

The Administration for Children and Families (ACF) is the second largest agency within the federal government's Department of Health and Human Services, administering more than 60 programs with a budget of over \$70 billion. ACF partners with states, communities, and organizations to help families achieve their goals.

Child care is a critical component of family prosperity and CCRC administers hundreds of millions of dollars in payments to thousands of early care and education providers every year. Child care financial assistance is available to families who meet program eligibility requirements

Figure 1 illustrates the flow of funding from ACF to state, county, and community organizations. Figure 2 describes each subsidized early care and education program and basic eligibility requirements.

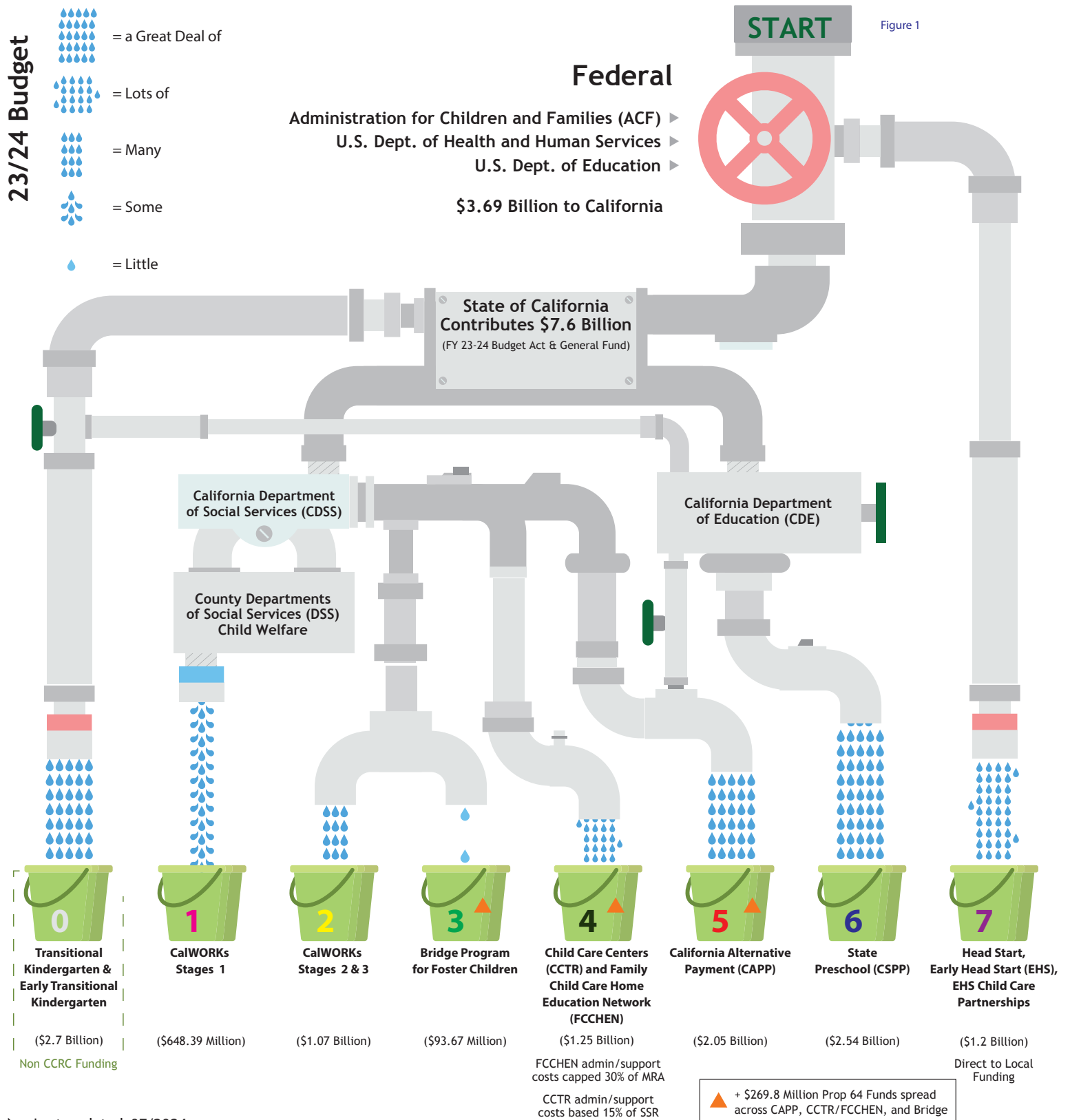


Figure 2

California Subsidized Early Care & Education Programs 2024

PROGRAM AREA

REVENUE TYPE

1 CalWORKs Stage 1

- Child care funded by TANF, California Department of Social Services (CDSS) - Administered by counties
- Child care subsidy voucher for parents who qualify based on active component and eligibility
- Eligible if receiving or recently received cash aid; in program until eligible family income level exceeded
- Children birth to age 12 or through age 18 with special needs
- Parent chooses provider; licensed exempt, licensed family child care, or center

Cost reimbursement & fee for service (hybrid):
Revenue derived from reimbursable expenditures for child care provider payments and earned for operational/administrative expenditures based upon fixed fee per caseload. Excess revenue earned over operational/administrative expenses for fiscal year ("unspent" or "surplus") can either be reinvested in program in subsequent fiscal year, if approved by DPSS, or returned to funder.

2 CalWORKs Stages 2 & 3

- Child care funded through California Department of Social Services (CDSS), TANF, General Fund Non Prop 98, CCDBG
- Child care subsidy voucher for parents who qualify based on need and eligibility; in program until eligible family income level exceeded
- Eligible if currently on cash aid or terminated from cash aid within 24 months (Stage 2); eligible if terminated from cash aid for 24+ months (Stage 3)
- Children birth to age 12, or through age 21 with special needs
- Parent chooses provider; licensed exempt, licensed family child care, or center

Cost reimbursement:
Revenue derived from reimbursable expenditures for child care provider payments and actual administrative and support costs, not to exceed 17.5% of total contract maximum reimbursable amount (MRA) or net costs, whichever is greater. Stage 2 is an entitlement program, meaning CDSS will augment MRA as needed throughout year to fully reimburse agencies for services provided above MRA. Stage 3 is the same but subject to availability of state funds.

3 Bridge Program fo Foster Children

- Program provides child care and resources for those who take in foster children between the ages of birth to five, with additional services for siblings
- Providers receive hands-on coaching, where they learn crucial strategies and are equipped with the tools to care for children in foster care

Cost reimbursement:
Revenue derived from vouchers directly or in accordance with local Alternateand/or R&R contracts.

4 Child Care Centers (CTTR) and Family Child Care Home Education Network (FCCHEN)

- Quality early care and education; CCTR ages 3 month to 5 years; CCTR full-day, full-week
- Parents qualify based on family income with lowest family income chosen first; eligible until family exceeds maximum family income
- Parent chooses from list of approved and funded licensed centers or from list of approved family child care home education providers (FCCHEN)

Cost reimbursement:
Revenue derived from reimbursable expenditures for child care provider payments and actual administrative and support costs, up to contract maximum reimbursable amount (MRA). Administrative and support costs must not exceed 30% of MRA. Revenue for programs is capped at MRA approved by CDSS.

5 California Alternative Payment (CAPP)

- Child care funded by California Department of Social Services (CDSS), General Fund Non Prop 98, CCDBG
- Funding limited by state budget, funds may be unavailable
- Child care subsidy voucher for parents who qualify based on eligibility and need
- Eligibility based on family income; lowest income funded first; in program until eligible family income exceeded
- Children birth to age 12 or through age 21 with special needs
- Parent chooses provider; licensed exempt, licensed family child care, or center (CAPP)

Cost reimbursement:
Revenue derived from reimbursable expenditures for child care provider payments and actual administrative and support costs, not to exceed 17.5% of total contract maximum reimbursable amount (MRA) or net costs, whichever is greater. Revenue for CAPP program is capped at MRA approved by CDSS, which must be earned over two-year period.

6 State Preschool (CSPP)

- Quality early care and education; CSPP ages 3 & 4 years old; CSPP school half-day or school full-day, full-week of school year
- Parents qualify based on family income with lowest family income chosen First; eligible until family exceeds maximum family income

Cost reimbursement:
Revenue derived from actual and reimbursable costs, up to contract maximum reimbursable amount (MRA).

7 Head Start, Early Head Start (EHS), EHS Child Care Partnerships

- Funded by U.S. Office of Head Start (OHS), funding limited by contract
- Head Start Only: Quality early care and education; ages 2 years and 11 months to 5 years
- Parents qualify based on family income, and care retained until child ages out
- Parent chooses care from list of approved and funded centers, or home-based visits
- Half or full-day, four or five days a week depending on center
- Includes comprehensive family support services
- Program must serve minimum of 10% children with documented disabilities (IEP) (IFSP)
- Quality early care and education for pregnant women, and children ages birth to 3 years
- Option of home-based or HS operated licensed infant and toddler centers
- Center-based care full-day, full-year
- Quality early care and education for children birth to 3 years old in licensed private community-based child development centers, and birth to 4 years in licensed family child care homes (combination of Head Start + subsidy)
- Education, materials and quality stipend for child care providers to improve the quality of care

Cost reimbursement:
Revenue derived from actual and reimbursable costs, up to contract maximum reimbursable amount (MRA).

California Department of Social Services Qualify for CalWORKs cash aid	Family Size	Monthly Income	Yearly Income	State Fiscal Year 2023-24 Schedule of Income Ceilings (85 percent of State Median Income)	Family Size	Monthly Income	Yearly Income	Annual Household Income Limits (before taxes)	Family Size*	Maximum Income Level (Per Year)	*
	1	\$660	\$7,920		1-2	\$5,889	\$70,665		1	\$12,880	For households with more than eight people, add \$4,540 per additional person.
2	\$1,082	\$12,984	3	\$6,511	\$78,135	2	\$17,420				
3	\$1,342	\$16,104	4	\$7,441	\$89,297	3	\$21,960				
4	\$1,592	\$19,104	5	\$8,632	\$103,584	4	\$26,500				
5	\$1,817	\$21,804	6	\$9,823	\$117,872	5	\$31,040				
6	\$2,044	\$24,528	7	\$10,046	\$120,550	6	\$35,580				
7	\$2,246	\$26,952	8	\$10,269	\$123,230	7	\$40,120				
8	\$2,444	\$29,328	9	\$10,492	\$125,909	8	\$44,660				
9	\$2,652	\$31,824	10	\$10,716	\$128,587	9	\$49,200				
10	\$2,878	\$34,536	11	\$10,939	\$131,266	10	\$53,740				