

**TEXAS WORKFORCE COMMISSION LETTER**

<b>ID/No:</b>	WD 09-15
<b>Date:</b>	March 26, 2015
<b>Keyword:</b>	Child Care
<b>Effective:</b>	Immediately

**To:** Local Workforce Development Board Executive Directors  
Commission Executive Offices  
Integrated Service Area Managers



**From:** Reagan Miller, Director, Workforce Development Division

**Subject:** **Child Care Funding Increase for Infant and Toddler Care—*Update***

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**PURPOSE:**

To provide Local Workforce Development Boards (Boards) with **updated** information and guidance on the child care funding increase for infant and toddler care.

**This updated WD Letter provides additional guidance to Boards regarding infant/toddler expansion funding for current providers of infant/toddler care that do not accept Texas Workforce Commission (TWC)–subsidized children.**

**CHANGES TO WD LETTER 36-14:**

New information in this WD Letter is indicated by **bold** typeface, which indicates new or clarifying language.

**BACKGROUND:**

Access to affordable child care for children age newborn through 35 months (infant/toddler care) is an important element of work support services for families. This is especially true for young, low-income parents entering the workforce for the first time. Lack of available infant/toddler care—due to the low staff ratios and small group sizes necessary to ensure that health and safety standards are met for this age group—can constitute a barrier to low-income parents’ successful entry into the workforce.

Annual Child Care and Development Fund (CCDF) appropriations include funds targeted to investments in infant/toddler care. The US Department of Health and Human Services Administration for Children and Families’ Program Instruction ACYF-PI-CC-99-05 issued guidance on the specific use of funds targeted to infant/toddler care.

Recognizing the challenge posed by the limited availability of infant/toddler care, including options for serving children with special needs, TWC's three-member Commission approved \$1.5 million as part of the Fiscal Year 2015 (FY'15) operating budget to build capacity for infant/toddler and special needs child care in local workforce development areas.

**PROCEDURES:**

**NLF:** Boards must ensure that additional CCDF allocations approved in the FY'15 operating budget for infant/toddler care are used for the expansion of infant/toddler care capacity (i.e., creation of additional slots available for infants and toddlers).

**NLF:** Boards must be aware that allocations of infant/toddler care funds are set forth in Attachment 1, Infant and Toddler Child Care Quality Activities Fiscal Year 2015 Supplemental Distributions.

**NLF:** Boards must be aware that TWC will issue a separate contract for infant/toddler care allocations.

**NLF:** Boards must be aware that funds for the expansion of infant/toddler care capacity were allocated to Boards based on the following methodology:

- A separate distribution of \$1 million for infant/toddler care capacity building; and
- \$500,000 for infant/toddler care inclusion services based on the proportionate share of child care allocations for each Board.

**NLF:** Boards must be aware that, using the same methodology, TWC may redistribute any unexpended infant/toddler care funds that a Board determines it is unable to use.

**NLF:** Boards must ensure that the amount for each infant/toddler slot—not including funding to support inclusion services—is limited to \$1,500 per slot.

**LF:** Boards may use infant/toddler care funds to assist new or existing child care facilities—center or home based—in expanding infant/toddler care capacity. Expansion can include the following:

- A facility providing infant/toddler care that wants to increase such capacity; or
- A facility not providing infant/toddler care that wants to expand to provide such services.

**LF:** **If there are no facilities that want to increase capacity, Boards may use infant/toddler care funds to assist child care facilities that:**

- **currently provide infant/toddler care;**
- **do not currently accept subsidized children; and**
- **agree to accept subsidized children.**

- LF:** Boards also may use infant/toddler care funds for the following:
- Purchase of equipment including, but not limited to, cribs, changing stations, classroom materials and equipment, and other materials to facilitate expansion; and
  - Professional development activities designed to expand infant/toddler care capacity.

- NLF:** Boards must ensure that infant/toddler care funds are not used to:
- replace or upgrade existing classroom materials; or
  - increase rates, since infant/toddler care funds are available only for one year.

**NLF:** Boards must report activities supported by infant/toddler care funds using the report and procedures provided by WD Letter 05-14, issued May 1, 2014, and entitled “Child Care: Reporting Quality Improvement Nondirect Care Activities Using the Child Care and Development Fund.”

**INQUIRIES:**

Direct inquiries regarding this WD Letter to [wfpolicy.clarifications@twc.state.tx.us](mailto:wfpolicy.clarifications@twc.state.tx.us).

**ATTACHMENT:**

Attachment 1: Infant and Toddler Child Care Quality Activities Fiscal Year 2015 Supplemental Distributions

**RESCISSIONS:**

WD Letter 36-14

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**REFERENCE:**

US Department of Health and Human Services Administration for Children and Families Program Instruction ACYF-PI-CC-99-05  
WD Letter 05-14, issued May 1, 2014, and entitled “Child Care: Reporting Quality Improvement Nondirect Care Activities Using the Child Care and Development Fund.”

**FLEXIBILITY RATINGS:**

**No Local Flexibility (NLF):** This rating indicates that Boards must comply with the federal and state laws, rules, policies, and required procedures set forth in this WD Letter and have no local flexibility in determining whether and/or how to comply. All information with an NLF rating is indicated by “must” or “shall.”

**Local Flexibility (LF):** This rating indicates that Boards have local flexibility in determining whether and/or how to implement guidance or recommended practices set forth in this WD Letter. All information with an LF rating is indicated by “may” or “recommend.”