Recovery Act Funds for Child Care – Data Summary as of 06/30/2011

States and Territories are reporting on the use of supplemental Child Care and Development Fund (CCDF) ARRA funds through two different data sources: 1) the ACF-696 Financial Report; and 2) data reported under section 1512 of the Recovery Act. The information below provides a summary about how States and Territories are using CCDF ARRA funds.

EXPENDITURES

- States and Territories reported spending **$1.865 billion or 95%** of their ARRA allocations as of June 30, 2011.[1] They have until September 30, 2011 to spend their CCDF ARRA funds, and some States and Territories are apportioning spending across the expenditure period to sustain services for children over time.

- As of June 30, 2011, 19 States (AK, AZ, AR, CO, DE, FL, GA, HI, KY, MD, MN, MT, NC, OH, OK, SD, TN, VT, and WI) reported expending all of their ARRA allocations.

ACTIVITIES

- The majority of the reported ARRA expenditures were on **direct services** (**81% or $1.5 billion**). Through June 30, 2011, States spent enough ARRA child care funds on direct services to support child care services for an estimated 336,000 children.

- States reported either shortening, eliminating, or avoiding wait lists with the CCDF ARRA funds. States also reduced parent co-pays, increased eligibility limits, and added or extended job search for parents that may have lost their jobs. For example, Iowa maintained 3,700 children on the child care assistance program who may have otherwise been placed on the waiting list. Maryland increased provider reimbursement rates, and Alabama avoided cutting about 1500 child care slots. Finally, Kansas reduced parent copayments for over 15,000 families. As of June 30, 2011, 38 States had used Recovery Act funds to implement policy changes that provide low-income families with expanded access to child care assistance.

- $304 million was reported as being spent on activities to improve the quality of child care. Lead Agencies focused quality funds on creating or expanding Quality Rating and Improvement Systems (QRIS), investing in infant and toddler programs, and improving health and safety standards. For example, Rhode Island funded incentives for providers that participate in the State's QRIS. Pennsylvania invested its CCDF ARRA funds in the Keystone Babies program to improve access to quality care for infants and toddlers. The Northern Mariana Islands funded professional development for child care providers, and Michigan funded statewide Quality Improvement Specialists to provide trainings to providers across the State. As of June 30, 2011, 31 States had used ARRA funds for systemic investments to improve the quality of child care.

JOBS

- 35 States and Territories reported creating or retaining **2,614 direct jobs** (measured in Full Time Equivalents) between April and June 2011. These direct jobs included eligibility and licensing specialists, administrative positions, professional development specialists, and child care providers through contracts/grants.

- CCDF Lead Agencies may only count direct jobs; therefore it is likely that the direct jobs reported in the 1512 reports do not give a complete picture of the impact of CCDF ARRA funds on employment. Connecticut voluntarily reported creating or retaining 16,975 indirect jobs, including child care provider jobs and parental jobs, as a result of ARRA funding.

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[1] The Office of Child Care posts ARRA data quarterly. The most recent outlay data is available through the Health and Human Services Recovery Act website, Weekly Financial and Activity Reports, http://www.hhs.gov/recovery/reports/index.html#weekly.