

UNITED STATES OFFICE OF PERSONNEL MANAGEMENT



2010 Federal Child Care Subsidy Program Call for Data Results

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a New Day for Federal Service

2010 Federal Child Care Subsidy Program Call for Data Results

2010 REPORT

Table of Contents

Background.....	2
Why Subsidize Child Care?	2
The FCCSP Call for Data.....	3
Trends Over Time	3
Key Results.....	4
Analysis	4
Conclusion	6
References	7
Appendix A: 2010 Data Results	8
Appendix B: Cost of Program Administration.....	11
Appendix C: Child Care Centers and Family Based Homes	13
Appendix D: Top 10 Agencies/Components by Amount Disbursed	15
Appendix E: Additional Data	16
Appendix F: OPM Form 1645	19

Results

Background

The Federal Child Care Subsidy Program (FCCSP), established in 2001 by section 630 of Public Law 107-67, allows agencies to use appropriated funds to help lower-income Federal employees pay for child care. Federal agencies choose whether or not they wish to participate, based on considerations such as budget, mission priorities, and the demographics and needs of their employee population. Agencies that establish a subsidy program are given broad latitude in determining key elements and parameters of their programs, including income ceilings and total amounts to be disbursed. Federal regulation requires that child care providers be licensed and/or regulated by the State and, where applicable, by local authorities where the childcare service is delivered. Agencies pay directly to the child care provider the child care subsidy for Federal employees who qualify for the program.

Each implementing agency administers its program, often through a contract with a third-party administrator. The U.S. Office of Personnel Management (OPM) provides guidance, support and resources to Federal agencies for the FCCSP. Resources include the Guide for Implementing Child Care Legislation (http://www.opm.gov/Employment_and_Benefits/WorkLife/OfficialDocuments/HandbooksGuides/Childcare_Legislation/index.asp), informational meetings with agency subsidy coordinators to share ideas and best practices, child care subsidy workshops, and one-on-one assistance to agencies contemplating implementation of a program.

Why Subsidize Child Care?

The costs of child care in the United States continue to grow at an alarming rate. In fact, the cost of child care has grown twice as fast as the median income of families with children since 2000. Findings from the White House Middle Class Task Force show that full-time infant care often costs more than \$10,000 per year. Average yearly costs are still soaring, ranging between \$4,000 and \$15,000 for infants, and \$4,000 and \$11,000 for 4-year-olds. In 39 states, child care fees are higher than a year's tuition at a 4-year public college.¹ The FCCSP can reduce these costs so that lower-income employees gain access to quality child care. Offering a subsidy program in turn helps Federal agencies recruit and retain the staff they need to accomplish their mission.

¹ McSweeney, T. (2010, January 29). Helping Middle Class Families with Soaring Child Care Costs. Retrieved March 15, 2011, from <http://www.whitehouse.gov/blog/2010/01/29/helping-middle-class-families-with-soaring-child-care-costs> .

The FCCSP Call for Data

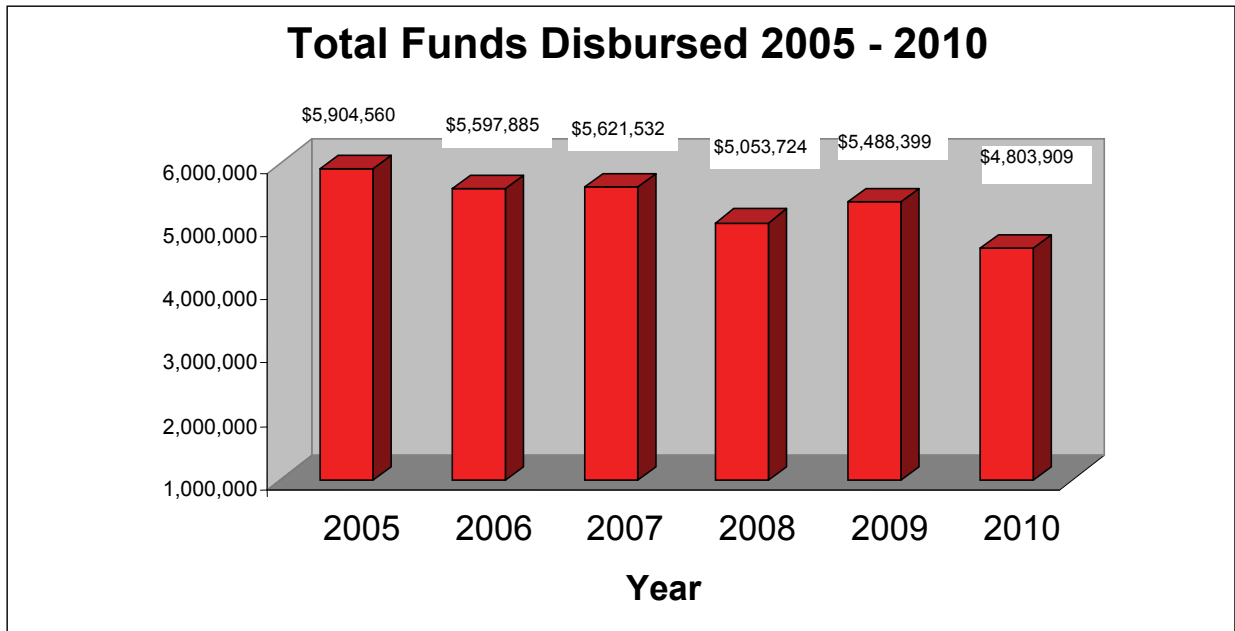
As required by 5 CFR 792.204, OPM issues an annual call for child care subsidy data (the Call) to all participating agencies or agency components at the beginning of each calendar year. Agencies/components use the OPM Form 1645 (Appendix G) to make an electronic submission. The data are compiled and an information copy of the results is sent to Congress.

Annual data exist from the inception of the program through the current reporting year with basic information about agency/component disbursements, employees and children served, and some programmatic details. OPM uses the information gathered to better serve those who currently participate in the FCCSP, and to encourage more participation Government-wide.

Trends Over Time

Thirty-three Federal agencies/components now offer child care subsidies (Appendix A). All but one of these agencies (National Science Foundation) implemented their programs in 2001. The total amount disbursed through these programs has averaged about 5.4 million over the past several years (Figure 1), with a 2010 average per-child payment of \$1,537², an 18% increase over 2009 average per-child payment of \$1,301.

Figure 1



² Average per child spending is derived by dividing the total disbursed in 2010 (Figure 1) by the total number of children enrolled in 2010.

Key Results

The responses to our 2010 Data Call reveal the following highlights:

- The total amount disbursed by participating agencies/components in fiscal year 2010 was \$4,803,909. This represents a decrease of \$684,490 from the 2009 total.
- There was a decrease in the number of employees (3,240 in 2009 to 2,214 in 2010) and children (4,303 in 2009 to 3,125 in 2010) enrolled in the program.
- The income ceiling for Federal agencies with a CCSP range from \$50,000 to \$75,000. Three agencies/components increased their income ceiling level for 2010; the average increase was \$12,343.³
 - General Services Administration
 - HHS' Health Resources and Services Administration
 - Securities and Exchange Commission
- Most agencies/components are paying less than 50 percent of the total cost of child care for those enrolled in their programs.

Analysis

Thirty-three (33) agencies or agency components have child care subsidy programs.⁴ All 33 agencies responded to the Data Call.

In 2010, participating agencies and components saw an overall decrease in the amount disbursed compared to 2009 (Figure 1). Agencies disbursed a total of \$4,803,909 in 2010 – a 12.5% decrease. However, as indicated in Appendix A, a few agencies saw increases in disbursements due to increased enrollment and increased costs in providing childcare services. The newest agency to offer childcare subsidies, the National Science Foundation (NSF), saw the highest percentage increase in disbursements – 152% over the previous year – and a 36% increase in enrollment. In addition to increased enrollment and childcare costs, the large increases at NSF can be attributable to the fact that the NSF program was initiated in the spring of 2009 and, therefore, was not offered for a full year in 2009.⁵ Additionally, the Department of the Interior saw a 120% increase in disbursements and a 67% increase in enrollment over the previous year. In both these agencies, percentage increases in disbursements are proportionally larger than increases in enrollment primarily due to an overall increase in the cost of providing childcare services.

Though there were several noteworthy increases in disbursement, many agencies continue to pay out less than previous years. Agencies such as the Department of

³ The average is rounded to the nearest dollar.

⁴ There are 21 agencies offering subsidy programs; however, some of these agencies have components with their own subsidy programs. Therefore, these components are counted individually, resulting in a total of 33 reporting entities. The Department of Health and Human Services, for example, has 6 component agencies that offer the subsidy.

⁵ When comparing the total amount of funds distributed in FY 2009 to the total amount distributed FY 2010, we are comparing 6 months of funds expended to 12 months of funds expended.

Transportation's Federal Railroad Administration and HHS' Administration on Aging decreased their disbursements by 78 and 71 percent, respectively. This is a result of a decline in the enrollment at these agencies. The Department of Veterans Affairs (VA) also saw a 50 percent decrease in disbursements in 2010. Prior to 2010, the VA began experiencing problems with the contractor administered program and how child care subsidy payments were being made to child care providers of their enrollees. As a result, the VA decided to suspend subsidy payments until the problems were resolved. In September 2010, the VA reestablished the program and staffed the office with Federal employees. The time elapsed between the suspension and reestablishment of the program created a backlog of child care subsidy payments in 2010.

The 12.5 percent decline in total disbursements from 2009 to 2010 reflects a large decline in disbursements at several agencies, as well as a decline in the participation rate among employees. The number of employees participating declined from 3,240 in 2009 to 2,214 in 2010 and the number of children participating declined from 4,303 in 2009 to 3,125 in 2010 (Appendix A).

The number of children enrolled in child care centers and family child care homes has also decreased significantly. Agencies/components that responded indicated there are 1,251 children in child care centers and 310 children in family child care homes. This is a rather large change from 2009, when there were 3,491 children in child care centers and 717 children in family child care homes.⁶

Three agencies actually increased their income ceiling level in 2010 – the salary above which an employee is ineligible for a child care subsidy – while the remainder of the participating agencies remained at the same levels. Given the economic climate, agencies are continuing to face challenges in making the business case for child care subsidy. The relatively stagnant income ceilings are still a barrier to participation as indicated by the overall decline in enrollment. Some agencies want to increase their income ceiling, but face budgetary issues that do not permit them to be able to offer an increase. Yet, other agencies that have increased their ceilings, still realized little to almost no increase in participation rate, suggesting there are multiple barriers.

Conclusion

The FCCSP is an important work/life program in the Federal Government and is a useful tool for recruiting and retaining employees. The CCSP is also a tool employees can use in helping to make child care affordable. While many agencies increased the amount of subsidies that were paid and the amount paid to each participant rose, overall there was still a decrease in enrollment and a decline in the total amount disbursed. A few agencies, however, are trying to increase their income ceilings, even in a climate marked by significant budget constraints.

⁶ The sum of the number of children in child care homes and child care centers is less than the total number of participating children. This is due to the fact that we report the numbers as given to us by the agencies. We note that there was a significant difference in the numbers reported to us by the Department of VA.

OPM, as the lead agency providing guidance and support to agencies on all aspects of this program, continues to promote implementation and utilization of the FCCSP at work/life coordinator meetings, specialized workshops, agency visits and conferences/seminars, while agencies monitor and maintain their programs and annually report on them to OPM through the Call (Appendix A and Appendix G). Efforts to continue to provide support to agencies will strengthen as we encourage agencies without FCCSPs to consider establishing such programs. Information about the FCCSP can be found on www.opm.gov/worklife.

References

1. McSweeney, T. (2010, January 29). Helping Middle Class Families with Soaring Child Care Costs. Retrieved March 15, 2011, from <http://www.whitehouse.gov/blog/2010/01/29/helping-middle-class-families-with-soaring-child-care-costs>.

Appendix A

2010 Data Results

Comparison of 2009 and 2010 Data (Agency/Component Name, Income Ceiling, 2009 Funds, 2010 Funds, Number of Employees, Number of Children, Percent Change)

Agency/ Component Name	2009 Income Ceiling	2010 Income Ceiling	2009 Funds Paid	2010 Funds Paid	2009 # of Employees	2010 # of Employees	2009 # of Children	2010 # of Children	% Change in Funds Paid
Central Intelligence Agency	\$70,000	\$70,000	\$206,777	\$148,410	60	46	75	57	(28)
Department of Education	\$50,000	\$50,000	\$6,750	\$10,545	3	4	3	4	56%
Department of Housing and Urban Development	\$69,999	\$69,999	\$207,714	\$131,881	83	76	109	91	(37%)
Department of the Interior	\$60,000	\$60,000	\$5,923	\$13,054	3	5	3	5	120%
Department of Labor	\$59,999	\$59,999	\$175,375	\$156,251	145	84	175	115	(11%)
Department of State	\$75,000	\$75,000	\$170,003	\$200,704	68	77	91	93	18%
DOT - Federal Aviation Administration	\$72,000	\$72,000	\$627,152	\$998,710	238	300	322	329	59%
DOT - Federal Railroad Administration	\$75,000	\$75,000	\$2,203	\$480	3	1	3	1	(78%)
Environmental Protection Agency	\$75,000	\$75,000	\$194,014	\$198,795	75	72	97	97	2%
Federal Energy Regulatory Commission	Did not report	\$72,000	Did not report	\$16,122*	Did not report	5	Did not report	5	NA
General Services Administration	\$63,300	\$64,400	\$259,574	\$334,160	68	77	71	100	29%
HHS - Administration on Aging	\$50,000	\$50,000	\$11,283	\$3,287	11	6	17	7	(71%)
HHS - Centers	\$65,000	\$65,000	\$162,933	\$158,548	85	77	114	98	(3%)

Agency/ Component Name	2009 Income Ceiling	2010 Income Ceiling	2009 Funds Paid	2010 Funds Paid	2009 # of Employees	2010 # of Employees	2009 # of Children	2010 # of Children	% Change in Funds Paid
for Disease Control									
HHS - Food & Drug Administration	\$75,000	\$75,000	\$153,688	\$158,718	59	66	97	95	3%
HHS - Heath Resources and Services Administration	\$40,000	\$75,000	\$0	\$11,850	0	12	0	13	0%
HHS - National Institutes of Health	\$60,000	\$60,000	\$304,805	\$330,872	144	133	189	171	9%
HHS - Program Support Center	\$75,000	\$75,000	\$112,726	\$76,128	27	19	47	29	(32%)
HHS - Substance Abuse and Mental Health Services Administration	\$50,000	\$50,000	\$3,826	\$2,250	1	1	1	1	(41%)
HUD - Office of Inspector General	\$69,999	\$69,999	\$6,243	\$7,268	2	4	2	5	16%
National Labor Relations Board	\$50,346	\$50,346	\$12,245	\$11,695	5	6	6	7	(4%)
National Science Foundation	\$75,000	\$75,000	\$24,306	\$61,207	13	17	14	19	152%
Nuclear Regulatory Commission	\$68,000	\$68,000	\$22,560	\$28,124	13	11	20	16	25%
Office of Personnel Management	\$60,000	\$60,000	\$109,581	\$87,139	34	38	48	54	(20%)
Pension Benefit Guaranty Corporation	\$67,775	\$67,775	\$54,071	\$39,081	18	14	19	15	(28%)
Railroad Retirement Board	\$60,000	\$60,000	\$0	\$5,642	0	2	0	2	NA

Agency/ Component Name	2009 Income Ceiling	2010 Income Ceiling	2009 Funds Paid	2010 Funds Paid	2009 # of Employees	2010 # of Employees	2009 # of Children	2010 # of Children	% Change in Funds Paid
Securities and Exchange Commission	\$61,740	\$62,668	\$31,948	\$27,646	13	10	15	12	(13%)
Treasury - US BPD	\$75,000	\$75,000	\$33,558	\$39,240	25	33	38	48	17%
Treasury - US Mint	\$60,000	NA	\$0	NA	0	NA	0	NA	NA
Treasury-IRS- Office of Chief Counsel	\$51,500	\$51,500	\$17,706	\$37,710	8	9	8	11	113%
USDA - Farm Service Agency	Did not report	\$46,999	Did not report	\$5,247*	Did not report	4	Did not report	4	NA
USDA - Foreign Agricultural Service	Did not report	\$59,999	Did not report	\$6,638*	Did not report	7	Did not report	7	NA
USDA - Research, Education & Economics	Did not report	\$60,000	Did not report	\$161,813*	Did not report	73	Did not report	94	NA
Veterans Affairs	\$60,000	\$59,999	\$2,682,978	\$1,334,694	2036	925	2719	1520	(50%)
Total			\$5,488,399⁷	\$4,803,909⁷	3,240	2,214	4,303	3,125	(12.5%)

⁷ This total does not include funds paid by agencies who reported funds paid in 2010 but not 2009 or who reported funds paid in 2009 but not 2010. Those agencies are noted with an asterisk (*). For those agencies, since there are no funds reported in 2009 or 2010, it would be inaccurate to reflect funds paid in the total

Appendix B

Cost of Program Administration

This table shows the cost for each agency/component to administer the child care subsidy program.

Agency/Component Name	Program Administration	Cost of Administration
Central Intelligence Agency	Federal Employee Education and Assistance (FEEA)	\$12,873
Department of Education	Department of Education	\$10,545
Department of Housing and Urban Development	FEEA & First Financial Associates, Inc.	\$258,000
Department of the Interior	GSA	\$2,425
Department of Labor	First Financial Associates, Inc.	\$29,400
Department of State	FEEA	\$17,056
DOT - Federal Aviation Administration	Administrative Services, Inc.	\$60,000
DOT - Federal Railroad Administration	ASI Works, Inc.	\$2,928
Environmental Protection Agency	FEEA	\$16,904
Federal Energy Regulatory Commission (FERC)	FERC	\$0
General Services Administration	GSA	\$35,855
HHS - Administration on Aging	First Financial Associates, Inc.	\$30,424* ⁸
HHS - Centers for Disease Control	FEEA	\$13,684
HHS - Food & Drug Administration	First Financial Associates, Inc.	\$30,424*
HHS - Health Resources and Services Admin	FEEA	\$1,948
HHS - National Institutes of Health	FEEA	\$27,470
HHS - Program Support Center	First Financial Associates, Inc.	\$30,424*
HHS - Substance Abuse and	First Financial Associates,	\$30,424*

⁸ * These agencies, HHS – AoA, FDA, PSC, and SAMHSA, are administered under the same contract. They did not have individual costs for administration for each agency, but rather a combined total of \$30,424.

Agency/Component Name	Program Administration	Cost of Administration
Mental Health Services Administration	Inc.	
HUD - Office of Inspector General	First Financial Associates, Inc.	\$1,218
National Labor Relations Board	First Financial Associates, Inc.	\$1,525
National Science Foundation	FCCS	\$5,905
Nuclear Regulatory Commission	FEEA	\$3,250
Office of Personnel Management	FEEA	\$7,971
Pension Benefit Guaranty Corporation	FCCS	\$4,126
Railroad Retirement Board	FEEA	\$1,451
Securities and Exchange Commission	FEEA	\$3,212
Treasury - US BPD	Treasury –US BPD	\$0
Treasury - US Mint	US Mint	NA
Treasury-IRS-Office of Chief Counsel	FEEA	\$4,016
USDA - Farm Service Agency	NA	\$11,885
USDA - Foreign Agricultural Service	NA	\$11,885
USDA - Research, Education & Economics	NA	\$26,720
Veterans Affairs	Veteran Affairs	\$863,357

Appendix C

Number of participants who used child care centers and family homes

Agency/Component Name	Child Care Center	Family Home
Central Intelligence Agency	45	12
Department of Education	3	1
Department of Housing and Urban Development	75	16
Department of the Interior	4	1
Department of Labor	96	19
Department of State	84	9
DOT - Federal Aviation Administration	275	45
DOT - Federal Railroad Administration	1	1
Environmental Protection Agency	87	10
Federal Energy Regulatory Commission	5	0
General Services Administration	3	74
HHS - Administration on Aging	6	1
HHS - Centers for Disease Control	92	6
HHS - Food & Drug Administration	75	20
HHS - Health Resources and Services Admin	7	6
HHS - National Institutes of Health	120	51
HHS - Program Support Center	24	5
HHS - Substance Abuse and Mental Health Services Administration	0	1
HUD - Office of Inspector General	5	0
National Labor Relations Board	7	0
National Science Foundation	15	4
Nuclear Regulatory Commission	14	2
Office of Personnel Management	44	10

Agency/Component Name	Child Care Center	Family Home
Pension Benefit Guaranty Corporation	12	3
Railroad Retirement Board	2	0
Securities and Exchange Commission	12	0
Treasury - US BPD	47	1
Treasury - US Mint	NA	NA
Treasury-IRS-Office of Chief Counsel	8	0
USDA - Farm Service Agency	9	2
USDA - Foreign Agricultural Service	2	2
USDA - Research, Education & Economics	3	4
Veterans Affairs	69	4
Total	1,251	310

Appendix D

Top 10 Agencies/Components by Amount Disbursed

Agency/Component Name	Highest Amount
Veterans Affairs	\$1,334,694
DOT - Federal Aviation Administration	\$998,710
General Services Administration	\$334,160
HHS - National Institutes of Health	\$330,872
Department of State	\$200,704
Environmental Protection Agency	\$198,795
USDA - Research, Education & Economics	\$161,813
HHS – Food and Drug Administration	\$158,718
HHS - Centers for Disease Control	\$158,548
Department of Labor	\$156,251

Appendix E

Additional Data

Note: Numbers are rounded to the nearest dollar amount.

Agency/ Component Name	AVG Yearly Amount Per Employee	AVG Yearly Amount Per Child	Highest Monthly Employee Disbursement	Lowest Monthly Employee Disbursement
Central Intelligence Agency	\$3,226	\$2,604	\$875	\$9
Department of Education	\$2,636	\$2,636	\$380	\$380
Department of Housing and Urban Development	\$1,735	\$1,449	\$630	\$22
Department of the Interior	\$2,611	\$2,611	\$394	\$194
Department of Labor	\$1,860	\$1,359	\$500	\$9
Department of State	\$2,601	\$2,158	\$690	\$18
DOT - Federal Aviation Administration	\$3,329	\$2,567	\$1,352	\$17
DOT - Federal Railroad Administration	\$480	\$480	\$231.88	\$44
Environmental Protection Agency	\$2,761	\$2,049	\$1,008	\$20
Federal Energy Regulatory Commission	\$3,224	\$3,224	\$326	\$152
General Services Administration	\$4,340	\$3,342	\$2,016	\$35
HHS - Administration on Aging	\$548	\$470	\$900	\$47

Agency/ Component Name	AVG Yearly Amount Per Employee	AVG Yearly Amount Per Child	Highest Monthly Employee Disbursement	Lowest Monthly Employee Disbursement
HHS - Centers for Disease Control	\$2,059	\$1,618	\$805	\$7
HHS - Food & Drug Administration	\$2,405	\$1,671	\$1,538	\$11
HHS - Heath Resources and Services Admin	\$988	\$912	\$375	\$70
HHS - National Institutes of Health	\$2,488	\$1,935	\$1,050	\$5
HHS - Program Support Center	\$4,007	\$2,625	\$434	\$21
HHS - Substance Abuse and Mental Health Services Administration	\$2,250	\$2,250	\$375	\$300
HUD - Office of Inspector General	\$1,817	\$1,454	\$335	\$78
National Labor Relations Board	\$1,949	\$1,671	\$350	\$30
National Science Foundation	\$3,600	\$3,221	\$575	\$74
Nuclear Regulatory Commission	\$2,557	\$1,758	\$538	\$13
Office of Personnel Management	\$2,293	\$1,614	\$689	\$14
Pension Benefit Guaranty Corporation	\$2,792	\$2,605	\$360	\$50
Railroad Retirement Board	\$2,821	\$2,821	\$300	\$218

Agency/ Component Name	AVG Yearly Amount Per Employee	AVG Yearly Amount Per Child	Highest Monthly Employee Disbursement	Lowest Monthly Employee Disbursement
Securities and Exchange Commission	\$2,765	\$2,304	\$494	\$34
Treasury - US BPD	\$1,189	\$818	\$307	\$3
Treasury - US Mint	NA	NA	NA	NA
Treasury-IRS- Office of Chief Counsel	\$4,190	\$3,428	\$460	\$50
USDA - Farm Service Agency	\$1,312	\$1,312	\$430	\$0
USDA - Foreign Agricultural Service	\$948	\$948	\$716	\$0
USDA - Research, Education & Economics	\$2,217	\$1,721	\$500	\$11
Veterans Affairs	\$1,443	\$878	\$600	\$9

Appendix F

2010 Call for Child Care Subsidy Data

OPM Form 1645

1. Agency Name

Agency Street Address

Agency City

Agency State

Agency Zip Code

2. Has your agency stopped offering a child care subsidy program since the last time you reported the data?

Yes No

Please explain

3a. Income ceiling of the child care subsidy program in your agency \$

3b. In the past fiscal year, has the income ceiling level changed?

Increase Decrease No Change

Results

4a. Total agency population

4b. Number of employees utilizing the child care subsidy program

4c. The average total family income of employees in the child care subsidy program \$

4d. Total amount of funds disbursed this past fiscal year \$

4e. Total of all employees' child care costs (pre-subsidy).

\$

4f. Number of children served by the child care subsidy program.

4g. Lowest monthly employee disbursement

\$

4h. Highest monthly employee disbursement

\$

Types of Child Care Provider

5.

Total number

Number of children in center based child care

—

Number of children in family child care homes

—

Program Administration

6a. Did your agency administer the program?

Yes

No

6b. Did your agency contract with another organization to administer the funds?

Yes

No

6c. Total cost to administer the program during the past fiscal year \$__

7. If there have been any substantial changes in your child care subsidy program or if you have any additional comments, please provide below:

—

Agency Certification

8a. Name

—

8b. Title

—

8c. Telephone number —
8e. Email —
8f. Date —



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OFFICE OF PERSONNEL MANAGEMENT
Employee Services
1900 E Street, NW
Washington, DC 20415