

## Response to Questions on the FY 2008 Advertised Budget Plan

**Request By:** Supervisor Hudgins

**Question:** How was the CCAR program funded before the change in the TANF/VIEW program?

**Response:** The CCAR program has always been funded with a combination of federal, state and local dollars. A majority of the federal funding comes from the Child Care and Development Fund (CCDF) which was developed to provide child care subsidies to low-income working families (i.e. the non-mandated population). In Virginia, CCDF funds are used to serve low-income working families, as well as families who are participating in TANF/VIEW (i.e. the mandated the population).

For a number of years the state has not needed to draw down all available federal funds allocated to Virginia. Fairfax County was given the opportunity to provide the matching funds and as a result, has been able to serve additional children in the non-mandated population (i.e. children from low-income working families) by drawing down the federal pass through funds. This funding enabled the County to better meet the growing demand for subsidized child care and the County has been instrumental in assuring that the state did not return federal funds.

In early 2006 federal TANF regulations were changed, requiring the state to serve additional TANF/VIEW families facing more stringent work requirements. As a result, in FY 2007 the state is projecting 3,500 new child care cases (costing \$25 million) in the mandated population (i.e. those served through TANF/VIEW). The state now intends to use all of the previously available federal pass through funds to address the statewide increase in the TANF/VIEW caseload. Consequently, federal pass through funds previously available for the County to draw down for the non-mandated population have been reallocated by the state to the mandated population.