

**CHILD CARE AND DEVELOPMENT FUND (CCDF)
STATE SPENDING UNDER THE FISCAL YEAR 2011 APPROPRIATION
AS OF 9/30/2011**

FY 2011 Highlights:

This summary provides cumulative information obtained from state ACF-696 financial reports submitted for the Fiscal Year (FY) 2011 CCDF appropriation showing cumulative expenditures through September 30, 2011. The FY 2011 state reports detail expenditures from each of the CCDF funding streams (Mandatory, Matching, and Discretionary), as well as funds transferred from the Temporary Assistance for Needy Families (TANF) program to CCDF in FY 2011. Included are expenditures for administration, direct and non-direct services, and quality activities including congressionally mandated targeted funds for: (1) Child Care and Quality Improvement Activities; (2) Infant and Toddler Quality Improvement; and (3) Child Care Resource and Referral and School Age Care.

As of September 30, 2011, cumulative expenditures from the FY 2011 appropriation totaled approximately \$7.8 billion. This total includes approximately \$129 million in excess State Match and Maintenance of Effort (MOE) expenditures above the amounts required to draw down the full allotment of federal CCDF funds. Footnotes have been added to Table 5b – *Matching State Share Summary* and Table 8b – *Maintenance of Effort (MOE) Summary* identifying excess expenditures reported by states.

Maintenance of Effort. States reported spending the \$888 million of state funds necessary to meet the established MOE level for FY 2011 and draw down federal Matching funds. Eight states reported spending a total of \$79 million over the required MOE level with total MOE expenditures equaling \$967 million.

Non-Federal Match. In addition to meeting the above MOE requirement and obligating their Mandatory funds by September 30, states must match federal expenditures with state funds at the applicable Federal Medical Assistance Percentages (FMAP) rate to be eligible for federal Matching funds. States matched the \$1.5 billion in federal Matching funds with \$1.25 billion in state expenditures. Three states reported spending a total of \$50 million over the state match amount required to draw down the full allotment of federal Matching funds, although this number is subject to change since states have another year to liquidate matching funds.

TANF Transfers. Section 404(d) of the Social Security Act allows states to transfer portions of their TANF grant to either CCDF or the Social Services Block Grant. In FY 2011, 34 states transferred a total of approximately \$1.6 billion in FY 2011 federal TANF funds to CCDF.

Unobligated Matching Balances. The District of Columbia released \$256,460, Idaho released \$9.6 million, and Utah released \$13 million in FY 2011 federal Matching funds for a total of \$22.9 million to be reallocated to other states in FY 2012.