Child Care Bureau

Child Care and Development Fund (CCDF)

Report to Congress

Submitted January 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 PRWORA (P.L. 104-193) and the Balanced Budget Act of 1997 (PL 105-33). In this report, ACF describes and analyzes the most current information about the Child Care and Development Fund (CCDF) including from State Plans effective October 1, 2001, FY 2001 expenditure reports, FY 2000 case-level reports, and emerging research. It also includes information about training and technical assistance that is provided to States, Territories and Tribes.

CCDF, including funds transferred by States from Temporary Assistance to Needy Families (TANF) to 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 Fiscal Year (FY) 2001, $4.6 billion in CCDF was made available through block grants to all 50 States, the District of Columbia, five Territories and 257 tribal grantees (representing approximately 500 Indian Tribes). With State Matching and Maintenance of Effort (MOE) funds and TANF dollars transferred to CCDF or spent directly by States on child care services, more than $11 billion in CCDF and TANF-related funds was available for child care in FY 2001. This compares with $3.2 billion in FY 1996.

The CCDF is administered by the Child Care Bureau, Administration on Children, Youth and Families of the Administration for Children and Families (ACF) in collaboration with ACF Regional Offices. 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 will be used and where emphasis will be placed in achieving the overall goals of CCDF.

CCDF Grantees include:

- 50 States
- District of Columbia
- 5 Territories
- 257 Tribal Grantees including about 500 Indian Tribes

These Grantees received $4.6 billion through CCDF…with related State and TANF expenditures, more than $11 billion was available for child care services.

CCDF funds are used primarily to provide subsidized child care services to low-income working families through vouchers or certificates. 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 the payment rates that providers receive, the co-payment amounts that parents pay, the specific eligibility requirements that a family must meet in order to receive a subsidy, and how CCDF services will be prioritized.

CCDF Lead Agencies must use a minimum of four percent (4%) 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 training, grants and loans to providers, health and safety improvements, and other initiatives. In FY 2001, $716 million or nine percent (9%) of CCDF expenditures were used by States to improve child care quality and accessibility.

OVERVIEW OF THE REPORT

The Report consists of seven parts:

- Part I provides background on the CCDF program including funding, eligibility requirements, a description of how funds may be used, and information about program administration.
- Part II provides information from aggregate and case-level data reported by States for FY 2000, 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 submitted to ACF in FY 2001 (October 1, 2000-September 30, 2001).
- Part IV presents information reported by States in their CCDF plans that were effective October 1, 2001. States are required to submit plans every two years that describe CCDF policies and services.
- Part V 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 VI describes technical assistance provided by the Child Care Bureau to assist States, Territories and Tribes in administering the CCDF.
- Part VII, the Appendix, provides detailed information about services provided as reported in the FY 2000 State aggregate and case-level reports as well as State policies and practices from State Plans which became effective October 1, 2001 and Child Care Bureau-funded research initiatives.

The administrative data included in this report is from FY 2000, which is the most recent data available. With technical assistance provided by the Child Care Bureau, many States have made progress in their ability to report data; however, some States still face challenges in collecting the required information and reporting it in a timely manner.

KEY TERMS

LEGISLATION/PROGRAMS

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 the CCDF. Created by the Omnibus Budget and Reconciliation Act of 1990, and amended by PRWORA.

Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA or P.L. 104-193) – the welfare reform legislation of 1996. Statutory provisions unified a fragmented child care subsidy system to form the CCDF, and created TANF.

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.

CATEGORIES OF CARE

Center-based child care provider – Provider licensed or otherwise authorized to provide child care services in a non-residential 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.

SUBSIDIES AND SERVICES

Accessibility – In their 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-pays and adequate reimbursement rates are central to access. (States are encouraged 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.)

Certificate – Also commonly referred to as a *voucher*. A check or other disbursement that is issued by a State (or Territory/Tribe) to a parent to reimburse the cost of child care services.

Health and Safety Requirements -- States must implement requirements designed to protect the health and safety of children that are applicable to child care providers under CCDF. 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.

Low-income -- States have authority to set income eligibility for families to 85 percent of State median income; in their biennial State Plans, they must also indicate how they prioritize services to the very lowest income families.

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

Quality Set-Asides and Earmarks – States must spend at least four percent (4%) 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, school-age care and resource and referral and services to infants and toddlers.

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 provider who is "legally operating without regulation" is one that, if not participating in the CCDF program, would not be subject to State or local child care regulations.

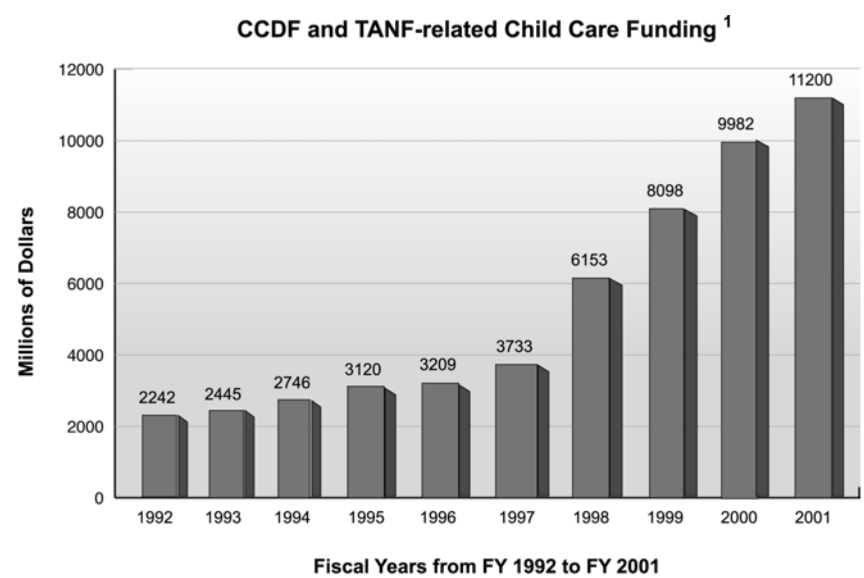
Licensed/Regulated – A provider subject to regulation under the laws of the State or local jurisdiction.

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.

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 since the 1996 welfare reform legislation was enacted. The chart below, "CCDF and TANF-related Child Care Funding," includes Federal funds appropriated for child care, TANF dollars transferred to CCDF and spent directly on child care, and State MOE and Matching funds for child care.



[1] FY 2001 includes SSBG funds spent on child care.

As a result of the increase, an unprecedented level of funding is available for child care subsidies, quality improvements, and related programs, including the following (the first three of which are included in the chart above):

- **Child Care and Development Fund (CCDF).** Since 1996, Federal funding specifically appropriated for child care has increased five-fold—from $935 million in 1996 to $4.6 billion in 2001.
- **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 FY 2001, States reported spending almost $2 billion in State funds under CCDF, exceeding the amount required to access the maximum amount of available Federal funds. As discussed below, States also included child care expenditures in reports of State MOE funds for the TANF program in 2001.

- **Social Services Block Grant (SSBG or Title XX).** SSBG funds a broad range of social services, including child care. Based on the most recent data from 2000, 43 States reported spending $165 million of SSBG funds for child care.
- **State Pre-Kindergarten Programs.** According to the January 10, 2002 issue of *Education Week,* 39 States and the District of Columbia currently spend an estimated $1.9 billion annually on pre-K programs for at least some of their preschool-aged children; a portion of these funds is reported as State spending under CCDF.
- **Other Federal Sources.** Head Start, a $6.2 billion dollar program in FY 2001, provides comprehensive developmental services for low-income preschool children and social services for their families. The Department of Education provided $846 million for after-school programs through its 21st Century Community Learning Centers.

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 now rely on TANF as a major funding source for child care. A total of $2.0 billion in FY 2001 Federal TANF funds was transferred to CCDF. Forty-two States transferred funds to CCDF in amounts ranging from $375 million to $521 thousand. In addition, in FY 2001 States spent $1.6 billion in current and prior year Federal TANF funds directly for child care. Between TANF transfers and direct spending, States made a total of $3.6 billion in TANF funds available for child care in FY 2001. While the amount of TANF transfers to CCDF in 2001 was less than the previous year ($2.0 billion as compared to $2.3 billion), direct TANF spending increased from $1.4 billion to $1.6 billion.

In addition, because child care expenditures under the pre-PRWORA welfare-related child care programs were included in the MOE calculations for both TANF and CCDF, States are allowed to include child care expenditures reported as CCDF MOE in their TANF MOE so long as the expenditures are for TANF-eligible families. In accordance with a number of research entities, among them the Congressional Research Service (CRS), ACF considers TANF MOE child care expenditures that exceed the CCDF MOE level to be additional unduplicated State spending on child care. ACF estimates that in FY 2001, nearly $747 million in TANF MOE was spent on child care in excess of the amount that could be used for both CCDF and TANF MOE. (ACF acknowledges that this is a conservative estimate because it assumes that all States are claiming 100 percent of their CCDF MOE as TANF MOE).

The growth in child care funding has greatly increased the number of children served.

In FY 2000, 1.75 million children received child care services with CCDF funds including TANF transfers and State Matching and MOE funds. Expenditure data suggest that an estimated 0.7 million children were receiving subsidized cared through SSBG, direct TANF funding and excess TANF MOE, resulting in an estimated 2.45 million children receiving services in an average month in FY 2000. This compares with roughly1.2 million children in FY 1996.

According to estimates prepared by the HHS Assistant Secretary for Planning and Evaluation (ASPE), this represents 28 percent of children eligible for CCDF child care assistance under State eligibility rules. For children in families with income below poverty for a family of three, the estimated percentage of children served was significantly higher—45 percent.

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 that best suit the needs of children and parents. States have flexibility in at least four key areas: income eligibility, target population, parents' co-payments, and provider reimbursement.

- **Income eligibility**. States have authority to set income eligibility up to 85 percent of the State median income, but most States set program eligibility below the Federal maximum. As indicated in the current State CCDF Plans, income eligibility levels across States range from 39 percent to 85 percent of the State median income (or 122 percent to 325 percent of the Federal poverty level). Most States set program eligibility below 85 percent of the Federal maximum in order to concentrate the funding on families with very low incomes.

  On average, States set maximum eligibility at 62 percent of State median income; however, most families served have income well below that level. Based on State case-level reports (assuming a family of three), the median annual income for families served by CCDF was $12,684 (FY 2000). Fewer than 10 percent of families had income above $24,000 a year.

  By way of context, the following chart displays Federal poverty guidelines in FY 2000. Unlike State median income, these guidelines provide a consistent standard across States. 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 program.

- **Priorities and target populations.** 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

2000 HHS Poverty Guidelines (Annual)

Size of Family Unit	48 Contiguous States and DC	Alaska	Hawaii
1	$ 8,350	$10,430	$ 9,590
2	11,250	14,060	12,930
3	14,150	17,690	16,270
4	17,050	21,320	19,610
5	19,950	24,950	22,950

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.

- **Parent co-payments.** Families receiving subsidies through CCDF are required to share in the cost of their child care. Co-payments are based, at a minimum, on family size and income. States have the option to waive co-payments for families at or below the poverty level. While some States have co-pay schedules that are designed to gradually ease families into paying child care costs, others require very small co-pays even for families well above the poverty line. Nationally, of families with income who are served through CCDF, 30 percent have no assessed co-payment. The average co-pay for all families receiving CCDF assistance is four percent (4%) of family income. Excluding families without co-pays, the national average is close to six percent (6%).
- **Provider reimbursement**. In setting reimbursement rates, States must ensure that eligible children have equal access to child care services that are comparable to those available to children whose parents are not eligible to receive CCDF assistance. States are required to conduct a local market rate survey every two years and provide a summary of facts that the State relied on in determining that the payment rates ensure equal access. While many States indicate that they are unable to reimburse providers at the 75th percentile of the most recent market rate study, 27 States report capping rates at the 75th percentile or higher. 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, 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.

States are spending substantial amounts on activities to improve the quality of children's experiences in care. These include efforts to improve the training and compensation of caregivers so that they have the knowledge and skills to promote early learning and literacy in young children. CCDF includes specific funds that States must use to enhance the quality of care, including infant and toddler care as well as school-age care and resource and referral services. In addition to these earmarks, States must spend a minimum of four percent (4%) of their CCDF dollars on quality activities.

As child care funding has increased in recent years, so has the amount States are spending to improve the quality of care. In FY 2001, States spent $716 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 nine percent (9%) of combined Federal and State expenditures. (These figures underestimate State expenditures on quality because they do not include spending on initiatives to encourage improved caregiver training and program quality through tiered reimbursement, i.e., payment systems that pay more for higher quality care.)

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 supports 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 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, as well as to expand training opportunities for these staff and create cross-system regulatory and technical assistance teams. A few States are also looking carefully at their regulatory requirements and how they link with career development and reimbursement policy.

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 funds.

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. A little over half the States have implemented some form of a 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.

The Child Care Bureau's research initiatives provide States with scientifically-based evidence on which to base decisions about improving child care services and systems.

In collaboration with others in HHS and ACF, the Child Care Bureau makes substantial investments in child care research. These investments are increasing our understanding about the child care policy decisions States have made in the post-PRWORA environment as well as the implications of these decisions for the availability and quality of child care, the choices families make, and outcomes for children and families. Along with findings from the Child Care Bureau's Policy Research Consortium, the National Study of Child Care for Low-Income Families and Mathematica's "Welfare-to-Work Transitions for Parents of Infants: In-Depth Study of Eight Communities," provide important descriptive information about child care policies and markets at State and local community levels.

Child care research reviews commissioned by the HHS Assistant Secretary for Planning and Evaluation (ASPE) document growing consensus that child care quality makes a difference in the lives of children.

These studies provide the foundation for emerging efforts to examine the effects of State and community child care policy decisions using experimental methods. In FY 2001, the Child Care Bureau, in partnership with ACF's Office of Planning, Research and Evaluation, initiated a multi-year, multi-site evaluation of child care subsidy strategies. This effort is intended to expand knowledge about child care subsidies, including State quality initiatives, by assessing causality through experimental design. In addition, in an attempt to improve the quality and accessibility of child care research, the Child Care Bureau has embarked on an initiative to develop the national Child Care Research Collaboration and Archive (CCRCA).

The Child Care Bureau provides training and technical assistance regarding child care services and systems to thousands of constituents each year.

Through the Child Care Bureau's Child Care Technical Assistance Network (CCTAN) and Federal leadership, the Bureau provides technical assistance to States, Tribes, and local communities. This involves assessing States' needs, identifying innovations in child care administration, and promoting the dissemination and replication of solutions to the challenges that State and local child care programs face. 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. In support of its technical assistance goals, the Child Care Bureau sponsors:

- Center for the Social and Emotional Foundations of Early Learning
- Child Care Administration Project
- Child Care Bureau Conference Management Center
- Child Care Aware
- Child Care Information Systems Technical Assistance Project
- Healthy Child Care America
- National Child Care Information Center (NCCIC)
- Quality in Linking Together (QUILT)
- Tribal Child Care Technical Assistance Center

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PART I: BACKGROUND: CHILD CARE AND THE CHILD CARE AND DEVELOPMENT FUND

The component funds of the CCDF were provided under the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA). 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). The repealed programs were replaced by Mandatory and Matching Funds appropriated for FYs 1997 through 2002 under a new section (418) of the Social Security Act.

FUNDING, OBLIGATIONS AND EXPENDITURES

Each of the four 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.

If Source of Funds is FY 2001 --	Obligation Must Be Made by End of –	And Liquidated by the End of –
Discretionary	FY 2002 (i.e., by 9/30/02)	FY 2003 (i.e., by 9/30/03)
Mandatory	FY 2001 (i.e., by 9/30/01; but **ONLY** if Matching Funds are used)	No requirement to liquidate by a specific date
Matching	FY 2001 (i.e., by 9/30/01)	FY 2002 (i.e., by 9/30/02)
MOE	FY 2001 (i.e., by 9/30/01)	FY 2001 (i.e., by 9/30/01)

Discretionary Fund - PRWORA authorized Discretionary Funds to be appropriated in each of the FY's 1996 through 2002. 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 five in the State to the number of children under five 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** - which is determined by dividing the three-year average national per capita income by the three-year average per capita State income (as calculated every two years).

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

In FY 2001, Congress earmarked specific amounts of the Discretionary fund for: (1) Child Care Quality Improvement Activities ($172.7 million); (2) Infant and Toddler Quality Improvement ($100 million); (3) Child Care Resource and Referral and School-Age Child

Care Activities ($19.1 million of which $1 million is for the Child Care Aware toll-free hotline); and (4) $10 million for child care research, demonstration and evaluation activities.

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 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 FY (9/30) 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: 1) its Mandatory funds are obligated by the end of the Federal FY in which they are awarded; 2) within the same FY, the State expends State funds equal to its State Maintenance of Effort (MOE) level; and 3) 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 in two years.

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**: In FY 2000, 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 2000, 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 2001, 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 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

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.

Families must be given the choice either to receive a certificate for child care services or to enroll the child with a provider who has a grant from or contract with the State to provide child care. 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 child care provider the parent selects.

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 to child care services that are comparable to those provided to children whose parents are not eligible to receive assistance. In their CCDF Plans, States must describe: 1) how a choice of the full range of providers is made available; 2) how payment rates are adequate based on a local market rate survey conducted within the previous two years; and 3) the affordability of family 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, e.g., 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.

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), to ensure building and physical premises safety, and provide minimum health and safety training appropriate to the provider setting.

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PART II: FY 2000 ADMINISTRATIVE DATA

BACKGROUND

Required reports. The statute governing the CCDF requires that States, Territories and Tribes provide aggregate and case-level information about the families and children receiving direct services through the CCDF. This information is collected from States and Territories through OMB-approved instruments, the Child Care Annual Aggregate Report, i.e., ACF-800, and the Child Care Quarterly Case Level Report, i.e., ACF-801. (A chart in the appendix to this report provides a summary of the reports grantees are required to submit under CCDF.)

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 have been used to estimate aggregate children served under TANF, as reported in Part I).

Pooling. The ACF-800 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., Title XX, 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.

Case-level reports. The ACF-801 provides case-level data on the children and families served during the month of service, including demographics, family income and co-payments, and type of setting including licensure status. States have the option of submitting a sample or all cases on a monthly or quarterly basis.

As will be described in the technical assistance section of this report, many States 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. The Child Care Bureau has devoted considerable technical assistance resources to helping States improve their capacity to provide accurate, timely reports. While there are still issues with the timeliness of State reports and California only recently began reporting, significant progress has been made.

Major Findings from State FY 2000 CCDF Reports*

- ***Children Served**: five percent infants (under 12 months); 22 percent toddlers (12-35 months); 36 percent preschoolers (36-71 months); 36 percent school-age (6-12 years).*
- ***Family income**: In FY 2000, median monthly income for families served was $1,057; fewer than nine percent of families had income that exceeded $2,000 per month. TANF was reported as a source of income for 21 percent of families receiving services through CCDF.*
- ***Family Co-payments**: On average, co-payments paid by families under CCDF represented four percent of reported family income (including families with no assessed co-pay). In 17 States, the co-payment was three percent or less of family income. In two States, it was more than 10 percent.*
- ***Type of Care:** 58 percent in centers; 31 percent in family child care homes; three percent group homes; eight percent child's own home.*
- ***Regulatory Status of Providers:** 74 percent of children served were in regulated settings; more than half of children served in paid unregulated settings under CCDF were in the care of relatives.*
- ***Reason for Care:** 80 percent employment; nine percent training and education; three percent employment and training and education; remainder, protective services and other needs.*
- ***Method of Payment:** 83% certificates or vouchers; 11% grants and contracts; 6% cash.*

*These statistics represent national averages, as such they mask the wide variations that exist among States on many of these variables.

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 2000 ACF-800 and ACF-801 data (which are the most recent data available). State and Territorial break-outs of the FY 2000 data may be found in Part VII, the Appendix, along with the methodology employed to derive national estimates. Limitations of the ACF-800 and ACF-801 data are described as well.

FY 2000 data is comparable to FY 1999 data in many respects. Differences are noted where FY 2000 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 FY 2000, approximately 1,038,600 families and 1,744,900 children per month received child care assistance whereas in FY 1999, approximately 972,100 families and 1,649,700 children received child care assistance accounting for a six percent (6%) increase in families served and a five percent (5%) increase in children served (see Table 1 in the Appendix).

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. In FY 2000, median monthly income for families served was $1,057 (less than 100 percent of the Federal Poverty Guidelines for a family of three); fewer than 10 percent of families had income that exceeded $2,000 per month.

TANF was reported as a source of income for 21 percent of families receiving services through CCDF. This varied significantly among States from 85 percent of Wyoming families to fewer than 10 percent of families in Wisconsin, West Virginia, South Dakota, Pennsylvania, North Carolina, Minnesota, Kentucky, Kansas, Idaho, the District of Columbia, and Alabama (See Table 14 in the Appendix).

Family Composition

The CCDF statute requires States to report whether or not families served are headed by a single parent. In FY 2000, 84.7 percent of families receiving services through CCDF were single- parent households. Of the remaining cases, 9.5 percent were not single parents, .7 percent were child-only families, and 5.1 percent had invalid or missing data. Only nine (9) States reported that fewer than 80 percent of the families served were headed by a single parent including Alaska, American Samoa, Arizona, California, Delaware, the District of Columbia, New Jersey, Washington, and West Virginia. (Four States failed to provide data for this element.)

Family Co-Payment Amounts

Including families with zero co-pays, the average family contribution to the cost of care was four percent (4%) of reported family income. Families in seventeen States, including Arkansas, California, the District of Columbia, Hawaii, Indiana, Iowa, Michigan, Mississippi, Missouri, New Hampshire, Rhode Island, South Carolina, South Dakota, Tennessee, Vermont, Washington, and West Virginia paid three percent (3%) or less of their income in child care co-pays. Although parents in Nevada and North Dakota paid more than 10 percent of their income in child care co-payments, Nevada had a decrease of more than five percent (5%) in the mean co-payment excluding zero co-pays between 1999 and 2000. Excluding families that did not make a co-payment, average co-pays remained unchanged between 1999 and 2000 to nearly six percent (6%) of income (See Table 15 in the Appendix).

The National Study of Child Care for Low-Income Families draft second interim report, *Care in the Home: A Description of Family Child Care and the Experiences of the Families and Children that Use It,* provides additional insight into what low-income working families pay for child care. This study focused on low-income working parents with at least one child under age nine. To be included in the sample, the family needed to be using a family child care provider and be eligible for or receiving a child care subsidy. Twenty-two percent of the families paid nothing for child care. Families receiving a subsidy averaged $93.33 per month in out-of-pocket child care costs or $57.65 per child. Those not receiving a subsidy paid $226.50 per month or $93.33 per child. Among subsidized families, the amount paid was equal to the assessed co-pay in most instances (80 percent). For the nine percent (9%) whose monthly payment was not the same as the required co-payment, about half paid more than the assessed co-payment amount. (See additional information about co-payments in Section V, Emerging Child Care Research.)

Ages of Children

Of children served through CCDF in FY 2000, infants and toddlers were 27 percent of the children served (refer to Figure 1 below and Table 2 in the Appendix). Specifically:

- Five percent (5%) were infants through 11 months of age;
- 22 percent were toddlers 12 through 35 months;
- 36 percent were preschoolers 36 months through 71 months;
- 36 percent were school-age 72 months through 12 years; and
- Fewer than one percent (1%) of children were 13 to 18 years old.

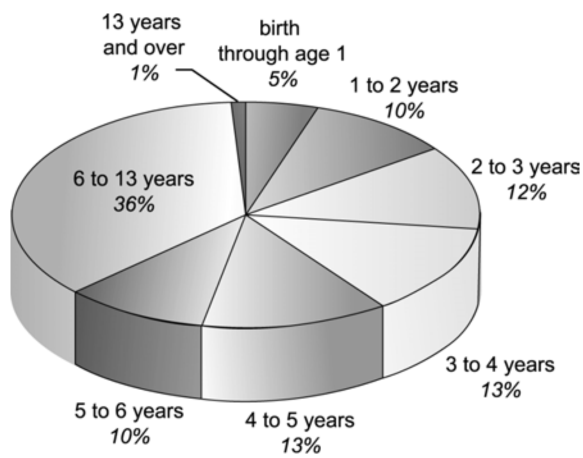


Figure 1: Age Distribution

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 00, 40 percent were African American; 33 percent were white; one percent (1%) Asian; and, one percent (1%) Native American or Native Alaskan. A fraction of one percent (1%) were Native Hawaiian, Pacific Islander or multiracial. For the balance, race was not reported (refer to Figure 2 below and Table 3 in the Appendix).

With regard to Latino ethnicity, fifteen percent reported Latino ethnicity whereas 77 percent reported non-Latino ethnicity. For the remainder, ethnicity was not reported. After Puerto Rico, the States with the highest concentrations of Latino children were Arizona, California, New Mexico, and Texas (refer to Table 4 in the Appendix).

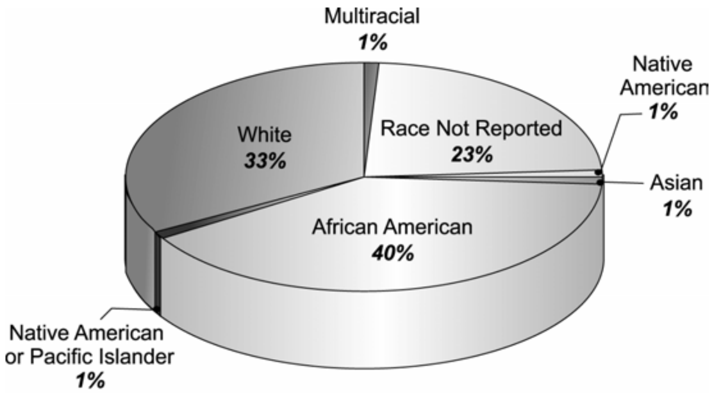


Figure 2: Race Distribution

Child Care Settings

Preschool-age children (three to six years of age) were more likely to be served in child care centers than children who were younger or older (refer to Figure 3 below and Table 5 in the Appendix).

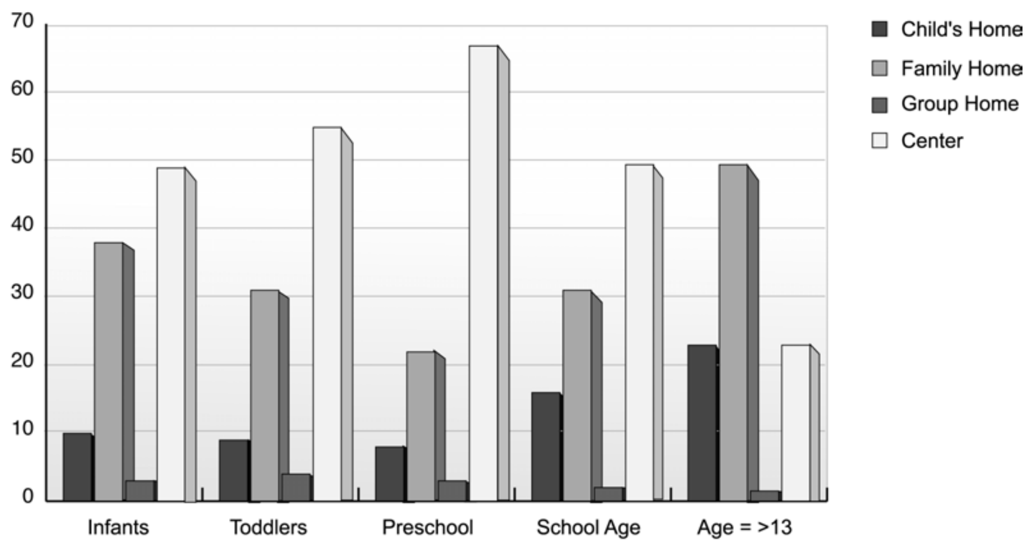


Figure 3: Child Care by Age Category

Average Monthly Hours of Child Care by Child Age and Type of Care

Children under the age of five averaged significantly more hours in child care than children five years old and older. For instance, three-year olds averaged 160 hours of care per month compared with 115 hours for children six to thirteen. This reflects the fact that older children attend school part of the day during the school year. The average monthly hours across types of care was 139. While average hours of care did not vary much among types of care, the average hours of care in centers was the highest at 140 and lowest for care in a child's own home at 128 hours (refer to Figure 4 below and Table 6 in the Appendix).

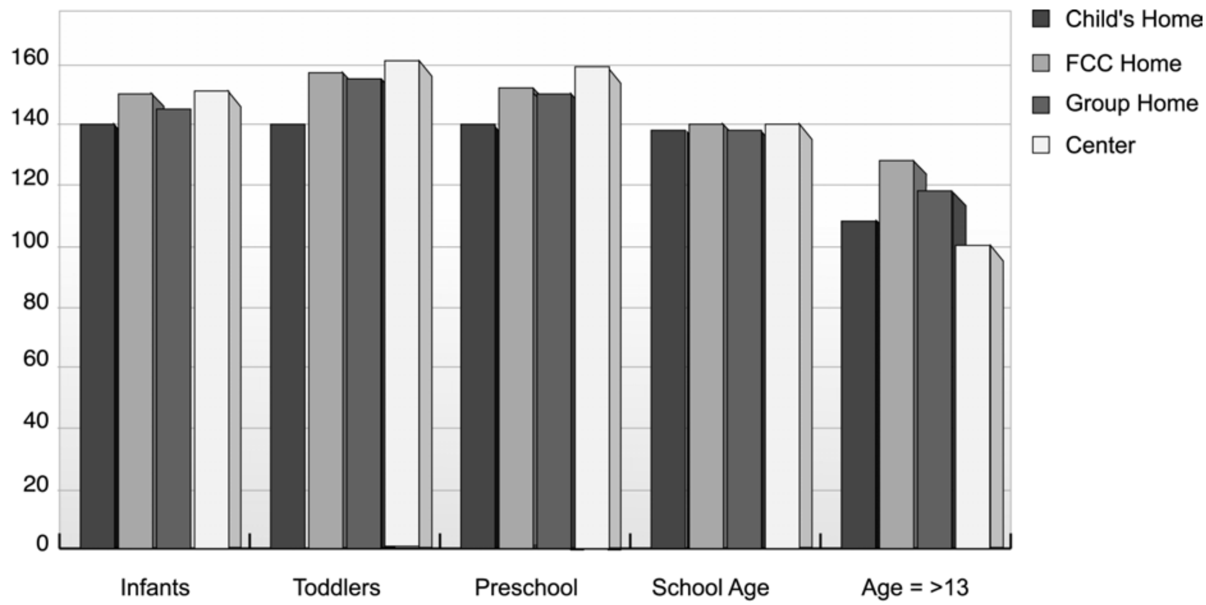


Figure 4: Hours in Child Care by Age Category

Average Monthly Provider Payment by Age Group and Type of Care

The average monthly provider payment was highest for group homes ($344) and center-based care ($342). Family child care (FCC) homes were less expensive ($277) and care provided in the child's home was the least expensive ($240). With regard to age, provider payments reflected the average number of hours spent in child care. Specifically, provider payments were higher for younger children than older children because younger children tend to be in child care for longer periods (refer to Table 7 in the Appendix).

Reason for Care

Ninety-two percent of families cited either employment or education and training as the reason for needing child care. Specifically, 80 percent of families cited employment. Another nine percent (9%) cited training and education. An additional three percent (3%) cited employment as well as training and education. Services to the remaining families related to protective and other needs (refer to Figure 5 below and Table 8 in the Appendix).

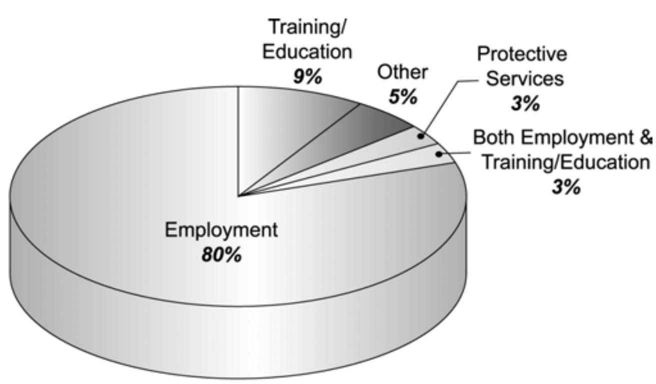


Figure 5: Reason for Care Distribution

Numbers and Types of Child Care Providers

The number of FCC home providers (approximately 463,200) was more than twice the number of caregivers in a child's home (approximately 213,700). Group homes providing services to CCDF-subsidized children numbered approximately 22,400. Even though significantly more children were served in child care centers than FCC homes, fewer centers (107,500) cared for CCDF-funded children. This relates to the larger size and capacity of centers as compared to other types of care (refer to Table 9 in the Appendix).

Children Served by Type of Care

In FY 2000, center care was the most prevalent type of care used by CCDF-subsidized families although there were significant variations among States. Nationally, 58 percent of children were in center care, 31 percent were in FCC homes, three percent (3%) in group homes, and eight percent (8%) in the child's own home. In 28 States and Territories, 50 percent or more of the children served through CCDF received care in child care centers. However, in nine (9) States, i.e., Illinois, Michigan, Montana, New York, North Dakota, Northern Mariana Islands, South Dakota, Utah, and Wyoming, 33 percent or fewer of children were in centers. Similarly, in 45 States and Territories, no more than 10 percent of children received care in their own homes, while three States and one Territory, i.e., Connecticut, Illinois, Michigan, and the Northern Mariana Islands, had at least 30 percent of children in such care. Refer to Table 10 in the Appendix.

Regulated Versus Unregulated Settings

Approximately 74 percent of children were served in regulated child care settings versus 26 percent in settings legally operating without regulation. Nearly all children (i.e., 57 of the 58 percent) served in child care centers were in regulated settings. Virtually all of the children served in group homes (3%) were in regulated child care settings too. Conversely, all of the children served in the child's home (8%) were in settings legally operating without regulation. Of the children served in FCC homes, 14 of the 31 percent were in regulated FCC homes (refer to Figure 6 and Table 10 in Appendix A). While in the majority of States, more than three-fourths of children were in regulated care, in 10 States (Connecticut, Guam, Hawaii, Illinois, Indiana, Michigan, New Mexico, New York, Oregon, and Utah) fewer than half of children were in regulated care.

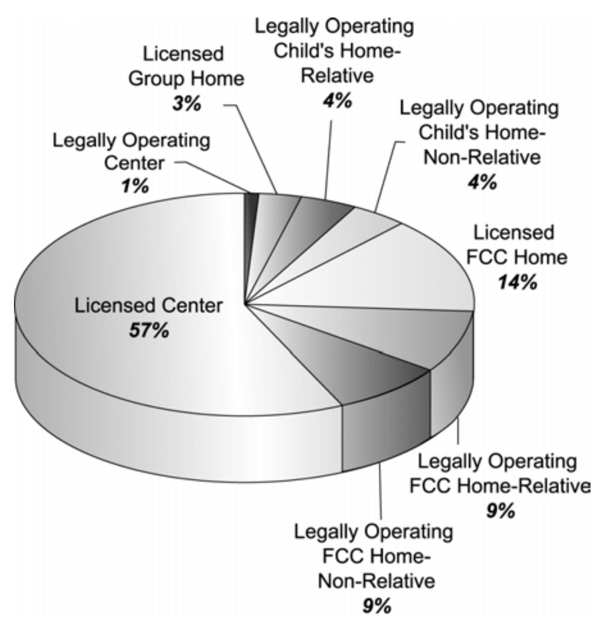


Figure 6: Care Type Distribution

Relative Versus Non-Relative Care

In FY 2000, the proportion of children served in the child's home or a FCC home (in settings legally operating without regulation) were served just as often by relatives as non-relatives (refer to Table 11 in the Appendix). In FY 1999, the proportion of children in the same settings were more often served by relatives (52 percent) than non-relatives (48 percent).

Children Served by Payment Method

The most frequently used method of payment in FY 2000 was certificates (83 percent). In FY 1999, certificates accounted for 82 percent of payments. In FY 2000, grants and contracts were 11 percent of payments whereas in FY 1999 they accounted for 12 percent. In both FY 2000 and FY 1999, cash payments accounted for the remaining six percent (6%). In FY 2000, only the District of Columbia, Florida, Hawaii, and Utah, used certificates less than 50 percent of the time (refer to Figure 7 below and Table 12 in the Appendix).

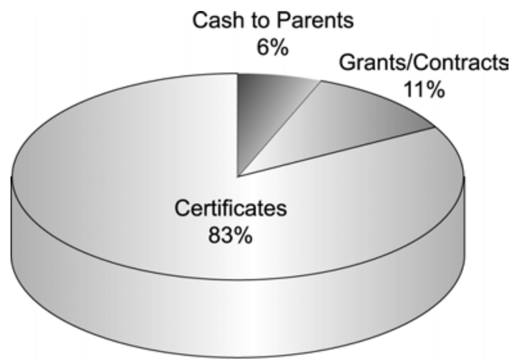


Figure 7: Payment Method

State and Territorial Methods of Consumer Education

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 53 of the 56 States and Territories. Providing parents and the public with information about policies regarding complaints was reported as a form of consumer education by 52 of the 56 States and Territories. (refer to Table 13 in the Appendix).

PART III: FISCAL YEAR 2001 CCDF FINANCIAL DATA

Information about FY 2001 CCDF expenditures was obtained from State quarterly financial reports submitted to ACF for Federal FY 2001 (October 1, 2000-September 30, 2001). The FY 2001 reports detail expenditures from each of the CCDF funding streams (Mandatory, Matching, and Discretionary) including expenditures for direct and non-direct services as well as administration and quality activities. In FY 2001, States spent and reported on funds from FYs 1999, 2000 and 2001. 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. More detail about FY 2001 State expenditures can be found on the Child Care Bureau website at: http://www.acf.hhs.gov/programs/ccb/research/01acf696/tot01exp.htm.

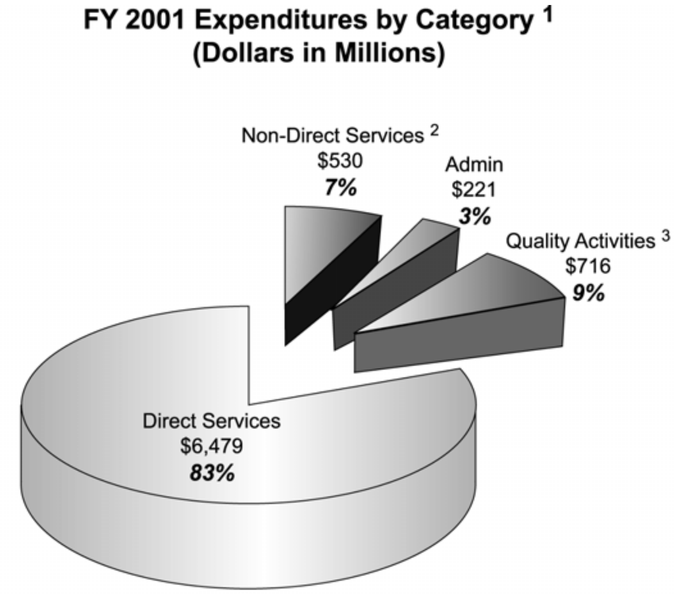
During FY 2001, States' CCDF expenditures from all fiscal years totaled $8.0 billion. Of this amount, expenditures of Federal CCDF funds (including amounts transferred from TANF) reached $6 billion while States' spent $2.0 billion from their Matching and Maintenance of Effort (MOE) programs. States reported that of these expenditures, roughly 81 percent went toward providing direct services; seven percent (7%) was spent on non-direct services associated with operating voucher programs including information and referral eligibility determination and re-determination; nine percent (9%) was spent for quality activities including funds set-aside for quality improvements; and three percent (3%) was spent for administration.

EXPENDITURES OF FY 2001 APPROPRIATIONS IN FY 2001

In FY 2001, States spent a total of $5.8 billion of FY 2001 combined Federal and State funds, which includes both CCDF and TANF transfers into CCDF. Expenditures of FY 01 Federal CCDF funds were $3.9 billion and State matching and MOE funds were $1.9 billion.

Maintenance of Effort (MOE)

To be entitled to their share of the Matching funds, States must spend State funds for child care at a level equal to the greater of their FY 1994 or FY 1995 Title IV-A child care expenditures. All States reported that they spent their own funds at the required MOE level. Ten States reported spending a total of $215 million over the required MOE level. (It is likely that MOE expenditures reported for CCDF are also reported as part of the State's TANF MOE expenditures.)



[1] TANF direct spending on child care is not categorized; therefore, the $1.6 billion in TANF direct expenditures are not included in this chart.

[2] Non-direct services include State expenditures related to the operation of voucher programs and include such costs as information and referral, eligibility determination and redetermination, and maintaining computer systems.

[3] Quality activities include the expenditure of earmarked funds

Non-Federal Match

States must spend State funds at the applicable 2001 FMAP rate to be eligible for Federal Matching Funds. All but five States provided the necessary matching funds to draw down Federal Matching Funds. (See Unobligated Balance paragraph for Matching funds returned for reallotment.)

TANF Block Grant Transfers

Forty-two States transferred funds to CCDF in amounts ranging from $375 million to $521 thousand. A total of $2 billion in FY 2001 Federal TANF funds was transferred to CCDF. The transferred TANF funds were more than 30 percent of the total CCDF Federal funds available to States for CCDF in FY 2001.

Direct Services

CCDF funds spent directly by States on child care services was $3.7 billion or 79.5 percent of the FY 2001 combined Federal and State CCDF expenditures (excluding MOE). MOE expenditures on direct services were an additional $1.0 billion (92.1 percent of total MOE expenditures.)

Administrative Costs

By law, no more than five percent (5%) of CCDF funds may be used for administrative costs. State administrative expenditures were $149 million in FY 2001, or 3.2 percent of FY 2001 total Federal and State expenditures--well below the limit.

Quality Services

The statute requires that a minimum of four percent (4%) of total CCDF expenditures be spent on quality activities (excluding earmarks). States reported spending $361 million of FY 2001 funds in 2001 on improving the quality of child care services, 7.7 percent of combined FY 2001 Federal and State expenditures. An additional $13.9 million was spent on quality activities from the States' MOE expenditures.

Set-asides

Of the $291.7 million in set-aside funds for FY 2001, States have spent $89.2 million. They have until the end of the liquidation period (September 30, 2004) to spend these funds. Expenditures to date include: $59.1 million on child care quality improvement; $22 million on infant and toddler quality; and $8.1 million on child care resource and referral and school-age care.

Non-Direct Services

States have spent $363 million in non-direct services or 7.7 percent of FY 2001 State and Federal expenditures. Non-direct service expenditures included $49 million on child care computer information systems, $154 million on certificate programs, and $160 million on eligibility determinations and other costs. MOE expenditures for non-direct services were $59.3 million.

Unobligated Balances

In FY 2001, States obligated 100 percent of the Federal Mandatory funds. At the end of the year, five States released $41.1 million, or 3.1 percent in Matching funds for reallotment in FY 2002. The unobligated balance for the $3.9 billion of Discretionary funds was $858 million or 21.7 percent. States have an additional year to obligate these funds.

Unexpended FY 2001 Funds

At the end of FY 2001 (September 30, 2001), seventeen States had a balance of $167 million in Mandatory funds to spend and twenty-five States had $328 million of Matching funds to spend. Thirty-seven States and Territories had $1.2 billion of Discretionary funds to spend. States will continue to spend FY 2001 funds in FYs 2002 and 2003.

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PART IV: OCTOBER 1, 2001 STATE PLANS

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 CCDF Plan, which the Lead Agency must submit to HHS for funding, identifies and provides 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; and
- Information specified by HHS.

In developing the CCDF 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; and,
- Hold at least one public hearing.

In consultation with the ACF Regional Offices, the Child Care Bureau reviews the State Plans to ensure compliance with the CCDF statute and regulations. The following summarizes the information States provided in the plans that were due July 1, 2001 for the period October 1, 2001 through September 30, 2003. More detailed information about how specific States are implementing CCDF is provided in the appendix to this report in a chart entitled "Child Care and Development Fund State Information Chart."

ADMINISTRATION

States indicate that Lead Agencies are working in partnership with multiple Federal, State, Tribal and local entities to administer CCDF funds. Many Lead Agencies assume primary responsibility for administering funds for child care services (e.g. funding child care certificates/vouchers and/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 have devolved substantive administrative responsibility for CCDF to local jurisdictions. In a number of States, including California, Colorado, and Indiana, administrative responsibility for CCDF has been devolved to the county-level. Other

States, such as Texas and Florida have granted non-governmental entities created by statute the authority to administer CCDF at the local level.

State Flexibility

States have significant flexibility under CCDF and TANF in administering and funding their child care programs. Many States (24) indicate that 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. This approach allows these States to support working families without creating perverse incentives for those families not connected with the welfare system.

Eligibility

Income eligibility levels across States range from 39 to 85 percent of the State Median Income (or 122 percent to 325 percent of the Federal Poverty Level). While six (6) States reported that they set the income eligibility ceiling at 85 percent of the State Median Income, 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 State Median Income.

Most States use pre-tax 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, SSI, VISTA, food stamps, energy assistance, and housing allotments.

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

Priorities

As indicated, 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. Eleven States indicate that first priority is given to families that include a child with special needs. Examples of other populations that are given special priority by one or more States are: teen parents, non-TANF teen parents with no high school diploma or GED, families with medical emergencies, parents who are students in post-secondary education, parents in homeless or spousal-abuse shelters, children in protective services or in 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 also use other factors including the price of care, and/or the State reimbursement rate. Little change was reported between the FY 2000-2001 plans and the current ones. In the State Plans, effective October 1, 2001, close to 75 percent of States indicated that co-pays are based on a percentage of family income. Seven States based co-pays on a percentage of the cost of care.

States may choose to waive co-pays 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.

In addition to assessed family co-pays, 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-pays 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-pays. Of the seventeen 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 amount charged by 75 percent of child care providers in the market.) This compares with 29 States in FY 2000 and 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 from the information reported in the FY 2000-2001 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.

The trend continues toward States implementing systems of tiered reimbursement whereby providers are paid more if they can demonstrate that they offer higher quality care. In their Plans, 29 States indicated that they have rate differentials for various levels of quality. An additional 10 States are 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; e.g., 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 and/or training.

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 nine four years ago. Additionally, four States are using the Internet to disseminate information about child care subsidies and/or help families request applications for assistance. Thirty-eight States now indicate that 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 and/or prekindergarten to determine eligibility once a year, at the beginning of the program year, rather than using the more typical three-to-six 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 that they also have grants or contracts for child care slots. In most cases these grants and contracts are limited to specific populations and low-income neighborhoods where child care supply is limited. States also use contracts to support Head Start "wrap around" 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 are also using grants and contracts to expand and improve the quality of care for infants and toddlers as well as to address issues of compensation and professional development. These quality improvement grants are often combined with funding from child care certificates/vouchers, parent fees, and other sources.

CCDF plans indicate that an increasing number of States are exploring the feasibility of awarding grants and contracts targeted to quality improvement outcomes (e.g. lower child-staff ratios, increased staff training, or national accreditation). These contracts may be used in combination with funding from vouchers/certificates, parent fees, employer contributions, and other fundraising efforts, to support the cost of good quality child care.

Service Coordination

Lead Agencies work with many Federal, State, local and tribal entities in developing their 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 are jointly funding and administering full-day, year-round early care and education systems for three- and four-year-old children. 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, as well as 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. 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 that it can prevent crime by reaching children in their younger years and supporting out-of-school-time programs.

State health departments are playing 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 provide training to child care providers and the funding of a toll-free telephone line specifically to provide parents and providers with consultation on health and safety topics related to child care. However, 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, on-line information retrieval systems.

The entities responsible for administering State and local funds for early care and education are supporting efforts that draw on multiple funding streams. Administrators from various State agencies are often working together on writing and implementing the CCDF plan. New cost allocation and data collection systems—that assume programs will blend funding from multiple sources—continue to emerge.

All of the State plans contain descriptions of public-private partnership activity. The States have adopted a wide range of approaches, from adding programs to building infrastructure to developing systems of care. Additionally, the States report a wide range of partners that include 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 four percent (4%) of their CCDF allocation for quality activities. As noted earlier in this report, in FY 2001, States actually spent closer to nine percent (9%) on quality. States may use these funds for a variety of quality initiatives. This includes 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, and other activities that increase parental choice and/or improve the quality and availability of child care. In addition, Congress has earmarked portions of CCDF to be spent on quality and to improve services for infants and toddlers, resource and referral and school-age 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 has doubled since the last 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 which is a partnership between the Child Care Bureau and Maternal and Child Health to encourage improved health practices in child care.

Resource and Referral

All of the States reported that they provide some type of child care resource and referral services, which include consumer information and referrals, development of new FCC 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 non-profit, 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 reported that 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 and services (via brochures and pamphlets). Some States also utilize broadcast and news media in their public education campaigns. A few States also have dedicated staff or have 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 have focused 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 reported 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.

Grants and Loans to 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 environmental rating scales. In either case, the approach is an incentive—in order to receive grant funds, programs must make progress toward meeting specific goals.

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 2000-2001 Plans---reported using CCDF to lower caseloads for licensing staff. In addition, a growing number of Lead Agencies reported 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 reported involvement in training and technical assistance activities. The number of States that reported 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 the FY 2000-2001 Plans to 28 in the current period. In many States, these systems serve as a framework for other training, technical assistance, and quality improvement activities. As compared with the 2000-2001 Plans, nearly twice as many States reported spending CCDF funds for T.E.A.C.H., a scholarship program that links increased education with compensation. Fourteen States reported 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.

Compensation of Child Care Providers

As State involvement in career development efforts has grown, so has the desire to have direct impact on caregiver compensation. States described initiatives including wage supplements, mentoring programs, and one-time bonuses or quality awards. Several States have multiple initiatives. Twelve States reported that they use CCDF to support wage and/or benefit initiatives for the early care and education workforce, up from eight States in the last plan period.

Twelve States report that they use CCDF funds to support grant programs to improve wages for child care practitioners. Several of these efforts link increased compensation to professional development.

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PART V: EMERGING CHILD CARE RESEARCH

THE CHILD CARE BUREAU'S INVOLVEMENT IN CHILD CARE RESEARCH

Beginning with the creation of the Child Care and Development Block Grant (CCDBG) in 1990, Federal child care policy has focused on providing low-income working families with access to the child care market. CCDBG required States to provide parents with vouchers designed to facilitate access to the same types of child care as privately paying families including care by relatives and friends. This emphasis on parental choice continues in CCDF and means that decision-makers need good information about how child care markets work and the choices parents make in those markets.

In 1995, the Child Care Bureau provided modest grants to teams of policy makers, practitioners, and researchers (Partnerships) to study 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. These Partnerships provide the foundation for the Child Care Bureau's research efforts and generate State and cross-State information on child care needs, utilization patterns, and outcomes for low-income families. Nearly two dozen States and many local communities have been involved in Partnership studies. (Research findings from these grantees are included later in this section.)

Welfare reform under PRWORA generated questions about the child care market's ability to meet increased child care demands associated with the TANF work requirements. In addition, issues were raised about the costs associated with providing child care for families transitioning off welfare, adequacy of the care children would receive, and long-range outcomes for children and families.

To help respond to these questions, ACF funded several descriptive studies to promote better understanding of State and local child care policies and child care markets, and the choices low-income parents make within the context of those policies and markets. Two major studies include:

- **"A National Study of Child Care for Low-Income Families,"** conducted by Abt Associates in cooperation with the National Center for Children in Poverty at Columbia. This study, which focused on 17 States, is now nearing the end of its five-year project period. It will provide information on: 1) how States and communities formulate and implement policies and programs to meet the needs of families moving from welfare to work, as well as those of low-income families; 2) the employment and child care decisions of low-income families; 3) the characteristics and functioning of family child care; and 4) the experiences of children and families with family child care. The first report, which focuses on the linkages among welfare reform, other policies and programs, and the child care market, was released in 2000 and is available at http://www.abtassoc.com/reports/welfare-download/NSCCLIF.pdf

- In 2001, Mathematica Policy Research (MPR) completed a study entitled **"Welfare-to-Work Transitions for Parents of Infants: In-Depth Study of Eight Communities."** This study found that even though Federal rules allow States to exempt the primary caregiver of an infant from work participation requirements, 23 States required such caregivers to meet TANF participation requirements before their babies were a year old. Among its discoveries, the study found that while parents of infants face greater but not different challenges from other parents, States did not see them as a group with categorical needs that are substantially different from the rest of TANF families. (This report is available at: http://www.mathematica-mpr.com/PDFs/weltransfull.pdf.)

The Child Care Bureau's Research Agenda

Starting in FY 2000, the Child Care Bureau was authorized by Congress to spend $10 million annually in CCDF for research, demonstration, and evaluation. Based on recommendations obtained through a broad-based planning process that included an HHS task force, a two-day Child Care Research Leadership Forum, and a written request for input, the Child Care Bureau developed a strategic research agenda designed to build the child care research infrastructure and yield timely, useful information for child care policy makers.

The Bureau's research agenda is designed to respond to the following questions:

1. **What does child care look like today?** What types of care do families use? What quality of care do children receive? What does child care cost and how much do parents pay? What is the availability and accessibility of subsidies to eligible families and children? Who are the providers of child care and what are their characteristics? What are the interrelationships among child care market forces, social and cultural influences, policies, programs, and outcomes?
2. **How do the variations in child care affect children?** This question asks how children develop in different care environments, how various features of child care (e.g., quality, type, cost) affect children, and how child care relates to other important factors such as school readiness and achievement.
3. **How do the variations in child care affect parents?** This question examines the interrelationships among market forces, workplace factors, child care policies and programs, community supports, and outcomes for parents (e.g., family functioning, employment, earnings, career progression).
4. **How do the answers to these broad questions translate into specific policy and program choices at the state and local levels?** This question explores the interrelationships among market forces, policies and programs carried out by states and local communities, and the outcomes of these factors for children and families.
5. **How do the answers to all the questions above differ for sub-groups of children and families?** This question examines how different groups of children and families are affected by the major variations in child care market structures, policies and programs in the light of social and cultural trends.

As child care services and systems have evolved and grown in response to the changing economy, welfare reform, and increased child care funding, the important child care research questions have evolved as well. In particular, policy makers indicate the desire to know more about the implications of various policy choices on the quality and availability of care and outcomes for families and children.

Research Activities in Progress

During Fiscal Years 2000 and 2001, the Child Care Bureau greatly expanded its national Child Care Policy Research Consortium of grants and contracts to develop critically needed information on child care and its effects on child development and family well-being. The purpose of this consortium is to help the Child Care Bureau increase the national capacity for sound child care research, identify and respond to critical issues, and link child care research with policy, practice, and consumer demand.

Six major goals underlie the work of the consortium:

- To address issues facing child care administrators who must implement child care policies and programs that support employment-related goals for parents, promote healthy child development, and meet emerging needs;
- To stimulate greater collaboration and interdisciplinary research on issues affecting children, families, and communities;
- To develop greater compatibility among child care data systems and create longitudinal data sets from child care subsidy systems, regulatory information systems, resource and referral systems, and other key sources;
- To establish a Child Care Research Collaboration and Archive to develop a national research infrastructure;
- To evaluate State child care policies and programs; and
- To increase State-level capacity for research and data collection.

The consortium is undertaking a wide array of research efforts, several of which have already been noted. While a more complete summary of Child Care Bureau research projects is included in the appendix to this report, the following is a brief description of the initiatives in progress:

Child Care Research Collaboration and Archive (CCRCA). This project, now in development, will: 1) serve as a repository of child care research and data through a web-based archive; 2) conduct literature reviews; 3) develop and disseminate materials designed to improve child care policy research; 4) provide assistance to users; 5) promote collaboration among researchers and policy makers; and 6) synthesize findings for policy makers and other stakeholders. In addition, the CCRCA will support researchers, policy makers, and practitioners in furthering knowledge about child care quality and ways providers and parents can support early literacy.

Child Care Research Partnerships. As noted above, these teams of policy-makers, practitioners, and researchers study 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. 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 been conducting research involving nearly half of the States and many local communities.

Field Initiated Research Projects. The Child Care Bureau has funded 24 Field Initiated Research Grantees who are currently conducting research on a broad range of topics, including: assessing outcomes for children related to the quality of child care received; rating child care facilities and evaluating 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; and strategies States and communities are implementing to improve child care services and systems.

Child Care Subsidy Evaluation Project. ACF has contracted with Abt Associates, Inc., for a multi-site evaluation to study the net impact, implementation, costs and benefits of selected child care subsidy strategies. This evaluation will expand the knowledge of child care subsidy policies by assessing causality through experimental design. Exploratory work is in progress with States and communities to identify sites and topics that may be appropriate for study using experimental methods. Early indications are that States are invested in knowing more about how they can support child care quality, school readiness, and early literacy.

State Child Care Data and Research Capacity Projects. The purpose of this priority area is to assist State CCDF Lead Agencies in improving their capacity to conduct policy-relevant research and analysis in order to design and implement child care policies and programs that promote positive outcomes for children, families and communities. 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. Grantees will conduct an assessment of their current CCDF administrative data systems and research needs, develop and implement a plan for improving their capacity for data collection and analysis, and conduct policy relevant research. Three States received grants in FY 2001 and the intent is that these efforts will evolve into a comprehensive strategy for ongoing development of a national State-by-State research infrastructure.

Child Care Research Scholars. In Fiscal Years 2000 and 2001, nine grants were awarded in this priority area to support the development of new researchers by funding Ph.D. candidates to conduct dissertation research on issues related to child care. These scholars are conducting research on such issues as the effects of child care disruptions on working parents, informal caregiving in a tribal community, and the influences of caregiver, contextual, and group characteristics on the quality of family child care. With support from the Child Care Bureau, three of the five scholars funded in FY 2000 completed their dissertations within 18 months of receiving their grants.

EMERGING FINDINGS ABOUT CHILD CARE FOR LOW-INCOME FAMILIES

Providing the Context: Growth in Maternal Employment and Use of Out-of-Home Care

Currently more than two-thirds of mothers with children under six years of age are in the labor force (U.S. Department of Health and Human Services, 2000). Never-married single mothers, many of whom previously relied on welfare, are the driving force behind the latest surge in female labor force participation. Due to work requirements and lifetime limits on cash assistance instituted by PRWORA, as well as the strong economy in recent years, the employment rates of single-mother heads of households with incomes less than 200 percent of the Federal poverty line increased from 44 to 57 percent between 1992 and 1999. This trend is expected to continue and accelerate as more mothers reach the five-year limit on Federal cash assistance.

These employment trends have been accompanied by a parallel increase in the non-parental care of children. An Urban Institute study, using data from the 1997 National Survey of America's Families (NSAF), found that 76 percent of children under age five with working mothers were in non-parental care while their mothers worked. Forty-one percent were in care for 35 hours or more each week. Nearly three-in-five (58 percent) of the 11.6 million children under age three live with an employed parent. Approximately three-fourths (73 percent) of these infants and toddlers were cared for by someone other than a parent while their mother was working. Nearly two-fifths (38 percent) had two or more regular child care arrangements (Capizzano & Adams, 2000).

The NSAF also found that fewer low-income working families (below 200 percent of Federal poverty) pay for child care as compared with their higher income counterparts. The NSAF data indicate that 40 percent of low-income families pay for child care, compared with 53 percent of higher-earning families. Single parent families and families in which the youngest child was under age five were more likely to have child care expenses. While low-income families were less likely to have child care expenditures, 50 percent of single parents with earnings under 200 percent of Federal poverty paid for child care. These families paid an average of $230 per month or 19 percent of their earnings on child care. It must be noted, however, that "earnings" do not include other supports that may be available to low-income families such as food stamps, medical assistance, and EITC benefits. In addition, some low-income families in the sample received child care subsidies and their monthly child care expenses were reduced accordingly. (Giannarelli & Barsimantov, 2000)

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 has increased rapidly in recent years and State flexibility under CCDF results in patterns of subsidy use that vary greatly among States.

- Increased investments in child care. The National Study of Child Care for Low-Income Families found that State child care spending increased by more than 78 percent between 1997 and 2000 in the 17 States studied. Research conducted by the Child Care Bureau's Child Care Policy Research Consortium also shows that States are experiencing tremendous growth in expenditures for subsidized child care. This growth in demand is especially apparent among the low-income working families who were formerly on TANF. For example, in Illinois between 1997 and 1999, the number of children in current and former TANF families receiving subsidies grew by 80 percent. The largest proportion of that growth came from former TANF families, whose usage grew by 200 percent. In Maryland, during the same two years, the number of children receiving subsidies grew by over 30 percent. Again, the largest growth rate was seen among former TANF families, whose use of subsidized care increased by over 100 percent (Piecyk, Collins & Kreader, 1999).

In 1999, the National Study of Child Care for Low-Income Families found that total expenditures for child care subsidies were more than $4 billion for 16 States, suggesting that States are spending far more on child care than the amount available through CCDF.

- **Proportion of eligible children served.** In FY 2000, 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 0.7 million children were receiving subsidized care through SSBG, direct TANF funding, and excess TANF MOE, resulting in an estimated 2.45 million children receiving services in an average month in FY 2000.

  Based on an analysis completed by the HHS Assistant Secretary for Planning and Evaluation (ASPE), this enrollment represents 28 percent of the 8.87 million children ages birth through 12 who are potentially eligible for child care services under State CCDF eligibility rules (see Table A).

Table A. Subsidized Children in Fiscal Year 2000 as Percentage of Potentially Eligible under Actual State Rules (average monthly estimates, in millions)

	Ages 0 – 2	Ages 3 – 5	Subtotal Under 6	Ages 6 – 12*	Total Children 0 – 12*
Enrollment in CCDF, TANF & SSBG Funded Care (FY2000)	0.66	0.89	1.56	0.89	2.45
Potentially Eligible Children (2000, based on State eligibility rules as of Oct 1999)	2.01	1.94	3.95	4.91	8.87
Percentage Served	33%	46%	39%	18%	28%

* Children 13 and older who are eligible for subsidies because of special needs are included in these age brackets.

For children in families with income below the poverty level for a family of three, the proportion of children served increases to 45 percent for children birth through 12, and 66 percent for three-to-five year olds (See Table B).

Table B. Subsidized Children Below Poverty Level for Family of Three as Percentage of Eligible Children Below Same Poverty Level (average monthly estimates, in millions)

	Ages 0 – 2	Ages 3 – 5	Subtotal Under 6	Ages 6-12*	Total Children 0 – 12*
Enrollment of Poor Children in CCDF, TANF & SSBG Funded Care (FY 2000)	0.43	0.50	0.93	0.46	1.39
Potentially eligible children below poverty for a family of three (2000)	0.90	0.75	1.65	1.44	3.09
Percentage Served	48%	66%	56%	32%	45%

* Includes a few children 13 and older who are eligible for subsidies because of special needs.

The eligibility estimates for 2000 are based on State rules effective October 1, 1999 and Current Population Survey data for calendar year 2000. The eligibility estimates exclude children ages four through twelve 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 15-40 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 four and over.

While these estimates of children served are more realistic than those commonly cited, 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.

- **Waiting lists.** In recent months, according to State reports, 16 States have families on waiting lists. California and Florida reported the largest number with 250,000 and 40,000 respectively. 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 appendix to this report.)
- **Eligibility.** The National Study of Child Care for Low-Income Families found significant variation among States in initial child care subsidy eligibility limits; eight

of the 17 study States had additional eligibility requirements related to hours of employment. State policies also vary with regard to frequency of certification and recertification. (Glantz & Collins, 2002, unpublished)

- **Income of families served.** The Study of Child Care Subsidy Duration, a five-State Partnership Study, found that median income of families served through State child care subsidy programs was lower than eligibility limits would suggest and that median income varied tremendously among the States in the study. In Illinois, a family with $1,807 in monthly income was technically eligible for subsidies, but the median income of families served was $920. In Massachusetts, a family earning $1,947 a month could apply for and access subsidies, but the median income for families served was $468. Similarly, eligibility was set at $2,088 in Oregon, but families served had a median income of $573.
- **Family co-payments.** While most States base child care subsidy co-payments on family income and number of children in care, some tie co-pays to the cost of care. The Duration Study found that for a family earning $1,500 per month, assessed co-pays ranged from $121 in Massachusetts to $230 in Oregon. However, the average co-pays actually paid by families in Oregon were $67 per month, likely because the median income of families served was significantly lower than $1,500 per month.
- **Barriers.** A study conducted by the Urban Institute indicates that administrative barriers faced by families may contribute to low child care subsidy take-up rates as well as short subsidy and arrangement spells (Adams 2001). While barriers vary based on how States administer their programs, common challenges include burdensome paperwork and reporting requirements; many parents must take time off from work to maintain their eligibility for subsidies.

As discussed earlier, Mathematica's "Welfare-to-Work Transitions for Parents of Infants: In-Depth Study of Eight Communities" found that States tend not to treat parents of infants differently than other parents in terms of work participation requirements. Focus group parents in this study indicated difficulties with child care accessibility and affordability. Special concerns were expressed with regard to non-standard-hour care, care for sick children and children with special needs, and the fact that participation in post-secondary education programs was not counted toward required hours of work-related activity. Some parents reported turning down higher paying jobs or having to quit or cut back job hours due to difficulties in maintaining non-standard hour care. Access to and continued receipt of subsidies appeared to be easier in States that had created an integrated child care subsidy system based on income as opposed to relationship to TANF. This seemed to be especially true for families on TANF and transitioning off TANF. This report is available at: http://www.mathematica-mpr.com/PDFs/weltransfull.pdf.

Parent Choice and Patterns of Child Care Use

The research about what parents of all incomes want and need for their children in care indicates that parents want the best for their children. They prefer a variety of options including child care centers and homes as well as family members and friends. In making child care choices, parents balance many considerations including the hours of care they need, whether there's another adult in the household, the experiences they want for their child, affordability, and convenience. On average, parents seek care from family and friends for very young children. Mothers with more years of education and parents with preschool children are more likely to select child care centers. Bottom-line, parents say they want a caregiver they can trust. Research conducted through Portland State University indicates that when parents have care they trust, and that allows them to balance the demands of parenting and work, they express satisfaction with the quality of their child care.

- Data from TANF leavers surveys and welfare reform evaluations indicate that many families opt to use informal care arrangements. For those using non-parental care, relatives and siblings of the children are by far the most common sources of care. A review of ASPE-funded TANF leavers studies found that among those families using child care, between 41 and 65 percent of children are cared for by relatives and siblings. An additional 6 to 13 percent of children are cared for by friends or neighbors. Partly because of the use of informal care, many working parents do not pay for child care arrangements. In fact, among the ASPE-funded leavers studies reporting this measure, only 40 to 61 percent of employed leavers with child care arrangements paid for that care.
- A new study of 1200 randomly selected parents across incomes in Washington State, conducted by the University of Washington Human Services Policy Center, found informal arrangements to be the predominant mode of care for infants, toddlers and school-age children. When not in the care of parents, these children spent more time in the care of family members, friends and neighbors (FFN care) than in centers or licensed family child care homes. (Children age three-to-five, however, spent more time in center programs.) About a third of subsidized families used FFN care as their primary arrangement. This study also found that 40 percent of providers were being paid for such care. Among those who were paid, hourly rates were somewhat comparable to those of centers and licensed family child care homes.
- The Study of Child Care Subsidy Duration found that despite variations in child care subsidy program policy and administration across States, the duration of subsidy use was uniformly brief. Median duration ranged from a low of three months in one State to a slightly longer median of seven months in another. These spells typically involved only one primary child care provider. However, since spells were so short, this did not ensure continuity of care for children. Many of the families who had exited subsidies returned later. By the end of one year, between one-third and one-half of exiting families were again receiving subsidies. At this point, we do not know whether and to what extent these findings reflect discontinuities in employment and patterns of work, dissatisfaction with the care purchased, problems related to policies and procedures for child care subsidies, or other issues. We do know that in developing their child care policies, States must balance many competing needs. Of particular concern to states is the ongoing tension between policies that might promote quality and continuity of care and the potential costs involved. To better understand these factors, the Child Care Bureau intends to launch a follow-up qualitative study in FY 2002 that will involve interviews with parents who have left child care subsidy programs.

Child Care Supply

Evidence regarding the supply of care for low-income families (whether subsidized or not) is mixed. Some studies document increased availability and access, while others suggest that demand is overtaking supply, there is considerable "churning" in the marketplace, and 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 using geo-coding (mapping) techniques have documented the extent to which the existing supply of child care is unevenly distributed, with shortages in many local communities for families in a variety of circumstances (Queralt & Witte, 1999; Collins & Li, 1997). Researchers in Illinois and Maryland found that the net supply of care grew little between 1996 and 1998 and that the communities with the highest concentrations of low-income people had significantly fewer regulated slots per 1000 children as compared to communities with fewer low income individuals.
- The National Study of Child Care for Low-Income Families found that the availability and array of subsidized child care services and early education programs differed considerably among their study communities. Local demographics and economic conditions, child care licensing and regulation, and other early childhood policies all contributed to local patterns and complexities. In addition to CCDF, child care subsidies and pre-kindergarten programs were supported by a variety of other Federal, State and local funds, often through blended funding streams. Although the local nature of subsidy programs results in complex and varied opportunities for residents, this complexity can also inhibit flexibility and innovation as needs change.
- In most of the communities in the National Study, without child care subsidies, care offered on the open market was largely unaffordable to low-income families. In 11 of the study communities, 10 percent or less of the center-based care was affordable to low-income parents. At the same time, child care subsidies were found to make many centers and regulated family child care homes more accessible to low-income families. For both centers and family child care homes, subsidies were adequate to purchase care at the 75^{th} percentile of local market rates for regulated care. This pattern held for the care of infants, preschoolers, and school-age children. In 10 communities, 35 percent or more of center-based programs received public funding. In all but four communities, at least 20 percent received public support through the CCDF or other subsidy programs. Nonetheless, there was still wide variation in the distribution of subsidized care arrangements across the study sites.
- Another Consortium project found wide disparities in the availability of center and family child care slots across zip codes that included high numbers of TANF families (California Child Care Resource and Referral Network, 1999). Replication of this research in 2001 found that shortages continued to exist across the State and in local markets. Total licensed care remained in short supply with only one slot at a licensed center or family child care home for every 4.5 children with working parents. Only five percent (5%) of licensed center slots were

available for the care of infants and toddlers. And few licensed facilities offered evening care. At the same time, the total supply of licensed care has been increasing in California and the rate of increase appears to be accelerating. From 1998 to 2000, the total number of licensed slots grew 8.4 percent, up from a 6.8 percent increase between 1996 and 1998. The rate of increase in California has been particularly strong among family child care homes which grew 19 percent between 1998 and 2000 in contrast to a growth rate of 11 percent between 1996 and 1998.

- Other research is showing that TANF is creating new and expanded demands on State child care systems. As families have moved off TANF and into the labor market, many parents have taken jobs that require them to work evenings, weekends, and other non-traditional schedules. This relates in large part to an economy that increasingly operates seven days a week, 24-hours a day. Based on an analysis of data from the May 1997 Current Population Survey (CPS), Presser found that approximately 40 percent of jobs now require working other than eight-to-five, five days a week; and low-skilled workers in services and sales are even more likely to work non-traditional hours (1999). According to the California study cited above, only four percent (4%) of all licensed center slots were designated for children under age two and that only four percent (4%) of centers and 33 percent of FCC homes offered care during the evening, overnight, or on weekends. A study in Chicago found a similar lack of child care during non-standard hours. (Earl & Carlson, 1999)

Child Care Quality and Outcomes for Children

A large and growing body of research shows that young children who grow up in families with limited incomes are at risk for poor social outcomes. The most effective early childhood programs can positively influence a child's social and emotional development, enhance the likelihood of successful school performance in the early grades and, in some instances, reduce later risks of involvement with the special education and juvenile justice systems. Scientists have recently made many discoveries about how a child’s earliest experiences affect the way the brain is organized. For example, brain research now confirms that interactions and experiences in a child's early years have a big impact on a child's emotional development, learning abilities and functioning in later life. Researchers are also finding that the kind of care parents and others provide has an even greater effect on brain development than most people previously suspected.

- A literature review recently funded by ASPE (Vandell & Wolfe, 2000), entitled "Child Care Quality: Does it Matter and Does it Need to be Improved" reports that when caregivers are not overburdened with too many children and interact positively with the children in their care, children seem happier and more cognitively engaged. In addition, caregiver training and compensation is associated with positive interactions between caregivers and children. These positive interactions are associated with better cognitive, language, and social outcomes for children.
- Among the studies that support these findings is the NICHD Study of Early Child Care. This study found that the key characteristic for 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 and positive interactions are positively associated with school readiness in children. 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 by professionals. NICHD's "When Child-Care Classrooms Meet Recommended Guidelines for Quality," (1998) reports that most of the child care settings studied did not meet the standards recommended by the American Academy of Pediatrics and the American Public Health Association. Compliance ranged from 10 percent for infant classrooms to 34 percent for three-year-olds. Of the 50 sets of State child care regulations only three were found to meet the recommended child/staff ratio for toddlers. In addition, only nine States met the teacher-training standards for infants.

- A GAO study completed in January 2000, "Child Care: State Efforts to Enforce Safety and Health Requirements," found that States have increased the resources devoted to regulation and monitoring in recent years and are more likely to report regular monitoring visits to child care centers and family child care homes. However, only 20 States routinely conducted background checks on all providers who receive payment through CCDF and only 11 States had caseloads at or below the recommended level of 75 facilities per licensor.
- The second interim report of "The National Study of Child Care for Low-Income Families," examines family child care used by families eligible for or receiving child care subsidies (unpublished). For purposes of this study, family child care includes care provided by relatives, neighbors, friends and other unrelated adults as well as regulated homes. This study found that homes used by families in the sample were on average safe, healthy places for children. However, most homes had at least one risk factor including electrical outlets that were not covered, bedroom and bathroom doors that children could lock from the inside, not placing infants on their backs for sleeping, and inadequate practices relating to hand-washing and the handling of blood. In general, more risks were found in homes that provided care for related children only. In addition, this study found that while children in care were well-supervised, many providers failed to play with babies in care, and reading to children was observed in only 37 percent of the homes.
- As the ASPE-funded literature review on health and safety in child care documents, there is growing consensus that higher quality care makes a difference in the lives of children. (Fiene, 2002) This review examines recent research in the context of key regulatory variables that: 1) statistically predict compliance with State child care regulations; and 2) show that compliance with these indicators is associated with positive outcomes for children. (This review is available at: http://www.aspe.gov.) The findings of this review include:
  - Entry into child care places young children at greater risk for infectious disease and the increased use of non-parental care has furthered the spread of

communicable diseases within the preschool age group. However, licensed facilities help offset this risk since they typically require up-to-date immunizations. Small group size is an important determinant of health and safety in child care programs. In groups of three or fewer, infants and toddlers face no greater risk of infection than they would if cared for at home.

- Low staff-to-child ratios are important for health and safety by providing more opportunities for interaction with individual children, reducing caregiver stress and reducing the chance for child abuse or neglect. When adults care for a reasonable number of children, they tend to be more highly involved with the children individually and as a group. More time is spent in interacting positively with the children through such activities as praising, responding, comforting, questioning, and instructing. Less time is spent in being restrictive or punitive. Children are more cooperative, compliant, verbal, and creative as well as more attached to their caregivers, more socially adept, and more secure, leading them to be more exploratory and advanced in their play as well as more engaged with their caregivers and other children. They also show less distress, apathy, aggression, and withdrawal.
- Caregivers who are more highly educated and trained are more likely to promote the physical, emotional, social and cognitive development of the children in their care. They are more likely to view themselves as professionals and to focus on children's readiness for school. They remain in their jobs longer and tend to stay in the field, thereby promoting continuity and stability of care – an important aspect of quality.
- Small group size, low caregiver to child ratio and professional qualifications combine to exert beneficial effects on children's early learning and readiness for school. Children who do better on measures of cognition and language development typically are members of smaller groups who receive more individual attention, interact verbally with their caregivers more, and have caregivers who are more responsive, more sensitive, and less detached. Their teachers are also more highly educated and more likely to have had specific training in the care and education of young children.

Child Care Workforce Issues

As indicated above, 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, caregivers who are consistent, have established trusting relationships, and are better educated, trained and paid. Indications are, however, that turnover continues to be a barrier to the continuity and development of responsive relationships that are critical to child care quality. According to the *"Then and Now"* study (Whitebook, 2000), two-thirds of the child care workforce is gone in four years. (Phillips, unpublished) Most States are spending some of their CCDF quality funds to address workforce issues including initiatives that link training and compensation. In addition, a number of the Child Care Bureau's research grantees are exploring issues related to the child care workforce.

- A study of paid and unpaid informal care in Washington State was conducted by the Human Services Policy Center at the University of Washington with support from the Washington Department of Social and Human Services. This research found that such care accounted for about two-thirds of all non-parental care hours for infants, almost half for toddlers and about three-fifths of school-age children. 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. The caregivers were less affluent than the general adult population with a median household income of $30,000 compared to $42,000 for the State as a whole. They were also less educated with a smaller percentage having college degrees. 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.

- The child care workforce is the most important and costly component of the child care system, yet data has not been available to accurately describe it. A Child Care Bureau-funded study being conducted by the Center for the Child Care Workforce in cooperation with the University of Washington Human Services Policy Center developed a model for identifying the size and characteristics of the current child care workforce. Based on data from the 1999 National Household Education Survey, this study finds that approximately 2.3 million individuals are paid to care for preschool children (0-5 years). By provider setting, 550,000 are working in centers, 650,000 in family child care, 804,000 are paid relatives (other than family child care providers), and 298,000 are other paid non-relatives. Nearly half of these providers care for toddlers (19-36 months). This model is intended to support development of appropriate training strategies across a range of caregivers and to contribute to discussions about the financing of the child care system.

Outcomes for Families

Research consistently suggests a positive relationship between subsidies and employment, although the strength of the correlation varies significantly among studies.

- Starting with studies initiated by Child Care Bureau Partnership States, seven States have examined the question of where parents receiving child care subsidies work. These studies have used administrative data from State subsidy systems and linked this data with information from the Unemployment Insurance system. Across States, the major employers of parents receiving subsidies are the retail trade and service industries. Almost three-quarters of subsidy-receiving workers are employed in these two industries in Alabama, Florida, Oregon, and the District of Columbia (Glantz & Collins, unpublished).
- In "Child Care: Child Care Subsidies Increase the Likelihood that Low-Income Mothers Will Work," GAO demonstrates the pervasiveness of these issues by analyzing the trade-offs low-income mothers confront when they want to work but face high child care costs. According to this study, child care subsidies are often a strong factor in a parent's ability to work, and reducing child care costs increases the likelihood that poor and near-poor mothers will be able to work. The GAO

observed that affordable child care is a decisive factor that encourages low-income mothers to seek and maintain employment. In a 1996 study, the GAO found that single parents who received child care assistance more often successfully completed their training, obtained jobs or experienced other positive outcomes.

- Findings from the Child Care Bureau's Policy Research Consortium also demonstrate the connection between child care subsidies and employment of TANF recipients. A longitudinal study of child care, employment and earnings during the early stages of welfare reform in Miami-Dade County, Florida, shows that increases in child care subsidies were associated with an increase of approximately 10 percent in the likelihood that work-ready welfare recipients would become employed (Queralt, Witte & Griesinger, 1999). While this study reflects conditions in only one site and is not representative of other areas, it may be an important barometer for other States and locales. Specifically, an increase of $145 yearly in subsidy spending per potentially eligible child (under federal rules) increased the likelihood of employment from 59 to 71 percent for current and former recipients with few barriers to employment. Augmenting child care subsidy funding increased not only employment rates but also the earnings of current and former welfare recipients who were already working. The $145 increase in subsidy funding per child was associated with a 3.9 percent increase in earnings for those with few barriers to employment and a 7.2 percent increase for current and former recipients with moderate to severe barriers to employment.
- Employers also say that lack of good child care is a major issue in their attempts to build a stable, productive workforce. In studies cited by the National Conference of State Legislatures in their publication, *"Early Childhood Care and Education: An Investment that Works"* (1997), employers noted child care as causing more problems in the workplace than any other family-related issue. Increases in absenteeism and tardiness due to difficulties with child care were reported in nine out of 10 companies. Eighty percent of the companies surveyed said that workdays were cut short because of child care problems.

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PART VI: TECHNICAL ASSISTANCE

The Child Care and Development Block Grant Act requires that the Department of Health and Human Services provide technical assistance (TA) to help Child Care Lead Agencies with administering the CCDF. To satisfy this requirement, the Federal regulation reserves one quarter (1/4) of one percent (1%) of each year's CCDF appropriation for technical assistance. This technical assistance is targeted to the needs of State, Territorial, and Tribal grantees.

The creation of the Child Care and Development Fund resulted in significantly increased Federal and State funding for child care and more flexibility for States in the design and implementation of programs. This necessitated a change in the Federal government's role, from one of exercising control, to a greater emphasis on providing technical assistance and support. The Child Care Bureau created a network of technical assistance providers, the Child Care Technical Assistance Network, designed to be responsive to current and emerging needs of child care administrators, as well as parents, providers, and the public. The Child Care Bureau promotes improvements in child care delivery systems through conferences and training, consultation with CCDF administrators, and assistance provided through ACF Regional Offices.

State Child Care and Development Fund administrators face significant competing demands for finite resources. They struggle to improve the affordability and supply of child care for low-income families, while making quality investments. Through its technical assistance efforts, the Child Care Bureau assesses States' needs, identifies innovations in child care administration, and promotes the dissemination and replication of solutions to challenges that State and local child care programs face.

CHILD CARE TECHNICAL ASSISTANCE NETWORK

The Child Care Bureau promotes the collaboration among its technical assistance (TA) providers through the Child Care Technical Assistance Network (CCTAN). CCB uses the network to assess TA needs among CCDF grantees, strategically plan to meet those needs, share resources between projects, and coordinate efforts to improve TA services. The variety and scope of the projects ensure consistency and expertise to address the broad range of administrative, provider, and consumer technical assistance needs identified by CCDF grantees. These services are provided without charge to States, Territories, Tribes, and the public.

The technical assistance providers work in three broad categories:

1. Technical Assistance to CCDF Administrators on Program Administration, Data and Policies;
2. Partnerships for Quality; and
3. Public Outreach and Information Dissemination

In the section below, we describe each TA project in relation to these activities.

Technical Assistance to CCDF Administrators on Key Administrative Issues

- Child Care Administration Project
- Child Care Information Systems Technical Assistance Project
- National Child Care Information Center
- Tribal Child Care Technical Assistance Center

Child Care Administration Project

In response to the increased complexity and size of child care programs, as well as turnover among State child care administrators, the Child Care Bureau funded the Child Care Administration Project to provide technical assistance to States on subsidy administration and quality issues. This project facilitates peer technical assistance by providing opportunities for States to learn about innovative practices in other States. The project also highlights collaboration with other programs, including Child Support Enforcement and TANF.

Child Care Information Systems Technical Assistance Project

The Child Care Information Systems Technical Assistance Project helps States meet their reporting obligations and plays a key role in the analysis of the data provided by States. States face many challenges in data collection and submission, including outdated systems, the use of multiple systems across jurisdictions in the State, and often the lack of communication between State data and information system staff and child care program staff.

As a CCTAN provider, the information systems project offers technical assistance to States on collecting, managing, and reporting child care data. Technical assistance methods include free software to help States and Tribes with their data collection and reporting, computer-based training, a toll-free hot line, and site visits to trouble-shoot difficult systems problems. Recently contractor and Federal staff conducted a site visit to California to address reporting problems that have been ongoing since the inception of CCDF. Given California's size and the proportion of the CCDF dollars it receives, these problems have seriously hampered the Child Care Bureau in its ability to provide timely information about services provided through CCDF. California is now providing case-level data about children served through CCDF, a major step toward having a national, reliable data set. In addition, site visits have been conducted in a number of other States and Territories, including the Commonwealth of the Northern Mariana Islands, District of Columbia, Guam, Hawaii, Maryland, Ohio, Pennsylvania, and Utah.

The Project's Child Care Automation Resource Center hosts a website and a toll-free hot line. The Child Care Information Systems Project also provides technical workshops at CCB-sponsored conferences and training.

National Child Care Information Center (NCCIC)

The National Child Care Information Center (NCCIC) provides technical assistance and support to the Child Care Bureau, CCDF administrators, ACF Regional Offices, and the general public. These services have played a significant role in helping Federal and State governments make positive changes in the way child care is delivered across the country.

Technical assistance is provided to States on an ongoing basis through telephone consultation, research on innovative practices that might benefit the State, and on-site consultation through technical assistance liaisons. In addition, NCCIC produces TA publications on issues of concern to State administrators, such as a guide on conducting child care market rate surveys, materials on the recruitment and retention of child care staff, and a paper on States' initiatives in tiered reimbursement (in progress).

The following are examples of specific technical assistance and support NCCIC has provided to CCDF grantees.

- In Colorado, the technical assistance specialist provided consultation, information and materials about various licensing models and conducted research on other States' requirements and caseloads for licensing staff. Using this information, Colorado developed three pilot programs to test these models and increased the number of State child care licensors and their qualifications.
- States, including Alabama, Tennessee, and Washington, used information or technical assistance to change licensing regulations or to begin developing tiered licensing systems.
- Technical assistance was provided to Hawaii, resulting in the development of a request for proposals for two pilot programs designed to improve the quality of legal exempt care (kith and kin).
- In Illinois, a technical assistance specialist developed three training sessions on improving the quality of legal exempt care. More than 100 participants attended these sessions.
- NCCIC also provided information to States regarding criminal background checks (at least 18 States have requested information on this topic); provider training (at least half of States have requested information about other States' training requirements for family child care providers); and infant and toddler quality care (more than 30 States have asked for technical assistance related to their use of CCDF-earmarked funds to improve infant and toddler care).

Tribal Child Care Technical Assistance Center (TriTAC)

The Tribal Child Care Technical Assistance Center (TriTAC) supports over 260 Tribal Child Care grantees in their efforts to increase the availability and quality of child care, develop coordinated delivery systems, promote linkages with State and local programs, and improve child care opportunities for families, providers and Tribal communities.

TriTAC focuses on child care capacity building efforts that link Tribes nationally to share information and innovations. TriTAC sponsors a tribal child care home page, (http:/nccic.org/tribal), a toll-free information and referral line, an electronic listserv to promote communication by Tribal programs, and an annual conference that brings together Tribal grantees. In addition, they facilitate peer-to-peer learning among Tribes and provide specialized training tailored to meet Tribal grantees' needs. This includes training in program management, use of the free program management software developed by the Information Systems project, and other training to improve quality in Tribal programs.

Partnerships for Quality

- Center on the Social and Emotional Foundations for Early Learning
- Child Care Partnership Project
- Healthy Child Care America
- Map to Inclusive Child Care
- Quality in Linking Together (QUILT)

Center for the Social and Emotional Foundations of Early Learning

The Center on the Social and Emotional Foundations of Early Learning will identify and implement practices with demonstrated effectiveness in promoting children's social and emotional competence. Jointly funded by the Head Start and Child Care Bureaus, this five year project began in 2001. The University of Illinois has developed a consortium of universities and early childhood organizations to carry out the aims and activities of the Center. Partners include 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. The Center will strengthen the capacity of child care and Head Start to improve the social and emotional outcomes for young children. It will promote the social and emotional development of children as a means of preventing challenging behaviors, disseminate evidence-based practices, identify training needs of local programs and technical assistance providers, and collaborate with existing technical assistance providers to implement and sustain practices at the local level.

Child Care Partnership Project

The Child Care Partnership Project, which concluded in FY 2001, provided information and technical assistance to State child care administrators to help them work with businesses, government organizations, philanthropic organizations, and other groups to build and sustain partnerships. The project produced materials that will be used on an ongoing basis to promote public-private partnerships. These include profiles and case studies of successful models, materials for working with employers interested in child care, information on how to include parents when designing child care partnerships, a video to promote the public-private partnership model, and tools for successful ongoing partnerships. Tools and materials developed by the project are available in print and on the Internet at www.nccic.org/ccpartnerships.

Healthy Child Care America (HCCA)

The Healthy Child Care America Campaign (HCCA) is a collaboration of health professionals, child care providers, and families to improve the health and well being of children in child care. The Child Care Bureau sponsors technical assistance for Healthy Child Care America, in partnership with the Maternal and Child Health Bureau at HHS's Health Resources Services Administration (HRSA). The campaign assists States, Tribes, and communities in creating and enhancing the public and private linkages between families, child care providers, and health care professionals. Many of these partnerships help ensure that children in child care programs have access to medical services such as immunizations, health screening, and health education. Over 40 States receive Healthy Child Care America grants from the Maternal and Child Health Bureau. The technical assistance provided by the HCCA Campaign assists them in those efforts.

The Healthy Child Care America Campaign produces newsletters, blueprints for action, publications, brochures, and fact sheets. In addition, the project recruits pediatricians, pediatric nurse practitioners, and other health professionals to serve as health consultants in child care settings. Information on the project can be located on the National Child Care Information Center's website at http://ericps.ed.uiuc.edu/nccic/hcca/abthcca.html.

Map to Inclusion: Child Care for Children with Disabilities

The Map to Inclusion: Child Care Project for Children with Disabilities was a three-year technical assistance initiative launched by CCB in October of 1997. The project provided technical assistance to States and jurisdictions in designing, implementing, and evaluating policies and practices that successfully include children with disabilities in child care settings. Map to Inclusion encouraged States to implement systems and practices to ensure that children with disabilities have access to child care alongside their typically developing peers.

Thirty-one States participated over the course of the project. Participating States and jurisdictions included: Alaska, Arizona, California, Colorado, Connecticut, the District of Columbia, Florida, Illinois, Indiana, Iowa, Louisiana, Maine, Maryland, Massachusetts, Minnesota, Missouri, Montana, Nebraska, New Jersey, New Mexico, Nevada, Ohio, Oregon, Puerto Rico, Tennessee, Utah, Vermont, Virgin Islands, Washington, West Virginia, and Wisconsin.

Technical assistance staff worked with teams from each State to conduct a strategic planning process through which priorities and work plans were developed to address the needs of children with disabilities in each State. States promoted public awareness; trained administrators, providers, and consumers; provided on-site support or mentoring for child care providers; improved data collection and dissemination; and pursued policy initiatives at the executive or legislative branches of State government. States participating reported stronger interagency partnerships at the State level. CCB continues to incorporate lessons learned from the Map to Inclusion Project to increase the availability and quality of child care for children with disabilities.

Quality in Linking Together (QUILT)

The Head Start and Child Care Bureaus initiated the Quality in Linking Together project (QUILT) in 1998 to focus attention on the importance of partnerships among child care, Head Start, and other early childhood programs, to expand and enhance services for young children and their families. QUILT fosters full-day, full-year early education partnerships among Head Start, child care, pre-kindergarten, and other programs at the local, State, Tribal, Territorial, regional, and national levels. The Bureaus support the work of the QUILT by clarifying Federal policies including the publication of instructions regarding partnership models, eligibility policies, and blended funding.

Through presentations at national, regional and State events as well as interactive website sessions, dissemination of documents and written materials, and responses to hotline calls, QUILT provides multiple approaches to reach many audiences.

Since QUILT's inception, its website has recorded over 2 million hits, its hot line has handled over 2500 calls, and technical assistance has been provided to at least 46 States and nearly 1000 local programs. QUILT has developed and distributed over 60 local partnership profiles and 20 State profiles. These profiles, which are available on the QUILT website, http://www.quilt.org, illustrate how early education programs are partnering to provide high quality, comprehensive full-day, full-year services for children and families.

Public Outreach and Dissemination

- Child Care Aware
- National Child Care Information Center

Child Care Aware

Child Care Aware is a national toll-free child care consumer education hot line and website, administered by National Association of Child Care Resource and Referral Agencies, funded through an appropriations earmark. The toll-free number (1-800-424-2246) and searchable website (**www.childcareaware.org**) link parents with child care providers in their local communities. Both the hotline and the website are accessible in Spanish. During FY 2000, the toll-free number appeared in over 20 leading national media sources. The Better Business Bureau has produced a video featuring the Child Care Aware number and website. This video outlines the steps to finding quality child care, and will be distributed to over 16,000 public libraries.

Child Care Aware responds to almost 10,000 calls annually, primarily from parents looking for child care. Over 50 percent of the calls are from families relocating from one State to another. The Child Care Aware information is included in the Postal Services packet for customers who are moving. Both the hot line staff and the website connect users to local resource and referral agencies, which give families valuable information on choosing child care and help families identify local providers who can meet their needs.

Child Care Aware is also improving consumer education services at the nearly 800 local child care resource and referral agencies throughout the country. Child Care Aware has launched a quality assurance initiative that sets voluntary standards for parent referral at local child care resource and referral agencies, including factors such as hours of service and accuracy of information provided to parents. In addition, Child Care Aware has produced a portfolio of brochures on choosing child care, including special brochures for finding care for children with disabilities, infants and toddlers, and school age children, as well as materials for families who plan to use a relative caregiver. All brochures are in English and Spanish. The materials are distributed nationwide through the local resource and referral agencies that ordered over 300,000 brochures to distribute to parents in 2001.

National Child Care Information Center (NCCIC)

The National Child Care Information Center (NCCIC) collects, develops, and disseminates child care information to a wide variety of audiences, including Federal, State and local policymakers, providers, parents, and the general public. Since it's inception in 1995, NCCIC has responded to over 45,000 information requests. All information is provided free of charge, and recipients may reproduce and distribute any resources received. In order to support the information services, the NCCIC maintains a library of almost 14,000 child care related documents. During 2002, NCCIC will work to make many of the most frequently requested library holdings available in full text on the website.

NCCIC's website (nccic.org) is a leading source of child care information and referral. Since it was established in January 1996, the website has received more than 2.3 million hits. The website provides information about State child care systems, resource lists on common child care topics, answers to frequently asked questions and links to dozens of child care organizations.

In addition, NCCIC publishes the quarterly *Child Care Bulletin,* on behalf of the Child Care Bureau.

TECHNICAL ASSISTANCE LEADERSHIP

The Child Care Bureau and the ACF Regional Offices provide leadership to grantees using a variety of methods including child care meetings and leadership forums, conference calls, and ongoing consultation.

Technical Assistance Leadership

- National and Regional Conferences and Training
- Consultation with CCDF Administrators
- ACF Regional Office Technical Assistance Activities

National and Regional Conferences and Training

Each year, the Child Care Bureau produces national conferences for State, Territorial and Tribal Administrators, leadership forums on emerging child care issues, and a series of regional conferences that focus on the needs of smaller groups of State and Tribal Grantees.

Annually, the Bureau sponsors three national meetings: the National State Child Care Administrators Meeting, the Child Care Policy Research Consortium meeting, and the Healthy Child Care America Conference. We also respond to emerging issues through topical National Leadership Forums. In the past two years, CCB has hosted national leadership forums focused on child care issues in rural communities, child care issues for Hispanic families, and promoting early literacy in child care settings.

With financial support from the Child Care Bureau, each ACF Regional Office annually sponsors child care meetings and conferences. State child care administrators are involved in planning for regional meetings and conferences which are tailored to the needs of State child care administrators in the region. For instance, the Region VI Mid-Winter Leadership Conference for Arkansas, Louisiana, New Mexico, Oklahoma, and Texas included a full day devoted exclusively to State child care administrators' discussion of ways to enhance child care quality and quantity. The two primary issues discussed were public-private partnerships and providing child care in rural areas.

PBS "Lions" and "Vowelles" perform at the Summer 2002 Child Care State Administrators Meeting (far left: Charlotte Brantley, Senior Director, *Ready to Learn PBS*; far right: Shannon Christian, Associate Commissioner, Child Care Bureau; kneeling in center: Windy Hill, Associate Commissioner, Head Start Bureau,)

Ongoing Consultation with States, Territories, and Tribes

The Child Care Bureau maintains two informal workgroups of State and Tribal grantees to provide consultation and feedback on the needs of grantees and emerging issues in the field. These groups meet quarterly or as needs arise.

Through a listserv established by the Child Care Bureau, State child care administrators communicate with each other about emerging policy issues. Topics discussed in recent months through the listserv include: eligibility policy, reimbursement rates and payment policies, serving special populations, licensing, interactive websites for subsidy applications, employer contributions and child care subsidies, State contracts procedures, State administrative structures, mobile training for providers, and the use of TANF monies for child care.

For consultation and information purposes, the Child Care Bureau also sponsors national audioconferences for CCDF Administrators. In 2002, the Bureau intends to sponsor calls regarding Department of Education programs that lend themselves to partnerships with child care.

Technical Assistance provided by ACF Regional Offices

ACF's Regional Offices also provide technical assistance leadership to States. For example:

- Region III developed a "Back-to-Basics" notebook for Delaware, Maryland, Pennsylvania, Virginia, DC, and West Virginia. This notebook includes regional State profiles, CCB information, CCDF Program Instructions and Information Memoranda, data tables and charts from State annual reports, a matrix that summarizes State policies and practices and other information of relevance to States.
- Region VIII developed a research notebook, including copies of recent journal and professional articles, for distribution to child care administrators in Colorado, Montana, North Dakota, South Dakota, Utah, and Wyoming.
- Region VIII also established a Regional Early Childhood Council (RECC) consisting of approximately 40 child care, Head Start, and other early childhood representatives from the six States.

CONCLUSION

Training and technical assistance are critical supports to child care providers and State CCDF administrators. In addition to the technical assistance initiated and coordinated by CCB, States have also taken the lead in meeting certain technical assistance needs. States have made training available to providers through scholarships for Child Development Associate (CDA) and other credential training, and scholarships that have allowed providers to attend State and national conferences. Some States have established statewide career development systems and funded mobile vans to take training materials to rural providers. The Child Care Bureau's partnerships with States and technical assistance strategies have contributed to the success of State and local programs during an unprecedented period of change. Through its many technical assistance, training and research efforts, the Child Care Bureau provides leadership in responding to the needs of grantees and the child care field.

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PART VII: APPENDIX

REPORTING OVERVIEW FOR STATES AND TERRITORIES (AUGUST 2000)

	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.	States are required to use the ACF-696 to report 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	Annual	Monthly or Quarterly (Grantee's choice)
Reporting period(s)	Two-year periods starting with an even-numbered fiscal year (e.g. FY2002 – FY2003, or Oct 1, 2001 – Sep 30, 2003)	1. Oct 1 – Dec 31 2. Jan 1 – Mar 31 3. Apr 1 – Jun 30 4. Jul 1 – Sep 30	Federal fiscal year (Oct 1 – Sep 30)	Every month or quarter
Due when	• *The July 1st prior to the reporting period*	• *30 days after end of quarter*	• *Dec 31 (three months after end of reporting period)*	• *For monthly reporting: 90 days after end of month* • *For quarterly reporting: 60 days after end of quarter*
Submission method	• *Hard copy, or* • *Email attachment (to ACF Regional Office, by prior arrangement)*	• *Currently: Hard copy* • *In the future: Via new ACF forms database (probably starting sometime in late 2001)*	• *Internet data entry and submission (at http://www.acf.dhhs.gov/cgi-bin/ccis/acf800.cgi)* • *Electronic and hard-copy attachments (to info@nccic.org)*	• *Electronic data files (via Social Security Administration's Connect:Direct network)*
Submit to	• *ACF Regional Office*	• *ACF Regional Office*	• *Child Care Bureau, Reports Manager (via internet)*	• *Department of Health and Human Services (via Connect:Direct)*
Technical assistance	• ACF Regional Office	• *ACF Regional Office*	• *On-line help for ACF-800: http://www.acf.dhhs.gov/programs/ccb/report/formhelp/acf800/* • *ACF Regional Office* • *Child Care Automation Resource Center*	• *ACF Regional Office* • *Child Care Automation Resource Center*

CHILD CARE AND DEVELOPMENT FUND STATE INFORMATION CHART (05/15/02)

State	85% of State Median Income (Annual)[i]	Income Eligibility if Lower than 85% (include dollar amount)[ii]	Waiting List as of March/April 2002[iii]	Single System[iv]	CCDF Priority for Child Care Services[v]	TANF FY2001 Funds - TANF Transfer to CCDF as of 9/30/01[vi]	TANF Direct Spending on Child Care - FY 2001[vii]	*TANF Unobligated Balances - FY 2001[viii]
Alabama	$37,416	43% ($19,020)	4,500	No	JOB, TCC, Special needs	20% $26,638,578	$ -0-	$ 62,222,509
Alaska	$53,772	62% ($38,928)	Does not maintain a waiting list. Serves all eligible applicants	No	TANF families enrolled in eligible training or employment	11% $3,286,015	$ 8,254,461	$ 4,441,810
Arizona	$37,872	54% ($24,156)	None – Serves all eligible applicants	No	TANF and TCC eligible families	.28% $650,000	$ 33,841,087	$ 962,209
Arkansas	$33,324	60% ($23,520)	853	No	TANF and Very low income	18% $12,000,000	$ 3,927,728	$ -0-
California	$39,780	75% ($35,100)	250,000	No	CPS families first, lowest income families next priority.	0%	$ 507,079,327	$ -0-
Colorado	$45,288	62% ($32,916)	567	No	Priority to families below 130% FPL	11% $16,234,443	$ 3,602,754	$ 1
Connecticut	$53,940	75% ($47,592)	Does not maintain a waiting list. Serves all eligible applicants.	No	TANF and Very low income	0%	$ -0-	$ -0-
Delaware	$46,824	53% ($29,280)	None – Serves all eligible applicants.	No	TANF and TANF employed families	0%	$ -0-	$ 25,000,000
D.C.	$44,472	80% ($41,640)	9,236	No	Very low income and Transitional Families	18% $18,521,963	$ 14,698,014	$ -0-

State	85% of State Median Income (Annual)[i]	Income Eligibility if Lower than 85% (include dollar amount)[ii]	Waiting List as of March/April 2002[iii]	Single System[iv]	CCDF Priority for Child Care Services[v]	TANF FY2001 Funds - TANF Transfer to CCDF as of 9/30/01[vi]	TANF Direct Spending on Child Care - FY 2001[vii]	*TANF Unobligated Balances - FY 2001[viii]
Florida	$39,684	63% ($29,268)	40,000	No	Abuse and neglected, At-Risk of TANF	23% $150,447,769	$ 38,165,225	$ -0-
Georgia	$42,828	85% ($42,828)	13,166	No	TANF, Low income	11% $40,000,000	$ -0-	$ 93,623,742
Hawaii	$41,748	80% (39,288)	Does not maintain a waiting list.	No	CPS families, TCC, very low income or TANF	6% $4,800,000	$ -0-	$ 39,969,716
Idaho	$34,056	51% ($20,472)	Does not maintain a waiting list. Serves all eligible applicants.	No	TANF families	24% $8,511,050	$ -0-	$ -0-
Illinois	$47,376	39% ($21,816)	None – Serves all eligible applicants	Yes	None – Serves all eligible applicants	5% $30,087,522	$ 102,445,190	$ -0-
Indiana	$39,473	57% ($26,484)	14,043	No	TANF, Transitional families, CPS	28% $53,250,771	$ 39,414,994	$ -0-
Iowa	$41,460	47% (22,680)	None – Serves all eligible applicants	No	Families below 100% FPL and work at least 28 hrs or enrolled in training	21% $27,471,328	$ 8,802	$ 9,676,951
Kansas	$46,488	49% ($27,060)	None – Serves all eligible applicants	No	Families participating in work and receiving TANF, Families receiving Social Service Child Care, Transitional families	11% $10,989,284	$ -0-	$ 6,627,895
Kentucky	$37,260	55% ($24,144)	None – Serves all eligible applicants	No	Special needs, Protective Services	27% $36,240,000	$ 12,530,291	$ 20,608,501

State	85% of State Median Income (Annual)[i]	Income Eligibility if Lower than 85% (include dollar amount)[ii]	Waiting List as of March/April 2002[iii]	Single System[iv]	CCDF Priority for Child Care Services[v]	TANF FY2001 Funds - TANF Transfer to CCDF as of 9/30/01[vi]	TANF Direct Spending on Child Care - FY 2001[vii]	*TANF Unobligated Balances - FY 2001[viii]
Louisiana	$35,304	60% ($24,924)	None – Serves all eligible applicants	No	TANF and Very low income	30% $54,299,699	$ -0-	$ 8,319,268
Maine	$36,456	85% ($36,456)	2,100	No	Very low income, Special needs children	3% $2,547,712	$ 7,188,616	$ 9,688,952
Maryland	$53,412	40% (25,140)	None – Serves all eligible applicants	No	TANF and Transitional families	24% $40,837,806	$ 377,082	$ 29,296,893
Massachusetts	$49,248	50% ($28,969.91)	21,000	No	Families currently using CCDF services	20% $91,874,224	$ 106,216,905	$ -0-
Michigan	$43,740	47% ($26,064)	None - Serves all eligible applicants	No	All eligible families served	2% $14,678,240	$ 165,185,097	$ 129,421,704
Minnesota	$47,604	75% ($42,012)	4,714 as of 12/01	No	Very low income	8% $21,099,900	$ 1,090	$ 65,657,242
Mississippi	$30,156	85% ($30,156)	11,200	No	Transitional families, Very low income	20% $19,636,326	$ 25,761	$ -0-
Missouri	$36,120	42% ($17,784)	None – Serves all eligible applicants	No		9% $20,712,684	$ -0-	$ 1
Montana	$36,384	51% ($21,948)	None – Serves all eligible applicants	No	TANF	16% $7,612,239	$ -0-	$ 22,674,936
Nebraska	$40,476	53%($25,260)	None – Serves all eligible applicants	No	Special needs, Very low income	16% $9,000,000	$ -0-	$ 14,778,066
Nevada	$42,468	75% ($37,476)	None – Serves all eligible applicants	No	Special needs families with income below 75% SMI, TANF families	0%	$ -0-	$ 22,796,323

State	85% of State Median Income (Annual)[i]	Income Eligibility if Lower than 85% (include dollar amount)[ii]	Waiting List as of March/April 2002[iii]	Single System[iv]	CCDF Priority for Child Care Services[v]	TANF FY2001 Funds - TANF Transfer to CCDF as of 9/30/01[vi]	TANF Direct Spending on Child Care - FY 2001[vii]	*TANF Unobligated Balances - FY 2001[viii]
New Hampshire	$43,560	62% ($31,776)	Does not maintain a waiting list. Serves all eligible applicants	No	Special needs Children and Very low income	0%	$ -0-	$ 15,429,847
New Jersey	$50,682	61% ($36,570)	8,724	No	Protective Services and Special needs	19% $79,806,965	$ -0-	$ -0-
New Mexico	$31,896	78($29,256)	Does not maintain a waiting list.	No	TANF and Very low income	24% $31,215,087	$ -0-	$ 35,280,461
New York	$40,800	61% ($29,256)	Does not maintain a waiting list	No	Special needs, Very low income	15% $375,000,000	$ -0-	$ 6,523,441
North Carolina	$38,784	75% ($34,224)	22,616	No	Low income, Protective Services	28% $72,549,902	$ 26,621,242	$ 65,651,762
North Dakota	$36,420	69% ($29,556)	None – Serves all eligible applicants.	No	TANF families	0%	$ 748,045	$ 11,393,398
Ohio	$40,152	57% ($27,060)	None – Serves all eligible applicants.	No	TANF, Transitional families, At-risk families	19% $136,654,269	$ -0-	$ 105,433,009
Oklahoma	$37,320	53% ($23,232)	None – Serves all eligible applicants.	No	TANF and Special needs children	20% $30,330,284	$ -0-	$ 92,909,516
Oregon	$38,496	60% ($27,060)	Does not maintain a waiting list. Serves all eligible applicants.	Yes		0%	$ 9,387,772	$ 597,592
Pennsylvania	$42,516	58% ($29,256)	2,599	No	TANF	4% $25,558,000	$ 5,135,343	$ 37,112,126

State	85% of State Median Income (Annual)[i]	Income Eligibility if Lower than 85% (include dollar amount)[ii]	Waiting List as of March/April 2002[iii]	Single System[iv]	CCDF Priority for Child Care Services[v]	TANF FY2001 Funds - TANF Transfer to CCDF as of 9/30/01[vi]	TANF Direct Spending on Child Care - FY 2001[vii]	*TANF Unobligated Balances - FY 2001[viii]
Puerto Rico	$15,348	85% ($15,348)	None – Serves all eligible applicants.	No	Special needs children			
Rhode Island	$46,740	60% ($32,917)	None	Yes	Available to all families	1% $520,910	$ -0-	$ -0-
South Carolina	$39,960	47% ($21,948)	None- Does not maintain a list	No	TANF, Protective service, Special needs	1% $1,354,617	$ -0-	$ -0-
South Dakota	$42,048	44% ($21,948)	None, serves all eligible applicants	No	Special needs and TANF families	20% $4,255,930	$ -0-	$ 6,051,045
Tennessee	$37,116	60% ($26,208)	12,500	No	Very low income, TANF	30% $66,293,517	$ 14,565,603	$ 42,820,219
Texas	$38,052	85% ($38,052)	37,000 – 39,000	No	TANF and Transitional families	0%	$ -0-	$ -0-
Utah	$40,872	56% ($26,928)	Does not maintain a list, difficult tracking families	No	TANF families participating in employment	0%	$ 24,008	$ 46,528,001
Vermont	$34,404	76.67% - $31,032	None	Yes	All eligible families served	13% $6,159,809	$ 2,959,208	$ -0-
Virginia	$45,948	50.06% - $27,060	2,962	No	TANF and Transitional families.	17% $27,699,905	$ 140,246	$ -0-
Washington	$44,040	63% ($32,916)	None, all eligible applicants served (occasional seasonal CC wait list)	Yes	Very low income and Special needs children first	22% $86,738,000	$ 87,450,764	$ -0-
West Virginia	$32,268	74.54% ($28,296)	None	No	Teen parents and Protective Service cases	0%	$ 25,412,693	$ 3,615,242

State	85% of State Median Income (Annual)[i]	Income Eligibility if Lower than 85% (include dollar amount)[ii]	Waiting List as of March/April 2002[iii]	Single System[iv]	CCDF Priority for Child Care Services[v]	TANF FY2001 Funds - TANF Transfer to CCDF as of 9/30/01[vi]	TANF Direct Spending on Child Care - FY 2001[vii]	*TANF Unobligated Balances - FY 2001[viii]
Wisconsin	$45,288	51% ($27,060)	None	Yes	Serves all eligible applicants	19% $63,500,000	$ 132,748,560	$ 1
Wyoming	$39,720	58% ($27,060)	None, all eligible children served	No	Special needs and working families below 115% FPL	20% $4,019,565	$ -0-	$ 3,690,032

*****While these funds are available to be used for child care and other purposes, some States reserve "rainy day" funds against future problems with the economy and TANF caseload growth.

[ii] Source: FY 2002-2003 CCDF State Plans; median income based on a family of 3.
[ii] Source: FY 2002-2003 CCDF State Plans; median income based on a family of 3.
[iii] Source: State Child Care Lead Agency
[iv] Source: Children's Defense Fund Report (A Fragile Foundation: State Child Care Assistance Policies), Urban Institute Policy Brief #4, February 2002.
[v] Source: FY 2002-2003 CCDF State Plans
[vi] Source: ACF 696 CCDF State Reports for FY 2001, quarter ending 9/30/01. **Note:** Amounts reported for the following States are different than the data reported on the ACF 196 State reports: AL, CO, HI, ID, LA, ME, MD, MA, NC, RI and WI.
[vii] Source: ACF 196 State TANF Report for FY 2001 assistance and non-assistance expenditures, quarter ending 9/30/01.
[viii] Source: ACF 196 State TANF Report for FY 2001, quarter ending 9/30/01.

Table 1. Child Care and Development Fund
Average Monthly Adjusted Number of Families and Children Served (FY 2000)

States/Territories	Average Number of Families	Average Number of Children	States/Territories	Average Number of Families	Average Number of Children
Alabama	18,200	31,500	Montana	3,900	6,900
Alaska	3,700	6,200	Nebraska	7,100	12,400
Arizona	22,800	38,400	Nevada	3,400	5,700
Arkansas	6,500	10,900	New Hampshire	2,600	3,900
California	123,800	183,400	New Jersey	30,700	45,800
Colorado	13,900	24,900	New Mexico	10,400	17,600
Connecticut	6,600	11,800	New York	124,800	200,200
Delaware	4,200	7,100	North Carolina	53,000	82,700
District of Columbia	5,200	9,500	North Dakota	2,900	4,500
Florida	40,300	70,800	Ohio	41,800	71,900
Georgia	30,600	53,400	Oklahoma	17,400	28,300
Hawaii	4,500	7,200	Oregon	10,500	20,100
Idaho	4,800	8,300	Pennsylvania	37,800	81,300
Illinois	54,800	106,800	Rhode Island	4,300	7,000
Indiana	13,800	24,500	South Carolina	9,800	16,500
Iowa	10,800	17,400	South Dakota	2,100	3,600
Kansas	7,800	13,900	Tennessee	29,100	57,800
Kentucky	20,900	36,100	Texas	56,100	103,100
Louisiana	23,900	40,300	Utah	5,800	11,300
Maine	-	-	Vermont	3,900	5,700
Maryland	11,800	19,500	Virginia	10,800	17,300
Massachusetts	21,800	30,800	Washington	32,000	54,000
Michigan	14,500	28,000	West Virginia	6,600	11,100
Minnesota	13,700	24,500	Wisconsin	11,900	21,100
Mississippi	9,300	11,000	Wyoming	1,800	3,000
Missouri	29,900	35,900			
			Total	**1,038,600**	**1,744,900**

Notes:

1. The source for this table is the ACF-801 data from FY 2000.
2. The adjusted number of families and children served is the average number reported by each State on the monthly ACF-801 submission multiplied by the pooling factor reported in the ACF-800 form.
3. For all States, the average monthly number of children is extrapolated from data provided by States, based on the ratio of children to families.
4. Maine, Guam, Northern Marianas, Puerto Rico, and Virgin Islands were unable to report any ACF-801 case-level data in FY 2000 at the time of report preparation.
5. California, District of Columbia, Kansas, Missouri, Nebraska, New Jersey, North Carolina, and Tennessee average monthly numbers are based on FY 2000 pooling factors that only apply to the ACF-801 data.
6. California average monthly numbers are based on October 2000 counts and FY 1999 ACF-696 data, the most reliable estimate of the number of families and children served for FY 2000, and on an estimated FY 2000 pooling factor that only applies to the ACF-801 data. CA and the Child Care Bureau are continuing to analyze FY 2000 data to obtain better estimates of the number of families and children served.

Table 2. Child Care and Development Fund
Average Monthly Percentages of Children by Age Group (FY 2000)

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	Total
Alabama	7%	14%	15%	14%	13%	10%	26%	0%	100%
Alaska	4%	9%	11%	12%	12%	12%	40%	0%	100%
American Samoa	4%	10%	19%	26%	15%	20%	7%	0%	100%
Arizona	6%	11%	12%	13%	12%	11%	34%	0%	100%
Arkansas	10%	16%	16%	16%	14%	9%	20%	0%	100%
California	2%	5%	8%	14%	19%	13%	39%	0%	100%
Colorado	7%	12%	11%	12%	13%	10%	34%	0%	100%
Connecticut	5%	10%	10%	10%	10%	9%	46%	1%	100%
Delaware	7%	12%	12%	14%	12%	11%	32%	0%	100%
District of Columbia	3%	9%	15%	20%	16%	8%	29%	0%	100%
Florida	5%	12%	13%	14%	12%	10%	33%	0%	100%
Georgia	7%	13%	14%	15%	13%	9%	30%	0%	100%
Guam	-	-	-	-	-	-	-	-	-
Hawaii	4%	11%	13%	14%	14%	8%	34%	1%	100%
Idaho	8%	13%	12%	13%	13%	11%	30%	0%	100%
Illinois	5%	9%	10%	10%	10%	10%	44%	0%	100%
Indiana	7%	11%	12%	11%	11%	10%	37%	1%	100%
Iowa	7%	12%	12%	12%	11%	9%	36%	1%	100%
Kansas	7%	12%	13%	13%	13%	12%	30%	0%	100%
Kentucky	7%	12%	14%	12%	12%	10%	34%	0%	100%
Louisiana	7%	13%	16%	14%	12%	9%	30%	0%	100%
Maine	-	-	-	-	-	-	-	-	-
Maryland	5%	11%	12%	13%	12%	10%	38%	0%	100%
Massachusetts	4%	10%	11%	14%	14%	11%	36%	0%	100%
Michigan	5%	9%	10%	10%	10%	10%	45%	1%	100%
Minnesota	6%	10%	12%	12%	11%	10%	38%	0%	100%
Mississippi	5%	13%	16%	15%	13%	10%	27%	0%	100%
Missouri	5%	10%	12%	13%	13%	10%	36%	0%	100%
Montana	7%	11%	12%	12%	11%	11%	35%	0%	100%
Nebraska	9%	11%	13%	13%	11%	10%	32%	1%	100%
Nevada	7%	11%	13%	13%	13%	11%	32%	1%	100%
New Hampshire	-	-	-	-	-	-	-	-	-
New Jersey	5%	10%	11%	15%	16%	11%	31%	0%	100%
New Mexico	6%	12%	12%	13%	11%	11%	35%	0%	100%
New York	3%	7%	9%	13%	14%	11%	42%	0%	100%
North Carolina	8%	12%	14%	14%	12%	9%	31%	0%	100%
North Dakota	7%	13%	15%	15%	12%	11%	27%	0%	100%
Northern Mariana Islands	-	-	-	-	-	-	-	-	-

Table 2 (continued). Child Care and Development Fund
Average Monthly Percentages of Children by Age Group (FY 2000)

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	Total
Ohio	6%	11%	13%	13%	14%	10%	32%	0%	100%
Oklahoma	8%	12%	14%	12%	13%	10%	30%	0%	100%
Oregon	6%	11%	11%	11%	11%	9%	41%	0%	100%
Pennsylvania	4%	8%	9%	11%	11%	11%	45%	0%	100%
Puerto Rico	-	-	-	-	-	-	-	-	-
Rhode Island	5%	10%	11%	12%	11%	10%	40%	1%	100%
South Carolina	3%	8%	12%	13%	15%	15%	34%	0%	100%
South Dakota	8%	12%	13%	13%	13%	10%	30%	0%	100%
Tennessee	7%	12%	12%	12%	12%	10%	34%	0%	100%
Texas	7%	12%	14%	13%	12%	10%	32%	0%	100%
Utah	7%	10%	13%	12%	12%	10%	35%	0%	100%
Vermont	4%	10%	12%	13%	14%	12%	35%	0%	100%
Virgin Islands	-	-	-	-	-	-	-	-	-
Virginia	4%	10%	13%	12%	14%	11%	35%	0%	100%
Washington	6%	11%	12%	12%	12%	11%	36%	0%	100%
West Virginia	6%	10%	11%	12%	12%	11%	38%	0%	100%
Wisconsin	9%	12%	13%	14%	12%	10%	31%	0%	100%
Wyoming	7%	12%	14%	13%	13%	10%	31%	0%	100%
National Average	**5%**	**10%**	**12%**	**13%**	**13%**	**10%**	**36%**	**0%**	**100%**

Notes:

1. The source of this table is from FY 2000 ACF-801 data.
2. The National Average was determined by weighting each states percentage by the number of adjusted children in each category, summing across the states and then dividing by the sum of the weights (National adjusted number of children served by CCDF).
3. A "0%" indication often means the value is less than 0.5% rather than actually zero.
4. In some instances the sum may appear to add to 99% or 101% because of rounding.
5. Guam, Maine, the Northern Mariana Islands, Puerto Rico and the Virgin Islands did not submit ACF-801 data for FY 2000.

Table 3. Child Care and Development Fund
Average Monthly Percentages of Children by Racial Group (FY 2000)

States/Territories	Native American or Alaskan Native	Asian	Black or African American	Native Hawaiian or Pacific Islander		Multi-Racial	Race not Reported	Total
Alabama	0%	0%	73%	0%	27%	0%	0%	100%
Alaska	10%	1%	12%	1%	55%	11%	8%	100%
American Samoa	0%	2%	0%	97%	0%	1%	0%	100%
Arizona	5%	0%	15%	0%	69%	0%	10%	100%
Arkansas	0%	1%	66%	0%	32%	0%	0%	100%
California	2%	5%	26%	1%	30%	2%	34%	100%
Colorado	1%	1%	21%	0%	69%	0%	9%	100%
Connecticut	0%	0%	40%	0%	20%	0%	40%	100%
Delaware	0%	0%	65%	0%	26%	0%	8%	100%
District of Columbia	0%	0%	92%	0%	0%	0%	8%	100%
Florida	0%	0%	54%	0%	29%	0%	17%	100%
Georgia	0%	0%	77%	0%	22%	0%	0%	100%
Guam	-	-	-	-	-	-	-	-
Hawaii	0%	18%	3%	52%	8%	0%	19%	100%
Idaho	2%	0%	1%	0%	86%	0%	11%	100%
Illinois	0%	0%	67%	2%	17%	0%	14%	100%
Indiana	1%	0%	45%	0%	46%	7%	1%	100%
Iowa	1%	1%	20%	0%	76%	0%	3%	100%
Kansas	1%	0%	33%	0%	59%	0%	6%	100%
Kentucky	0%	0%	32%	0%	62%	0%	6%	100%
Louisiana	0%	0%	81%	0%	18%	1%	0%	100%
Maine	-	-	-	-	-	-	-	-
Maryland	0%	1%	77%	0%	19%	1%	3%	100%
Massachusetts	0%	1%	11%	0%	26%	0%	62%	100%
Michigan	0%	0%	53%	0%	35%	8%	4%	100%
Minnesota	3%	4%	21%	0%	67%	0%	4%	100%
Mississippi	0%	0%	87%	0%	12%	1%	0%	100%
Missouri	0%	0%	47%	0%	36%	0%	17%	100%
Montana	11%	1%	1%	0%	78%	0%	10%	100%
Nebraska	2%	0%	29%	0%	62%	0%	6%	100%
Nevada	2%	1%	27%	4%	50%	0%	15%	100%
New Hampshire	0%	0%	0%	0%	9%	0%	90%	100%
New Jersey	0%	1%	48%	0%	14%	0%	37%	100%
New Mexico	6%	0%	5%	0%	86%	2%	1%	100%
New York	0%	1%	23%	0%	18%	0%	57%	100%
North Carolina	3%	0%	58%	1%	36%	1%	1%	100%
North Dakota	17%	0%	2%	0%	79%	1%	0%	100%
Northern Mariana Islands	-	-	-	-	-	-	-	-

Table 3 (continued). Child Care and Development Fund Average Monthly Percentages of Children by Racial Group (FY 2000)

States/Territories	Native American or Alaskan Native	Asian	Black or African American	Native Hawaiian or Pacific Islander	White	Multi-Racial	Race not Reported	Total
Ohio	0%	0%	54%	0%	43%	0%	3%	100%
Oklahoma	9%	0%	35%	0%	56%	0%	0%	100%
Oregon	2%	2%	10%	0%	72%	0%	14%	100%
Pennsylvania	0%	0%	26%	0%	28%	1%	44%	100%
Puerto Rico	-	-	-	-	-	-	-	-
Rhode Island	0%	0%	13%	0%	38%	1%	48%	100%
South Carolina	0%	0%	81%	0%	19%	0%	0%	100%
South Dakota	28%	0%	4%	0%	66%	0%	2%	100%
Tennessee	0%	0%	71%	1%	28%	0%	0%	100%
Texas	0%	0%	40%	0%	16%	0%	43%	100%
Utah	0%	6%	5%	0%	75%	0%	14%	100%
Vermont	0%	1%	1%	0%	98%	0%	0%	100%
Virgin Islands	-	-	-	-	-	-	-	-
Virginia	0%	1%	68%	0%	28%	1%	2%	100%
Washington	2%	1%	8%	0%	34%	0%	54%	100%
West Virginia	0%	0%	16%	0%	78%	3%	4%	100%
Wisconsin	1%	0%	33%	0%	35%	1%	29%	100%
Wyoming	4%	0%	4%	0%	82%	0%	10%	100%
National Average	**1%**	**1%**	**40%**	**1%**	**33%**	**1%**	**23%**	**100%**

Notes:

1. The source of this table is from FY 2000 ACF-801 data.
2. The National Average was determined by weighting each states percentage by the number of adjusted children in each category, summing across the states and then dividing by the sum of the weights (National adjusted number of children served by CCDF).
3. A “0” may indicate that the percentage was less than 0.5%.
4. In some instances the sum may appear to add to 99% or 101% because of rounding.
5. Guam, Maine, the Northern Mariana Islands, Puerto Rico and the Virgin Islands did not submit ACF-801 data for FY 2000.

Table 4. Child Care and Development Fund
Average Monthly Percentages of Children by Latino Ethnicity (FY 2000)

States/Territories	Latino	Not Latino	Ethnicity not Reported	Total
Alabama	0%	100%	0%	100%
Alaska	7%	92%	0%	100%
American Samoa	0%	100%	0%	100%
Arizona	39%	61%	0%	100%
Arkansas	0%	100%	0%	100%
California	42%	51%	7%	100%
Colorado	33%	67%	0%	100%
Connecticut	36%	63%	1%	100%
Delaware	6%	94%	0%	100%
District of Columbia	7%	93%	0%	100%
Florida	17%	83%	0%	100%
Georgia	1%	99%	0%	100%
Guam	-	-	-	-
Hawaii	2%	98%	0%	100%
Idaho	11%	89%	0%	100%
Illinois	5%	87%	8%	100%
Indiana	4%	96%	0%	100%
Iowa	3%	97%	0%	100%
Kansas	6%	94%	0%	100%
Kentucky	0%	94%	5%	100%
Louisiana	0%	100%	0%	100%
Maine	-	-	-	-
Maryland	2%	98%	0%	100%
Massachusetts	23%	40%	37%	100%
Michigan	12%	88%	0%	100%
Minnesota	5%	95%	0%	100%
Mississippi	0%	100%	0%	100%
Missouri	1%	99%	0%	100%
Montana	1%	99%	0%	100%
Nebraska	6%	94%	0%	100%
Nevada	15%	85%	0%	100%
New Hampshire	1%	0%	99%	100%
New Jersey	23%	63%	13%	100%
New Mexico	67%	33%	0%	100%
New York	12%	80%	8%	100%
North Carolina	3%	96%	1%	100%
North Dakota	2%	98%	0%	100%
Northern Mariana Islands	-	-	-	-

Table 4 (continued). Child Care and Development Fund Average Monthly Percentages of Children by Latino Ethnicity (FY 2000)

States/Territories	Latino	Not Latino	Ethnicity not Reported	Total
Ohio	3%	0%	97%	100%
Oklahoma	3%	97%	0%	100%
Oregon	14%	86%	0%	100%
Pennsylvania	6%	94%	0%	100%
Puerto Rico	-	-	-	-
Rhode Island	23%	77%	0%	100%
South Carolina	0%	100%	0%	100%
South Dakota	2%	98%	0%	100%
Tennessee	0%	100%	0%	100%
Texas	40%	60%	0%	100%
Utah	14%	86%	0%	100%
Vermont	0%	100%	0%	100%
Virgin Islands	-	-	-	-
Virginia	4%	96%	0%	100%
Washington	15%	85%	0%	100%
West Virginia	1%	66%	34%	100%
Wisconsin	4%	58%	38%	100%
Wyoming	10%	90%	0%	100%
National Average	**15%**	**77%**	**8%**	**100%**

Notes:

1. The source of this table is from FY 2000 ACF-801 data.
2. The National Average is based on weighting the percentage for each state by the adjusted number of children receiving services from CCDF funding, summing these products, and then dividing by the sum of the weights (National adjusted number of children).
3. A "0" may indicate that the percentage was less than 0.5%.
4. In some instances the sum may appear to add to 99% or 101% because of rounding.
5. Guam, Maine, the Northern Mariana Islands, Puerto Rico and the Virgin Islands did not submit ACF-801 data for FFY 2000.

Table 5. Child Care and Development Fund
Percentage of Children in Child Care by Age Category and Type of Care (FY 2000)

Age Group	Child's Home	Family Home	Group Home	Center	Total
Infants (0 to < 1 yr)	9.5%	37.9%	3.9%	48.6%	100%
Toddlers (1 yr to < 3 yrs)	8.0%	32.1%	4.6%	55.2%	100%
Preschool (3 yrs to < 6 yrs)	7.3%	23.0%	3.6%	66.1%	100%
School Age (6 yrs to < 13 yrs)	15.7%	31.7%	3.2%	49.4%	100%
13 years and older	23.7%	49.5%	2.8%	24.0%	100%
All Ages	**10.6%**	**29.0%**	**3.7%**	**56.7%**	**100.0%**

Notes:

1. The source of this table is from FY 2000 ACF-801 data.
2. Some children are reported to have multiple settings for the same month.
3. 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 result in the totals adding to 100%.

Table 6. Child Care and Development Fund
Average Monthly Hours of Child Care by Age Group and Type of Care (FY 2000)

Age Group	Child's Home	FCC Home	Group Home	Center	Average
0 to < 1 yr	141	150	146	152	152
1 yr to < 2 yrs	141	154	151	161	158
2 yrs to < 3 yrs	144	156	156	164	162
3 yrs to < 4 yrs	142	156	155	161	160
4 yrs to < 5 yrs	138	148	146	156	155
5 yrs to < 6 yrs	135	138	136	139	140
6 yrs to < 13 yrs	118	121	113	107	115
13+ yrs	108	128	115	100	117
Average	**128**	**139**	**138**	**140**	**139**

Notes:

1. The source of this table is from FY 2000 ACF-801 data.
2. Some children are reported to have multiple settings for the same month.
3. If a child utilized more than one of the above categories of settings within the same month, the associated hours were accumulated in the respective table cell. The average was obtained by dividing each accumulated cell total by the number of child-setting category combinations. If a child had two or more settings that were in the same setting category, hours were aggregated and counted as one child-setting combination in the cell category.

Table 7. Child Care and Development Fund
Average Monthly Provider Payment by Age Group and Type of Care (FY 2000)

Age Group	Child's Home	FCC Home	Group Home	Center	Average
0 to < 1 yr	$266	$303	$361	$377	$337
1 yr to < 2 yrs	$250	$323	$391	$385	$353
2 yrs to < 3 yrs	$277	$325	$379	$370	$349
3 yrs to < 4 yrs	$258	$302	$376	$380	$353
4 yrs to < 5 yrs	$256	$295	$349	$386	$356
5 yrs to < 6 yrs	$247	$274	$342	$349	$322
6 yrs to < 13 yrs	$225	$235	$290	$273	$253
13+ yrs	$227	$253	$391	$257	$252
Average	**$240**	**$277**	**$344**	**$342**	**$312**

Notes:

1. The source of this table is from FY 2000 ACF-801 data.
2. Some children are reported to have multiple settings for the same month.
3. If a child utilized more than one of the above categories of settings within the same month, the associated hours were accumulated in the respective table cell. The average was obtained by dividing each accumulated cell total by the number of child-setting category combinations. If a child had two or more settings that were in the same setting category, hours were aggregated and counted as one child-setting combination in the cell category.

Table 8. Child Care and Development Fund Reasons for Care (FY 2000)

State/Territory	Employment	Training/ Education	Both Emp. & Training/ Education	Protective Services	Other	Total
Alabama	85%	8%	3%	4%	1%	100%
Alaska	85%	3%	6%	1%	5%	100%
American Samoa	23%	1%	77%	0%	0%	100%
Arizona	78%	1%	7%	13%	1%	100%
Arkansas	80%	6%	0%	3%	10%	100%
California	84%	7%	5%	2%	3%	100%
Colorado	82%	11%	4%	0%	2%	100%
Connecticut	95%	3%	2%	0%	0%	100%
Delaware	85%	5%	1%	5%	4%	100%
District of Columbia	72%	16%	0%	2%	10%	100%
Florida	73%	7%	6%	14%	1%	100%
Georgia	83%	13%	1%	0%	2%	100%
Guam	-	-	-	-	-	-
Hawaii	64%	32%	0%	0%	3%	100%
Idaho	77%	9%	14%	1%	0%	100%
Illinois	86%	9%	3%	0%	2%	100%
Indiana	86%	6%	4%	1%	4%	100%
Iowa	78%	13%	0%	8%	0%	100%
Kansas	91%	6%	1%	0%	2%	100%
Kentucky	76%	15%	3%	6%	0%	100%
Louisiana	82%	6%	11%	1%	0%	100%
Maine	-	-	-	-	-	-
Maryland	80%	12%	7%	0%	1%	100%
Massachusetts	76%	10%	0%	11%	3%	100%
Michigan	94%	3%	2%	0%	1%	100%
Minnesota	79%	11%	8%	0%	3%	100%
Mississippi	88%	10%	0%	0%	2%	100%
Missouri	17%	4%	0%	0%	79%	100%
Montana	81%	13%	4%	2%	0%	100%
Nebraska	78%	14%	0%	7%	1%	100%
Nevada	84%	7%	2%	2%	5%	100%
New Hampshire	0%	0%	0%	100%	0%	100%
New Jersey	69%	3%	1%	5%	22%	100%
New Mexico	49%	11%	11%	0%	29%	100%
New York	92%	5%	1%	1%	2%	100%
North Carolina	89%	11%	0%	0%	0%	100%
North Dakota	67%	21%	11%	0%	0%	100%
Northern Mariana Islands	-	-	-	-	-	-

Table 8 (continued). Child Care and Development Fund Reasons for Care (FY 2000)

State/Territory	Employment	Training/ Education	Both Emp. & Training/ Education	Protective Services	Other	Total
Ohio	71%	15%	3%	0%	11%	100%
Oklahoma	72%	4%	20%	4%	0%	100%
Oregon	93%	4%	2%	1%	0%	100%
Pennsylvania	90%	2%	0%	0%	7%	100%
Puerto Rico	-	-	-	-	-	-
Rhode Island	81%	15%	4%	0%	0%	100%
South Carolina	87%	13%	0%	0%	0%	100%
South Dakota	60%	11%	18%	10%	0%	100%
Tennessee	61%	28%	10%	0%	1%	100%
Texas	74%	21%	2%	2%	1%	100%
Utah	87%	12%	1%	0%	0%	100%
Vermont	74%	18%	0%	4%	4%	100%
Virgin Islands	-	-	-	-	-	-
Virginia	87%	5%	6%	1%	1%	100%
Washington	86%	6%	1%	7%	0%	100%
West Virginia	79%	11%	6%	0%	3%	100%
Wisconsin	94%	1%	3%	0%	1%	100%
Wyoming	86%	13%	0%	0%	0%	100%
National Average	**80%**	**9%**	**3%**	**3%**	**5%**	**100%**

Notes:

1. The source of this table is from FY 2000 ACF-801 data.
2. Most states keep track of whether the Reason for Subsidized Child Care is for employment or education. However, several states identify a family where both employment and education is occurring as only the employment reason.
3. New Hampshire only provided a valid reason when the reason was protective services.
4. Guam, Maine, the Northern Mariana Islands, Puerto Rico and the Virgin Islands did not submit ACF-801 data for FY 2000.

Table 9. Child Care and Development Fund
Number of Child Care Providers Receiving CCDF Funds (FY 2000)

States/Territories	Child's Home	FCC Home	Group Home	Center	Total
Alabama	49	2,850	373	1,700	4,972
Alaska	249	2,664	50	363	3,326
American Samoa	0	0	0	17	17
Arizona	730	4,467	213	1,171	6,581
Arkansas	72	722	0	860	1,654
California	7,388	40,759	6,311	13,888	68,346
Colorado	4,223	9,537	0	1,564	15,324
Connecticut	18,446	1,588	49	1,295	21,378
Delaware	370	1,478	27	351	2,226
District of Columbia	14	87	0	140	241
Florida	484	6,080	0	5,841	12,405
Georgia	2,115	6,129	357	5,887	14,488
Guam	255	575	3	70	903
Hawaii	186	7,894	2	501	8,583
Idaho	167	3,482	414	446	4,509
Illinois	59,443	46,191	333	3,305	109,272
Indiana	2,805	19,485	0	2,214	24,504
Iowa	326	8,263	877	745	10,211
Kansas	790	1,474	2,005	706	4,975
Kentucky	529	7,679	99	1,546	9,853
Louisiana	8,230	5,757	0	1,338	15,325
Maine	65	2,012	0	2,340	4,417
Maryland	4,630	7,597	0	1,499	13,726
Massachusetts	5,404	3,619	1,651	1,368	12,042
Michigan	37,743	45,641	2,632	2,397	88,413
Minnesota	2,885	18,728	0	11,504	33,117
Mississippi	2,066	2,284	103	1,172	5,625
Missouri	413	14,652	121	2,413	17,599
Montana	27	1,735	494	251	2,507
Nebraska	470	4,717	369	489	6,045
Nevada	155	724	11	478	1,368
New Hampshire	0	0	0	0	0
New Jersey	1,085	11,259	0	2,430	14,774
New Mexico	28	9,930	205	531	10,694
New York	12,619	39,652	1,627	3,820	57,718
North Carolina	501	7,268	113	4,036	11,918
North Dakota	1	1,964	818	96	2,879
Northern Mariana Islands	55	37	0	6	98

**Table 9 (continued). Child Care and Development Fund
Number of Child Care Providers Receiving CCDF Funds (FY 2000)**

States/Territories	Child's Home	FCC Home	Group Home	Center	Total
Ohio	33	12,480	78	3,164	15,755
Oklahoma	72	3,295	0	3,840	7,207
Oregon	2,339	10,119	110	2,812	15,380
Pennsylvania	4,526	22,405	559	3,226	30,716
Puerto Rico	30	5,448	29	704	6,211
Rhode Island	816	1,929	9	298	3,052
South Carolina	551	1,824	210	1,377	3,962
South Dakota	261	1,482	49	114	1,906
Tennessee	180	3,398	431	1,489	5,498
Texas	8,365	13,841	952	5,738	28,896
Utah	0	9,826	345	1,385	11,556
Vermont	322	1,897	0	342	2,561
Virgin Islands	7	45	69	112	233
Virginia	0	0	0	0	0
Washington	20,393	15,396	0	1,901	37,690
West Virginia	17	3,378	38	361	3,794
Wisconsin	47	5,599	0	1,711	7,357
Wyoming	723	1,831	242	134	2,930
National Total	**213,700**	**463,173**	**22,378**	**107,486**	**806,737**

Notes:

1. New Hampshire and Virginia did not report the number of providers by setting type.
2. The source for this table is ACF-800 data for FY 2000.

Table 10. Child Care and Development Fund
Percent of Children Served in All Types of Care (FFY 2000)

		Licenced or Regulated Providers				Providers Legally Operating without Regulation						
						Child's Home		FCC Home		Group Home		
States/Territories	Total Percentage	Child's Home	FCC Home	Group Home	Center		Non-Relative	Relative	Non-Relative	Relative	Non-Relative	Center
Alabama	100%	0%	8%	6%	61%	0%	0%	7%	0%	0%	0%	18%
Alaska	100%		10%	2%	43%	2%	3%	12%	28%		0%	0%
American Samoa	100%	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	0%
Arizona	100%	0%	10%	5%	73%		0%	10%	0%	0%	0%	0%
Arkansas	100%	1%	22%	0%	77%	0%	0%	0%	0%	0%	0%	0%
California	100%		13%	6%	57%	4%	1%	11%	6%		0%	1%
Colorado	100%	0%	20%	0%	56%	2%	8%	9%	5%	0%	0%	0%
Connecticut	100%	0%	8%	0%	35%		14%	0%	0%	0%	0%	1%
Delaware	100%	0%	34%	2%	45%	3%	0%	5%	0%	0%	0%	10%
District of Columbia	100%		2%	0%	97%	0%	0%	0%	0%		0%	0%
Florida	100%	0%	10%	0%	82%	0%	0%	1%	2%	0%	0%	5%
Georgia	100%	0%	9%	2%	80%		1%	2%	6%	0%	0%	0%
Guam	100%	0%	0%	0%	31%	11%	6%	34%	8%	0%	1%	9%
Hawaii	100%	0%		0%	13%	5%	3%	45%	9%	0%		21%
Idaho	100%	0%	0%	13%	44%	1%	1%	21%	20%	0%	0%	0%
	100%	0%	13%	1%	30%	11%		20%	3%	0%	0%	3%
Indiana	100%	0%	19%	0%	20%	3%	2%	17%	21%	0%	0%	17%
Iowa	100%	0%		12%	35%	0%	1%	6%	18%	0%		0%
Kansas	100%	0%	8%	41%	36%	3%	3%	8%	0%	0%	0%	0%
	100%	0%	5%	1%	66%	1%		16%	9%	0%	0%	0%
Louisiana	100%	0%	0%	0%	64%	6%	13%	1%	16%	0%	0%	0%
Maine	100%	0%	35%	0%	42%	3%	5%	4%	10%	0%	0%	0%
Maryland	100%	0%	34%	0%	38%	12%	5%	10%	0%	0%	0%	1%
Massachusetts	100%	0%	7%	16%	62%	4%	6%	4%	0%	0%	0%	0%
Michigan	100%	0%	9%	8%	16%	16%	17%	34%	0%	0%	0%	0%
Minnesota	100%	0%	32%	0%	31%	4%	4%	8%	17%	0%	0%	3%
Mississippi	100%	0%	0%	2%	75%	8%	2%	6%	6%	0%	0%	0%
Missouri	100%	0%	17%	1%	68%	0%	0%	3%	10%	0%	0%	1%
Montana	100%	0%	21%	33%	33%	0%	1%	1%	10%	0%	0%	0%
Nebraska	100%	0%	25%	11%	41%	0%	2%	0%	22%	0%	0%	0%
Nevada	100%	0%	4%	0%	68%	1%	0%	1%	7%	0%	0%	19%
New Hampshire	-	-	-	-	-	-	-	-	-	-	-	-

Table 10 (continued). Child Care and Development Fund
Percent of Children Served in All Types of Care (FFY 2000)

		Licenced or Regulated Providers				Providers Legally Operating without Regulation						
						Child's Home		FCC Home		Group Home		
States/Territories	Total Percentage	Child's Home	FCC Home	Group Home	Center	Relative	Non-Relative	Relative	Non-Relative	Relative	Non-Relative	Center
New Jersey	100%	0%	12%	0%	73%	1%	0%	4%	10%	0%	0%	0%
New Mexico	100%	0%	2%	5%	41%	0%	0%	36%	17%	0%	0%	0%
New York	100%	0%	12%	5%	30%	7%	10%	15%	22%	0%	0%	0%
North Carolina	100%	0%	13%	1%	82%	0%	0%	3%	1%	0%	0%	0%
North Dakota	100%	0%	40%	29%	28%	0%	0%	4%	0%	0%	0%	0%
Northern Mariana Islands	100%	45%	38%	0%	17%	0%	0%	0%	0%	0%	0%	0%
Ohio	100%	0%	37%	1%	63%	0%	0%	0%	0%	0%	0%	0%
Oklahoma	100%	0%	18%	0%	82%	0%	0%	0%	0%	0%	0%	0%
Oregon	100%	0%	9%	1%	34%	3%	8%	10%	32%	0%	0%	2%
Pennsylvania	100%	0%	6%	3%	49%	3%	4%	8%	26%	0%	0%	0%
Puerto Rico	100%	0%	0%	1%	52%	1%	0%	22%	23%	0%	0%	0%
Rhode Island	100%	0%	16%	0%	64%	3%	5%	12%	0%	0%	0%	0%
South Carolina	100%	0%	5%	3%	77%	0%	4%	0%	10%	0%	0%	0%
South Dakota	100%	0%	41%	9%	31%	2%	1%	12%	4%	0%	0%	0%
Tennessee	100%	0%	7%	5%	75%	1%	0%	2%	10%	0%	0%	0%
Texas	100%	0%	3%	3%	76%	7%	0%	10%	0%	0%	0%	0%
Utah	100%	0%	10%	4%	32%	0%	0%	24%	30%	0%	0%	0%
Vermont	100%	0%	43%	0%	39%	1%	5%	1%	11%	0%	0%	0%
Virgin Islands	100%	0%	0%	14%	74%	1%	0%	4%	3%	0%	0%	3%
Virginia	100%	0%	26%	0%	58%	1%	0%	10%	4%	0%	0%	0%
Washington	100%	0%	26%	0%	40%	11%	11%	11%	0%	0%	0%	0%
West Virginia	100%	0%	46%	2%	46%	0%	0%	6%	0%	0%	0%	1%
Wisconsin	100%	0%	37%	0%	63%	0%	0%	0%	0%	0%	0%	0%
Wyoming	100%	0%	7%	14%	30%	9%	5%	15%	20%	0%	0%	0%
National Average	**100%**	**0%**	**14%**	**3%**	**57%**	**4%**	**4%**	**9%**	**8%**	**0%**	**0%**	**1%**

Notes:

1. New Hampshire did not report number of children by setting type.

2. The source for this data is ACF-800 data from FY 2000

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Table 11. Child Care and Development Fund Of Children in Settings Legally Operating Without Regulation, Percent Served by Relatives vs. Non-Relatives (FY 2000)

States/Territories	Relative	Non-Relative
Alabama	28%	72%
Alaska	31%	69%
American Samoa	-	-
Arizona	100%	0%
Arkansas	-	-
California	63%	37%
Colorado	44%	56%
Connecticut	73%	27%
Delaware	45%	55%
District of Columbia	73%	27%
Florida	16%	84%
Georgia	22%	78%
Guam	65%	35%
Hawaii	60%	40%
Idaho	51%	49%
Illinois		44%
Indiana	34%	66%
Iowa	26%	74%
Kansas	77%	23%
Kentucky	62%	38%
Louisiana	20%	80%
Maine	33%	67%
Maryland	80%	20%
Massachusetts	58%	42%
Michigan	75%	25%
Minnesota	34%	66%
Mississippi	65%	35%
Missouri	25%	75%
Montana	10%	90%
Nebraska	0%	100%
Nevada	9%	91%
New Hampshire	-	-
New Jersey	33%	67%
New Mexico	67%	33%
New York	40%	60%
North Carolina	80%	20%
North Dakota	100%	0%
Northern Mariana Islands	-	-
Ohio	-	-
Oklahoma	-	-
Oregon	25%	75%
Pennsylvania	26%	74%
Puerto Rico	51%	49%
Rhode Island	74%	26%
South Carolina	1%	99%
South Dakota	74%	26%
Tennessee	18%	82%
Texas	100%	0%
Utah	45%	55%
Vermont	12%	88%
Virgin Islands	44%	56%
Virginia	73%	27%
Washington	68%	32%
West Virginia	80%	20%
Wisconsin	-	-
Wyoming	49%	51%
National Average	**50%**	**50%**

Notes:

1. New Hampshire did not report the number of children by setting type.
2. American Samoa, Arkansas, Northern Marianas, Ohio, Oklahoma, and Wisconsin did not report having children served in settings legally operating without regulation.
3. The source of this table is ACF-800 data for FY 2000.

Table 12. Child Care and Development Fund
Percent of Children Served by Payment Method (FY 2000)

States/Territories	Grants / Contracts %	Certificates %	Cash %
Alabama	0%	99.99%	0.00%
Alaska	0.00%	100.00%	0.00%
American Samoa	0.00%	100.00%	0.00%
Arizona	0.00%	100.00%	0.00%
Arkansas	0.00%	100.00%	0.00%
California	43.07%	56.93%	0.00%
Colorado	1.54%	96.26%	2.20%
Connecticut	17.94%	82.06%	0.00%
Delaware	0.00%	100.00%	0.00%
District of Columbia	72.98%	27.02%	0.00%
Florida	70.83%	28.86%	0.30%
Georgia	2.05%	97.95%	0.00%
Guam	0.00%	100.00%	0.00%
Hawaii	15.94%	0.00%	84.06%
Idaho	0.00%	100.00%	0.00%
Illinois	11.71%	88.29%	0.00%
Indiana	4.41%	95.59%	0.00%
Iowa	0.00%	100.00%	0.00%
Kansas	0.00%	93.09%	6.91%
Kentucky	0.00%	100.00%	0.00%
Louisiana	0.00%	63.74%	36.26%
Maine	23.57%	75.58%	0.85%
Maryland	0.00%	100.00%	0.00%
Massachusetts	41.42%	58.58%	0.00%
Michigan	0.00%	100.00%	0.00%
Minnesota	0.00%	100.00%	0.00%
Mississippi	3.35%	96.65%	0.00%
Missouri	0.00%	100.00%	0.00%
Montana	0.00%	100.00%	0.00%
Nebraska	0.00%	100.00%	0.00%
Nevada	18.71%	81.29%	0.00%
New Hampshire	0.00%	100.00%	0.00%
New Jersey	18.27%	81.73%	0.00%
New Mexico	0.00%		0.00%
New York	23.55%	76.45%	0.00%
North Carolina	0.00%		0.00%
North Dakota	0.00%	100.00%	0.00%
Northern Mariana Islands	0.00%	100.00%	0.00%

Table 12. Child Care and Development Fund
Percent of Children Served by Payment Method (FY 2000)

States/Territories	Grants / Contracts %	Certificates %	Cash %
Ohio	0.00%	100.00%	0.00%
Oklahoma		100.00%	0.00%
Oregon	8.93%	91.07%	0.00%
Pennsylvania	0.00%	72.41%	27.59%
Puerto Rico	36.31%	63.69%	0.00%
Rhode Island	0.00%	100.00%	0.00%
South Carolina	13.45%	86.55%	0.00%
South Dakota	0.00%	100.00%	0.00%
Tennessee	0.00%	100.00%	0.00%
Texas	0.00%	80.43%	19.57%
Utah	0.00%	0.00%	100.00%
Vermont	2.69%	97.31%	0.00%
Virgin Islands	2.99%	97.01%	0.00%
Virginia	0.00%	100.00%	0.00%
Washington	0.00%	66.84%	33.16%
West Virginia	0.00%	100.00%	0.00%
Wisconsin	0.00%	100.00%	0.00%
Wyoming	0.36%	99.64%	0.00%
National Average	**11%**	**83%**	**6%**

Notes:

1. The source for this table is ACF-800 data for FY 2000.

Table 13. Child Care and Development Fund Consumer Education Strategies Summary (FY 2000)

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	50,266
Alaska	NA	Y	Y	Y	Y	Y	Y	Y	N	9,331
American Samoa	Y	Y	Y	Y	Y	Y	Y	Y	N	450
Arizona	Y	Y	Y	Y	Y	Y	Y	Y	N	390,092
Arkansas	Y	Y	Y	Y	Y	Y	Y	Y	N	60,000
California	Y	Y	Y	Y	Y	Y	Y	Y	N	1,448,111
Colorado	Y	Y	Y	Y	Y	Y	Y	Y	N	86,380
Connecticut	Y	Y	Y	Y	Y	N	Y	N	Y	72,288
Delaware	Y	Y	Y	Y	Y	Y	Y	Y	Y	16,216
District of Columbia	Y	Y	Y	Y	Y	Y	Y	Y	Y	24,056
Florida	Y	Y	Y	Y	Y	Y	Y	Y	Y	152,621
Georgia	Y	Y	Y	Y	Y	Y	Y	Y	N	77,800
Guam	Y	Y	Y	Y	Y	Y	Y	Y	N	1,844
Hawaii	N	Y	Y	Y	Y	Y	Y	N	N	13,140
Idaho	NA	Y	N	Y	Y	N	N	N	N	9,805
Illinois	Y	Y	Y	Y	Y	Y	Y	Y	N	265,000
Indiana	Y	Y	Y	Y	Y	Y	Y	Y	N	46,972
Iowa	N	Y	Y	Y	Y	Y	Y	Y	N	33,685
Kansas	NA	Y	Y	Y	Y	Y	Y	Y	N	92,382
Kentucky	N	Y	Y	Y	Y	Y	Y	Y	Y	58,101
Louisiana	NA	Y	Y	Y	Y	Y	Y	Y	N	43,744
Maine	Y	Y	Y	Y	Y	Y	Y	Y	N	8,271
Maryland	Y	Y	Y	Y	Y	Y	Y	Y	Y	325,194
Massachusetts	Y	Y	Y	Y	Y	N	N	Y	Y	98,613
Michigan	NA	Y	Y	Y	Y	Y	Y	Y	N	920,427
Minnesota	NA	Y	Y	Y	Y	Y	Y	Y	N	1,832,191
Mississippi	Y	N	Y	Y	Y	N	N	N	N	21,789
Missouri	Y	Y	Y	Y	Y	Y	Y	Y	N	450,614
Montana	Y	Y	Y	Y	Y	Y	Y	Y	N	291,157
Nebraska	N	N	Y	Y	Y	Y	Y	Y	Y	418,471
Nevada	Y	Y	Y	Y	Y	Y	Y	Y	Y	8,049
New Hampshire	Y	Y	Y	Y	Y	N	N	N	N	8,251

Table 13 (continued). Child Care and Development Fund Consumer Education Strategies Summary (FY 2000)

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
New Jersey	Y	Y	N	Y	Y	Y	Y	Y	N	143,842
New Mexico	NA	Y	Y	Y	Y	Y	Y	Y	Y	18,217
New York	Y	Y	Y	Y	Y	Y	Y	Y	N	343,968
North Carolina	Y	Y	Y	Y	N	Y	Y	Y	N	266,684
North Dakota	NA	Y	Y	Y	Y	Y	Y	Y	N	3,842
Northern Mariana Islands		Y	Y	Y	Y	Y	Y	Y	N	117
Ohio	Y	Y	Y	Y	Y	Y	Y	Y	N	110,164
Oklahoma	NA	Y	Y	Y	Y	Y	Y	Y	N	1,249,785
Oregon	Y	Y	Y	Y	Y	Y	Y	Y	N	40,753
Pennsylvania	NA	Y	Y	Y	Y	Y	Y	Y	N	156,623
Puerto Rico	Y	Y	Y	Y	Y	Y	Y	Y	Y	14,903
Rhode Island	NA	Y	Y	Y	Y	Y	Y	Y	Y	27,500
South Carolina	Y	Y	Y	Y	Y	N	Y	N	N	21,044
South Dakota	NA	Y	Y	Y	Y	Y	Y	Y	N	167,924
Tennessee	NA	Y	Y	Y	Y	N	Y	N	N	41,240
Texas		Y	Y	Y	Y	Y	Y	Y	N	104,965
Utah	NA	Y	Y	Y	Y	Y	Y	Y	N	7,626
Vermont	N	Y	Y	Y	Y	Y	Y	Y	N	6,762
Virgin Islands	NA	Y	Y	Y	Y	Y	Y	Y	N	101,809
Virginia	Y	N	Y	Y	N	N	Y	N	N	65,000
Washington	NA	Y	Y	Y	Y	Y	Y	Y	N	1,211,239
West Virginia	Y	Y	Y	Y	Y	Y	Y	Y	Y	1,728
Wisconsin	Y	Y	N	Y	Y	Y	Y	Y	N	100
Wyoming	Y	Y	Y	Y	Y	N	Y	Y	N	13,506
Total Yes	**35**	**53**	**53**	**56**	**54**	**47**	**52**	**48**	**14**	**11,454,652**

Notes:

1. NA=Not applicable, does not offer grants or contracts for subsidized child care slots.
2. Source for this table is the ACF-800 data for FY 2000.

Table 14. Child Care and Development Fund
Percent of Families with TANF as One of their Sources of Income (FY 2000)

State	TANF (Yes)
Alabama	7.20%
Alaska	12.90%
Arizona	19.70%
Arkansas	38.50%
California	20.10%
Colorado	17.90%
Connecticut\	20.70%
Delaware	15.30%
District of Columbia	2.10%
Florida	16.40%
Georgia	17.90%
Hawaii	55.60%
Idaho	2.20%
Illinois	24.70%
Indiana	10.30%
Iowa	43.80%
Kansas	8.80%
Kentucky	9.60%
Louisiana	13.70%
Maine	-
Maryland	12.70%
Massachusetts	13.50%
Michigan	17.50%
Minnesota	-
Mississippi	14.60%
Missouri	26.00%
Montana	21.70%
Nebraska	24.70%
Nevada	23.30%
New Hampshire	-
New Jersey	15.50%
New Mexico	25.10%
New York	40.70%
North Carolina	7.50%
North Dakota	10.20%
Ohio	22.90%
Oklahoma	19.40%
Oregon	19.30%
Pennsylvania	8.80%
Rhode Island	34.30%
South Carolina	20.40%
South Dakota	8.00%
Tennessee	26.20%
Texas	15.60%
Utah	19.60%
Vermont	19.80%
Virginia	29.00%
Washington	27.20%
West Virginia	9.00%
Wisconsin	8.10%
Wyoming	85.10%
National	**20.77%**

Notes:

1. The source for this table is ACF-800 data for FFY2000.
2. Maine did not submit ACF-801 data for FFY2000.
3. New Hampshire did not provide sources of income data.
4. Minnesota reported that no family has TANF as a source of income.

Table 15. Child Care Development Fund
Mean Family Co-payment as a Percentage of Family Income

	Percent of Families with $0 CoPay (among those with Income > $0)		Mean CoPay/Income* in % (Excluding $0 CoPay)		Mean CoPay/Income* in % (Including $0 CoPay)	
State	FFY 1999	FFY 2000	FFY 1999	FFY 2000	FFY 1999	FFY 2000
Alabama	11.9%	7.1%	11.0%	7.3%	9.7%	6.8%
Alaska	33.2%	7.9%	5.9%	6.5%	3.9%	5.9%
Arizona	15.3%	12.8%	4.7%	4.9%	4.0%	4.3%
Arkansas	77.0%	78.8%	1.3%	7.2%	0.3%	1.5%
California	82.3%	79.6%	3.1%	3.0%	0.6%	0.6%
Colorado	9.9%	8.5%	8.8%	8.7%	7.9%	8.0%
Connecticut	33.5%	21.7%	5.2%	5.1%	3.4%	4.0%
Delaware	18.9%	21.2%	7.5%	8.7%	6.1%	6.9%
District of Columbia	34.7%	26.3%	3.6%	3.6%	2.3%	2.7%
Florida	5.2%	1.1%	5.2%	6.0%	4.9%	5.9%
Georgia	17.1%	10.8%	4.5%	4.6%	3.7%	4.1%
Hawaii	100.0%	100.0%			0.0%	
Idaho	1.4%	0.6%	4.2%	5.1%	4.2%	5.1%
Illinois		1.6%	5.8%	6.0%	5.7%	5.9%
Indiana	60.6%	61.9%	3.2%	2.6%	1.3%	1.0%
Iowa	66.5%	62.8%	5.8%	6.5%	2.0%	2.4%
Kansas	11.8%	17.4%	7.3%	6.9%	6.4%	5.7%
Kentucky	22.4%	32.3%	7.0%	7.2%	5.4%	4.9%
Louisiana	54.0%	50.8%	4.3%	6.6%	2.0%	3.2%
Maine						
Maryland	25.0%	18.2%	5.8%	6.9%	4.4%	5.7%
Massachusetts	32.7%	21.7%	8.5%	7.8%	5.7%	6.1%
Michigan	24.0%	18.6%	3.0%	3.1%	2.3%	2.6%
Minnesota	36.2%	20.9%	3.7%	4.1%	2.3%	3.3%
Mississippi	18.4%	14.1%	2.1%	2.3%	1.7%	2.0%
Missouri	33.7%	40.6%	4.1%	3.6%	2.7%	2.1%
Montana	0.0%	0.0%	3.1%	3.3%	3.1%	3.3%
Nebraska	63.8%	56.0%	9.6%	9.9%	3.5%	4.4%
Nevada	21.3%	13.3%	17.3%	12.0%	13.6%	10.4%
New Hampshire	63.7%	54.3%	0.1%	0.1%	0.0%	0.0%
New Jersey	13.6%	18.3%	8.6%	8.0%	7.4%	6.6%
New Mexico	15.7%	14.6%	6.3%	6.5%	5.3%	5.6%
New York	29.0%	30.0%	5.3%	5.5%	3.8%	3.9%
North Carolina	10.3%	10.9%	7.7%	7.8%	6.9%	7.0%
North Dakota	2.8%	1.5%	12.3%	12.7%	11.9%	12.6%
Ohio	2.2%	1.6%	5.0%	4.9%	4.9%	4.8%
Oklahoma	52.4%	49.9%	8.0%	6.8%	3.8%	3.4%
Oregon	7.4%	5.3%	8.2%	8.0%	7.6%	7.5%
Pennsylvania	7.9%	6.6%	9.1%	7.7%	8.4%	7.2%
Rhode Island	44.0%	42.9%	4.1%	4.8%	2.3%	2.8%

Table 15 (continued). Child Care Development Fund Mean Family Co-payment as a Percentage of Family Income

	Percent of Families with $0 CoPay (among those with Income > $0)		Mean CoPay/Income* in % (Excluding $0 CoPay)		Mean CoPay/Income* in % (Including $0 CoPay)	
State	**FFY 1999**	**FFY 2000**	**FFY 1999**	**FFY 2000**	**FFY 1999**	**FFY 2000**
South Carolina	37.7%	46.0%	2.4%	3.1%	1.5%	1.7%
South Dakota	65.3%	69.6%	8.3%	8.4%	2.9%	2.6%
Tennessee	49.8%	62.3%	1.3%	1.7%	0.7%	0.6%
Texas	7.5%	7.2%	8.4%	8.7%	7.8%	8.1%
Utah	32.5%	26.4%	4.9%	5.3%	3.3%	3.9%
Vermont	49.0%	39.7%	4.2%	4.9%	2.2%	3.0%
Virginia	33.1%	26.8%	9.6%	9.5%	6.4%	7.0%
Washington	36.6%	75.0%		5.2%	2.3%	1.3%
West Virginia	10.8%	33.1%	4.0%	3.3%	3.6%	2.2%
Wisconsin	1.9%	1.4%	8.8%	7.1%	8.6%	7.0%
Wyoming	1.2%	0.8%	5.8%	5.6%	5.7%	5.6%
National Mean (weighted)	**29.2%**	**29.9%**	**6.1%**	**6.1%**		**4.3%**
National Mean (unweighted)	**29.7%**	**28.6%**	**6.0%**	**6.0%**	**4.4%**	**4.5%**

Notes:

*All the data in the above table is based only on families that reported income greater than zero (since co-pay/income is undefined for a zero income). Also excluded were data where the co-pay was larger than the income, the co-pay was larger than or equal to family child care costs, and families where the child was reported as head of the family (no parent/protective services). In some states, the total payment to many providers is reported as $0 (which is clearly invalid). However, a zero payment alone was not used to reject a family (among multiple providers and children) because the number of occasions where the co-pay exceeds family costs were small.

1. The first pair of columns are the percentage of the count of families that had a $0 co-pay divided by the count of families with a valid co-pay (greater than or equal to zero). In the remaining columns, the mean co-pay as a percent of income for each family was calculated by dividing a valid co-pay (either including $0 or excluding $0 as indicated) by the reported family Income (>$0). Then for each state the mean of the individual family percentages was calculate to obtain the values in columns 3 thru 6.
2. Maine did not report any ACF 801 data in FFY 1999 or 2000. Hawaii reported $0 co-pay for all families, therefore there is no entry where $0 co-pay was excluded.
3. The Weighted National Mean was determined by weighing each state's mean by the number of families meeting the above criteria in each state, summing the weighted results, and then dividing by the sum of the weights. The weight was the mean number of families receiving services in each state as reported on the ACF-801, adjusted downward for the pooling factor reported on the ACF-800, then adjusted downward for the percentage of families headed by a child, and then for the columns that excluded $0 co-pay, adjusted downward for the number with $0 co-pay.
4. The weight used for California only was based on the number of CCDF families reported in Oct 2000, where for the first time, 99% of CCDF funded agencies reported data. Then the FFY 1999 and FFY 2000 number of CA families was estimated by extrapolating this Oct 2000 number based on the direct serves cost reported on the ACF-696 and the ratio of average cost per child as reported on the ACF-801.
5. In determining the Weighted National Mean, the weights for each state were not adjusted downward for the number of families reported to have zero income, because the percentage of families reporting a zero income in many states was considered to be non-representative. In particular it was noted that a high percentage of families reporting a $0 income, also reported employment as a source of income and/or employment as the reason for qualifying for a child care subsidy.
6. The Un-weighted National Mean is a simple mean of all the state values (each state and DC weighted equally regardless of the number of families served in each state).

STATUS: FY 2000 CHILD CARE BUREAU RESEARCH GRANTS

Field Initiated Child Care Research Projects

These grants were awarded in September 2000 with FY 2000 funds. Most of the grantees requested and received second-year non-competing continuations in FY 2001 and many will receive third and final year funds in September 2002.

Project Officer: Joanna Grymes/Ivelisse Martinez-Beck

- **Bank Street College of Education**, New York City, NY, $276,546 (FY 2000) for "Assessing the Effectiveness of State and Local Quality Initiatives." During year one, this study identified, reviewed, and analyzed initiatives designed to improve the quality of child care for infants and toddlers, children with special needs, school-age children, and children who need evening, night, weekend, and shift hours care. During year two, the project is developing and testing instruments to assess the efficacy of initiatives designed to improve child care quality. (Contact: Toni Porter, 212-875-4478)
- **Center for Child Care Workforce**, Washington, DC, $248,932 (FY 2000) for "How Many is Enough? Estimating the Size of the U.S. Child Care Workforce." A literature review has been completed and a flexible computation routine developed for quantifying the current U.S. child care workforce and for projecting future workforce needs. Preliminary testing of the model has been conducted and piloting of the computational model has been conducted to test its application and State-specific conditions and variables. (Contact: Marci Young, 202-737-7700)
- **Cornell University**, Ithaca, NY, $254,102 (FY 2000) for "Child Care Quality and Consumer Education." The quality of child care providers in four counties has been assessed and rated and these ratings are being made available to parents. The impact of ratings on parent choice and the child care market structure, including supply, prices, and turnover are being evaluated. Year one activities produced a baseline survey of parents. Providers were recruited, assessments administered, and a communication strategy for informing parents developed. During year two, the project has continued the assessment of child care providers and is creating a child care consumer report. (Contact: Elizabeth Peters, 607-255-2595)
- **Manpower Demonstration Research Corporation**, New York City, NY, $209,807 (FY 2000) for "Employment and Child Care: What Can We Learn from Experimental Studies that Encourage Low-Income Parents to Work?" The primary product is a report that describes the interrelationships among employment, income, child care, racial and ethnic background, and child care barriers. (Contact: Charles Michalopoulos, 212-340-8692)
- **Temple University**, Philadelphia, PA, $299,358 (FY 2000) for "Barriers to Child Care Subsidies." Using focus groups and standardized surveys of families eligible for child care subsidies, this project is exploring the following questions: Why do some eligible families fail to use subsidies? In what ways do families who

use subsidies differ from those who do not? During the first year, focus groups and development of the surveys were conducted. During year two, the project is analyzing data from the focus groups and administering surveys on subsidy utilization and child care preferences. (Contacts: Anne Shlay, 215-204-2748; Marsha Weinraub, 215-204-7183)

- **The Urban Institute**, Washington, DC, $208,369 (FY 2000) for "Child Care, Welfare and Families: The Nexus of Policies, Practices, and Systems." This study is examining the role of welfare policies and practices in shaping child care for low-income families. Key issues include the organization of child care and welfare systems, the advantages and disadvantages of various approaches, and how overlap and duplication are being addressed. During year two, the project has identified a subset of local communities where child care and welfare systems intersect and vary along different key organizational and service delivery dimensions and is investigating the implications of these approaches on the child care experiences of low-income families. (Contacts: Gina Adams, 202- 261-5674; Pamela Holcomb, 202-261-5618)
- **University of California at Berkeley** Institute of Industrial Relations, Berkeley, CA, $300,000 (FY 2000) for "Who Leaves? Who Stays? A Longitudinal Study of the Child Care Workforce." This investigation is a multi-sector analysis of factors that promote quality and stability among home-based providers who serve subsidized and non-subsidized children. During the first year, this research identified the types of professional and financial supports available to providers and how these impact stability and quality. During year two, the project is following the same sample of providers to trace patterns and predictors of movement within and out of child care employment. (Contacts: Marcy Whitebook, 510-643-7091; Deborah Cassidy, 336-256-0090; Deborah Phillips, 202-687-4042)
- **University of Chicago** Chapin Hall Center for Children, Chicago, IL, $299,839 (FY 2000) for "Child Care Subsidy Use and Self-Sufficiency Pathways of Low-Income Mothers: A Three-State Study." During the first year this study examined patterns of child care subsidy use and the effects of subsidies on welfare and employment among current and former TANF recipients (single mothers) between January 1997 and June 2000 using data from three States. During year two, the project has expanded to construct local child care supply indicators and to incorporate them into the analysis of patterns of subsidy use and their effects on welfare and employment outcomes. (Contacts: Bong Joo Lee, 773-256-5156; Robert Goerge, 773-256-5174)
- **University of Montana** Rural Institute on Disabilities, Missoula, MT, $237,699 (FY2000) for "Access to Quality Child Care in Montana: Exploring Parent and Provider Perspectives." A substantial base of information is being collected in three descriptive studies to explore the perspectives and needs of child care providers who provide services to tribal families and young children with disabilities and their families. During year two, the project is examining program quality and will provide recommendations to providers as well as information to parents. (Contacts: Gail McGregor, 406-243-2348; Sarah Mulligan, 406-243-5814)

- **University of North Carolina** Frank Porter Graham Child Development Center, Chapel Hill, NC, $299,576 (FY 2000) for "Variations in Child Care and School Success: Longitudinal Follow-up of the Cost, Quality and Outcomes Study." This study is examining the effects of differences in preschool child care experiences on children's long-term school success, as measured by data from parent surveys and school records commonly available across four States (California, Colorado, Connecticut, and North Carolina). During the first year the study designed and administered the parent surveys. During year two, the study is conducting school data collection, school data entry and verification, gathering of school characteristics, and preliminary analyses of combined data. (Contacts: Ellen Peisner-Feinberg, 919-962-7354; Carollee Howes, 310-825-8336; Sharon Lynn Kagan, 203-432-9931; Noreen Yazejian, 919-962-7361)
- **Wellesley College**, MA, $300,000 (FY 2000) for "Child Care Today: Cost and Quality of Family Child Care and Infant/Toddler Care." This project includes a random sample of 200 family child care homes and 100 centers serving infants and toddlers. Variations in quality and costs are being compared across types of care, child ages, workforce characteristics, and community/neighborhood factors. In year one, data was collected on quality and cost in 200 family child care homes. During year two, data on centers serving infants and toddlers is being collected. (Contact: Nancy L. Marshall, 781-283-2551)
- **Zero to Three**, Washington, DC, $300,000 (FY 2000) for "A Study of Community Strategies for Enhancing the Quality and Affordability of Infant Toddler Child Care for Low Income Families." This study will identify common barriers faced by low-income families in accessing good quality infant and toddler care. The research will build on the National Head Start Research and Evaluation Project. A first year report described barriers and community strategies for addressing barriers based on discussions with key informants. During year two, the project is collecting in-depth information about child care issues and strategies from individual and group discussions with staff and administrators, providers, parents, resource and referral staff, and others, in three selected communities of Early Head Start Programs. (Contact: Emily Fenichel 202-638-1144)

Wave II Child Care Policy Research Partnerships

(These grantees received their first year of funding in FY 1997 and annual non-competing continuation grants through FY 2001. Most continued into FY 2002 with no-cost extensions.)

Project Officer: Pia Divine

Additional information about these grants, including findings, can be obtained at www.acf.dhhs.gov/programs/ccb.

Typically, Child Care Policy Research Partnerships involve significant funding from non-ACF sources in addition to any required non-federal share.

- **California Child Care Resource and Referral (CCR&R) Network,** $200,000. This project involves a three-State consortium consisting of the

California CCR&R Network, the University of California, Yale University, and the Florida Children's Forum along with State- and community-level agencies and organizations. Substudy I was a comparative study of child care supply in California and Florida. Substudy II documented child care conditions in New Haven, Connecticut, examining how mothers are selecting their child care providers as they enter the workforce or job-related activities under welfare reform, and tracking the effects on young children's early development. (Contact: Shelley Waters Boots, 415-882-0234)

- **Columbia University, School of Public Health and the National Center on Children in Poverty (NCCP)**. This project includes 11 partners, including State-level partners in Illinois, Maryland and New Jersey, city-level partners from New York City, the Manpower Demonstration Research Corporation (MDRC), and Rutgers University. This partnership engaged in four distinct lines of work to answer basic questions about the nature of low-income child care markets and the effects of new policies on child care and children's development. Research questions included: What is the availability and distribution of subsidized care for low-income families in different States and communities? What are the interrelationships between child care and welfare policies, child care services, children's development, and parental outcomes? What role does license-exempt child care play in the larger market and what are the implications for children and families? How well does the child care system serve special populations? (Contact: J. Lee Kreader, 212-304-7112)
- **Harvard Medical School,** Chicago, IL. This partnership is a sub-study of the Project on Human Development in Chicago Neighborhoods (PHDCN) and involves collaboration with the Child Care Program of the Illinois Department of Human Services (IDHS), the Children's Services of the Chicago Department of Human Services (CDHS), and the Early Childhood Education Department of the Chicago Public Schools (CPS). The study expanded the PHDCN to include a child care component. Central to this enterprise is a comprehensive assessment of the pre-school and after-school care settings used by the nearly 6,000 families of all incomes and from all neighborhoods across the city who are participating in the longitudinal study. (Contacts: Mary (Maya) Carlson, 617-495-5381; Felton Earls, 617-495-5381)
- **Linn Benton Community College**, Albany, OR. The Oregon Child Care Research Partnership brings together university-based researchers, State agency child care staff, the Head Start Collaboration Project, and the Oregon Child Care Resource and Referral Network along with other child care practitioners. The Partnership works collaboratively with a national partner, the National Association of Resource and Referral Agencies (NACCRRA). The Oregon Partnership is focused on three areas: parent child care choices, community and State needs assessments, and welfare reform. (Contact: Bobbie Weber, 541-917-4903)
- **Wellesley College**, Department of Economics, MA. The Wellesley Child Care Research Partnership includes child care researchers, State and local child care administrators and elected and appointed officials, resource and referral agencies, child development specialists, employers and researchers with specialty in labor

markets, industrial organizations, and social welfare programs. The work of the project is coordinated with the Urban Institute's work on the New Federalism and with the National Study of Low-Income Child Care. The major objective of the Wellesley Child Care Research Partnership is to generate new knowledge to help guide the development of child care delivery systems that are more efficient, effective and responsive to the needs of low-income families and their children. The partnership employs a dual focus on family self-sufficiency and on the quality of care received by children. To ensure that results provide accurate, consistent and structured policy guidance, Wellesley Child Care Research Partnership researchers use a conceptual framework that incorporates child care and welfare policies, family child care choices, provider choices, and family and child care outcomes. Based on the conceptual framework, partnership researchers estimate empirical models to answer policy questions. (Contacts: Ann Dryden Witte, 781-283-2163; Magaly Queralt, 781-283-2163)

- **Oregon State University**. This project is a consortium-level study being carried out through a research grant to Oregon State University, a member of the Oregon Child Care Research Partnership. The study is exploring relationships between State subsidy policies, the duration of individual subsidy use, patterns of child care and duration of individual child care arrangements. Participating States include Illinois, Maryland, Massachusetts, Oregon, and Texas. Child care policies related to the Child Care and Development Fund, Temporary Assistance to Needy Families and State-funded subsidy programs are being examined. Each State is contributing records for a large number of households who receive subsidized child care services. The project has developed: 1) State-level longitudinally reconfigured data sets with identical data elements and structures; 2) a multi-State data set combining samples from each of the six States; 3) institutional-level policy variables which will be added to the combined data set; 4) linkage of monthly records within each State data set over time at the child level to create six anonymous, longitudinally reconfigured State data sets; and 5) a single, multi-State database for analysis. (Contact: Elizabeth Davis, 612-625-3772)

Wave III Child Care Policy Research Partnerships

(These Partnerships received their first year of funding in FY 2000 and second year non-competing continuations in FY 2001. They will receive their final year of funding in FY 2002.)

Project Officer: Pia Divine

- **Midwest Child Care Research Partnership**, lead partner is the University of Nebraska, $300,000. This partnership, independently formed in 1997, is composed of the four Midwestern States in ACF region VII: Iowa, Kansas, Missouri, and Nebraska. The Ewing Marion Kauffman Foundation is a major funding partner. The overall goal of this partnership is to establish a baseline of child care quality using performance indicators and to track changes in quality over time. In year one, this Partnership surveyed child care quality indicators and workforce characteristics using a large, stratified random sample of regulated providers and teachers. The survey is being supplemented by a smaller observational study of care quality embedded in the representative sample. The survey and observation results will be used as baseline data for developing Child Care Performance Indicators and tracking changes in quality. (Contacts: Brian Wilcox, 402-472-3479; Helen Raikes, 402-486-6504)

- **Minnesota Child Care Research Partnership**, lead partner is the Minnesota Department of Children, Families & Learning, $300,000. This partnership is exploring how child care affordability, quality and accessibility affect outcomes for families and children. A key objective is to understand the effect of State policies such as level of subsidies, tiered reimbursement, and quality regulations. By the end of its first year, the Minnesota Partnership had: estimated the impact of different factors on parents' choice of care; analyzed and produced a report on the patterns of employment for families receiving child care assistance; developed a database of child care sites receiving tiered reimbursement; developed a State Descriptive Profile detailing the characteristics subsidized care; and, developed policy research briefs. (Contact: Deb Swenson-Klatt, 651-582-8450)
- **University of Southern Maine**, "New Partners" $300,000. This partnership includes all six ACF Region I States (Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, & Vermont) and focuses on child care workforce issues. The partners are developing an infrastructure for routine data collection and analysis in each State, describing the child care workforce in New England, and translating data and findings into policy development, refinement and implementation. In the first funding period, New Partners produced a document outlining policy innovations in New England; a report on the availability and reliability of data resources regarding the child care workforce in New England; a status report on the New England child care workforce; analyses of specific research and policy questions; and a framework for improving workforce data collection and evaluation. (Contact: Erin Oldham, 207-780-5838)
- **Wisconsin Child Care Research Partnership**, lead partner is the University of Wisconsin, $300,000. State data from Wisconsin's Child Care Data Warehouse and the Child Care Resource & Referral Data Base is being analyzed to better understand the population of families who receive child care subsidies as well as the supply of care from which they choose. The quality of subsidized and non-subsidized child care is being examined to identify indicators of quality and beneficial policies. Child care facilities are being observed and interviews held with 200 programs to assess structural features and processes in subsidized and non-subsidized care. The research is examining child care quality in relationship to State child care policies, focusing on shifts in usage of subsidies, changes in the child care marketplace, and assessments of child care quality over time. (Contact: Mary Roach, 608-262-6041)

Scholarships for Dissertation Research

These grantees received their first year funding in September 2000. Each of these grants supports a doctoral candidate in conducting their dissertation research. Grants are one-year with a second-year option.

Project Officer: Pia Divine

- **Harvard College**, "Child Care Arrangements Among Low-Income Families: A Qualitative Approach," $39,900. Child care arrangements among urban low-income families were analyzed using qualitative research methods including interviews with mothers over a twelve month period and observations in child care settings. This study explored the following: What are the strategies working families in low income urban communities adopt for their young children's care and development? How do different strategies affect the way children spend their time during early childhood? What comparisons, if any, can be made in the care offered families with young children in American inner-city communities that differ by racial and ethnic composition, and/or the types of services available in those neighborhoods? The goal was to better understand individual family decisions within the context of the choices available at the community-level. (Contact: Jeffrey Smith, 617-496-3334; Scholar: Ajay Chaudry, 718-783-9664)
- **Rice University**, TX, "The Effects of Child Care Disruptions on Working Parents: An Experience Sampling Approach," $40,000. This study is examining the interaction between child care and parent workplace stress. Ethnically and socioeconomically diverse parents are being followed and their behaviors and attitudes randomly sampled to measure the effects of child care disruptions as they occur. The researcher predicts that: parents using workplace-site child care will experience fewer negative consequences as a result of child care; women will be more likely to experience the effects of child care problems spilling over and affecting outcomes at work than are men; and low-income families will experience more negative outcomes as a result of child care problems. (Contact: Michelle R. Hebl, 713-348-5221; Scholar: Jessica Foster, 713-348-5149)
- **University of Arizona**, "Informal Caregiving Among the White Mountain Apache and its Impact on Child Health and Well-Being" $40,000. This dissertation is an ethnographic study of informal kith and kin care among the White Mountain Apaches and the effects of child care practices on child health. The implications of welfare reform to parent employment and child care are being explored as well. The project has three basic components: patterns of caregiving; the practice of (alternative) caregiving and health related behaviors; and community attitudes. (Contact: Mark A. Nichter, 520-621-2665; Scholar: Shannon Sparks, 520-327-0370)
- **University of North Carolina**, "The Responses of Single Mothers to Welfare and Child Care Subsidy Programs under the New Welfare Reform Act," $39,919. This project involved a comprehensive analysis of single mothers' employment, child care payment, welfare, and child care subsidy decisions in the new welfare environment. Using a recent data set from the National Survey of America's Families, the study modeled the effects of wages, child care prices, welfare program rules, subsidy benefit, and reimbursement rates on single mothers' welfare participation, use of child care subsidies, employment, and child care payment decisions. In this dissertation, the researcher sought to better understand the barriers that discourage mothers from participating in welfare and child care

subsidy programs. (Contact: David Blau, 919-966-3962; Scholar: Erdal Tekin, 919-967-7639)

- **University of Wisconsin**, "The Habitat of Family Child Care Providers: The Influences of Caregiver, Contextual and Group Characteristics on Quality Care," $37,893. This study of 67 licensed family child care providers examined the unique and combined influences of factors including education and training, psychological well-being, adult attachment style, commitment to care, and social support that promote or undermine quality care giving. Guided by an ecological model, the study explored links between determinants of caregiver behavior and quality of care. (Contact: Inge Bretherton, 608-263-9602; Scholar: Ruth Weaver, 608-231-1863)

FY 2001 CHILD CARE BUREAU RESEARCH GRANTS (NEW GRANTS ISSUED IN SEPTEMBER 2001)

State Child Care Data Capacity and Research Projects

These grants were awarded in September 2001 with FY 2001 funds. They will receive continuation funding in FY 2002 for their second year. Most will be refunded again for a third and final year in FY 2003.

Project Officer: Joanna Grymes/Joe Gagnier

- **Connecticut Department of Social Services**, Hartford, CT, $250,000 (FY 2001) for "Connecticut Early Childhood Research and Development Project: Child Care Data *CONN*ections." During the first year of this project, Connecticut undertook plans to build a statewide research infrastructure for well-informed, effective, and efficient child care program and policy development at State and local levels. Ongoing work includes building an inventory of databases, prioritizing recommendations for aligning existing databases and related information dissemination processes, and implementing a comprehensive research agenda. (Contact: Peter Palermino, 860-424-5006)
- **Commonwealth of Massachusetts Office of Child Care Services**, Boston, MA, $249,600 (FY 2001) for "Massachusetts Research, Analysis, and Evaluation Project." The State is building capacity by developing a Research Analysis and Evaluation Unit as well as a state-of-the–art child care data warehouse. A strong research component will focus on evaluating State quality program initiatives and the longitudinal impact of quality on school readiness. (Contact: Rodney Southwick, 617-626-2089)
- **Oregon Employment Department**, Child Care Division, Salem, OR, $250,000 (FY 2001) for "Oregon Child Care Research and State Capacity Project." Building upon previous research efforts, Oregon is: (1) developing a comprehensive, systemic performance measurement process; (2) redesigning the child care licensing database system; (3) continuing its work with the child care subsidy duration studies; and (4) developing methodology guidebooks to assist others with similar research efforts. (Contact: Tom Olsen, 503-947-1409)

Field Initiated Child Care Research Projects

The following grants represent new Field Initiated Research Projects funded in FY 2001. They will be issued a non-competing continuation for their second year in FY 2002 and again in FY 2003 for their third and final year.

Project Officer: Joanna Grymes/Joe Gagnier

- **Education Development Center**, Inc, Newton, MA, $249,992 (FY 2001) for "Partnering for Quality: The Impact of Partnerships on Child Care Quality and Accessibility." This project is studying the approaches to child care partnerships in existence across the country today and the impact of child care/Head Start partnerships on quality and access. Included in the project will be the analysis of an existing database of quantitative and qualitative data to describe current approaches as well as a study using a random sample of child care centers and a comparison group not engaged in partnerships. (Contact: Diane Schilder, 617-969-7100 x. 2757)

- **Illinois Department of Human Services**, Springfield, IL, $193,098 (FY 2001) for "A Study of Informal Child Care." This study is using a multi-method, descriptive approach to the study of informal care. Data will be analyzed to assess utilization of subsidized informal care statewide. Focus groups and interviews are being conducted to gain the perspectives of parents, providers, and staff of Child Care Resource and Referral agencies (Contact: Patty Berndt, 217-785-0754)
- **National Bureau of Economic Research**, Cambridge, MA, $250,000 (FY 2001), for "Impact of Child Care Policy and Welfare Reform on Child Care Markets and Low-Income Parents and Children." Using longitudinal data from three states, this study focuses on child care needs in local areas, particularly low-income communities and those with large numbers of ethnic minority families. Analyses will answer three key questions: (1) what does child care look like today; (2) how do variations in child care and child care policy affect children; and (3) how do variations affect parents? (Contact: Ann Dryden Witte, 781-283-2163)
- **Purdue University,** West Lafayette, IN, $250,000 (FY 2001) for "Community Variations in Child Care for Working Poor Families: Contributions to Child Development and Parental Employment Opportunities." This research describes and compares the "child care landscapes" in four communities with diverse subsidy policies, identifying the community-level variables that are most strongly associated with quality of care and child and family outcomes. Linkages between child care characteristics and parental work outcomes will also be determined. Data are being collected from community informants, parents, children, and child care providers. (Contact: Susan Kontos, 765-494-2942)
- **The SPHERE Institute**, Burlingame, CA, $175, 322 (FY 2001) for "Child Care Price Dynamics in California." Using a trend analysis of provider prices from market surveys and a longitudinal study of providers, this study is: (1) tracing trends in price; (2) relating price changes to characteristics of supply and demand in county and sub-county markets; (3) analyzing how providers set prices; and (4) assessing the effect of vouchers, reimbursement rate ceilings or other policies on the overall price of care in the private market. (Contact: Margaret O'Brien-Strain, 650-558-3980 x. 15)
- **Temple University,** Philadelphia, PA, $249,922 (FY 2001) for "Influence of Welfare Reform and Child Care Problems on the Detailed Employment Experiences of Low-income Mothers." Key questions investigated by this project include: (1) how do child care characteristics and constraints affect success at work; (2) what are the effects of policies associated with welfare, work, and child care; (3) how are work outcomes different for TANF mothers compared with a control group of working mothers; and (4) how are the answers to these questions different for mothers from different racial/ethnic groups, neighborhoods, family characteristics, and social resources? (Contact: Julie Press, 215-204-2710)

- **Texas Tech University,** Austin, TX, $188, 590 (FY 2001) for "Child Care Use in Mexican American Families." An integrative process-oriented model of minority children's development is being used to examine community and employment factors, cultural beliefs and caregiving practices, extended family and non-kin networks, family characteristics, and child care characteristics that may influence child care practices and choices of Mexican American families with infants and toddlers. (Contact: Yvonne Caldera, 806-742-3000)
- **University of Georgia,** Athens, GA, $249,962 (FY 2001) for "America Cares for Children and Youth: School-Age Care Needs Assessment and Training Project." The project is documenting the demand and supply of formal and informal school-age care, particularly for ethnic minority or low-income youth in inner city and remote rural areas of Georgia. Community needs assessment tools and training protocols for informal caregivers will be developed and evaluated. (Contact: Christine Todd, 706-542-2817)
- **University of North Carolina** – Chapel Hill, NC, $250,000 (FY 2001) for "A Longitudinal Study of Legal, Unregulated Family Child Care Providers Who Participate in the Child Care Subsidy Program." This study will follow family child care providers who participate in the subsidy system for three years. A variety of measures will assess quality of care, continuity of care, and improvement of quality as result of participation in quality activities. (Contact: Kelly Maxwell, 919-966-9865)
- **University of Southern Maine**, Portland, ME, $250,000 (FY 2001) for "Child Care and Special Needs Children: Challenges for Low-income Families." This project is focusing on low-income parents of children with special needs. It also collects data from welfare caseworkers, early intervention case managers, child care providers, and low-wage employees to provide a context for parents' perspectives. While the primary focus is on child care, this research also looks at the related issues of welfare reform and coordination with early intervention services at the community level. (Contact: Helen Ward, 207-780-5831)
- **University of Texas** – Austin, Austin, TX, $250,000 (FY 2001) for "Devolution of Subsidized Child Care in Texas." This project is a study of the relationship among child care subsidy management policies and the supply, usage, and quality of subsidized care for low-income families. Administrative data from several State agencies in combination with other public data are being used to develop a summary profile for each region including key policies, demographics, economic characteristics, and child care measures. (Contact: Deanna Schexnayder, 512-471-2193).
- **Wellesley College**, Wellesley, MA, $203,976 (FY 2001) for "Family Income, Infant Child Care, and Child Development." A random sample of 200 infants (100 girls, 100 boys) and their families from 100 centers that care for infants is being studied. Links are being explored among poverty, other key family characteristics, quality and cost of care, family outcomes, and infant development at twelve and twenty-four months. This project is part of a larger study addressing important issues of quality and cost in early care and education. (Contact: Wendy Wagner-Robeson, 781-283-3499)

Scholar Grants

The following grants represent new Scholar Grants funded in FY 2001. Grantees will be issued a non-competing continuation for their second and final year in FY 2002.

Project Officer: Pia Divine

- **University of Chicago**, "Informal Social Support Roles of African American Child Care Providers in Low-Income Communities," $30,000. This dissertation will examine the ways African-American child care providers support low-income African-American parents and neighborhoods beyond the daily responsibilities of child care and the relationships that develop among providers, parents, and communities. The extent to which providers offer parents emotional and financial support in addition to child care will be explored as well as how providers expand their caring to local neighborhoods through informal monitoring and organizing. (Contact: Juliet Bromer, 773-643-6397)
- **University of Massachusetts**, "Exit and Voice: Labor Turnover in Child Care Centers," $30,000. This research project will assess the relationship between working conditions and staff turnover in child care centers, and create materials that policy-makers, researchers, and practitioners can use to encourage higher quality child care. Some economic theories predict lower turnover at child care centers where workers feel that they have a voice in the operation and organization of their work lives. Using the theory of exit-voice created by economist Albert Hirschman, the Scholar will look at different institutional settings to see if voice alternatives to quitting are a cost-effective method of lowering turnover. (Contact: Lynn Hatch, 413-256-4113)
- **President and Fellows of Harvard College**, "The Relationship Between Early Childhood Caregivers' Beliefs About Child-Rearing and Young Children's Development: A Secondary Analysis of Data from the National Institute of Child Health and Human Development Study of Early Child Care," $30,000. This research will examine the child-rearing beliefs of caregivers (i.e. center staff, family child care providers, grandparents, other relatives, and babysitters/nannies) in the National Institute of Child Health and Human Development Study of Early Child Care (NICHD, 1994). Caregivers' authoritarian/non-authoritarian values (Schafer & Edgerton, 1985) will be indexed to their child-rearing beliefs. This study will further an understanding of non-parental caregivers' role in young children's development. Findings may have social policy implications related to developing effective education and training programs for caregivers. (Contact: Jane Katz, 617-495-3546)
- **President and Fellows of Harvard College**, "Child-Care Selection from Birth to Age Three: The Influence of Family Economy, Demographics, and Parenting Beliefs," $30,000. This project will provide new information on differences in single and two parent families, family socio-economics, and parent beliefs. It will also identify timing and sequence of care over children's first three years of life. Specifically, this study will: (1) examine whether and when children enter care of different types (e.g., relative care vs. family child care) and intensity (e.g., part versus full-time); (2) examine the sequence of arrangements over the

first three years; (3) consider how time-variant (e.g., income, parenting beliefs) and time in-variant (e.g., ethnicity) family characteristics affect child care decisions, and (4) consider whether these effects vary by child age. (Contact: Ann Wolf, 410-367-4423)

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