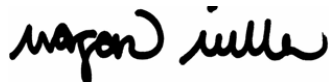


TEXAS WORKFORCE COMMISSION
Workforce Development Letter

ID/No:	WD 04-21, Change 3
Date:	April 25, 2023
Keyword:	Child Care
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: **Child Care Investments Partnership Program—Update**

PURPOSE:

The purpose of this WD Letter is to provide Local Workforce Development Boards (Boards) with updated guidance on the [Child Care Investments Partnership](#) (CCIP) program.

RESCISSIONS:

WD Letter 04-21, Change 2

BACKGROUND:

On December 1, 2020, the Texas Workforce Commission's (TWC) three-member Commission (Commission) approved the CCIP program and dedicated \$5 million to expand early childhood education efforts. On February 28, 2023, the Commission approved modifying the CCIP program.

The CCIP program fosters collaborations between Boards and local partners by supporting investments in projects that improve the quality of child care and early learning. Through the CCIP program, TWC leverages donations with Child Care and Development Fund (CCDF) funds to build and enhance Board partnerships with entities that want to support early childhood education efforts.

Successful CCIP program applicants will propose projects that support early childhood education in one or more of the following approved focus areas:

- Child care apprenticeships
- Home-based child care
- Public-private prekindergarten partnerships
- Business support for child care programs
- Child care worker wage supplementation or stipends
- Emergency response and recovery

- Program capacity expansion
- Research studies that support child care quality improvement
- Other quality-improvement activities (as approved by TWC)

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.”

NLF: Boards must be aware that the [CCIP program](#) is application-based and that grants will be awarded until the approved funding is exhausted or the TWC period of availability for obligation of funds expires.

NLF: Boards that are interested in pursuing a CCIP grant must work with their investment partners (donors) to develop the project idea and jointly complete the [CCIP application](#), [budget workbook](#), and [donation agreement](#).

NLF: Boards must be aware that TWC will conduct a conflict-of-interest check on the donor before an application is submitted. Boards must submit the name of the potential investment partner and the partner’s Federal Employer Identification Number (FEIN) and Taxpayer Identification Number (TIN) to CCIP@twc.texas.gov before any application will be reviewed and accepted.

NLF: Boards must be aware that, for approved CCIP projects, the investment partners will donate the proposed funds to TWC, and TWC will grant the donated amount to the designated local workforce development area as a 100 percent match to an equal amount of CCDF matching funds.

NLF: Boards must be aware that CCIP investment partner donations are subject to the federal CCDF regulations at [45 CFR §98.55](#) as follows:

- The donated funds must be donated without any restriction that would require their use for a specific organization, individual, facility, or institution.
- The donated funds do not revert to the donor’s facility or use.
- The donated funds must be administered in accordance with all standard and required procurement, contracting, and administrative requirements.

Additionally, Boards must be aware that the project implemented must comply with the CCIP application and with CCDF program and grant requirements, including the requirements in TWC’s [Child Care Services Guide](#) and the Office of Management and Budget’s Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and its implementation regulations.

NLF: Boards must be aware that the procurement of all goods and services funded under CCIP must be conducted, to the maximum extent practical, in a manner providing full and open competition consistent with applicable administrative requirements.

NLF: Boards must be aware that a 5 percent administration limit applies to CCIP funds granted to the Board.

NLF: Boards must be aware that CCIP expenditures must be reported in TWC’s Cash Draw and Expenditure Reporting (CDER) system under the allowable Child Care Quality cost categories.

NLF: Additionally, Boards must ensure that CCIP activities and estimated expenditures are reported in the Board Child Care Quality Expenditure & Activity Report, pursuant to [WD Letter 25-22, Change 1](#), issued April 4, 2023, and titled “Child Care Quality Funds Report and Implementation and Expenditure Plan—Update.”

NLF: Boards must be aware that an investment partner may make a donation of funds through another organization and still qualify for the CCIP program. For example, an investment partner may donate funds to the Board or to a nonprofit organization with the express purpose to use the funds for a CCIP program. The Board must provide TWC with documentation of the investment partner’s intent that the passed-through donation be used for the projects outlined in the CCIP application.

INQUIRIES:

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

ATTACHMENTS:

Attachment 1: Child Care Investments Partnership Project Examples

Attachment 2: Revisions to WD Letter 04-21, Change 2, Shown in Track Changes

REFERENCES:

CCDF Regulations at [45 CFR §98.55](#)

WD Letter 25-22, Change 1, issued April 4, 2023, and titled “Child Care Quality Funds Report and Implementation and Expenditure Plan—Update”