Child Care and Development Fund and Quality Set-Aside Basics

A core element of the Child Care and Development Fund (CCDF) is improving the quality of child care services and ensuring that parents have access to high-quality child care options.

The law says that states, territories, and tribes must develop strategies for increasing the supply and quality of services for children in underserved areas, infants and toddlers, children with disabilities, and children in nontraditional-hour care.

Lead Agencies are required to provide quality improvement activities directly or through contracts with local child care resource and referral agencies or other appropriate organizations. Activities should be aligned with a statewide needs assessment of what is required to carry out such services.

The law designated set-asides, or percentages of funding that must be set aside for use on specific topics such as quality improvement and infant and toddler care. The increase in the minimum quality set-aside began in fiscal year (FY) 2016. For states and territories, the infant and toddler quality set-aside began in FY 2017; for tribes, the set-aside began in FY 2019. Table 1 describes the phase-in of these set-asides for states, territories, and tribes.

Table 1. Phase-In of Set-Asides for States, Territories, and Tribes

<table>
<thead>
<tr>
<th>Type of Set-Aside</th>
<th>FY 2016</th>
<th>FY 2017</th>
<th>FY 2018</th>
<th>FY 2019</th>
<th>FY 2020 (&amp; Ongoing)</th>
</tr>
</thead>
<tbody>
<tr>
<td>State and territory quality set-aside</td>
<td>7%</td>
<td>7%</td>
<td>8%</td>
<td>8%</td>
<td>9%</td>
</tr>
<tr>
<td>State and territory infant and toddler set-aside</td>
<td>-</td>
<td>3%</td>
<td>3%</td>
<td>3%</td>
<td>3%</td>
</tr>
<tr>
<td>State and territory total quality set-aside</td>
<td>7%</td>
<td>10%</td>
<td>11%</td>
<td>11%</td>
<td>12%</td>
</tr>
<tr>
<td>All Tribal Lead Agencies quality set-aside</td>
<td>-</td>
<td>4%</td>
<td>7%</td>
<td>7%</td>
<td>8% (FY 2022 increase to 9%)</td>
</tr>
<tr>
<td>Tribal Lead Agencies</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>3%</td>
<td>3%</td>
</tr>
</tbody>
</table>
CCDF and Quality Activities

“The CCDBG Act and CCDF final rule require states to fund at least one of the following 10 quality activities that will improve the quality of child care services provided in the state” (Office of Child Care, n.d., para. 1). The following approved quality improvement activities provide opportunities for new or expanded investments in social-emotional supports (see figure 1).

Figure 1. Options for Quality Activities

<table>
<thead>
<tr>
<th>Training and professional development</th>
<th>Early learning and development guidelines</th>
<th>Tiered quality rating and improvement system</th>
<th>Improving the supply and quality of child care for infants and toddlers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Child care resource and referral system</td>
<td>Facilitating compliance with state health and safety requirements</td>
<td>Evaluating and assessing the quality and effectiveness of child care programs</td>
<td>Supporting accreditation</td>
</tr>
<tr>
<td>Additional high-quality program standards</td>
<td>Other activities to improve the quality of child care services</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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1 Child Care and Development Fund, 45 C.F.R. § 98.50(b) (2016).
SOCIAL AND EMOTIONAL WELLNESS

Integrating Social and Emotional Supports as Part of Child Care and Development Fund

Quality Activities

1. Supporting the training and professional development of the child care workforce
2. Improving development or implementation of early learning and development guidelines by providing technical assistance to eligible child care providers
3. Developing, implementing, or enhancing a tiered quality rating and improvement system [(or other system of quality improvement, even if not called a QRIS, as long as the other quality improvement system contains the elements of a QRIS)]. A QRIS is a systematic framework for evaluating, improving, and communicating the level of quality in early childhood programs and contains five key elements:
   a. Program standards
   b. Supports to programs to improve quality
   c. Financial incentives and supports
   d. Quality assurance and monitoring
   e. Outreach and consumer education
4. Improving the supply and quality of child care programs and services for infants and toddlers
5. Establishing or expanding a statewide system of child care resource and referral services
6. Facilitating compliance with state requirements for inspection, monitoring, training, and health and safety standards
7. Evaluating and assessing the quality and effectiveness of child care programs and services offered in the state
8. Supporting accreditation
9. Supporting state or local efforts to develop or adopt high-quality program standards relating to health, mental health, nutrition, physical activity, and physical development
10. Carrying out other activities determined by the state to improve the quality of child care services [for infants and toddlers, preschool-aged, and school-aged children, which may include consumer and provider education activities, for which measurement of outcomes is possible relating to improved provider preparedness, child safety, child well-being, or entry to kindergarten] (Office of Child Care, n.d., para. 1).

Other Approved Quality Improvement Activities

Other quality improvement activities can be implemented that improve the quality of child care services provided, so long as outcomes related to the improvement of provider preparedness,
child safety, child well-being, or entry to kindergarten can be measured (Office of Child Care, n.d., para 2).

Reference