

Child Care Fund

Historical Overview

- The Child Care Fund (CCF) originated in 1955 with 5 bills (Acts 104, 106, 112, 113, 114) which were referred to as the “Foster Care Bills”. They were designed by the Legislature and were intended to improve child care (foster care) in Michigan by state participation costs.
- The original reimbursement formula of 90% of the first \$2,000.00 spent by the county would be reimbursed by the State. No reimbursement would be provided to counties for costs from \$2,000.00 up to a base amount (determined by a county assessment). The reimbursement formula allowed for a 50% reimbursement for costs above the base amount.
- PA 280 of 1975 created the Office of Juvenile Justice Services and placed the CCF under the direction of this office. The base amount, which was a component of the original reimbursement formula, was abolished. The law mandated 50% of eligible costs expended by the County to be reimbursed by the State. In-Home Care was added and reimbursement at 50% was allowed for these community-based programs.
- In July of 1997, the Michigan Supreme Court ruled that the capped liability for the State was illegal under the terms of the Headlee Amendment.
- Prior to 1997, the State reimbursed approximately \$32,000,000.00 for the County CCF expenditures. When the cap was removed, the reimbursement doubled to the counties, to approximately \$70,000,000.00 or 50% of the total of approximately \$140,000,000.00.

Program Summary

- The CCF is a cost-sharing program between the State and County. The CCF operates on a reimbursement basis; the County incurs the expenses and bills the State for 50% reimbursement of eligible expenditures.
- Eligible services include most direct services for the care and treatment of delinquent and neglected and abused children. A detailed description of eligible services is included in the CCF Handbook. Generally, these services include the placement and treatment of youth and community-based services.

- The CCF is unique compared with the other state-administered fund sources for youth in that it is the County (Court or local DHS) that controls the services and expenditures.

CCF Three-Year Overview

- The three-year chart below reveals the expenditures for the CCF, In-Home Care, Title IV-E, and State ward Board and Care (SWBC) for both abused/neglected children and juvenile justice youth.

Statewide

CCF Three- Year Overview

	2010	2011	2012
CCF	\$421,115,532	\$395,741,157	\$387,848,039
Court Operated Detention	\$109,553,454	\$108,711,405	\$109,128,459
Other Institution *	\$103,895,814	\$82,102,487	\$69,278,342
Private Institution	\$55,806,080	\$50,933,685	\$58,643,600
Foster Care	\$39,825,028	\$34,855,989	\$31,634,594
Independent Living	\$4,241,468	\$7,802,619	\$6,483,528
SWBC	\$80,014,740	\$73,692,341	\$77,713,691
Title I-VE	\$91,324,035	\$101,353,882	\$116,489,261
Total-CCF, I-VE, SWBC	\$592,434,879	\$570,778,202	\$582,044,862
In-Home Care	\$108,097,566	\$112,104,207	\$116,811,359
Total Out of Home	\$483,840,483	\$458,659,911	\$465,232,865

* Other Institution includes County Operated Group or Shelter Home and Another County's Institution.