



# What Congregations Should Know About Federal Funding for Child Care

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As part of the 1996 welfare reform law, the Federal government is committed to support the work efforts of current and former welfare dependent families working toward self-sufficiency. The Child Care and Development Fund (CCDF) provides Federal funding to States, Tribes, and Territories to support child care services for low-income children whose parents are working or attending a job training or educational program. Eligible families may receive subsidies for child care through the voucher program. Child care programs in churches, synagogues and mosques may be eligible to accept these government subsidies for child care.

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### What is the Child Care Voucher?

**A** voucher (also called a “certificate”) is payment issued by a State or local government directly to or on behalf of a parent for child care services. Vouchers are flexible enough to allow funds to follow the child to any participating child care provider the parent selects, including faith-based providers.

### How the Voucher System Works

**V**oucher systems vary by State, but as long as funds are available States must offer assistance through child care vouchers to eligible families. Being an “eligible family” means children must be under the age of 13 and must reside with a parent who is working or attending a job training or educational program and whose family income does not exceed the State’s limit for eligibility.

Parents may apply for child care vouchers at the local office of the State agency that administers the funds or at any local agency or provider that has contracted with the State to determine eligibility. Child Care Resource and Referral (CCR&R) agencies exist in all States to direct parents to different types of child care in their local area, whether the parents use vouchers or not.

### Participation of Faith-based Providers

**P**arents using the voucher may choose any legally operating child care provider authorized by the State and willing to participate in the program. A child care provider is defined as one who provides child care in a center, a group home, a family home, the child’s own home, or a relative’s home. In some communities, faith-based organizations are an active part of the child care community and receive CCDF funds through the voucher program, making them a valuable resource for families.

Faith-based providers (with the exception of family child care) using the child care voucher may not discriminate on the basis of faith in the admission of children. Within certain limits, faith-based provid-

ers may give preference to members of their own organization in admissions and employment. Additionally, faith-based providers using the voucher may retain the religious nature of their programs including religious instruction, worship, prayers, and curricula. For more information, see “Guidance to Faith-Based and Community Organizations on Partnering with the Federal Government” at [www.fbc.gov](http://www.fbc.gov).

### How to Become a Participating Child Care Provider

**C**hurches, synagogues and mosques may become eligible to accept vouchers from parents of eligible children by contacting the appropriate agency responsible for administering

### Marketing and Business Tips

1. Let the Child Care Resource & Referral agency know about your child care center or home. In every State there are non-profit CCR&R organizations and programs, most of them local, that help parents find child care and that work with child care providers and community organizations.
2. Make sure your community knows about your services so families can select you as a child care provider.
3. Put together a solid business plan for your child care operation.
4. Join the early care and education advisory group or coalition in your area and make sure that your perspectives are represented. Contact the local school district or your CCR&R for information on any local advisory group or coalition.
5. Take advantage of the free resources in your area that support early literacy and cognitive development, such as libraries, children’s museums, and local workshops sponsored by PBS Ready To Learn Television.

the subsidy program, often the department of human resources or other social services agency in your state. These local agencies provide information on the guidelines governing the voucher program and the responsibilities of both providers and parents. Although not all States require that every child care provider meet licensing requirements, States *will* require some form of registration for payment purposes, and to ensure that the facility and provider meet basic requirements for the health and safety of children.

## Licensing Requirements

**A**lthough regulations vary by State, child care providers who wish to participate in the voucher program must be operating legally within the State. Some States require *all* child care providers to meet State and/or licensing laws while others require only child care centers and group homes to be licensed. In most States, small family child care homes, in-home providers (care provided in the child's own home), and informal care providers (family, friends, neighbors or others providing care) are not required to be licensed. However, they must meet basic health and safety requirements. Typically, these include measures to prevent and control infectious diseases, ensure the physical safety of children, and provide minimum health and safety training for caregivers.

Some States exempt religiously-affiliated child care centers from licensure. In these States, faith-based providers may find that voluntarily becoming licensed increases their reimbursement rate, gives parents a greater sense of security, or provides an opportunity to evaluate their program against an external standard.

## Reimbursement Rates

**L**evels of reimbursement to child care providers using vouchers vary by locality. Some States pay higher rates to providers that are accredited or offer hard-to-find care, such as weekend and evening hours, or infant care. Reimbursement rates for providers that are exempt from licensing by State statutes may be limited to a lower payment rate.

Families must contribute to the cost of care on a sliding fee basis. States determine a family's contribution based on family size, income, and other factors. Child care providers need to determine whether the combined value of the voucher and the parent co-pay is enough to cover the actual costs of providing care. Sometimes it is necessary to make up the difference in other ways.

## Questions for Child Care Providers to Ask State or Local Officials

- Is there something I need to do to be sure my child care program is able to accept vouchers?
- How will parents know that I am an eligible provider?
- Is there a waiting list for child care vouchers in my State?
- Does my State exempt faith-based providers from licensing? And if so, are unlicensed providers eligible for the same payment rates as licensed providers?
- Does the State allow faith-based providers to voluntarily become licensed? What does it take to become licensed in my State?
- What is the child care capacity in my area? What is the need for child care?
- How much will I be paid for the type of care I provide?
- How does the reimbursement system work in my State?
  - Parent application process?
  - Record-keeping requirements?
  - Timeliness of payments?
  - Paid by the child care "slot" or by hours the child actually attends?
  - Paid more for sick children, odd-hour care, or children with special needs?
- Where can I find out about:
  - Training opportunities, and
  - Other faith-based organizations that offer child care services in my area?
- Which children are eligible and what will be the parents' share of the cost? (It is important to plan what to do if the parents' co-payment and the State's share total less than the cost of care.)
- When does a participating parent become ineligible for a subsidy? Are there time limits? What is the maximum income level for a family to participate? What are the rules for parents to participate in work, training and/or education programs?

## Helpful Child Care Resources

National Child Care Information Center (NCCIC)—Answers questions and provides free information resources. Offers information on faith-based child care initiatives, funding sources, licensing regulations, and program start-up to assist the faith-based community. Includes a listing of State Child Care Administrators. 1.800.616.2242 • <http://nccic.org/poptopics/faithbased.html>

Child Care Aware (CCA)—Operates a national toll-free information line and website providing child care information and other parenting resources to families in both English and Spanish. Connects families to local child care experts—child care resource and referral (CCR&R) centers, that assist families in finding, selecting, and paying for child care and other parenting needs. 1.800.424.2246 • [www.ChildCareAware.org](http://www.ChildCareAware.org)

National Association for Child Care Professionals (NACCP)—Works to strengthen the skill level of leaders in the field of early child care and education. Sponsors and offers information on the National Accreditation Commission (NAC). 1.800.537.1118 • [www.naccp.org](http://www.naccp.org)

National Association for the Education of Young Children (NAEYC)—Offers membership, resource materials, and conferences for all providers; administers a voluntary accreditation system. 1.800.424.2460 • [www.naeyc.org](http://www.naeyc.org)

National Association for Family Child Care (NAFCC)—Offers an accreditation program designed to promote and recognize high quality, professional family child care. 1.801.269.9338 • [www.nafcc.org](http://www.nafcc.org)

Ecumenical Child Care Network (ECCN)—Provides information on church-based or early childhood pre-school programs. 1.800.649.5443 • [www.eccn.org](http://www.eccn.org)

Child Development Education Alliance (CDEA)—Offers information on faith-based accreditation, professional organizations and training. 904.278.9737 • [www.CDEAlliance.org](http://www.CDEAlliance.org)

National Resource Center for Health and Safety in Child Care (NRC)—Offers information on State child care licensing regulations, health and safety guidelines for out-of-home child care programs, and other information related to health and safety in child care. 1.800.598.KIDS (5437) • <http://nrc.uchsc.edu>



Administration for Children and Families  
U.S. Department of Health and Human Services



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The Child Care Bureau is the federal agency that oversees the child care voucher program. The Bureau's web site, [www.acf.hhs.gov/programs/ccb](http://www.acf.hhs.gov/programs/ccb), is a central link to all the research, data and technical assistance projects funded by the Bureau, including CCA (see above, "Helpful Child Care Resources" section).

If you would like additional copies of this brochure, please call NCCIC at 800.616.2242 to place an order. This brochure can also be accessed by linking to <http://www.acf.hhs.gov/programs/ccb/providers/faithbased.pdf>.