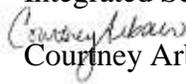


**TEXAS WORKFORCE COMMISSION**  
**Workforce Development Letter**

<b>ID/No:</b>	WD 20-18
<b>Date:</b>	September 14, 2018
<b>Keyword:</b>	Child Care; Fiscal Allocations
<b>Effective:</b>	Immediately

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

**From:**  Courtney Arbour, Director, Workforce Development Division

**Subject:** **Allowable Expenses for Additional Child Care Quality Funds in Fiscal Year 2019**

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**PURPOSE:**

To provide Local Workforce Development Boards (Boards) with information on the increased funding provided through the Child Care and Development Fund (CCDF) and the allowable expenses for this additional funding.

**RESCISSIONS:**

None

**BACKGROUND:**

On February 9, 2018, the Bipartisan Budget Act of 2018 (Act) was enacted. The Act includes a historic funding increase in the CCDF through the Child Care and Development Block Grant (CCDBG). As a result, the State of Texas received an additional \$229.9 million in CCDF funds for child care services for eligible families. The increased funding will support greater investments in quality improvement initiatives as well as direct care for eligible families.

The CCDBG requires that at least 8 percent of the total CCDF expenditures be used to improve the quality of child care services and 3 percent be used to improve the quality of child care for infants and toddlers. Additionally, 45 CFR §98.53(a) requires that the quality improvement activities be “in accordance with an assessment of need by the lead agency,” which is the Texas Workforce Commission (TWC).

On June 14, 2018, TWC’s three-member Commission (Commission) approved an additional \$7 million in child care funds to Boards for quality improvement activities. On July 31, 2018, the Commission approved the requirements and the allowable uses of the additional \$7 million. The majority of the funding will be used to improve the quality of infant and toddler care and help providers become certified under the Texas Rising Star (TRS) program.

## **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 be aware that distribution of the additional \$7 million is based on each Board’s share of the 2 percent allocation in the Child Care Quality grant awards. Attachment 1, FY 2019 Additional CCQ Distributions, includes the additional amount that will be distributed to each Board.

**NLF:** Boards must spend at least 50 percent of their portion of the \$7 million on activities to improve the quality of child care for infants and toddlers.

**NLF:** Boards must be aware that allowable quality improvement activities for infants and toddlers include the following:

- Helping new or existing child care facilities improve the quality of care for infants and toddlers or expand to serve more infants and toddlers, for instance, by doing the following:
  - Conducting a needs assessment or research to identify where in a local workforce development area (workforce area) there is a need for quality care of infants and toddlers but inadequate capacity
  - Purchasing equipment (such as cribs, changing stations, and classroom materials and equipment) to facilitate expansion
- Promoting early childhood developmental screening, for instance, by doing the following:
  - Coordinating with early intervention specialists and/or home visitation specialists to train caregivers and providers on the importance of developmental screening and how to access available resources
  - Providing information to parents and/or caregivers on the availability of developmental screening
- Providing professional development for providers and parents and/or caregivers, for instance, by providing training on the following:
  - Implementing Texas early learning guidelines (Little Texans. Big Futures.)
  - Identifying families that are homeless and providing services for their infants and toddlers
  - Understanding the early neurological development of children and providing related services for infants and toddlers
  - Offering activities to supplement the online courses on quality child care for infants and toddlers that are published by [Texas AgriLife Extension Services](#)

- Providing technical assistance, such as TRS mentoring services, to help providers meet TRS standards for infant and toddler caregivers and classrooms
- Developing and expanding networks for family child care providers and for infant and toddler specialists, for instance by doing the following:
  - Providing services and information to families on infant and toddler development and quality child care
  - Supporting the expansion of high-quality care for infants and toddlers
- Providing consumer education for parents on choosing quality child care for infants and toddlers
- Taking other actions, in accordance with an assessment of need by the Board, designed to improve the quality and availability of child care for infants and toddlers in the workforce area

**NLF:** Boards must not spend more than 50 percent of the Board’s additional quality funds on quality improvement activities that are not for infants and toddlers.

**NLF:** Boards must be aware that quality improvement activities that are not for infants and toddlers include the following:

- Helping providers become TRS-certified or helping TRS-certified providers achieve higher levels of TRS certification, including, but not limited to, the following:
  - Covering the costs of hiring and retaining TRS mentors and assessors
  - Providing training, technical assistance, scholarships, and stipends to caregivers and child care providers to meet the benchmarks leading to TRS certification or a higher level of TRS certification
- Conducting research and data analysis to identify areas that need quality care but lack TRS-certified providers
- Providing incentives to buy non-consumable classroom materials (such as books, toys, manipulatives, and equipment) and purchase curriculum to help providers meet TRS quality standards
- Offering other allowable activities that meet the requirements in [Part H – Quality Improvement Activities of the Child Care Services Guide](#).

**NLF:** Boards must spend the additional funds on activities that will have a lasting impact. Boards must not spend the funds on consumables, such as food, first aid supplies, paper, craft-related materials, office supplies, and laundry or cleaning supplies.

**NLF:** Boards must follow the reporting requirements in [Part H-206 of the Child Care Services Guide](#) for quality improvement activities using these additional funds.

**ATTACHMENT:**

Attachment 1: FY 2019 Additional CCQ Distributions

**INQUIRIES:**

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

**REFERENCES:**

Child Care and Development Fund, 45 CFR §98.53  
Bipartisan Budget Act of 2018  
Little Texans. Big Futures. ([littletexans.org](http://littletexans.org))