TEXAS WORKFORCE COMMISSION
Workforce Development Letter

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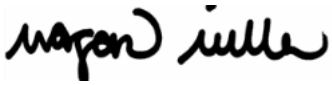
Date:	June 15, 2026
Keywords:	Child Care; TX3C
Effective:	Immediately

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



From: Reagan Miller, Director, Child Care & Early Learning Division

Subject: **Texas Child Care Connection and Child Care Automated Attendance—Update**

PURPOSE:

The purpose of this WD Letter is to provide Local Workforce Development Boards (Boards) with guidance on the implementation of automated attendance tracking and the child care case management system—Texas Child Care Connection (TX3C)—including how the required daily check-ins and checkouts are performed and how to manage excessive child absences. This letter establishes the time period for providers on Service Improvement Agreements (SIAs) to comply with automated attendance requirements.

This updated letter clarifies attendance reporting requirements in instances when there is not a sponsor performing the drop-off or pickup of a child.

RESCISSIONS:

WD Letter 06-26

BACKGROUND:

Title 40, Texas Administrative Code (TAC) Chapter 809, Child Care Services rule §809.78 requires parents to report their children's attendance, and §809.95 outlines requirements for providers' use of Texas Workforce Commission's (TWC) automated attendance system.

TWC's TX3C automated attendance-tracking functionality was introduced on May 17, 2023. The system allows parents and/or caregivers (referred to as "sponsors" in KinderSystems' applications) to report child care attendance through the following suite of automated products:

- TX3C: KinderConnect—A web-based provider portal that collects child attendance data for providers and state or local Workforce Solutions Office staff to view
- TX3C: KinderSign—An application for child care providers' iPads and Android tablets that makes it easier for a sponsor to enter a child's attendance status at the child care provider location
- TX3C: KinderSmart—A mobile application for iPhones and Android phones that allows sponsors to enter attendance information using a personal smartphone
- TX3C: KinderBridge—An application programming interface (API) allowing a supported provider Child Care Management System (CCMS) to upload attendance records to TX3C: KinderConnect from the provider's CCMS. The CCMS programs that are currently supported can be found on the TX3C.info website in the Frequently Asked Questions about KinderBridge.

Boards notified all TWC scholarship-accepting child care providers that the automated attendance-tracking system, which consists of TX3C: KinderConnect, KinderSign, and KinderSmart, became available on May 17, 2023, and that automated attendance collection began on May 17, 2023 (or as soon as the child care provider completed its setup).

On January 5, 2026, Governor Greg Abbott directed TWC and the Texas Health and Human Services Commission (HHSC) to launch investigations into any potential child care fraud in the Child Care Services (CCS) program. Governor Abbott also directed TWC and HHSC to submit a progress report to his office on January 30, 2026, and a final report on fraud investigations and prevention efforts on February 27, 2026.

On February 27, 2026, TWC and HHSC submitted to Governor Abbott their final report: Child Care Services Program—Protecting Taxpayer Funds and Ensuring Program Integrity. In this final report, TWC noted revisions to attendance-reporting requirements to require sponsors to record **both the check-in and the checkout** of their children. This change will strengthen CCS program integrity and support stronger program controls.

PROCEDURES:

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."

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."

Automated Attendance System Setup and Access

NLF: Boards must notify new CCS providers that they must complete the Scholarship Child Care Provider Survey to receive a tablet from KinderSystems. These state-issued devices arrive ready to use, with the appropriate software already loaded.

NLF: Boards must inform staff that providers that use TX3C: KinderBridge with their own CCMS, which must be supported by a KinderSystems API connection, may continue to use their current CCMS for attendance collection. Only attendance information for children receiving child care scholarships will be uploaded to TX3C: KinderConnect.

NLF: Boards must ensure staff provides sponsors with information on how to access the automated attendance-tracking system through the TX3C: KinderSmart or KinderSign applications. Sponsors may download the KinderSmart Texas application on their personal devices from the appropriate app store (for iPhone or Android). Additionally, sponsors must also be informed of how to use TX3C: KinderSign on a provider's tablet if they choose not to use the KinderSmart application. Sponsors can find more information about using KinderSign and KinderSmart on TX3C.info.

NLF: Boards must notify sponsors whose child care provider will continue to use its existing CCMS that the sponsors will continue using their respective provider's existing attendance-tracking system instead of TX3C: KinderSmart or KinderSign.

NLF: Boards must inform staff that the TX3C information site and help desk support are available to help child care sponsors and providers use the child care automated attendance-tracking system.

NLF: Boards must provide the following KinderSystems support information to sponsors who have issues recording attendance if the Board is unable to remediate them:

- Support website: Families, Parents, and Sponsors page
- Phone: 1+ (888) 265-6461
- Email: supportTX@kindersystems.com

Automated Attendance-Reporting Requirements

NLF: Boards must notify CCS providers of the following:

- Providers that are not using the attendance system will be placed on an SIA notifying them that they have one week to use the system.
- The SIA will also notify providers that if they are not using the attendance system within one week of the execution of the SIA, CCS payments will be withheld until they come into compliance, and the Board may terminate the provider's CCS agreement for breach of contract.

NLF: Boards must inform staff that if a provider is unable to use the automated attendance system through no fault of their own (for example, if they have not yet received a tablet), the provider must not be placed on an SIA or have their payments withheld. The provider must supply documentation of their due diligence to connect to and use the system.

NLF: Boards must inform staff that the provider automated attendance and notification requirements, as set forth in §809.95, remain in effect with the implementation of TX3C.

NLF: Boards must ensure that for children in care with a relative provider, sponsors must report a child's attendance by using the relative provider's phone number to call the Interactive

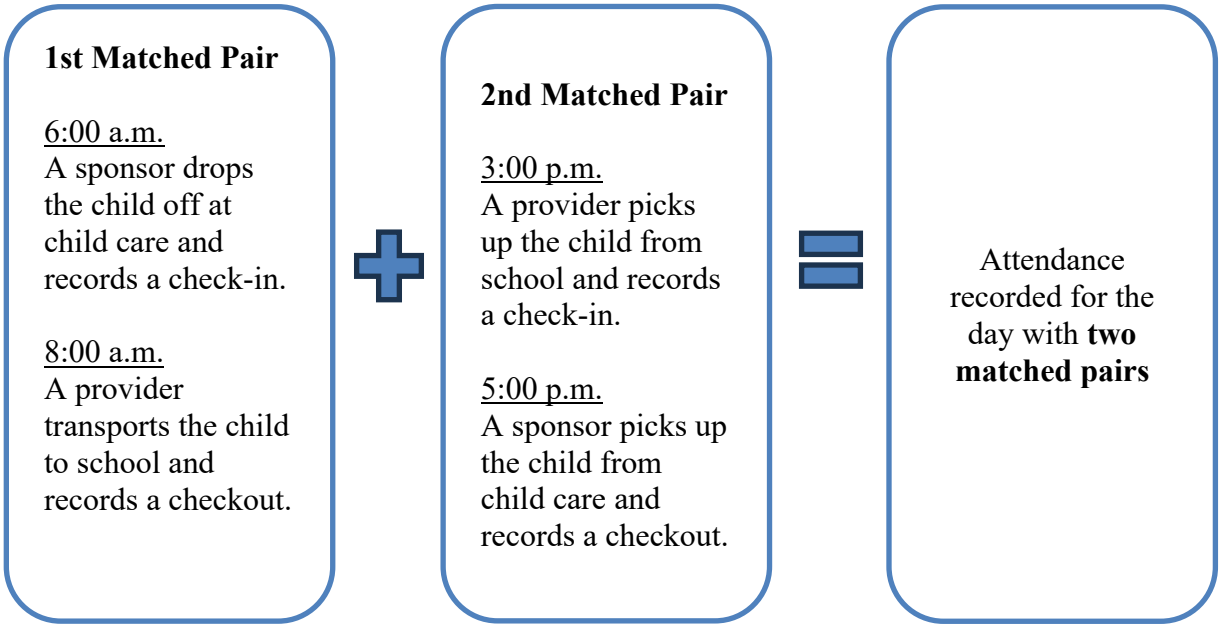
Voice Response (IVR) system. The IVR phone number is (713) 242-1606. Staff must ensure sponsors are aware that relative providers only receive payment for days on which there is recorded attendance.

NLF: Boards must inform staff that attendance reporting requires a matched pair (check-in **and** checkout) recorded for each child on each day. Failure to record at least one matched pair per day will result in an unexplained absence.

NLF: Boards must inform staff that, pursuant to §809.95, only a sponsor may report a child's attendance. However, in instances when there is not a sponsor performing the drop-off or pickup of the child (such as when the provider is transporting the child to or from school), the provider may record the appropriate check-in or checkout. Providers may record only one check-in or checkout per matched pair, and the sponsor is required to perform the other check-in or checkout of the matched pair. Additionally, sponsors may backdate attendance records by up to six days.

Note: In instances when a provider transports a child before and after school, a sponsor must check in the child in the morning before a provider performs a checkout when dropping off the child at school. For a provider to perform a check-in at pickup after school, there must be a complete matched pair for the morning. Refer to the following example.

Example: A provider transports a child before and after school.



NLF: Boards must notify providers that provide transportation to and from their program of the above information and requirements about recording attendance themselves.

Attendance Reporting Using the Provider's Child Care Management Software

NLF: Boards must inform staff that, except for the exception described above, when the provider is transporting a child, the requirements in §809.95 apply to providers using

their own CCMS for attendance collection, including the requirement that providers must not perform the attendance- or absence-reporting function on behalf of the sponsor. However, for providers using a CCMS that does not allow sponsors to report backdated attendance, providers may correct backdated attendance on behalf of the sponsors.

NLF: Boards must notify providers using TX3C: KinderBridge that they are required to upload attendance to TX3C: KinderConnect at least weekly to remain in compliance with automated attendance requirements.

NLF: Boards must inform staff that provider misuse of attendance reporting, including intentionally entering false attendance reports through the provider's CCMS, is grounds for potential fraud determination.

NLF: Boards must inform staff that attendance uploaded to TX3C: KinderConnect, including provider-entered backdated attendance, is subject to monitoring for accuracy. Based on local procedures, providers may be required to provide documentation from the sponsor of actual attendance for backdated entries.

NLF: Boards must notify providers that use their own CCMS for attendance tracking of the information and requirements detailed above.

Absence Reporting Responsibility and Information

NLF: **Child fails to begin attending:** Boards must inform staff and providers that providers are required to report when a child fails to begin attending a child care provider location within five days of the effective date on the authorization notice so that staff may take appropriate action and reach out to the sponsor to determine whether the child still requires child care.

NLF: **Child stops attending:** Boards must inform providers that they must report to the Board within two business days whenever a child has been absent for five consecutive days with no contact.

- Boards must inform providers that failure to report a child's cessation of attendance within two business days may result in the Board taking corrective action or placing the provider on an SIA.

NLF: Boards must continue to pay providers based on enrollment, except for relative providers. Boards must ensure that a relative child care provider is not reimbursed for the days that a child is absent, as set forth in 40 TAC §809.93(c).

Child Care Absence Tracking and Notification Process

NLF: Boards must inform staff that attendance standards and notice and reporting requirements, as set forth in §809.78, require the Board to notify both parents and providers when a child has accumulated 15, 30, and 40 unexplained absences. TX3C: KinderTrack automatically generates these notices.

NLF: Boards must inform staff that absences must be reset at recertification to align with the start date of a new eligibility period.

NLF: Boards must inform staff that, pursuant to §809.2(11), "excessive unexplained absences" are defined as more than 40 unexplained absences in a 12-month eligibility period. If the Board extended a child's eligibility period beyond 12 months, the Board must review the child's previous 12-month attendance record to verify absences prior to termination.

NLF: Boards must ensure that a child's absences in relative care count toward the maximum number of allowable absences.

INQUIRIES:

Send inquiries regarding this WD Letter to childcare.programassistance@twc.texas.gov.

ATTACHMENTS:

Attachment 1: Revisions to WD Letter 06-26, Shown in Track Changes

REFERENCES:

Texas Administrative Code, §809.78
Texas Administrative Code, §809.95
Governor Abbott's Directive on Investigations Into Potential Child Care Funding Fraud In Texas
Final Report: Child Care Services Program—Protecting Taxpayer Funds and Ensuring Program Integrity