



SOCIAL SERVICES BLOCK GRANT FISCAL YEAR 2016 FOCUS REPORTS

DAY CARE – CHILDREN

BACKGROUND AND HISTORY

This focus report presents expenditure and recipient data reported in the Social Services Block Grant (SSBG) High Level Service Area of Day Care – Children in federal fiscal year (FY) 2016.

States have broad discretion in the use of SSBG funds and may determine what services to provide, who is eligible to receive services, and how funds are used. States may use SSBG funds to provide child care services for infants, toddlers, preschoolers, and school-aged children. Services may include direct child care services, subsidies for the provision of child care, and support services for children and caregivers. The Uniform Definition of Services¹ defines Day Care – Children and stipulates that funded services and supports may include:

- comprehensive developmental activities;
- recreation;
- meals and snacks;
- transportation;
- health support services;
- counseling for parents; and
- licensing and monitoring of facilities.

The federal government provides funding to states specifically for the provision of child care through the Child Care and Development Fund (CCDF). The CCDF assists low-income families, families receiving temporary public assistance, and those transitioning off public assistance, in obtaining child care so they can work, attend training, or further their education. In FY 2016, the federal government allocated \$5.7 billion in CCDF funds to states, territories, and tribes.² Other child care funding sources include the Temporary Assistance for Needy Families (TANF) block grant, and state funds. The CCDF is the primary source of federal funding for child care.³

HIGH LEVEL SERVICE AREA

The Office of Community Services (OCS) has grouped the 29 SSBG service categories (including Other Services) into seven SSBG High Level Service Areas (HLSA) to facilitate the evaluation and analysis of data related to services and individuals served. Day Care – Children is one of the seven HLSAs and encompasses only the SSBG service category of Day Care – Children. As the HLSA and the SSBG service category are one and the same, the term Day Care – Children will be interchangeable throughout this report.

EXPLANATIONS OF EXPENDITURES AND RECIPIENTS

The following section provides definitions of several terms used throughout this report. In this report, “states” include the District of Columbia and the Commonwealth of Puerto Rico.



Total SSBG Expenditures: Total SSBG Expenditures refers to the sum of two separate funding sources reported by states, expenditures of the SSBG allocation (referred to as SSBG Expenditures; see below) and expenditures of the funds transferred into the SSBG from the TANF block grant (referred to as TANF transfer funds; see below).

SSBG Expenditures: States report dollars from the SSBG allocation spent for services and administrative costs. The total reported amount may differ from the amount of the annual SSBG allocation if the full amount was not expended in the fiscal year during which it was allocated, or if a portion of the SSBG allocation from the previous year was expended during the reporting year.

TANF Transfer Funds: States report any expended dollars transferred from the TANF block grant into the SSBG. A state may transfer up to 10 percent of its annual TANF block grant allocation into its SSBG program.^{4,5}

Other Federal, State, and Local Funds: States report the total amount of other federal, state, and local funds spent for each service supported in part or in whole with Total SSBG Expenditures. States do not report other federal, state, and local funds for services in which no Total SSBG Expenditures are reported. Other federal, state, and local funds do not appear in calculations or in the narrative of this report when discussing Total SSBG Expenditures. However, states report on these other funds to indicate a more accurate total cost of service provision.

Recipients: States report the actual or estimated number of adult and child recipients for each service category funded, in part or in whole, with Total SSBG Expenditures.^{6,7}

TOTAL SSBG EXPENDITURES



This section provides a summary of the Total SSBG Expenditures for Day Care – Children services and highlights notable data points.

In FY 2016, 31 states expended nearly \$282 million to provide child day care programs. Day Care – Children was the fourth largest HLSA by expenditure and accounted for 10 percent of all Total SSBG Expenditures in FY 2016.

FIGURE 1.
Total SSBG Expenditures for Day Care – Children, Top 5 States

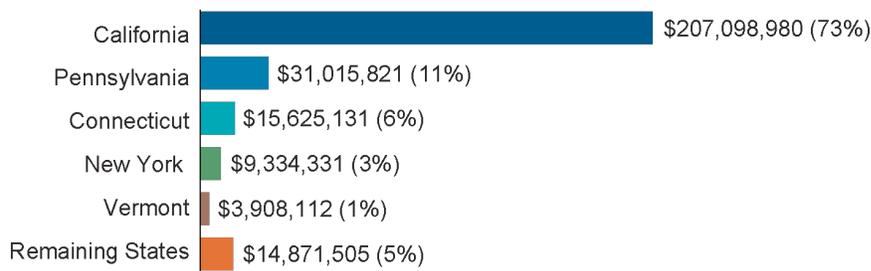


Figure 1 displays the five states with the highest reported Total SSBG Expenditures for Day Care – Children and the sum of the remaining states combined.

FIGURE 2.
Zero Total SSBG Expenditures for Day Care – Children

STATE		
NEW JERSEY	NORTH DAKOTA	HAWAII
MARYLAND	NEW HAMPSHIRE	KENTUCKY
IOWA	NEVADA	GEORGIA
VIRGINIA	MISSISSIPPI	NEW MEXICO
INDIANA	ALASKA	MAINE
NORTH CAROLINA	MICHIGAN	OREGON
PUERTO RICO	LOUISIANA	MONTANA

Figure 2 displays a list of the 21 states that reported zero Total SSBG Expenditures for Day Care – Children.

TOTAL RECIPIENTS



TOTAL RECIPIENTS

3,627,888
TOTAL RECIPIENTS

This section provides a summary of the reported recipients for Day Care – Children in FY 2016.

In FY 2016, there were over 3.6 million recipients of day care services for children.

FIGURE 3.
Recipients of Day Care – Children, Top 5 States

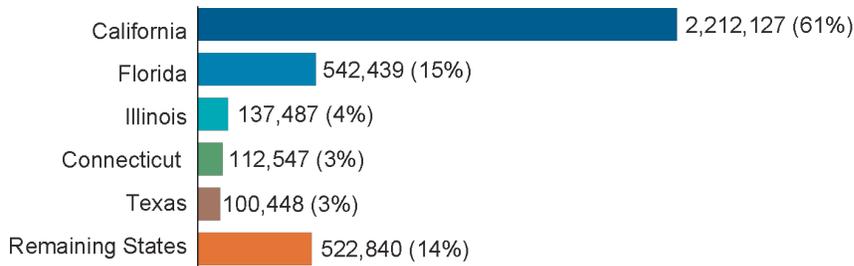


Figure 3 displays the five states that reported the most recipients of Day Care – Children services and the sum of the remaining states combined.

FY 2014 – FY 2016

This section provides summary data on the Total SSBG Expenditures for Day Care – Children from FY 2014 to FY 2016.

FIGURE 4.
Total SSBG Expenditures: Day Care – Children, (FY 2014 – FY 2016)

YEAR	Total SSBG Expenditures
FY 2014	\$299,759,015
FY 2015	\$287,826,781
FY 2016	\$281,853,880



Figure 4 displays the Total SSBG Expenditures for each year from FY 2014 to FY 2016 and the net change in Total SSBG Expenditures from FY 2014 to FY 2016.

SUMMARY

Overall, 31 states spent just under \$284 million providing Day Care – Children services to over 3.6 million recipients. These services include comprehensive developmental activities, health support services, counseling for parents, and licensing and monitoring of facilities.

ENDNOTES

- 1 Appendix A to 45 C.F.R. Part 96—Uniform Definition of Services, Federal Register, Volume 58, Number 218, Monday, November 15, 1993. SSBG service definitions can be found on the Office of Community Services website: <http://www.acf.hhs.gov/programs/ocs/resource/uniform-definition-of-services>.
- 2 U.S. Department of Health and Human Services, Administration for Children and Families, Office of Child Care. (2016). FY 2016 CCDF Allocations (Including redistributed Funds). Retrieved on February 26, 2018 from <https://www.acf.hhs.gov/occ/resource/fy-2016-ccdf-allocations-including-redistributed-funds#1>
- 3 Child Care Aware of America. (2017). Child Care in America: 2016 State Fact Sheets. Retrieved on February 26, 2018 from <http://usa.childcareaware.org/wp-content/uploads/2016/07/2016-Fact-Sheets-Full-Report-02-27-17.pdf>
- 4 Funds transferred from TANF to SSBG are to be used only for programs or services to children or their families whose income is less than 200 percent of the federal income poverty guideline applicable to a family of the size involved (as defined and revised annually by the Office of Management and Budget). – 42 U.S.C. §604(d)(3)(B).
- 5 The original welfare reform law (P.L. 104-193) set the limit on transfers from TANF to SSBG at 10 percent of the TANF block grant. The Transportation Equity Act for the 21st Century (P.L. 105-178) reduced funding for SSBG and the transfer authority from TANF to SSBG to 4.25 percent, effective FY 2001. TEA also established a new, lower SSBG funding ceiling of \$1.7 billion starting in FY 2001. However, annual appropriation bills and temporary extension legislation (that continued TANF on the terms of previous years) have provided for a 10 percent transfer limit for FY 2001 and each subsequent fiscal year.
- 6 “In reporting recipient and expenditure data, each state must report actual numbers of recipients and actual expenditures when this information is available. For purposes of this report, each state should, if possible, count only a single recipient for each service. States should also consider a service provided to a recipient for the length of the reporting period (one year) or any fraction thereof as a single service. Data based on sampling and/or estimates will be accepted when actual figures are unavailable. Each state must indicate for each service whether the data are based on actual figures, sampling, or estimates and must describe the sampling and/or estimation process(es) it used to obtain these data in the annual report. Each state must also indicate, in reporting recipient data, whether the data reflects an unduplicated count of recipients.” – 45 C.F.R. §96.74(b)(3).
- 7 “Each state must use its own definition of the terms “child” and “adult” in reporting the data required in paragraphs (a) (1) through (5) of this section.” – 45 C.F.R. §96.74(b)(5).