

Child Care Subsidy Services Makes a Difference for Children and Communities Statewide

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
- ❖ \$414,438,880 is currently available to serve eligible children.²
- ❖ As of 10/11, 84,326 children are receiving subsidized child care services. This represents 21.6% of all eligible children.²
- ❖ With a 5% increase in child care subsidy funding, an additional 4,216 children could be served each month.³

Key Facts about Subsidy Services in North Carolina:

- ❖ About 85,000 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 as a parent fee

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

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

²Includes non-Smart Start and Smart Start allocations (SFY 2010-2011) and children served (during 10/10).

³Based upon the statewide average cost of care and a 5% increase in total current funds available (state and federal).