

Child Care Subsidy Services Makes a Difference for Children and Communities

What Service is Needed:

Child Care Subsidy Services

- Helps parents pay for child care so they can work or attend school
- Provides information to parents about how to choose a safe, quality child care arrangement
- Funded by a mixture of state (35%) and federal dollars (65%)

Facts About Statewide Need

- 375,629 children are potentially eligible for child care subsidy services (Includes children under age 11 whose parents are working). ¹
- \$414,860,885 is currently available to serve eligible children. ²
- As of 9/07 100,632 children are receiving subsidized child care services. This represents 26.8% of all eligible children. ²
- With a 5% increase in child care subsidy funding, an additional 4,833 children could be served each month. ³

Statewide

Key Facts about Subsidy Services in North Carolina:

- About 100,000 children per month receive subsidy services
- 82% of the children are receiving services because their parents are employed
- 85% of the families receiving subsidy services earn less than \$25,000 per year
- Parents pay a portion of the child care cost by paying 8%, 9%, 10% of their income

The Benefits:

For Families

- Helps parents to work and attend school
- Provides a safe setting for children
- Helps children to be better prepared for school
- Having a good early childhood education experience helps children to be successful in language, math and social skills in school.

For the Community

- Working families put a large amount of money back into the local economy and tax system through their employment, earnings and purchase of child care.
- The cost of child care subsidy services is offset by the working families' ability to pay taxes.
- Parents with stable child care arrangements are more focused on the job and make better employees.
- Receiving child care subsidy services offers children a chance to receive an early childhood education which leads to increased success in school and less costs to the community and state in terms of remedial services.

1) Based upon data from the 2000 Census and 2007 population projections.

2) Includes non-Smart Start and Smart Start allocations as of October 2007 and children served (during 9/07).

3) Based upon increase in total current funds available (state and federal).