

TEXAS WORKFORCE COMMISSION
Workforce Development Letter

ID/No:	WD 11-20, Change 1
Date:	June 8, 2020
Keyword:	Child Care; Natural Disaster
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: Supplemental Child Care Distribution—CARES Act CCDBG Funds—*Update*

PURPOSE:

The purpose of this WD Letter is to provide guidance to Local Workforce Development Boards (Boards) on the distribution of additional Board Contract Year 2020 (BCY'20) Child Care and Development Fund (CCDF) funds to Boards in response to the ongoing global pandemic of coronavirus disease 2019 (COVID-19).

RESCISSIONS:

WD Letter 11-20

BACKGROUND:

On March 27, 2020, the federal Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was enacted. The CARES Act includes an additional \$3.5 billion in federal Child Care and Development Block Grant (CCDBG) funds. These funds may be used to provide continued payments to child care providers in the case of decreased enrollments or closures related to COVID-19 and to provide child care to essential workers.

On April 14, 2020, Texas Workforce Commission's (TWC) three-member Commission (Commission) authorized a supplemental distribution of \$200 million to local workforce development areas funded from the CARES Act CCDBG funding.

On May 19, 2020, the Commission authorized deobligating \$100 million of the CARES Act funding and redistributing the funding for enhanced reimbursement payments to open providers during the COVID-19 crisis based on local workforce area need.

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” 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.”

NLF: Boards must use the Commission-approved distribution (as shown in Attachment 1) for direct care expenditures or supplemental payments to child care programs. Administrative and operational expenditures are not allowable uses of the funds.

NLF: Boards must be aware that the Commission-approved distribution for the TWC COVID-19 Essential Worker child care program was based on the following equally weighted factors:

- COVID-19–related UI claims
- COVID-19–related cases, as reported by the Texas Department of State Health Services
- Number of children served under age 13

NLF: Boards must be aware that based on the Commission’s May 19, 2020, action, \$48 million was redistributed to cover enhanced reimbursement payments to open providers. Boards may submit Contract Action Requests (CARs) to request additional funds for these enhanced payments.

NLF: Boards must be aware that TWC added the funds to Boards’ existing Fiscal Year 2020 (FY’20) Child Care Formula (CCF) child care grant awards by unilateral amendment.

NLF: Boards must report obligations and expenditures in the Cash Draw and Expenditure Reporting (CDER) system under the cost categories with the “CARES” prefix “CARES - Direct Care At-Risk-869” for TWC COVID-19 Essential Worker care and “CARES - Enhanced Reimbursements Direct Care ONLY-869” for enhanced reimbursement payments (currently 25 percent). The CARES categories will be regular (not supplemental) cost categories for the FY’20 CCF child care grant awards.

NLF: Boards must make adjustments to any April or May payments that were not recorded under the correct CARES category in CDER.

ATTACHMENTS:

Attachment 1: FY 2020 COVID-19 Supplemental Child Care Distribution (Updated)

Attachment 2: Revisions to WD Letter 11-20 Shown in Track Changes

INQUIRIES:

Send inquiries regarding this WD Letter to childcare.programassistance@twc.state.tx.us.

REFERENCES:

[HR 748 CARES Act](#)