

## Minnesota Department of Human Services Federal Child Care and Development Fund (CCDF) Overview

<p><b>Goals of Child Care and Development Fund (45 CFR 98.1)</b></p> <ul style="list-style-type: none"> <li>• Protect the health and safety of children in child care</li> <li>• Promote continuity of access to subsidy for low-income families</li> <li>• Better inform parents and the general public about the child care choices available to them</li> <li>• Improve the overall quality of early learning and afterschool programs</li> </ul>	<p><b>Use of funds</b></p> <ul style="list-style-type: none"> <li>• States must spend no more than 5 percent on administration. Minnesota currently spends 4.5 percent.</li> <li>• States must spend at least 8 percent of their funds on activities to improve the quality and availability of child care. This rises to 9 percent in Federal Fiscal Year 2020. Additionally, 3 percent of funds are set aside to improve the quality of care specifically for infants and toddlers.</li> <li>• States must spend at least 70 percent, or about \$36.8 million, of the Child Care and Development Fund mandatory and matching funds on families receiving Temporary Assistance for Needy Families benefits, transitioning from Temporary Assistance for Needy Families or at risk of becoming eligible for Temporary Assistance for Needy Families. Minnesota currently spends more than \$131 million in Child Care and Development Fund dollars on the Child Care Assistance Program.</li> <li>• There is a state maintenance of effort requirement (\$19.7 million) and a state match requirement (\$29.3 million) to draw down the maximum federal allocation.</li> </ul>
<p><b>Purpose: To increase the availability, affordability, and quality of child care services</b></p> <p>Federal funds are provided to:</p> <ul style="list-style-type: none"> <li>• Allow each state maximum flexibility in developing child care programs and policies that best suit the needs of children and parents within that state;</li> <li>• Promote parental choice to empower working parents to make their own decisions regarding the child care services that best suits their family's needs;</li> <li>• Encourage states to provide consumer education information to help parents make informed choices about child care services, and to promote involvement by parents and family members in the development of their children in child care settings;</li> <li>• Assist states in delivering high-quality, coordinated early childhood care and education services to maximize parents' options and support parents trying to achieve independence from public assistance;</li> <li>• Assist states in improving the overall quality of child care services and programs by implementing the health, safety, licensing, training, and oversight standards established in federal law [Subchapter II-B - Child Care and Development Block Grant (Sections 9857 - 9858r)] and in state law (including state regulations);</li> <li>• Improve child care and development of participating children; and</li> <li>• Increase the number and percentage of low-income children in high-quality child care settings.</li> </ul>	<p><b>Minnesota's total annual funds available for Federal Fiscal Year 2018 were:</b></p> <ul style="list-style-type: none"> <li>• Federal Child Care and Development Fund: \$121.7 million</li> <li>• State match and maintenance of effort: \$49 million</li> <li>• Temporary Assistance for Needy Families transfer funds: \$49.7 million</li> <li>• Additional state funds: \$104 million</li> <li>• Total: \$324.4 million</li> </ul> <p><b>Federal Fiscal Year 2018 expenditures were:</b></p> <ul style="list-style-type: none"> <li>• Child care assistance: \$265.2 million</li> <li>• Quality set-aside: \$14.1 million</li> <li>• Infant/toddler quality set-aside: \$4.5 million</li> <li>• Systems: \$1 million</li> <li>• Administration: \$6.6 million</li> <li>• Total: \$291.5 million</li> </ul>