<p style="text-align:center">**Board Contract Year 2026 Child Care Targets**
Initial Job Search Success Rate
Discussion Paper</p>

Background

The Texas Workforce Commission's three-member Commission sets performance standards and targets for the Local Workforce Development Boards (Boards). For Board Contract Year 2026 (BCY'26), the two Child Care Services performance measures will be:

- Average Number of Children Served Per Day
- Initial Job Search Success Rate

On July 8, 2025, the Texas Workforce Commission's (TWC) three-Commissioners (Commission) approved the Board Contract Year 2026 (BCY'26) child care allocations and child care targets for BCY'26 Average Number of Children Served Per Day performance measure totaling 148,226. And on September 2, 2025, the Commission approved Board requests to defer a portion of their BCY'25 Child Care Services allocation to BCY'26, with an accompanying increase in the number of children they will serve in BCY'26. These allocation deferrals will result in a BCY'26 Average Number of Children Served Per Day performance measure increase of 1,518, bringing the total to 149,773.

Before the Commission for consideration is the second of two performance measures for child care services for BCY'26 targets. The Child Care Initial Job Search Success Rate is a new performance measure approved in BCY'25, and defined as the percentage of parents who were enrolled in Initial Job Search Child Care and who became employed at a sufficient level to qualify them to extend access to subsidized child care, as evidenced by the continuation of child care after the Initial Job Search period.

Issue: Initial Job Search Success Rate Performance Target

The Initial Job Search Success Rate is defined as the percentage of parents who were enrolled in Initial Job Search Child Care and who became employed at a sufficient level to qualify them to extend access to subsidized child care, as evidenced by the continuation of child care after the Initial Job Search period.

Because Initial Job Search Success Rate performance measure is a new measure, insufficient data existed for traditional forecasting methods for BCY'25, and this continues to be the condition for forecasting BCY'26. To obtain targets in BCY'25, staff analyzed the most recent rolling-four-quarter (R4Q) averages calculated for each Board and bounded above and below, respectively, by the 7th largest and 7th smallest Board R4Q averages. The 7th largest and 7th smallest averages were selected as bounds in accordance with a longstanding target-setting convention.

Initial Job Search Success Rate targets were set and approved as follows for BCY'25:

- Boards whose R4Q average was above the 7th largest averages received a target based on

1   the 7th largest average.

2   • Boards whose R4Q average was below the 7th smallest averages received a target based
3   on the 7th smallest average

4   • Boards whose R4Q average was between the 7th largest and 7th smallest averages
5   received a target based on their R4Q average.

6 The Initial Job Search Success Rate performance measure remains as an inaugural performance
7 measure that continues to have insufficient data for traditional forecasting methods for BCY'26.
8 To support continuity in evaluating the viability of this performance measure, it would be
9 reasonable to continue using Board performance and the 7th largest and 7th smallest R4Q
10 averages from BCY'25 as bounds in accordance with a longstanding target-setting convention.
11 We therefore propose to maintain the performance measure targets set in BCY'25 through
12 BCY'26 for assessing the viability of this measure.
13
14 **Decision Point:**
15
16 Staff recommends the continuing the BCY'25 Initial Job Search Success Rate performance
17 measure target for BCY'26 as outlined in Attachment 1.

Child Care Initial Job Search Success Rate BCY'26 Targets

#	LWDA	BCY'25 R4Q Average	BCY'25 7th Largest	BCY'25 7th Smallest	BCY'26 IJS Target
1	Panhandle	56.91%	69.20%	56.91%	**56.91%**
2	South Plains	73.13%	69.20%	56.91%	**69.20%**
3	North Texas	62.20%	69.20%	56.91%	**62.20%**
4	North Central	57.09%	69.20%	56.91%	**57.09%**
5	Tarrant County	57.17%	69.20%	56.91%	**57.17%**
6	Dallas County	64.98%	69.20%	56.91%	**64.98%**
7	North East	47.92%	69.20%	56.91%	**56.91%**
8	East Texas	58.36%	69.20%	56.91%	**58.36%**
9	West Central	62.91%	69.20%	56.91%	**62.91%**
10	Borderplex	55.38%	69.20%	56.91%	**56.91%**
11	Permian Basin	65.78%	69.20%	56.91%	**65.78%**
12	Concho Valley	52.52%	69.20%	56.91%	**56.91%**
13	Heart of Texas	60.91%	69.20%	56.91%	**60.91%**
14	Capital Area	78.52%	69.20%	56.91%	**69.20%**
15	Rural Capital	79.29%	69.20%	56.91%	**69.20%**
16	Brazos Valley	73.31%	69.20%	56.91%	**69.20%**
17	Deep East	62.25%	69.20%	56.91%	**62.25%**
18	Southeast	62.59%	69.20%	56.91%	**62.59%**
19	Golden Crescent	63.16%	69.20%	56.91%	**63.16%**
20	Alamo	69.81%	69.20%	56.91%	**69.20%**
21	South Texas	74.35%	69.20%	56.91%	**69.20%**
22	Coastal Bend	64.09%	69.20%	56.91%	**64.09%**
23	Lower Rio	0%	69.20%	56.91%	**56.91%**
24	Cameron	69.20%	69.20%	56.91%	**69.20%**
25	Texoma	59.30%	69.20%	56.91%	**59.30%**
26	Central Texas	47.44%	69.20%	56.91%	**56.91%**
27	Middle Rio	0%	69.20%	56.91%	**56.91%**
28	Gulf Coast	62.40%	69.20%	56.91%	**62.40%**