%
Utah	0%	0%	100%
Vermont	6%	95%	0%
Virgin Islands	4%	96%	0%
Virginia	0%	100%	0%
Washington	0%	70%	30%
West Virginia	0%	100%	0%
Wisconsin	0%	100%	0%
Wyoming	0%	100%	0%
<b>National Total</b>	<b>13%</b>	<b>84%</b>	<b>3%</b>

Notes applicable to this table:

<sup>1</sup> The source for this table is ACF-800 data for FY 2002.

<sup>2</sup> A "0%" indication often means the value is less than 0.5% rather than actually zero.

<sup>3</sup> In a few instances, the sum of the categories may not appear to add up to exactly 100% because of rounding.

<sup>4</sup> New York reports monthly averages rather than disaggregated annual totals reported by all other States.

**Table 13a Child Care and Development Fund  
Consumer Education Strategies Summary (FY 2002)**

States/Territories	Information	Grants/Contracts or Certificate Referral	Resource and List	Provider Materials	Types/Quality of Care Safety	Health and Information	Child Care Regulatory Policy	Child Care Complaint Media	Mass Other	Number of Families Receiving Information
Alabama	Y	Y	Y	Y	Y	Y	Y	Y	Y	96,151
Alaska	Y	Y	Y	Y	Y	Y	Y	Y	N	8,555
American Samoa	N	Y	Y	Y	Y	Y	Y	Y	Y	6,000
Arizona	Y	Y	Y	Y	Y	Y	Y	Y	N	223,673
Arkansas	Y	Y	Y	Y	Y	Y	Y	Y	N	463,028
California	Y	Y	Y	Y	Y	Y	Y	Y	N	1,920,456
Colorado	Y	Y	Y	Y	Y	Y	Y	Y	N	114,941
Connecticut	Y	Y	Y	Y	Y	Y	Y	N	Y	66,947
Delaware	Y	Y	Y	Y	Y	Y	Y	Y	Y	17,534
District of Columbia	Y	Y	Y	Y	Y	Y	Y	Y		35,000
Florida	Y	Y	Y	Y	Y	N	Y	Y		233,831
Georgia	Y	Y	Y	Y	Y	Y	Y	Y	N	40,032
Guam	Y	Y	Y	Y	Y	Y	Y	Y	N	762
Hawaii	Y	Y	Y	Y	Y	Y	Y	N		22,439
Idaho	NA	Y	N	Y	Y	N	Y	Y	N	11,472
Illinois	Y	Y	Y	Y	Y	Y	Y	Y	N	273,000
Indiana	Y	Y	Y	Y	Y	Y	Y	Y	N	39,640
Iowa	N	Y	Y	Y	Y	Y	Y	Y	N	17,809
Kansas	NA	Y	Y	Y	Y	Y	Y	Y	N	153,999
Kentucky	NA	Y	Y	Y	Y	Y	Y	N	N	82,811
Louisiana	NA	Y	Y	Y	Y	Y	Y	Y	N	33,166
Maine	Y	Y	Y	Y	Y	Y	Y	Y	Y	7,458
Maryland	NA	Y	Y	Y	Y	Y	Y	Y	Y	259,000
Massachusetts	Y	Y	Y	Y	Y	Y	Y	Y	Y	76,314
Michigan	NA	Y	Y	Y	Y	Y	Y	Y	N	997,870
Minnesota	NA	Y	Y	Y	Y	Y	Y	Y	N	1,923,495
Mississippi	N	Y	Y	Y	Y	Y	Y	N	N	20,965
Missouri	Y	Y	Y	Y	Y	Y	Y	Y	N	47,924
Montana	NA	Y	Y	Y	Y	Y	Y	Y	Y	665,009
Nebraska	N	N	Y	Y	Y	Y	Y	Y	Y	443,411
Nevada	Y	Y	Y	Y	Y	N	Y	Y	Y	10,477
New Hampshire	Y	Y	Y	Y	Y	N	N	N	N	8,251
New Jersey	Y	Y	N	Y	Y	Y	Y	Y	N	136,141
New Mexico	NA	Y	Y	Y	Y	Y	Y	Y	Y	21,014
New York	Y	Y	N	Y	Y	Y	Y	Y	N	491,241
North Carolina	Y	Y	Y	Y	N	Y	Y	Y	N	270,110
North Dakota	NA	Y	Y	Y	Y	Y	Y	Y	N	10,834
N. Mariana Islands	Y	Y	Y	Y	Y	Y	Y	Y		170
Ohio	Y	Y	Y	Y	Y	Y	Y	Y	N	129,674
Oklahoma	NA	Y	Y	Y	Y	Y	Y	Y	N	926,492
Oregon	Y	Y	Y	Y	Y	Y	Y	Y	N	45,600
Pennsylvania	NA	Y	Y	Y	Y	Y	Y	Y	N	166,938
Puerto Rico	Y	Y	Y	Y	N	Y	Y	N	N	19,887
Rhode Island	NA	Y	Y	Y	Y	Y	Y	Y	Y	32,500
South Carolina	Y	Y	Y	Y	Y	N	Y	N	N	25,753
South Dakota	NA	Y	Y	Y	Y	Y	Y	Y	N	80,429
Tennessee	NA	Y	Y	Y	Y	N	Y	Y	N	40,145
Texas	Y	Y	Y	Y	Y	Y	Y	Y	N	117,995
Utah	NA	Y	Y	Y	Y	Y	Y	Y	N	7,937
Vermont	NA	Y	Y	Y	Y	Y	Y	Y	N	7,443
Virgin Islands	NA	Y	Y	Y	Y	Y	Y	Y	N	788
Virginia	Y	Y	Y	Y	Y	N	Y	Y		40,000
Washington	NA	Y	Y	Y	Y	Y	Y	Y	N	33,474
West Virginia	Y	Y	Y	Y	Y	Y	Y	Y	Y	7,742
Wisconsin	NA	Y	N	Y	Y	Y	Y	Y	N	43,894
Wyoming	NA	Y	Y	Y	Y	N	Y	Y	N	22,214
<b>Total Yes</b>	<b>31</b>	<b>55</b>	<b>52</b>	<b>56</b>	<b>54</b>	<b>48</b>	<b>55</b>	<b>48</b>	<b>11</b>	<b>11,001,835</b>

Notes applicable to this table:

<sup>1</sup> The source for this table is ACF-800 data for FY 2002.

<sup>2</sup> NA=Not applicable, does not offer grants or contracts for subsidized child care slots.

<sup>3</sup> A blank cell indicates that the State did not provide a response.

<sup>4</sup> New York reports monthly averages rather than disaggregated annual totals reported by all other States.

## Table 14a Child Care and Development Fund

Average Monthly Percentages of Families With TANF as One of Their Sources of Income (FY 2002)

States/Territories	TANF (Yes)
Alabama	7.0%
Alaska	13.0%
American Samoa	0.0%
Arizona	18.9%
Arkansas	41.2%
California	15.6%
Colorado	18.4%
Connecticut	18.0%
Delaware	12.3%
District of Columbia	14.9%
Florida	14.2%
Georgia	14.5%
Guam	25.4%
Hawaii	26.4%
Idaho	1.7%
Illinois	12.4%
Indiana	21.9%
Iowa	46.4%
Kansas	8.4%
Kentucky	3.3%
Louisiana	14.8%
Maine	5.5%
Maryland	10.7%
Massachusetts	15.2%
Michigan	18.8%
Minnesota	-
Mississippi	0.5%
Missouri	25.2%
Montana	14.3%
Nebraska	25.3%
Nevada	29.3%
New Hampshire	-
New Jersey	12.7%
New Mexico	19.1%
New York	21.6%
North Carolina	7.9%
North Dakota	13.8%
North Mariana Islands	4.2%
Ohio	17.8%
Oklahoma	17.1%
Oregon	30.6%
Pennsylvania	8.0%
Puerto Rico	-
Rhode Island	15.7%
South Carolina	22.8%
South Dakota	6.9%
Tennessee	55.0%



**Table 14a Child Care and Development Fund (Continued)**

States/Territories	TANF (Yes)
Texas	12.4%
Utah	7.3%
Vermont	14.1%
Virgin Islands	-
Virginia	27.5%
Washington	22.0%
West Virginia	10.6%
Wisconsin	9.4%
Wyoming	-
<b>National Average</b>	<b>16.9%</b>

Notes applicable to this table:

<sup>1</sup> The source for this table is ACF-801 data for FY 2002.

<sup>2</sup> National percentages are based on the "adjusted" national numbers unless otherwise indicated. In other words, the national percentages are equivalent to a weighted average of the State percentages, where the weights are the "adjusted" number of families or children served as appropriate.

<sup>3</sup> The Invalid/Not Reported column includes families that did not indicate whether TANF was a source of income or not and the family was reported as being in protective services.

<sup>4</sup> Puerto Rico and the Virgin Islands were unable to report ACF-801 case-level data before report preparation.

<sup>5</sup> Alaska's population reported does not accurately reflect the population served due to sampling difficulties the State is trying to resolve.

<sup>6</sup> New Hampshire did not provide valid TANF information for this measure. New Hampshire was not included in the calculation of the national average.

<sup>7</sup> Minnesota was unable to accurately identify the families receiving TANF as a source of income. However, Minnesota communicated an estimate of about 35% of child care families receive TANF. Minnesota was not included in the calculation of the national average.

<sup>8</sup> Wyoming accidentally reversed coding of the TANF variable in their State system, so a more accurate estimate is about 11% of child care families in Wyoming receive TANF. Wyoming was not included in the calculation of the national average.



## FY 2003 CCDF Data From Aggregate and Case-Level Reports

**Table 1b Child Care and Development Fund**

Average Monthly Adjusted Numbers of Families and Children Served (FY 2003)

States/Territories	Average Number of Families	Average Number of Children
Alabama	17,600	30,400
Alaska	3,000	5,300
American Samoa	400	700
Arizona	17,100	29,100
Arkansas	7,500	12,900
California	102,800	153,600
Colorado	12,500	22,800
Connecticut	6,800	11,700
Delaware	4,100	6,800
District of Columbia	6,200	8,500
Florida	72,400	121,200
Georgia	34,700	61,900
Guam	200	200
Hawaii	7,000	11,200
Idaho	4,400	7,800
Illinois	44,000	85,700
Indiana	18,500	34,300
Iowa	8,200	14,100
Kansas	8,600	16,000
Kentucky	22,900	39,900
Louisiana	32,000	54,600
Maine	3,100	4,500
Maryland	18,200	30,000
Massachusetts	23,200	32,200
Michigan	31,200	61,200
Minnesota	14,300	25,700
Mississippi	13,200	23,300
Missouri	22,000	37,900
Montana	3,100	5,200
Nebraska	6,800	12,000
Nevada	3,600	6,100
New Hampshire	5,000	7,300
New Jersey	26,900	37,500
New Mexico	12,500	22,100
New York	83,200	142,700
North Carolina	52,300	88,300
North Dakota	3,000	4,700
Northern Mariana Islands	200	400
Ohio	29,800	52,100
Oklahoma	12,900	21,300
Oregon	11,900	22,100
Pennsylvania	33,200	60,700
Puerto Rico	-	-

Table 1b Child Care and Development Fund (Continued)

States/Territories	Average Number of Families	Average Number of Children
Rhode Island	3,700	5,800
South Carolina	14,100	23,000
South Dakota	2,700	4,300
Tennessee	27,000	52,100
Texas	62,900	117,300
Utah	4,700	8,900
Vermont	2,400	3,700
Virgin Islands	-	-
Virginia	15,500	25,800
Washington	31,700	52,900
West Virginia	5,400	9,200
Wisconsin	10,400	18,200
Wyoming	2,500	4,100
<b>Total</b>	<b>1,023,500</b>	<b>1,751,300</b>

Notes applicable to all tables:

All counts are "adjusted" numbers of families and children unless otherwise indicated. These "adjusted" numbers represent the number funded through CCDF only. The "adjusted" number is the raw or "unadjusted" number reported by the State multiplied by the pooling factor as reported on the ACF-800. A few States have indicated that the pooling factor reported on the ACF-800 is not applicable to the ACF-801. This report takes all these factors into consideration in calculating the "adjusted" numbers.

Notes applicable to this table:

<sup>1</sup> The source for this table is ACF-801 data for FY 2003.

<sup>2</sup> The "adjusted" numbers were obtained by multiplying the respective "unadjusted" numbers by the reported pooling factor percentage that was applicable to the ACF-801 data.

<sup>3</sup> The reported results shown above have been rounded to the nearest 100. The national numbers are simply the sum of the State and Territory numbers.

<sup>4</sup> Puerto Rico and the Virgin Islands were unable to report ACF-801 case-level data before report preparation.

Table 2b Child Care and Development Fund  
Average Monthly Percentages of Children by Age Group (FY 2003)

States/Territories	0 to < 1 yr	1 yr to < 2 yrs	2 yrs to < 3 yrs	3 yrs to < 4 yrs	4 yrs to < 5 yrs	5 yrs to < 6 yrs	6 yrs to < 13 yrs	13+ yrs	Invalid/Not Reported	Total
Alabama	6%	13%	15%	15%	13%	9%	29%	0%	0%	100%
Alaska	6%	11%	13%	15%	13%	10%	33%	0%	0%	100%
American Samoa	9%	18%	24%	22%	17%	9%	1%	0%	0%	100%
Arizona	6%	10%	13%	13%	13%	11%	34%	0%	0%	100%
Arkansas	9%	15%	16%	15%	13%	9%	23%	0%	0%	100%
California	3%	6%	9%	14%	18%	12%	38%	1%	0%	100%
Colorado	7%	12%	13%	14%	13%	11%	32%	0%	0%	100%
Connecticut	4%	9%	12%	12%	12%	10%	41%	1%	0%	100%
Delaware	7%	12%	13%	13%	12%	10%	31%	1%	0%	100%
District of Columbia	3%	10%	15%	18%	14%	8%	30%	0%	0%	100%
Florida	5%	11%	13%	14%	15%	11%	32%	0%	0%	100%
Georgia	7%	13%	15%	15%	12%	9%	29%	0%	0%	100%
Guam	5%	11%	17%	20%	20%	10%	17%	1%	0%	100%
Hawaii	5%	11%	13%	15%	18%	8%	29%	1%	0%	100%
Idaho	7%	11%	13%	13%	13%	11%	31%	0%	0%	100%
Illinois	6%	9%	10%	11%	10%	9%	44%	1%	0%	100%
Indiana	5%	11%	12%	13%	13%	12%	34%	0%	0%	100%
Iowa	7%	12%	13%	13%	12%	10%	33%	1%	0%	100%

**Table 2b Child Care and Development Fund (Continued)**

States/Territories	0 to	1 yr to	2 yrs to	3 yrs to	4 yrs to	5 yrs to	6 yrs to	13+ yrs	Invalid/Not	
	< 1 yr	< 2 yrs	< 3 yrs	< 4 yrs	< 5 yrs	< 6 yrs	< 13 yrs	13+ yrs	Reported	Total
Kansas	7%	12%	13%	13%	13%	11%	31%	0%	0%	100%
Kentucky	7%	12%	14%	14%	12%	10%	32%	0%	0%	100%
Louisiana	7%	14%	16%	15%	11%	8%	30%	0%	0%	100%
Maine	4%	8%	11%	15%	16%	12%	33%	0%	0%	100%
Maryland	4%	10%	13%	14%	12%	10%	36%	0%	0%	100%
Massachusetts	5%	10%	13%	13%	13%	10%	36%	0%	0%	100%
Michigan	6%	9%	10%	10%	10%	9%	45%	1%	0%	100%
Minnesota	7%	12%	13%	12%	12%	9%	36%	0%	0%	100%
Mississippi	3%	9%	12%	14%	13%	11%	38%	0%	0%	100%
Missouri	6%	11%	13%	13%	12%	9%	31%	0%	4%	100%
Montana	6%	11%	14%	14%	14%	11%	30%	0%	0%	100%
Nebraska	9%	13%	13%	13%	12%	10%	31%	0%	0%	100%
Nevada	5%	10%	12%	13%	13%	11%	35%	1%	0%	100%
New Hampshire	4%	9%	12%	14%	15%	13%	33%	0%	0%	100%
New Jersey	4%	9%	12%	13%	12%	11%	39%	1%	0%	100%
New Mexico	7%	11%	12%	13%	12%	10%	35%	0%	0%	100%
New York	4%	8%	10%	12%	12%	10%	44%	0%	0%	100%
North Carolina	6%	10%	13%	14%	13%	9%	33%	0%	0%	100%
North Dakota	9%	13%	14%	13%	12%	11%	27%	0%	0%	100%
Northern										
Mariana Islands	7%	13%	14%	13%	13%	11%	30%	0%	0%	100%
Ohio	6%	11%	13%	13%	13%	10%	33%	0%	0%	100%
Oklahoma	8%	13%	14%	14%	12%	10%	28%	0%	0%	100%
Oregon	7%	11%	12%	12%	11%	10%	37%	0%	0%	100%
Pennsylvania	5%	9%	11%	13%	12%	10%	41%	0%	0%	100%
Puerto Rico	-	-	-	-	-	-	-	-	-	-
Rhode Island	5%	9%	11%	12%	12%	10%	40%	0%	0%	100%
South Carolina	4%	9%	14%	16%	15%	12%	30%	0%	0%	100%
South Dakota	8%	12%	14%	14%	13%	11%	28%	0%	0%	100%
Tennessee	6%	12%	13%	13%	12%	10%	34%	0%	0%	100%
Texas	7%	12%	14%	13%	11%	9%	32%	0%	2%	100%
Utah	5%	10%	12%	13%	13%	12%	36%	0%	0%	100%
Vermont	5%	9%	11%	13%	14%	11%	35%	1%	0%	100%
Virgin Islands	-	-	-	-	-	-	-	-	-	-
Virginia	5%	10%	14%	15%	13%	10%	33%	0%	0%	100%
Washington	6%	11%	12%	13%	12%	11%	35%	0%	0%	100%
West Virginia	6%	10%	12%	13%	12%	10%	37%	0%	0%	100%
Wisconsin	7%	12%	13%	13%	12%	10%	33%	0%	0%	100%
Wyoming	8%	13%	14%	13%	14%	11%	29%	0%	0%	100%
<b>National Average</b>	<b>6%</b>	<b>10%</b>	<b>12%</b>	<b>13%</b>	<b>13%</b>	<b>10%</b>	<b>35%</b>	<b>0%</b>	<b>0%</b>	<b>100%</b>

Notes applicable to this table:

<sup>1</sup> The source for this table is ACF-801 data for FY 2003.

<sup>2</sup> National percentages are based on the "adjusted" national numbers unless otherwise indicated. In other words, the national percentages are equivalent to a weighted average of the State percentages, where the weights are the "adjusted" number of families or children served as appropriate.

<sup>3</sup> Puerto Rico and the Virgin Islands were unable to report ACF-801 case-level data before report preparation.

<sup>4</sup> Alaska's population reported does not accurately reflect the population served due to sampling difficulties the State is trying to resolve.

<sup>5</sup> In some instances, the total may appear to be slightly more or less than 100% because of rounding.

**Table 3b Child Care and Development Fund**  
Average Monthly Percentages of Children by Racial Group (FY 2003)

States/Territories	Native American or Alaskan	Asian	Black or African American	Native Hawaiian or Pacific Islander	White	Multi-Racial	Invalid/Race not Reported	Total
Alabama	0%	0%	72%	0%	27%	0%	0%	100%
Alaska	6%	2%	11%	3%	47%	13%	17%	100%
American Samoa	0%	0%	0%	99%	0%	1%	1%	100%
Arizona	5%	0%	13%	1%	78%	3%	0%	100%
Arkansas	0%	1%	66%	0%	33%	1%	0%	100%
California	1%	6%	24%	1%	36%	2%	30%	100%
Colorado	1%	1%	18%	0%	77%	0%	2%	100%
Connecticut	0%	0%	40%	0%	24%	3%	33%	100%
Delaware	0%	0%	66%	0%	29%	0%	5%	100%
District of Columbia	0%	0%	94%	0%	4%	0%	2%	100%
Florida	0%	0%	50%	0%	48%	1%	0%	100%
Georgia	0%	0%	81%	0%	17%	1%	1%	100%
Guam	0%	9%	0%	87%	0%	3%	0%	100%
Hawaii	0%	46%	2%	35%	12%	6%	0%	100%
Idaho	2%	0%	1%	0%	84%	1%	12%	100%
Illinois	0%	0%	68%	2%	16%	1%	13%	100%
Indiana	0%	0%	48%	0%	44%	7%	0%	100%
Iowa	1%	0%	22%	0%	77%	0%	0%	100%
Kansas	1%	0%	29%	0%	68%	0%	1%	100%
Kentucky	0%	0%	31%	0%	63%	0%	7%	100%
Louisiana	0%	0%	82%	0%	17%	1%	0%	100%
Maine	2%	1%	2%	0%	88%	5%	3%	100%
Maryland	0%	1%	77%	0%	19%	1%	2%	100%
Massachusetts	1%	2%	16%	0%	28%	1%	53%	100%
Michigan	0%	0%	58%	0%	40%	1%	0%	100%
Minnesota	3%	4%	32%	1%	58%	3%	0%	100%
Mississippi	0%	0%	88%	0%	11%	2%	0%	100%
Missouri	0%	0%	54%	0%	43%	0%	2%	100%
Montana	10%	0%	1%	0%	86%	2%	0%	100%
Nebraska	4%	1%	26%	0%	69%	0%	0%	100%
Nevada	2%	1%	32%	1%	59%	5%	0%	100%
New Hampshire	0%	0%	1%	0%	22%	1%	77%	100%
New Jersey	0%	1%	57%	9%	19%	2%	12%	100%
New Mexico	6%	0%	4%	0%	86%	3%	0%	100%
New York	0%	1%	29%	0%	20%	2%	48%	100%
North Carolina	4%	0%	61%	1%	34%	1%	0%	100%
North Dakota	16%	0%	3%	0%	79%	2%	0%	100%
Northern Mariana Islands	0%	0%	0%	100%	0%	0%	0%	100%
Ohio	0%	0%	56%	0%	41%	0%	3%	100%
Oklahoma	8%	1%	34%	0%	57%	0%	0%	100%
Oregon	3%	2%	9%	0%	86%	0%	0%	100%
Pennsylvania	0%	1%	22%	0%	20%	1%	56%	100%
Puerto Rico	-	-	-	-	-	-	-	-
Rhode Island	0%	1%	10%	0%	28%	0%	61%	100%
South Carolina	0%	0%	79%	0%	21%	0%	0%	100%
South Dakota	21%	0%	4%	0%	72%	2%	0%	100%
Tennessee	0%	0%	72%	0%	27%	0%	0%	100%
Texas	-	-	-	-	-	-	-	-
Utah	0%	5%	4%	0%	79%	0%	12%	100%
Vermont	0%	0%	1%	0%	98%	0%	0%	100%
Virgin Islands	-	-	-	-	-	-	-	-

**Table 3b Child Care and Development Fund (Continued)**

States/Territories	Native American or Alaskan		Black or African American	Native Hawaiian or Pacific Islander		White	Multi-Racial	Invalid/Race not Reported	Total
	Native	Asian	American	Islander					
Virginia	7%	2%	63%	0%	28%	1%	0%	100%	
Washington	2%	1%	9%	0%	36%	0%	51%	100%	
West Virginia	0%	0%	13%	0%	78%	7%	1%	100%	
Wisconsin	2%	2%	40%	0%	43%	2%	12%	100%	
Wyoming	3%	0%	4%	0%	82%	0%	11%	100%	
<b>National Average</b>	<b>1%</b>	<b>1%</b>	<b>44%</b>	<b>1%</b>	<b>37%</b>	<b>1%</b>	<b>14%</b>	<b>100%</b>	

Notes applicable to this table:

<sup>1</sup> The source for this table is ACF-801 data for FY 2003.

<sup>2</sup> National percentages are based on the "adjusted" national numbers unless otherwise indicated. In other words, the national percentages are equivalent to a weighted average of the State percentages, where the weights are the "adjusted" number of families or children served as appropriate.

<sup>3</sup> The multiracial category includes any child where more than one race was answered Yes (1).

<sup>4</sup> The Invalid/Not Reported category includes children where one or more race fields had anything other than a No (0) or Yes (1), blank, null, or space.

<sup>5</sup> Puerto Rico and the Virgin Islands were unable to report ACF-801 case-level data before report preparation.

<sup>6</sup> The MI race data were based only on the average data reported from January 2003 through September 2003 because the MI race data have a known MI system problem, which caused a very high percentage of children to be reported as multi-racial between October 2002 and December 2002.

<sup>7</sup> Some States have not yet completed modifications of their State systems to capture and report the updated Census race and ethnicity requirements.

<sup>8</sup> Alaska's population reported does not accurately reflect the population served due to sampling difficulties the State is trying to resolve.

<sup>9</sup> Texas data was not considered sufficiently reliable in these measures to report, and was excluded from the calculation of the national average.

<sup>10</sup> In some instances, the total may appear to be slightly more or less than 100% because of rounding.

**Table 4b Child Care and Development Fund**

Average Monthly Percentages of Children by Latino Ethnicity (FY 2003)

States/Territories	Latino	Not Latino	Invalid/Not Reported	Ethnicity Total
Alabama	1%	99%	0%	100%
Alaska	8%	92%	0%	100%
American Samoa	0%	100%	0%	100%
Arizona	44%	56%	0%	100%
Arkansas	1%	99%	0%	100%
California	47%	50%	3%	100%
Colorado	35%	65%	0%	100%
Connecticut	34%	66%	0%	100%
Delaware	7%	93%	0%	100%
District of Columbia	8%	92%	0%	100%
Florida	21%	79%	0%	100%
Georgia	2%	99%	0%	100%
Guam	0%	100%	0%	100%
Hawaii	2%	98%	0%	100%
Idaho	14%	86%	0%	100%
Illinois	9%	86%	4%	100%
Indiana	5%	95%	0%	100%
Iowa	6%	94%	0%	100%
Kansas	8%	92%	0%	100%
Kentucky	1%	94%	5%	100%

Table 4b Child Care and Development Fund (Continued)

States/Territories	Latino	Not Latino	Invalid/ Not Reported	Ethnicity Total
Louisiana	2%	99%	0%	100%
Maine	3%	97%	0%	100%
Maryland	3%	97%	0%	100%
Massachusetts	31%	69%	0%	100%
Michigan	4%	96%	0%	100%
Minnesota	4%	96%	0%	100%
Mississippi	1%	100%	0%	100%
Missouri	2%	96%	2%	100%
Montana	5%	95%	0%	100%
Nebraska	9%	92%	0%	100%
Nevada	22%	78%	0%	100%
New Hampshire	2%	0%	99%	100%
New Jersey	26%	74%	0%	100%
New Mexico	73%	27%	0%	100%
New York	13%	88%	0%	100%
North Carolina	4%	96%	0%	100%
North Dakota	3%	97%	0%	100%
Northern Mariana Islands	0%	100%	0%	100%
Ohio	3%	97%	0%	100%
Oklahoma	5%	95%	0%	100%
Oregon	17%	83%	0%	100%
Pennsylvania	5%	96%	0%	100%
Puerto Rico	-	-	-	-
Rhode Island	21%	79%	0%	100%
South Carolina	0%	100%	0%	100%
South Dakota	3%	97%	0%	100%
Tennessee	1%	99%	0%	100%
Texas	36%	61%	2%	100%
Utah	14%	86%	0%	100%
Vermont	0%	100%	0%	100%
Virgin Islands	-	-	-	-
Virginia	11%	89%	0%	100%
Washington	17%	83%	0%	100%
West Virginia	1%	99%	0%	100%
Wisconsin	6%	94%	0%	100%
Wyoming	11%	89%	0%	100%
<b>National Average</b>	<b>16%</b>	<b>83%</b>	<b>1%</b>	<b>100%</b>

Notes applicable to this table:

<sup>1</sup> The source for this table is ACF-801 data for FY 2003.

<sup>2</sup> National percentages are based on the "adjusted" national numbers unless otherwise indicated. In other words, the national percentages are equivalent to a weighted average of the State percentages, where the weights are the "adjusted" number of families or children served as appropriate.

<sup>3</sup> The Invalid/Not Reported category includes children where anything other than a No (0) or Yes (1) was in the Ethnicity field.

<sup>4</sup> Puerto Rico and the Virgin Islands were unable to report ACF-801 case-level data before report preparation.

<sup>5</sup> Some States have not yet completed modifications of their State systems to capture and report the updated Census race and ethnicity requirements.

<sup>6</sup> Alaska's population reported does not accurately reflect the population served due to sampling difficulties the State is trying to resolve.

<sup>7</sup> In some instances, the total may appear to be slightly more or less than 100% because of rounding.



### Table 5b Child Care and Development Fund

Average Monthly Percentages of Children in Child Care by Age Category and Type of Care (FY 2003)

Age Group	Child's Home	Family Home	Group Home	Center	Total
Infants (0 to < 1 yr)	8.1%	36.1%	4.4%	51.4%	100.0%
Toddlers (1 yrs to < 3 yrs)	6.5%	30.6%	5.0%	57.8%	100.0%
Preschool (3 yrs to < 6 yrs)	6.0%	23.9%	4.1%	66.0%	100.0%
School Age ( 6 yrs to < 13 yrs)	13.0%	33.1%	3.8%	50.1%	100.0%
13 years and older	16.5%	42.0%	5.1%	36.4%	100.0%
<b>All Ages</b>	<b>8.8%</b>	<b>29.4%</b>	<b>4.2%</b>	<b>57.6%</b>	<b>100.0%</b>

Notes applicable to this table:

<sup>1</sup> The source for this table is ACF-801 data for FY 2003.

<sup>2</sup> The National values were determined by multiplying each State's percentage by the adjusted number of children served for each State, summing across the States and then dividing by the adjusted number of children served for the Nation. "Adjusted" means adjusted to represent CCDF funding only.

<sup>3</sup> Puerto Rico and the Virgin Islands were unable to report ACF-801 case-level data before report preparation.

<sup>4</sup> Some children are reported to have multiple settings for the same month.

<sup>5</sup> If a child utilized more than one of the above categories of settings within the same month, the child was counted in more than one setting. The denominator for all the percentages shown was the number of child-setting-category combinations which results in the totals being exactly 100%.

### Table 6b Child Care and Development Fund

Average Monthly Hours of Child Care by Age Group and Type of Care (FY 2003)

Age Group	Child's Home	Family Home	Group Home	Center	Average
0 to < 1 yr	162	159	160	163	161
1 to < 2 yrs	161	164	166	169	167
2 to < 3 yrs	163	166	169	171	169
3 to < 4 yrs	165	166	164	169	168
4 to < 5 yrs	162	162	164	165	164
5 to < 6 yrs	151	147	143	145	146
6 to < 13 yrs	135	131	117	112	122
13+ yrs	124	127	127	100	118
<b>Average</b>	<b>147</b>	<b>149</b>	<b>148</b>	<b>148</b>	<b>148</b>

Notes applicable to this table:

<sup>1</sup> The source for this table is ACF-801 data for FY 2003.

<sup>2</sup> Nationally 3.8% of the children were excluded from the above table because either their age was invalid/not reported or one or more setting elements of a child's setting record was invalid or not reported.

<sup>3</sup> For children served by multiple providers, the child's count is proportioned based on the ratio of the monthly hours with each provider divided by the monthly total hours of service. The average hours and payments for each State-month combination are based on the sum of hours in each category divided by the sum of proportional counts in each category. The State's annual results are determined by calculating a weighted average of the monthly results where the weight was the "adjusted" number of children served in each month. The national results shown above represent a weighted average of the State's fiscal annual results where the weight for each State is the average monthly "adjusted" number of children served in each State for the fiscal year.

<sup>4</sup> Some States have been reporting the maximum number of hours authorized rather than the actual number of hours of service provided.

<sup>5</sup> Puerto Rico and the Virgin Islands were unable to report ACF-801 case-level data before report preparation.

## Table 7b Child Care and Development Fund

Average Monthly Provider Payments by Age Group and Care Type (FY 2003)

Age Group	Child's Home	Family Home	Group Home	Center	Average
0 to < 1 yr	\$284	\$350	\$428	\$431	\$390
1 to < 2 yrs	\$303	\$365	\$455	\$435	\$404
2 to < 3 yrs	\$292	\$363	\$452	\$418	\$397
3 to < 4 yrs	\$283	\$347	\$430	\$403	\$384
4 to < 5 yrs	\$286	\$335	\$426	\$407	\$386
5 to < 6 yrs	\$270	\$310	\$387	\$363	\$344
6 to < 13 yrs	\$248	\$278	\$361	\$285	\$281
13+ yrs	\$231	\$279	\$496	\$272	\$280
<b>Average</b>	<b>\$266</b>	<b>\$319</b>	<b>\$410</b>	<b>\$369</b>	<b>\$347</b>

Notes applicable to this table:

<sup>1</sup> The source for this table is ACF-801 data for FY 2003.

<sup>2</sup> Nationally 3.8% of the children were excluded from the above table because either their age was invalid/not reported or one or more setting elements of a child's setting record was invalid or not reported.

<sup>3</sup> For children served by multiple providers, the child's count is proportioned based on the ratio of the monthly hours with each provider divided by the monthly total hours of service. The average hours and payments for each State-month combination are based on the sum of hours in each category divided by the sum of proportional counts in each category. The State's annual results are determined by calculating a weighted average of the monthly results where the weight was the "adjusted" number of children served in each month. The national results shown above represent a weighted average of the State's fiscal annual results where the weight for each State is the average monthly "adjusted" number of children served in each State for the fiscal year.

<sup>4</sup> Some States have been reporting the maximum number of hours authorized rather than the actual number of hours service provided.

<sup>5</sup> Puerto Rico and the Virgin Islands were unable to report ACF-801 case-level data before report preparation.

**Table 8b Child Care and Development Fund**  
Reasons for Receiving Care (FY 2003)

States/Territories	Employment	Training/ Education	Both Emp. and Training/ Protective		Other	Invalid or not Reported	Total
			Education	Services			
Alabama	80%	8%	6%	5%	1%	0%	100%
Alaska	86%	4%	7%	0%	3%	0%	100%
American Samoa	75%	2%	22%	0%	1%	1%	100%
Arizona	75%	1%	7%	15%	2%	0%	100%
Arkansas	81%	7%	0%	5%	7%	0%	100%
California	82%	7%	5%	2%	4%	0%	100%
Colorado	77%	15%	5%	0%	3%	0%	100%
Connecticut	92%	7%	1%	0%	0%	0%	100%
Delaware	86%	5%	1%	3%	5%	0%	100%
District of Columbia	63%	26%	2%	1%	7%	0%	100%
Florida	73%	4%	8%	13%	1%	0%	100%
Georgia	80%	15%	3%	1%	1%	1%	100%
Guam	82%	10%	8%	0%	0%	1%	100%
Hawaii	80%	9%	10%	1%	1%	0%	100%
Idaho	72%	12%	16%	0%	0%	0%	100%
Illinois	88%	5%	2%	0%	5%	0%	100%
Indiana	71%	12%	8%	0%	9%	0%	100%
Iowa	77%	14%	1%	8%	0%	0%	100%
Kansas	90%	8%	2%	0%	1%	0%	100%
Kentucky	73%	14%	3%	10%	0%	0%	100%
Louisiana	80%	8%	9%	2%	0%	0%	100%
Maine	85%	5%	5%	2%	2%	0%	100%
Maryland	82%	11%	7%	0%	1%	0%	100%
Massachusetts	72%	10%	0%	13%	4%	2%	100%
Michigan	89%	8%	1%	1%	2%	0%	100%
Minnesota	78%	8%	9%	0%	5%	0%	100%
Mississippi	83%	16%	0%	0%	1%	0%	100%
Missouri	66%	19%	0%	10%	2%	2%	100%
Montana	62%	23%	9%	6%	1%	0%	100%
Nebraska	71%	15%	2%	10%	1%	0%	100%
Nevada	81%	9%	3%	1%	6%	0%	100%
New Hampshire	79%	11%	0%	8%	2%	0%	100%
New Jersey	82%	3%	2%	5%	8%	0%	100%
New Mexico	71%	15%	13%	0%	2%	0%	100%
New York	73%	15%	3%	1%	8%	0%	100%
North Carolina	88%	12%	0%	0%	0%	0%	100%
North Dakota	68%	22%	10%	0%	0%	0%	100%
Northern Mariana Islands	58%	25%	17%	0%	0%	0%	100%
Ohio	71%	16%	3%	0%	10%	0%	100%
Oklahoma	70%	7%	21%	3%	0%	0%	100%
Oregon	75%	3%	21%	1%	0%	0%	100%
Pennsylvania	89%	5%	1%	0%	5%	0%	100%
Puerto Rico	-	-	-	-	-	-	-
Rhode Island	88%	9%	3%	0%	0%	0%	100%
South Carolina	82%	18%	0%	0%	0%	0%	100%
South Dakota	60%	10%	16%	14%	0%	0%	100%
Tennessee	45%	43%	11%	0%	1%	0%	100%
Texas	69%	27%	2%	0%	3%	0%	100%
Utah	85%	1%	4%	0%	10%	0%	100%
Vermont	78%	12%	0%	6%	4%	0%	100%

Table 8b Child Care and Development Fund (Continued)

States/Territories	Employment	Both			Other	Invalid or not Reported	Total
		Training/ Education	Emp. and Training/ Education	Protective Services			
Virgin Islands	-	-	-	-	-	-	-
Virginia	83%	5%	9%	1%	3%	0%	100%
Washington	83%	8%	1%	8%	1%	0%	100%
West Virginia	78%	13%	8%	1%	0%	0%	100%
Wisconsin	89%	1%	8%	0%	2%	0%	100%
Wyoming	88%	11%	0%	1%	0%	0%	100%
<b>National Average</b>	<b>78%</b>	<b>12%</b>	<b>4%</b>	<b>3%</b>	<b>3%</b>	<b>0%</b>	<b>100%</b>

Notes applicable to this table:

<sup>1</sup> The source for this table is ACF-801 data for FY 2003.

<sup>2</sup> National percentages are based on the "adjusted" national numbers unless otherwise indicated. In other words, the national percentages are equivalent to a weighted average of the State percentages, where the weights are the "adjusted" number of families or children served as appropriate.

<sup>3</sup> The Invalid/Not Reported only includes family records with an invalid or missing number for ACF-801 element 6.

<sup>4</sup> Several States only capture the primary reason for receiving services and therefore do not report any families in the Both Employment and Training/Education category.

<sup>5</sup> Inconsistencies in income reporting appear in several States between ACF-801 element 6 (reason for receiving a subsidy, element 9 (total income for determining eligibility), and elements 10 through 15 (the sources of income). Records containing such inconsistencies are included in the measures above.

<sup>6</sup> Puerto Rico and the Virgin Islands were unable to report ACF-801 case-level data before report preparation.

<sup>7</sup> Alaska's population reported does not accurately reflect the population served due to sampling difficulties the State is trying to resolve.

<sup>8</sup> In some instances, the total may appear to be slightly more or less than 100% because of rounding.

Table 9b Child Care and Development Fund

Number of Child Care Providers Receiving CCDF Funds (FY 2003)

States/Territories	Child's Home	FCC Home	Group Home	Center	Total
Alabama	54	2,238	359	1,552	4,203
Alaska	411	2,192	80	230	2,913
American Samoa	0	0	0	34	34
Arizona	906	4,386	314	1,217	6,823
Arkansas	0	808	0	924	1,732
California	10,498	62,028	10,236	15,712	98,474
Colorado	2,083	6,561	0	1,483	10,127
Connecticut	6,534	6,895	29	1,497	14,955
Delaware	462	1,669	40	377	2,548
District of Columbia	19	215	0	361	595
Florida	347	7,088	0	9,813	17,248
Georgia	1,208	5,696	293	5,131	12,328
Guam	47	37	2	57	143
Hawaii	767	8,696	5	258	9,726
Idaho	159	2,789	473	483	3,904
Illinois	41,635	46,362	286	2,980	91,263
Indiana	261	6,771	0	1,472	8,504
Iowa	180	6,999	902	677	8,758
Kansas	1,079	2,083	2,388	737	6,287

**Table 9b Child Care and Development Fund (Continued)**

States/Territories	Child's Home	FCC Home	Group Home	Center	Total
Kentucky	548	5,778	116	1,698	8,140
Louisiana	6,081	2,740	0	2,071	10,892
Maine	133	1,896	0	477	2,506
Maryland	3,573	7,349	0	1,648	12,570
Massachusetts	2,493	1,979	1,652	1,632	7,756
Michigan	33,759	43,398	2,578	2,447	82,182
Minnesota	5,057	14,541	0	1,563	21,161
Mississippi	1,102	2,238	69	1,383	4,792
Missouri	1,222	11,105	179	1,858	14,364
Montana	139	1,397	496	266	2,298
Nebraska	418	3,606	430	530	4,984
Nevada	329	606	14	560	1,509
New Hampshire	-	-	-	-	3,540
New Jersey	1,562	9,565	0	2,474	13,601
New Mexico	9	8,565	181	474	9,229
New York	9,741	29,880	2,480	4,374	46,475
North Carolina	172	5,371	0	4,308	9,851
North Dakota	0	2,131	875	98	3,104
Northern Mariana Islands	0	167	0	14	181
Ohio	28	17,337	106	3,644	21,115
Oklahoma	-	-	-	-	-
Oregon	37	15,514	130	958	16,639
Pennsylvania	5,128	19,168	528	3,276	28,100
Puerto Rico	67	7,400	0	8,202	15,669
Rhode Island	195	1,364	6	276	1,841
South Carolina	1,216	3,128	207	1,503	6,054
South Dakota	55	1,338	80	205	1,678
Tennessee	733	2,552	422	1,790	5,497
Texas	11,356	15,533	1,054	6,393	34,336
Utah	2,174	6,168	398	492	9,232
Vermont	408	2,161	0	370	2,939
Virgin Islands	30	30	53	79	192
Virginia	-	-	-	-	-
Washington	16,217	11,563	0	1,985	29,765
West Virginia	14	4,417	73	420	4,924
Wisconsin	83	6,773	0	2,092	8,948
Wyoming	186	863	156	124	1,329
<b>National Total</b>	<b>170,915</b>	<b>441,134</b>	<b>27,690</b>	<b>104,679</b>	<b>747,958</b>

Notes applicable to this table:

<sup>1</sup> The source for this table is ACF-800 data for FFY 2003.

<sup>2</sup> New Hampshire and Virginia did not report the number of providers by setting type.

<sup>3</sup> Virginia did not report the number of providers.

<sup>4</sup> New York Reports Monthly Averages rather than disaggregated Annual total reported by all other States.

<sup>5</sup> Oklahoma has not yet submitted an ACF-800 for FFY 2003.

**Table 10b Child Care and Development Fund**

Average Monthly Percentages of Children Served in All Types of Care (FY 2003)

States/ Territories	Total % Licensed or Regulated Providers					Total % Providers Legally Operating Without Regulation						
	Total %	Child's Home	Family Home	Group Home	Center	Child's Home		Family Home		Group Home		Center
						Relative	Non-Relative	Relative	Non-Relative	Relative	Non-Relative	
Alabama	100%	0%	6%	5%	69%	0%	0%	5%	0%	0%	0%	15%
Alaska	100%	0%	17%	5%	46%	5%	7%	9%	12%	0%	0%	0%
American Samoa	100%	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	0%
Arizona	100%	1%	9%	6%	72%	3%	0%	10%	0%	0%	0%	0%
Arkansas	100%	0%	25%	0%	75%	0%	0%	0%	0%	0%	0%	0%
California	100%	0%	11%	9%	48%	4%	1%	15%	7%	0%	0%	5%
Colorado	100%	0%	18%	0%	60%	1%	6%	9%	6%	0%	0%	0%
Connecticut	100%	0%	7%	0%	50%	14%	5%	11%	12%	0%	0%	0%
Delaware	100%	0%	31%	2%	45%	4%	0%	6%	0%	0%	0%	11%
District of Columbia	100%	0%	3%	0%	58%	0%	0%	1%	0%	0%	0%	38%
Florida	100%	0%	10%	0%	80%	0%	0%	0%	1%	0%	0%	8%
Georgia	100%	0%	9%	2%	83%	1%	1%	3%	2%	0%	0%	0%
Guam	100%	0%	0%	1%	58%	11%	0%	10%	0%	0%	0%	20%
Hawaii	100%	0%	6%	0%	20%	6%	0%	51%	11%	0%	0%	5%
Idaho	100%	0%	0%	16%	46%	1%	1%	15%	21%	0%	0%	0%
Illinois	100%	0%	16%	1%	33%	10%	14%	18%	5%	0%	0%	3%
Indiana	100%	0%	31%	0%	31%	0%	1%	6%	9%	0%	0%	22%
Iowa	100%	0%	40%	12%	37%	0%	1%	3%	7%	0%	0%	0%
Kansas	100%	0%	7%	41%	33%	4%	4%	10%	0%	0%	0%	0%
Kentucky	100%	0%	7%	2%	72%	1%	1%	11%	6%	0%	0%	0%
Louisiana	100%	0%	0%	0%	74%	9%	6%	3%	8%	0%	0%	0%
Maine	100%	0%	35%	0%	48%	3%	4%	6%	0%	0%	0%	0%
Maryland	100%	0%	35%	0%	41%	10%	3%	9%	0%	0%	0%	1%
Massachusetts	100%	0%	5%	16%	72%	2%	2%	2%	0%	0%	0%	0%
Michigan	100%	0%	9%	9%	16%	15%	16%	36%	0%	0%	0%	0%
Minnesota	100%	0%	28%	0%	32%	7%	7%	8%	15%	0%	0%	3%
Mississippi	100%	0%	0%	1%	83%	4%	1%	6%	5%	0%	0%	0%
Missouri	100%	0%	16%	2%	42%	3%	1%	10%	20%	0%	0%	6%
Montana	100%	0%	16%	34%	38%	1%	1%	6%	5%	0%	0%	0%
Nebraska	100%	0%	22%	12%	45%	0%	1%	0%	19%	0%	0%	0%
Nevada	100%	0%	3%	1%	67%	4%	1%	2%	5%	0%	0%	18%
New Hampshire	-	-	-	-	-	-	-	-	-	-	-	-
New Jersey	100%	0%	12%	0%	71%	1%	2%	4%	10%	0%	0%	0%
New Mexico	100%	0%	1%	5%	48%	0%	0%	33%	13%	0%	0%	0%
New York	100%	0%	14%	8%	36%	7%	7%	12%	15%	0%	0%	1%
North Carolina	100%	0%	13%	0%	85%	0%	0%	1%	0%	0%	0%	0%
North Dakota	100%	0%	35%	28%	27%	0%	0%	10%	0%	0%	0%	0%
North Mariana Islands	100%	0%	78%	0%	22%	0%	0%	0%	0%	0%	0%	0%
Ohio	100%	0%	38%	1%	61%	0%	0%	0%	0%	0%	0%	0%
Oklahoma	-	-	-	-	-	-	-	-	-	-	-	-
Oregon	100%	0%	20%	3%	17%	0%	0%	14%	44%	0%	1%	1%
Pennsylvania	100%	0%	10%	4%	37%	3%	10%	6%	30%	0%	0%	0%
Puerto Rico	100%	0%	0%	0%	68%	0%	0%	23%	9%	0%	0%	0%
Rhode Island	100%	0%	26%	0%	67%	0%	1%	5%	0%	0%	0%	0%
South Carolina	100%	0%	5%	4%	74%	0%	5%	0%	12%	0%	0%	0%
South Dakota	100%	0%	39%	9%	41%	0%	0%	8%	3%	0%	0%	0%
Tennessee	100%	0%	6%	5%	76%	3%	1%	3%	6%	0%	0%	0%
Texas	100%	0%	3%	3%	77%	8%	0%	10%	0%	0%	0%	0%
Utah	100%	6%	8%	6%	38%	8%	1%	32%	2%	0%	0%	0%
Vermont	100%	0%	32%	0%	46%	0%	6%	1%	16%	0%	0%	0%
Virgin Islands	100%	0%	0%	8%	86%	3%	1%	1%	2%	0%	0%	0%
Virginia	100%	0%	24%	0%	62%	1%	0%	8%	5%	0%	0%	0%
Washington	100%	0%	29%	0%	46%	11%	8%	6%	0%	0%	0%	0%
West Virginia	100%	0%	40%	3%	50%	0%	0%	6%	1%	0%	0%	1%
Wisconsin	100%	0%	36%	0%	64%	0%	0%	0%	0%	0%	0%	0%
Wyoming	100%	0%	14%	20%	19%	31%	3%	12%	0%	0%	0%	0%
<b>National Percentage</b>	<b>100%</b>	<b>0%</b>	<b>14%</b>	<b>4%</b>	<b>57%</b>	<b>4%</b>	<b>3%</b>	<b>9%</b>	<b>7%</b>	<b>0%</b>	<b>0%</b>	<b>3%</b>

Notes applicable to this table:

<sup>1</sup> The source for this table is ACF-800 data for FY 2003.

<sup>2</sup> New Hampshire did not report number of children by setting type.

<sup>3</sup> A "0%" indication often means the value is less than 0.5% rather than actually zero.

<sup>4</sup> In a few instances, the sum of the categories may not appear to add up to exactly 100% because of rounding.

<sup>5</sup> New York reports monthly averages rather than disaggregated annual totals reported by all other States.

<sup>6</sup> Oklahoma has not yet submitted an ACF-800 for FFY 2003.

**Table 11b Child Care and Development Fund**  
Of Children in Settings Legally Operating Without Regulation,  
Percent Served by Relatives vs. Nonrelatives (FY 2003)

States/Territories	Relative	Non-Relative
Alabama	25%	75%
Alaska	42%	58%
American Samoa	-	-
Arizona	100%	0%
Arkansas	-	-
California	59%	41%
Colorado	48%	52%
Connecticut	59%	41%
Delaware	47%	53%
District of Columbia	2%	98%
Florida	5%	95%
Georgia	56%	44%
Guam	52%	48%
Hawaii	78%	22%
Idaho	42%	58%
Illinois	56%	44%
Indiana	18%	82%
Iowa	29%	71%
Kansas	79%	21%
Kentucky	62%	38%
Louisiana	46%	54%
Maine	48%	52%
Maryland	82%	18%
Massachusetts	70%	30%
Michigan	76%	24%
Minnesota	37%	63%
Mississippi	62%	38%
Missouri	33%	67%
Montana	54%	46%
Nebraska	0%	100%
Nevada	19%	81%
New Hampshire	-	-
New Jersey	27%	73%
New Mexico	72%	28%
New York	45%	55%
North Carolina	78%	22%
North Dakota	100%	0%
Northern Mariana Islands	-	-
Ohio	-	-
Oklahoma	-	-
Oregon	24%	76%
Pennsylvania	17%	83%
Puerto Rico	72%	28%
Rhode Island	80%	20%
South Carolina	1%	99%
South Dakota	70%	30%
Tennessee	43%	57%

**Table 11b Child Care and Development Fund (Continued)**

States/Territories	Relative	Non-Relative
Texas	100%	0%
Utah	93%	7%
Vermont	5%	95%
Virgin Islands	57%	43%
Virginia	61%	39%
Washington	68%	32%
West Virginia	73%	27%
Wisconsin	-	-
Wyoming	93%	7%
<b>National Average</b>	<b>51%</b>	<b>49%</b>

Notes applicable to this table:

<sup>1</sup> The source for this table is ACF-800 data for FY 2003.

<sup>2</sup> New Hampshire did not report the number of children by setting type.

<sup>3</sup> A "0%" indication often means the value is less than 0.5% rather than actually zero.

<sup>4</sup> In a few instances, the sum of the categories may not appear to add up to exactly 100% because of rounding.

<sup>5</sup> In some States there were no children served in unregulated settings.

<sup>6</sup> New York reports monthly averages rather than disaggregated annual totals reported by all other States.

<sup>7</sup> Oklahoma has not yet submitted an ACF-800 for FFY 2003.

**Table 12b Child Care and Development Fund**

Average Monthly Percentages of Children Served by Payment Method (FY 2003)

States/Territories	Grants / Contracts %	Certificates %	Cash %
Alabama	0%	100%	0%
Alaska	0%	100%	0%
American Samoa	100%	0%	0%
Arizona	0%	100%	0%
Arkansas	0%	100%	0%
California	40%	60%	0%
Colorado	1%	96%	3%
Connecticut	31%	69%	0%
Delaware	0%	100%	0%
District of Columbia	46%	54%	0%
Florida	52%	48%	0%
Georgia	10%	90%	0%
Guam	0%	100%	0%
Hawaii	0%	90%	10%
Idaho	0%	100%	0%
Illinois	8%	92%	0%
Indiana	5%	95%	0%
Iowa	0%	100%	0%
Kansas	0%	92%	8%
Kentucky	0%	100%	0%
Louisiana	0%	100%	0%
Maine	22%	77%	1%



**Table 12b Child Care and Development Fund (Continued)**

States/Territories	Grants / Contracts %	Certificates %	Cash %
Maryland	0%	100%	0%
Massachusetts	48%	52%	0%
Michigan	0%	72%	28%
Minnesota	0%	100%	0%
Mississippi	19%	81%	0%
Missouri	0%	100%	0%
Montana	0%	99%	1%
Nebraska	0%	100%	0%
Nevada	17%	83%	0%
New Hampshire	0%	100%	0%
New Jersey	21%	79%	0%
New Mexico	0%	100%	0%
New York	27%	73%	0%
North Carolina	0%	100%	0%
North Dakota	0%	100%	0%
Northern Mariana Islands	0%	100%	0%
Ohio	0%	100%	0%
Oklahoma	-	-	-
Oregon	5%	95%	0%
Pennsylvania	0%	80%	20%
Puerto Rico	56%	44%	0%
Rhode Island	0%	100%	0%
South Carolina	10%	90%	0%
South Dakota	1%	99%	0%
Tennessee	0%	100%	0%
Texas	0%	100%	0%
Utah	0%	0%	100%
Vermont	7%	93%	0%
Virgin Islands	5%	95%	0%
Virginia	0%	100%	0%
Washington	0%	75%	25%
West Virginia	0%	100%	0%
Wisconsin	0%	100%	0%
Wyoming	0%	100%	0%
<b>National Total</b>	<b>13%</b>	<b>84%</b>	<b>3%</b>

Notes applicable to this table:

<sup>1</sup> The source for this table is ACF-800 data for FY 2003.

<sup>2</sup> A "0%" indication often means the value is less than 0.5% rather than actually zero.

<sup>3</sup> In a few instances, the sum of the categories may not appear to add up to exactly 100% because of rounding.

<sup>4</sup> New York reports monthly averages rather than disaggregated annual totals reported by all other States.

<sup>5</sup> Oklahoma has not yet submitted an ACF-800 for FFY 2003.

**Table 13b Child Care and Development Fund**  
Consumer Education Strategies Summary (FY 2003)

States/ Territories	Grants/ Contracts or Certificate Information	Resource & Referral	Provider List	Types/ Quality of Care Materials	Health & Safety	Child Care Regulatory Information	Child Care Complaint Policy	Mass Media	Other	Number of Families Receiving Information
Alabama	Y	Y	Y	Y	Y	Y	Y	Y	Y	46,700
Alaska	NA	Y	Y	Y	Y	Y	Y	Y	N	10,950
American Samoa	N	Y	Y	Y	Y	Y	Y	Y	Y	5,000
Arizona	NA	Y	Y	Y	Y	Y	Y	Y	Y	176,212
Arkansas	Y	Y	Y	Y	Y	Y	Y	Y	N	15,958
California	Y	Y	Y	Y	Y	Y	Y	Y	N	1,931,787
Colorado	Y	Y	Y	Y	Y	Y	Y	Y	N	85,206
Connecticut	Y	Y	Y	Y	Y	Y	Y	N	Y	64,977
Delaware	Y	Y	Y	Y	Y	Y	Y	Y	Y	30,659
District of Columbia	Y	Y	Y	Y	Y	Y	Y	Y	N	34,000
Florida	Y	Y	Y	Y	Y	Y	Y	Y	Y	341,323
Georgia	Y	Y	Y	Y	Y	Y	Y	Y	Y	69,954
Guam	Y	Y	Y	Y	Y	Y	Y	Y	N	547
Hawaii	NA	N	Y	Y	Y	Y	Y	N	N	11,773
Idaho	NA	Y	Y	Y	Y	N	N	N	N	10,911
Illinois	Y	Y	Y	Y	Y	Y	Y	Y	N	232,500
Indiana	Y	Y	Y	Y	Y	Y	Y	Y	N	38,973
Iowa	N	Y	Y	Y	Y	Y	Y	Y	N	27,685
Kansas	NA	Y	Y	Y	Y	Y	Y	Y	Y	119,345
Kentucky	NA	Y	Y	Y	Y	Y	Y	N	N	75,250
Louisiana	NA	Y	Y	Y	Y	Y	Y	Y	N	46,477
Maine	Y	Y	Y	Y	Y	Y	Y	Y	N	8,765
Maryland	NA	Y	Y	Y	Y	Y	Y	Y	Y	244,670
Massachusetts	Y	Y	Y	Y	Y	Y	Y	Y	Y	64,075
Michigan	NA	Y	Y	Y	Y	Y	Y	Y	N	1,094,471
Minnesota	Y	Y	Y	Y	Y	Y	Y	Y	N	1,859,277
Mississippi	N	Y	Y	Y	Y	Y	Y	Y	N	3,668
Missouri	Y	Y	Y	Y	Y	Y	Y	Y	Y	41,224
Montana	Y	Y	Y	Y	Y	Y	Y	Y	Y	879,798
Nebraska	N	N	Y	Y	Y	Y	Y	Y	Y	449,172
Nevada	Y	Y	Y	Y	Y	Y	Y	Y	Y	8,472
New Hampshire	Y	Y	Y	Y	Y	N	N	N	N	8,431
New Jersey	Y	Y	N	Y	Y	Y	Y	Y	N	172,102
New Mexico	NA	Y	Y	Y	Y	Y	Y	Y	Y	21,092
New York	Y	Y	N	Y	Y	Y	Y	Y	N	490,337
North Carolina	Y	Y	Y	Y	N	Y	Y	Y	N	283,587
North Dakota	NA	Y	Y	Y	Y	Y	Y	Y	N	11,163
N. Mariana Islands	NA	Y	Y	Y	Y	Y	Y	Y	Y	345
Ohio	Y	Y	Y	Y	Y	Y	Y	Y	N	129,213
Oklahoma	-	-	-	-	-	-	-	-	-	-
Oregon	Y	Y	Y	Y	Y	Y	Y	Y	N	45,945
Pennsylvania	NA	Y	Y	Y	Y	Y	Y	Y	N	164,551
Puerto Rico	Y	Y	Y	Y	Y	Y	Y	N	N	25,048
Rhode Island	NA	Y	Y	Y	Y	N	N	N	N	9,000
South Carolina	Y	Y	Y	Y	Y	N	Y	N	N	28,185
South Dakota	Y	Y	Y	Y	Y	Y	Y	Y	N	110,953
Tennessee	NA	Y	Y	Y	Y	N	Y	N	N	39,838
Texas	Y	Y	Y	Y	Y	Y	Y	Y	N	118,375
Utah	NA	Y	Y	Y	Y	Y	Y	Y	N	7,804
Vermont	NA	Y	Y	Y	Y	Y	Y	Y	N	7,868
Virgin Islands	NA	Y	Y	Y	Y	Y	Y	Y	Y	721
Virginia	Y	Y	Y	Y	Y	N	Y	Y	Y	40,000
Washington	NA	Y	Y	Y	Y	Y	Y	Y	N	26,703
West Virginia	Y	Y	Y	Y	Y	Y	Y	Y	Y	7,627
Wisconsin	NA	Y	N	Y	Y	Y	Y	Y	N	48,221
Wyoming	NA	Y	Y	Y	Y	N	Y	Y	N	30,239
<b>Total Yes</b>	<b>30</b>	<b>53</b>	<b>52</b>	<b>55</b>	<b>54</b>	<b>48</b>	<b>52</b>	<b>46</b>	<b>10</b>	<b>9,857,127</b>

Notes applicable to this table:

<sup>1</sup> The source for this table is ACF-800 data for FY 2003.

<sup>2</sup> NA=Not applicable, does not offer grants or contracts for subsidized child care slots.

<sup>3</sup> A blank cell indicates that the State did not provide a response.

<sup>4</sup> New York reports monthly averages rather than disaggregated annual totals reported by all other States.

<sup>5</sup> Oklahoma has not yet submitted an ACF-800 for FFY 2003.

### Table 14b Child Care and Development Fund

Average Monthly Percentages of Families With TANF as One of Their Sources of Income (FY 2003)

States/Territories	TANF (Yes)
Alabama	8.1%
Alaska	10.3%
American Samoa	0.0%
Arizona	20.4%
Arkansas	41.5%
California	13.0%
Colorado	22.2%
Connecticut	54.6%
Delaware	14.5%
District of Columbia	23.1%
Florida	12.1%
Georgia	17.9%
Guam	31.9%
Hawaii	19.4%
Idaho	2.4%
Illinois	8.6%
Indiana	29.0%
Iowa	42.7%
Kansas	13.1%
Kentucky	2.0%
Louisiana	12.2%
Maine	4.1%
Maryland	11.8%
Massachusetts	18.0%
Michigan	18.3%
Minnesota	22.0%
Mississippi	0.2%
Missouri	25.7%
Montana	20.0%
Nebraska	31.5%
Nevada	34.2%
New Hampshire	27.4%
New Jersey	14.1%
New Mexico	18.1%
New York	34.9%
North Carolina	7.3%
North Dakota	15.6%
North Mariana Islands	0.0%
Ohio	16.8%
Oklahoma	18.4%
Oregon	33.0%
Pennsylvania	12.1%
Puerto Rico	-
Rhode Island	10.5%
South Carolina	23.5%
South Dakota	7.4%
Tennessee	63.3%

Table 14b Child Care and Development Fund (Continued)

States/Territories	TANF (Yes)
Texas	12.5%
Utah	4.8%
Vermont	15.3%
Virgin Islands	-
Virginia	25.1%
Washington	19.5%
West Virginia	11.0%
Wisconsin	10.5%
Wyoming	-
<b>National Average</b>	<b>18.3%</b>

Notes applicable to this table:

<sup>1</sup> The source for this table is ACF-801 data for FY 2003.

<sup>2</sup> National percentages are based on the "adjusted" national numbers unless otherwise indicated. In other words, the national percentages are equivalent to a weighted average of the State percentages, where the weights are the "adjusted" number of families or children served as appropriate.

<sup>3</sup> The Invalid/Not Reported column includes families that did not indicate whether TANF was a source of income or not and the family was reported as being in protective services.

<sup>4</sup> Puerto Rico and the Virgin Islands were unable to report ACF-801 case-level data before report preparation.

<sup>5</sup> Alaska's population reported does not accurately reflect the population served due to sampling difficulties the State is trying to resolve.

<sup>6</sup> Wyoming accidentally reversed coding of the TANF variable in their State system. A more accurate estimate is about 11% of child care families in Wyoming receive TANF. Wyoming was not included in the calculation of the national average.

Table 15 Child Care and Development Fund

Mean Family Co-Payment as a Percentage of Family Income (FY 2002 and FY 2003)

States/Territories	Percent of Families with \$0 Co-Pay (Among Those With Income > \$0)		Mean Co-Pay/Income in Percent (Excluding Those With \$0 Co-Pay)		Mean Co-Pay/Income in Percent (Including Those With \$0 Co-Pay)	
	FY 2002	FY 2003	FY 2002	FY 2003	FY 2002	FY 2003
Alabama	6.0%	6.7%	12.3%	8.4%	11.4%	7.8%
Alaska	5.7%	7.0%	9.2%	4.0%	8.6%	3.7%
American Samoa	97.5%	-	-	-	-	-
Arizona	10.3%	11.3%	4.7%	4.7%	4.1%	4.1%
Arkansas	76.8%	76.5%	8.8%	8.0%	1.3%	1.3%
California	71.9%	71.9%	3.0%	3.4%	0.7%	0.8%
Colorado	6.6%	5.7%	9.1%	8.8%	8.3%	8.1%
Connecticut	15.1%	3.9%	5.0%	4.8%	4.2%	4.6%
Delaware	14.8%	19.1%	8.8%	8.3%	7.2%	6.4%
District of Columbia	15.6%	17.7%	5.0%	5.0%	3.9%	3.6%
Florida	1.5%	1.2%	5.6%	5.6%	5.5%	5.5%
Georgia	55.6%	16.8%	3.6%	3.7%	1.4%	3.0%
Guam	2.1%	-	12.8%	-	12.4%	-
Hawaii	54.6%	52.5%	4.2%	2.9%	1.5%	1.3%

**Table 15 Child Care and Development Fund (Continued)**

States/Territories	Percent of Families with \$0 Co-Pay (Among Those With Income > \$0)		Mean Co-Pay/Income in Percent (Excluding Those With \$0 Co-Pay)		Mean Co-Pay/Income in Percent (Including Those With \$0 Co-Pay)	
	FY 2002	FY 2003	FY 2002	FY 2003	FY 2002	FY 2003
Idaho	0.4%	0.1%	5.7%	8.4%	5.7%	8.4%
Illinois	2.0%	1.5%	6.2%	6.2%	6.1%	6.1%
Indiana	66.1%	80.3%	4.9%	3.1%	1.6%	0.5%
Iowa	59.0%	60.0%	6.2%	6.2%	2.1%	2.1%
Kansas	16.8%	27.3%	6.8%	6.4%	5.4%	4.4%
Kentucky	27.5%	27.9%	7.2%	7.5%	4.9%	5.1%
Louisiana	40.5%	31.8%	5.6%	10.4%	3.2%	6.9%
Maine	2.5%	2.8%	7.4%	7.4%	7.2%	7.2%
Maryland	17.4%	16.1%	5.4%	5.3%	4.4%	4.5%
Massachusetts	30.3%	30.6%	8.4%	8.6%	5.2%	5.5%
Michigan	21.7%	23.3%	4.6%	3.8%	3.6%	2.9%
Minnesota	20.1%	21.1%	4.3%	4.3%	3.4%	3.3%
Mississippi	0.0%	0.1%	1.7%	2.8%	1.7%	2.8%
Missouri	20.9%	29.1%	5.0%	6.9%	3.6%	4.4%
Montana	2.0%	0.4%	3.7%	3.8%	3.6%	3.8%
Nebraska	41.3%	46.7%	10.2%	9.5%	4.1%	2.5%
Nevada	46.9%	50.7%	10.8%	9.6%	5.4%	4.4%
New Hampshire	54.8%	23.1%	0.1%	0.1%	0.0%	0.1%
New Jersey	17.6%	15.9%	7.6%	7.3%	6.1%	6.0%
New Mexico	20.6%	21.7%	5.1%	5.0%	4.0%	3.8%
New York	28.2%	36.4%	5.1%	4.9%	3.6%	3.0%
North Carolina	7.3%	7.3%	8.4%	8.8%	7.7%	8.1%
North Dakota	4.6%	5.5%	11.4%	12.2%	10.8%	11.4%
North Mariana Islands	0.7%	0.0%	9.1%	8.8%	9.0%	8.8%
Ohio	3.4%	2.9%	4.8%	5.1%	4.7%	5.0%
Oklahoma	36.4%	42.6%	9.1%	7.9%	4.3%	3.8%
Oregon	8.6%	7.5%	8.0%	9.5%	7.2%	8.6%
Pennsylvania	4.3%	7.9%	6.5%	6.4%	6.2%	5.9%
Puerto Rico	-	-	-	-	-	-
Rhode Island	26.7%	29.2%	4.7%	4.7%	3.3%	3.2%
South Carolina	16.3%	13.8%	2.5%	2.5%	1.9%	2.2%
South Dakota	51.6%	50.2%	9.3%	10.1%	3.1%	3.6%
Tennessee	54.3%	62.9%	1.3%	1.3%	0.6%	0.5%
Texas	7.2%	6.7%	9.1%	10.3%	8.1%	9.3%
Utah	11.6%	8.4%	4.7%	5.0%	4.2%	4.6%
Vermont	32.0%	33.6%	6.1%	5.8%	3.9%	3.5%
Virgin Islands	-	-	-	-	-	-
Virginia	26.4%	25.6%	9.6%	9.9%	6.9%	7.3%
Washington	39.4%	13.8%	4.7%	6.2%	2.1%	5.2%
West Virginia	11.7%	11.7%	4.1%	4.5%	3.6%	4.0%

Table 15 Child Care and Development Fund (Continued)

States/Territories	Percent of Families with \$0 Co-Pay (Among Those With Income > \$0)		Mean Co-Pay/Income in Percent (Excluding Those With \$0 Co-Pay)		Mean Co-Pay/Income in Percent (Including Those With \$0 Co-Pay)	
	FY 2002	FY 2003	FY 2002	FY 2003	FY 2002	FY 2003
Wisconsin	3.1%	3.1%	6.2%	6.4%	6.0%	6.1%
Wyoming	1.3%	2.1%	5.0%	4.2%	5.0%	4.1%
<b>National Mean (Weighted)</b>	<b>26.5%</b>	<b>25.0%</b>	<b>6.2%</b>	<b>6.3%</b>	<b>4.3%</b>	<b>4.5%</b>

Notes applicable to this table:

<sup>1</sup> The source of this table is ACF-801 data for FY 2002 and FY 2003.

<sup>2</sup> The national weighted values were determined by multiplying each State's average co-payment/income percentage by the adjusted number of children in each State, summing across the States and then dividing by the adjusted number of children served for the Nation. "Adjusted" means adjusted to represent CCDF funding only.

<sup>3</sup> The data from Guam (FY 2003) and American Samoa (FY 2002 and FY 2003) was not considered sufficiently reliable in these measures to report.

<sup>4</sup> Puerto Rico and the Virgin Islands were unable to report ACF-801 case-level data before report preparation.

<sup>5</sup> The average co-payment over income percentage calculations excludes families with zero income because dividing by zero is undefined.

<sup>6</sup> The first and second columns are the percentage of families with \$0 co-payment divided by the count of families with an income greater than zero. Families with zero income or headed by a child or in protective services were not included in the data for this table.

## Child Care Bureau Research Grants: FY 2002

In FY 2002, CCB awarded \$90,000 for three new Child Care Research Scholars Grants, \$749,353 for three new State Data Capacity Grants, and \$841,907 for three unsolicited Field Initiated Grants. These nine projects are summarized below. In addition to these new projects, CCB continued funding for grant projects begun in prior years. These included 12 Field-Initiated Research Grants, 4 Child Care Research Partnerships, 4 Child Care Research Scholar Grants, and 3 State Data Capacity Grants.

### Child Care Research Scholars Grants

- *Harvard University, Graduate School of Education: “Balancing Work and Family During Children’s First Three Years of Life” (\$30,000)*. Completed in 2003, this study explored the association between maternal responsiveness, employment, and child care. Longitudinal analyses were based on data from the National Institute of Child Health and Human Development Study of Early Child Care. After controlling for family and child characteristics, results revealed mothers who worked part-time were slightly more responsive than mothers who did not work, and mothers who worked full-time were slightly less responsive than mothers who did not work. The amount and type of child care had no effect on maternal responsiveness. However, additional analyses are needed to determine whether the quality of child care affects mothers’ responsiveness.
- *Rand Corporation Graduate School: “The Impact of Kindergarten Entrance Policies on the Child Care Needs of Families” (\$30,000)*. Completed in 2003, this study developed an economic model that considers parents’ decisions regarding the age to enroll their children in kindergarten. A nationally representative dataset, the Early Childhood Longitudinal Study-Kindergarten Cohort, was used. The results indicated that when child care prices increase, parents want to send their children to kindergarten at a younger age to avoid the expensive child care costs. A consequence of raising the minimum age of kindergarten entrance is the potentially large child care costs that parents of children forced to enter school a year later would have to bear. The additional child care cost to parents from a movement of all December/January cutoff dates to September, which reflects the current policy trends, is estimated to be close to \$147 million.

- *Baylor University, Department of Education: “Step Up to Learning with Focus-Follow-Talk: A Professional Development Training for Child Care Providers”* (\$30,000). Completed in 2003, this study evaluated a child care provider professional development program designed to train providers in the basic concepts of toddler language development. Results were based on data from 121 children in 22 Texas child care centers. After controlling for adult-to-child ratios, the children enrolled in the classrooms of providers who participated in the training had better language skills than children in the classrooms in which the providers had received no training. It is important to note that these positive results were found only after controlling for adult to child ratios, which suggest that in order to accurately assess the benefits of professional development training, policies surrounding differences in child care ratios must first be addressed.

### **State Data Capacity Grants**

- *Maine Department of Human Service’s Office of Child Care and Head Start “Maine Child Care Data Capacity and Research Partnership”* (\$249,353). During the first year of the project, Maine assessed its child care data collection capacity within State agencies and developed an inventory of all child care data, research projects, and reports. The project also conducted a statewide survey of parent experiences with child care, looking at issues such as preferences, quality, affordability, availability and work concerns.
- *Rhode Island Department of Human Services, “The Rhode Island Child Care Policy Research Project”* (\$250,000). Partnering with experienced researchers in the field of child care, this project conducted independent longitudinal research using reduced-form econometric modeling techniques in the first grant year to study parent choices in Rhode Island’s child care assistance program. Findings showed that Rhode Island’s policies, excluding other factors, contributed to an increase of subsidized children in regulated versus unregulated care.
- *Wisconsin Department of Workforce Development, “Wisconsin Child Care Data Sharing Project”* (\$250,000). This project developed a merged statewide child care provider file that includes data on all licensed and certified child care facilities, Child Care Resource & Referral, Wisconsin’s child care professional career development recognition system, the Child and Adult Care Food Program, public schools, and recipients of T.E.A.C.H. scholarships. This data file provides a platform for conducting State-level policy research on parent selection of child care, supply, and demand for child care in low-income neighborhoods, and mechanisms for improving child care quality statewide.



## Child Care Policy Research Grants

- *Cornell University, “Linking Economic Development and Child Care,”* (\$254,332). This project is developing and disseminating an econometric model to examine how the child care industry affects economic development in States and local communities. A set of analytic tools was developed to assist States and localities in measuring the impact of child care in their region. Researchers also examined how the economic development framework is used to craft new strategic partnerships and innovative approaches to child care finance and administration.
- *University of Washington, Human Services Policy Center, “The Size of the U.S. Childcare Workforce: Applying and Validating Demand-Based Estimation Methods for the States,”* (\$216,227). This project tested a new econometric model for estimating characteristics of the child care workforce in selected States, building on previous work by the University of Washington’s Human Services Policy Center in collaboration with the Center for the Child Care Work Force. The project conducted a survey of available data sources at the State level on the child care workforce. It concluded that there is a substantial amount of workforce data collected by States, but its utility is diminished by variability in methodological sophistication and lack of standard definitions of major data categories. Using State-level child care demand data and federally available workforce estimates, the project validated the econometric model to estimate the size of the workforce. Findings suggest a need for more uniformity and validity of State data that will allow aggregation across States to provide a better national picture of the U.S. childcare workforce than is currently available.
- *The Urban Institute, “Essential but Often Ignored: Child Care Providers and the Subsidy System,”* (\$371,348). This study examines the characteristics of subsidized and unsubsidized providers to explore how subsidy policies affect their experiences. In addition, it is describing the participation of faith-based organizations in the child care subsidy system and support to children’s early learning and literacy in diverse settings. The project is also supported with funds from the David and Lucille Packard Foundation. Findings are expected in FY 2005.

## Child Care Bureau Research Grants: FY 2003

In FY 2003, CCB awarded \$187,829 for six new Child Care Research Scholars Grants. In addition, CCB awarded \$3.5 million for three new cooperative agreements in partnership with Federal partners. These new projects are summarized below. In addition to these projects, CCB also continued funding for grant projects begun in prior years. These included 14 Field-Initiated Research Grants, 4 Child Care Research Partnerships, 4 Child Care Research Scholar Grants, and 6 State Data Capacity Grants.

### Child Care Research Scholars Grants

- *Columbia University, Teachers College: "Understanding State Early Childhood Education Policy Choices"* (\$30,000). This 2-year study tests the effects of all 50 States' political and economic contexts over the past decade on a range of State policy choices using time-series methodology. The findings from this study will provide insight into the strengths and limitations of Federal devolution, which will be directly applicable to Federal policy debates over the use of block grant programs to provide needed child care assistance for low-income families working toward economic self-sufficiency. Findings from this study are expected in 2005.
- *University of Nebraska: "Learning Outcomes for Low-income Children: Child Care Quality and Social Knowledge"* (\$27,829). This study investigates the relationship between child care quality, children's social skills, and learning outcomes for low-income preschoolers. It examines whether observed classroom quality relates to children's social skills. It also investigates the relationship between social skills and learning outcomes. Findings from the study will inform child care providers and administrators about strategies to enhance children's development. The study will also inform policymakers interested in implementing cost-effective strategies that positively relate to low-income children's preacademic skills. This grant was completed in 2004.
- *Cornell University, "Stress Reactivity and Immune Function in Preschoolers"* (\$30,000). This 2-year study examines the potential effects of elevated cortisol levels for children in child care. Cortisol is a stress-sensitive hormone that at times can suppress the immune system. Children who attend child care have more frequent upper respiratory infections. This project will examine the relationship between children's cortisol levels, caregiving quality, temperament, and immune function. Findings from this study could be used to help policymakers and parents plan for preventive health measures if their children are enrolled in child care. Findings from this study are expected in 2005.

- *University of Washington, “Child Care Subsidies and Entry to Employment Following Childbirth” (\$30,000)*. Women’s employment following childbirth is influenced by the cost and quality of available child care arrangements. High costs and lower quality depress lower-skilled women’s employment because they typically spend a large proportion of their earnings on child care. Child care subsidies may shorten the time between the birth of a child and the entry to employment among lower-skilled mothers. Using the Fragile Families and Well-Being Study’s nationally representative data set and local policy indicators, this study tests the hypothesis that child care subsidies allow new mothers to enter the labor force sooner. Findings from this grant are expected in 2005.
- *Florida State University, “Research on the Professional Development of Early Childhood Teachers in Florida” (\$30,000)*. This study examines professional development and articulation by examining the formal systems of early childhood education in Florida. The project will provide data about the number of programs and the kinds of coursework and practicum experiences provided to students. The researcher will compare the status of early childhood programs with the overall status of the institution on key variables and describe the challenges faced by faculty members in meeting the professional development needs of the early childhood workforce. This grant was completed in 2004.
- *University of Pennsylvania, “Promoting Educational Well-Being of Young Children With Out-of-Home Placement Histories: The Protective Influence of Formal Early Childhood Learning Experiences” (\$30,000)*. This study examines the prevalence of out-of-home placement experiences in a cohort of kindergarten children and how formal early childhood experiences contribute to resiliency for these children. This project provides an opportunity for dialogue between child welfare and education professionals to identify strategies to promote the educational well-being of children in the child welfare system. This can stimulate the creation of policies that support access to formal early childhood experiences for young children in foster care. This grant was completed in 2004.

## Cooperative Agreements

- *National Center on Children in Poverty (NCCP), “Early Child Care and Education Research Connections” (\$1.5 million).* This project is a collaborative partnership among CCB, ACF’s Office of Policy and Research Evaluation, the National Center on Children in Poverty (Columbia University), and the Inter-University Consortium of Policy and Social Research at the University of Michigan. Research Connections is a Web-based, interactive database of research documents and public use data sets available for conducting secondary analyses on topics related to early care and education. Begun in FY 2000, the project completed its development phase in FY 2003. The Web site was publicly launched in FY 2004.
- *University of North Carolina at Chapel Hill and Georgetown University, Quality Interventions for Early Care and Education (QUINCE) (\$2 million).* These two cooperative agreements are collaborative partnerships among CCB, DHHS’ Assistant Secretary for Planning and Evaluation, and a consortium of seven academic institutions along with their partners in State and local agencies and community organizations. In FY 2003, QUINCE began its evaluation of promising models and delivery approaches for child care provider training. Outcomes will be assessed in terms of caregiver’s knowledge, skills, and practices, as well as children’s early learning and literacy.

