

## Why GAO Did This Study

About a million military servicemembers serve the United States while raising a family, and many need reliable, affordable child care.

Paying for high-quality child care can be challenging for these families, so the Department of Defense (DOD) offsets costs by subsidizing on-installation child care centers and offering subsidies for approved off-installation care providers.

Deployments related to the wars in Iraq and Afghanistan increased the demand for child care. The extent of military families' out-of-pocket child care costs for those using subsidized care are not known, and families may face barriers to obtaining DOD-subsidized care.

GAO was mandated to examine:

(1) the out-of-pocket child care costs paid by military families who use DOD-subsidized care; and (2) the barriers, if any, to obtaining DOD-subsidized care, and what has DOD done in response.

To address these objectives, GAO reviewed DOD policies and guidance; interviewed officials from DOD, its contractor that administers DOD's off-installation child care subsidies, and organizations that support military families; reviewed DOD fee data for school year 2009-2010 (school year 2010) and school year 2010-2011 (school year 2011); and analyzed child care costs for a random probability sample of 338 families using off-installation care in school year 2010. GAO conducted nongeneralizable discussion groups with military parents at two large military installations.

GAO is not making recommendations in this report. DOD generally agreed with the report's findings and also provided additional information on several specific points in the report.

View [GAO-12-21](#) or key components. For more information, contact Kay E. Brown at (202) 512-7215 or [brownke@gao.gov](mailto:brownke@gao.gov).

## MILITARY CHILD CARE

### DOD Is Taking Actions to Address Awareness and Availability Barriers

## What GAO Found

Out-of-pocket costs for military families who use DOD-subsidized child care are largely driven by policies that vary by service. DOD establishes income-based fee ranges for on-installation child care, but each service sets its own fees and discounts within these parameters. As a result, in school year 2010 the per-child costs that families from the same income categories paid for on-installation care varied by service and installation. For example, the monthly per-child cost for a family with an income of \$50,000 could have ranged from \$335 to \$518. Families' costs for off-installation child care through private providers are also affected by policy differences among the services. All services offer subsidies for off-installation care that are intended to make families' costs comparable to those for on-installation care. In an effort to offer benefits to more families, some services use a fixed cap to limit the subsidy amount. In school year 2010, the Air Force and Navy capped their subsidies at \$200 per child per month, and families in these services had higher average monthly costs for off-installation care than Army and Marine Corps families, and also had higher costs than what they would have paid for on-installation care. For example, on average, Navy families using off-installation care paid \$87 more per month than they would have paid for on-installation care, while Army families paid \$63 less. Other factors, such as the number of children in care, also contributed to families' costs for off-installation care. DOD and the services' recent policy changes reduced differences among and within services in families' costs for on-installation care, and DOD plans to further reduce these differences in the next 3 to 5 years. While the effects of these policy changes on individual families' costs for off-installation care vary by family, families in services with fixed subsidy caps will likely continue to have higher average costs than families in services that do not.

Military families face two main barriers to obtaining DOD-subsidized child care: lack of awareness and insufficient availability. According to DOD officials and based on GAO's group discussions, some families remain unaware of subsidized child care, particularly off-installation care, despite DOD's efforts to provide information at pre-deployment briefings, and through other outreach efforts. Families who are geographically isolated from an installation, such as reservists and recruiters, may be less likely to be aware of subsidized care. The individual services have taken steps to increase awareness of DOD-subsidized child care, such as establishing positions for professionals who educate families about child care options. However, even families who are informed about DOD-subsidized child care may face barriers obtaining it due to a lack of available space at on-installation centers and a scarcity of eligible child care providers off installation. The shortage of on-installation child care spaces resulted, in part, from heavy deployment demands, and DOD has responded by approving construction projects that it anticipates will provide over 21,000 new child care spaces using fiscal year 2008 through 2010 funding. DOD and the services have initiatives under way to increase the availability of eligible off-installation providers. In addition, DOD is developing an agencywide system that will provide servicemembers a central place to request both on-installation and off-installation child care. DOD plans to pilot the system in the spring of 2012 and intends to market it DOD-wide to servicemembers once it is fully implemented. The agency is in the process of contracting for the development of a marketing plan.