

Child Care Assistance Program (CCAP) and Early Learning Scholarship Summary

	Child Care Assistance Program (CCAP)	Early Learning Scholarships
Description	<p>Public assistance program to help low-income families pay for child care so parents can work or pursue education leading to employment. Includes:</p> <ul style="list-style-type: none"> • MFIP Child Care: families on MFIP or Diversionary Work Program • Transition Year: up to 12 months after eligible family exits MFIP • Transition Year Extension: former MFIP families in counties with BSF waiting list • Basic Sliding Fee (BSF): other low-income families not on MFIP 	<p>Scholarships for low-income families to access high-quality early learning programs. Includes:</p> <ul style="list-style-type: none"> • Pathway I: Awarded directly to eligible families to use in a high quality program of their choice. • Pathway II: Funding paid to high quality early learning programs (not linked to individual children)
	<p><i>Note that eligible families may access both Child Care Assistance Program and Early Learning Scholarships, and combine funds to cover costs of one or more eligible ECE programs. For example, an eligible family may receive a Pathway II Scholarship to attend a part-time, part-year school-based PreK program and use CCAP to pay tuition at a center or home-based provider for afternoons and summer.</i></p>	
Family Eligibility	<p>Children birth through 12 years 13-14 year olds with special needs Entry level income <47% SMI Exit level income >67% SMI (or 85% SMI if within 12 month period) Non-married applicants must cooperate with Child Support Enforcement unless good cause exists Parent must be working or engaged in approved activities (education, training, job search) MFIP has 60-month lifetime limit US Citizen or qualified non-citizen children only Family must report changes in circumstances (family size, work schedule, address) within 10 days Reauthorization every 6 months</p> <p><i>65.3% of children using CCAP are children of color (4.1% didn't provide race/ethnicity)</i></p>	<p>Children ages 3 years to K entry and their younger siblings Children 0-K with teen parent (no income limit) Income = <185% FPG Family retains scholarship until child enters K without requalifying, but must fill out new application each year</p> <p><i>49.6% of children using ELS are children of color (12% didn't provide race/ethnicity)</i></p>
	<p><i>Family of Four Income Examples:</i></p> <ul style="list-style-type: none"> • State Median Income (SMI): \$43,296 is 47% SMI; \$61,716 is 67% SMI • Federal Poverty Guideline (FPG): \$44,955 is 185% FPG 	
Max Family Costs	<p>Copay (based on family income/size) + Difference between provider's rate and CCAP maximum rate + Costs for care not covered by CCAP authorization</p>	<p>Difference between provider's rate and scholarship amount</p>

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ECE Program/ Provider Eligibility	<p>Licensed or legally non-licensed providers of all types (home, center, school-based, Head Start) No quality-rating requirement Background study (legally non-licensed providers only) Submit W-9 Reauthorization required every 2 years <i>12,700 programs total statewide * 60% accept/will accept</i> <i>CCAP = 7,620 program options</i></p>	<p>3 or 4 Star Parent Aware Rated programs of all types (home, center, school-based, Head Start)</p> <ul style="list-style-type: none"> • Pathway I: Eligible parent must select the program • Pathway II: 4 Star Parent Aware rated programs apply for eligible slots in their program <p><i>(2,221 total 3-4 star rated program options)</i></p>						
Provider Payments	<p>Varies by hours parent spends in allowable activities (max 120 hours every two weeks) Maximum rates currently 25th percentile of 2011 market rates based on area of state, child's age and type of provider Preschooler in Center (weekly CCAP rate x 52) Hennepin: \$7,382 Marshall: \$5,195 Preschooler in licensed family care (weekly CCAP x 52) Hennepin: \$10,452 Marshall: \$6,240 SFY15</p> <ul style="list-style-type: none"> • MFIP = \$8,916/year/child average • BSF = \$6,505/year/child average 	<p>\$7,500/year/eligible child maximum</p>						
	<p><i>Average Child Care Costs in Minnesota (annual, for preschool age child)</i></p> <table style="width: 100%; border: none;"> <tr> <td style="text-align: center;"><i>Metro</i></td> <td style="text-align: center;"><i>Greater Minnesota</i></td> </tr> <tr> <td style="text-align: center;"><i>Center: \$12,740</i></td> <td style="text-align: center;"><i>Center: \$10,712</i></td> </tr> <tr> <td style="text-align: center;"><i>Licensed Family Care: \$9,464</i></td> <td style="text-align: center;"><i>Licensed Family Care: \$7,124</i></td> </tr> </table>		<i>Metro</i>	<i>Greater Minnesota</i>	<i>Center: \$12,740</i>	<i>Center: \$10,712</i>	<i>Licensed Family Care: \$9,464</i>	<i>Licensed Family Care: \$7,124</i>
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Number of Children Served	<p>DHS estimates 30,595 children receive CCAP in an average month Actual for SFY15</p> <ul style="list-style-type: none"> • MFIP = 15,200 children • BSF = 15,267 children 	<p>MDE estimates 8,000 children per year will receive scholarships SFY16 YTD actual = 11,219 children</p>						
Wait Lists	<p>MFIP is available to all eligible applicant families BSF waiting list 6,386 families (9/15)</p>	<p>1,196 families (6/30/16)</p>						
	<p><i>It is estimated that all programs have artificially low wait lists due to eligible families not applying, either because they are unaware of the program/benefits or are discouraged by long waiting lists.</i></p>							
Program Funding Source	<p>MFIP: \$155.8M (SFY16 projected total cost; state general fund = \$78.2M; federal Child Care Development Funds (CCDF) and federal Temporary Assistance for Needy Families (TANF) funds = \$77.6M)</p> <p>Basic Sliding Fee: \$109M (SFY16 projected: state general fund = \$48.5M; federal CCDF and TANF funds = \$57.5M; and county contributions = \$3M)</p>	<p>SFY16 \$44.1M SFY17 and beyond: \$59.9M</p>						