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Recovery Act provides \$38 million for Child Care Assistance

Last week, Gov. Timothy M. Kaine announced a \$38 million infusion into Virginia's Child Care and Development Block Grant (CCDBG) from the American Recovery and Reinvestment Act (ARRA). The increased federal funding will assist low-income families with child care and improve the quality of care and delivery of services.

"These funds offer critical assistance to hardworking families with children – and contribute broadly to the Commonwealth," Gov. Kaine said. "When parents can work and still send their children to a safe and enriching environment – and when child care programs have the opportunity to enhance their skills and services – our families, communities, and economy are all made stronger."

Approximately \$18 million in ARRA funds will be used over the next two years to enhance and expand assistance to income-eligible families through the state's child care subsidy program, which provides services for the children of working parents and parents currently receiving job training. The increased financial support from the ARRA funds will raise infant reimbursement rates to child care providers while expanding child care services for families in the child care subsidy and Virginia Initiative for Employment not Welfare (VIEW) programs. Nearly 55,000 children are already benefiting from the subsidy program this year.

The ARRA funds will also help reduce the match payment required of local departments of social services to assist with the delivery of child care subsidy services for needy families. Communities that have struggled in the past to make the matching contribution will be better able to meet the needs of families already in the subsidy program and can apply any savings to address the needs of families currently on waiting lists for services.

In addition, approximately \$14 million of the grant will be used to create an automated system for administering and tracking payments to child care providers. When fully implemented, the automated system is projected to provide the Commonwealth significant annual savings through improved efficiency and accuracy.

"The automation will benefit families for years to come, not just during the ARRA funding window," VDSS Commissioner Anthony Conyers Jr. said. "Considering this is one-time support, federal partners are encouraging the use of recovery monies for system infrastructure. Savings from automation will be the 'gift that keeps on giving' to families and children, who will benefit through reinvestment in services."

Finally, \$6 million of the grant will expand Virginia's Quality Rating and Improvement System (QRIS) and provide support for early childhood teachers to develop their skills and knowledge. Early childhood education through child care programs can contribute to children in low-income families in particular by providing school readiness skills that help ensure children arrive at kindergarten ready to learn and succeed.

The CCDBG is administered by the Virginia Department of Social Services (VDSS) in conjunction with 120 local departments of social services that provide direct client assistance.

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