

Child Care Financial Assistance Program (CCFAP) Budget

Child Care Financial Assistance helps eligible families with the cost of child care. Payments are made directly to child care providers. The families' eligibility and benefit level is determined by the family's size and income level. Payment amounts are determined by the age of the child, type of program, and quality (STep Ahead Recognition System - STARS) rating.

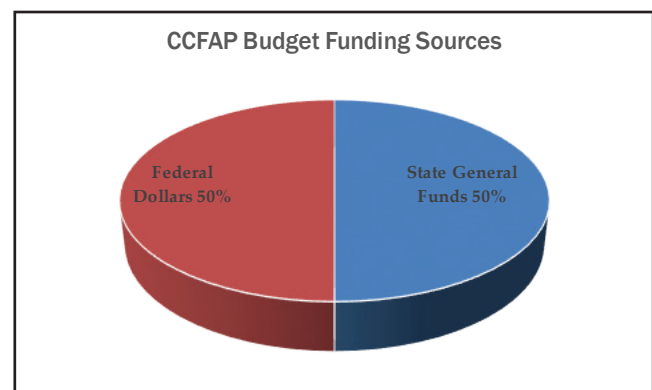
The goals of the Child Care Financial Assistance Program are to:

- Help eligible families pay for child care that meets their needs and promotes the best possible development for their children;
- Support a system of good quality child care services that is readily available to Vermont's children and families; and
- Increase access to high-quality, sustainable early care and learning and after school services in Vermont that are developmentally beneficial for children and strengthen families.

The program is funded through a combination of state and federal funds and promotes participation in high quality programs for assisted families.

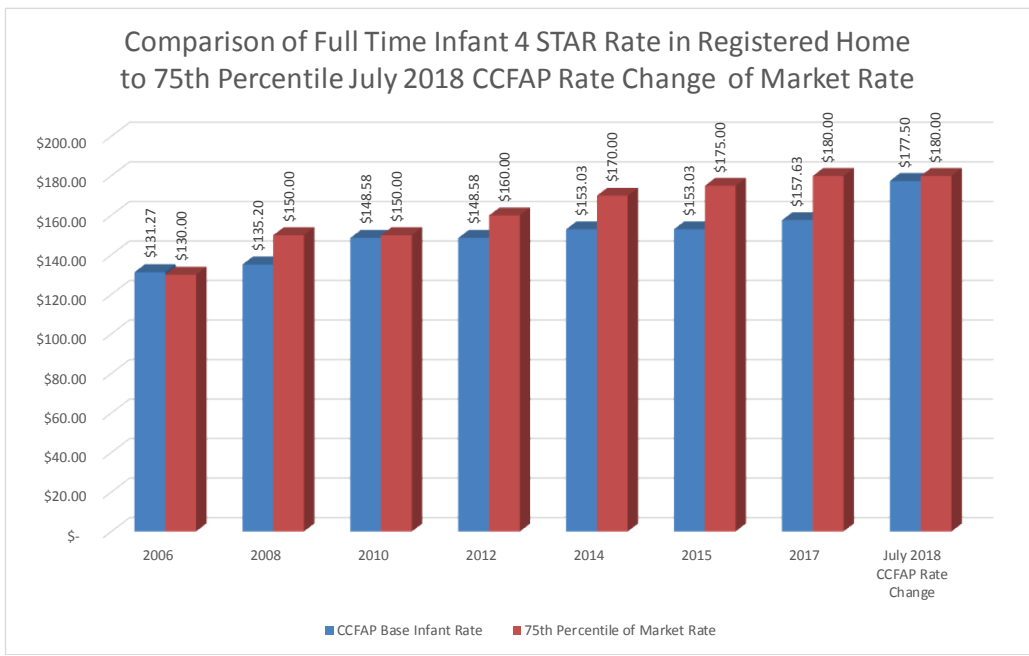
Funding Sources

The Child Care Financial Assistance Program (CCFAP) is funded through a combination of state and federal funds. The federal funds include Title IV-E, IV-B, the Child Care Development Fund, and the Social Services Block Grant. In addition, the funds used in the CCFAP program are used to leverage those federal funds for additional programs for the Department for Children and Families.



State Fiscal Year	Average Cost Per Case	Cost per case increase or projected increase	Average Number of Children	Percentage Increase in Number of Children	Actual Cost/Year from Spending Plan
FY10					\$ 36,800,000
FY11	\$ 5,008		8,127		\$ 40,606,078
FY12	\$ 5,155	2.90%	8,320	2.40%	\$ 42,705,081
FY13	\$ 5,207	1.00%	8,441	1.50%	\$ 44,103,590
FY14	\$ 5,400	3.70%	8,441	0.00%	\$ 45,730,270
FY15	\$ 5,563	3.02%	8,389	-0.01%	\$ 46,671,725
FY16	\$ 5,856	4.51%	8,163	-2.69%	\$ 47, 458,550
FY17	\$ 5,796	-1.02%	7,955	-2.55%	\$ 46,109,639
FY18	\$5,649	-2.84%	7,843	-1.41%	\$44,167,223
Estimated FY19	\$6,322	12.26%	8,000	2.00%	\$50,574,345

Child Care Financial Assistance Program (CCFAP) cost per child was increasing each year, until state fiscal year 2017. In Spring 2018 an analysis was completed on the trends in CCFAP to identify why the spending in the program was starting to decrease. It was found that there were many factors that impacted the changes in the spending, including



increasing recoupment of improper payments, improving the eligibility process for families, and federal law changes that changed the requirements of legally exempt providers.

In federal fiscal year 2018 Vermont received 2.8 million dollars in additional federal Child Care and Development Fund dollars. The Vermont Legislature approved 2.4 million of those dollars to be used to increase the infant and toddler CCFAP rates for registered and licensed programs. The remaining dollars are allocated to three additional child care licensing field specialist positions.

As of July 22, 2018

- CCFAP incomes guidelines are set using the 2018 Federal Poverty Guidelines
- 4 STAR infant and toddler CCFAP rates for licensed and registered programs at the 2016 child care market rate 75% percentile.

