

TEXAS WORKFORCE COMMISSION
Workforce Development Letter

ID/No:	WD 27-23
Date:	December 7, 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: **Board Contract Year 2024 Child Care Allocations and Targets**

PURPOSE:

The purpose of this WD Letter is to provide Local Workforce Development Boards (Boards) with guidance on the distribution of Board Contract Year 2024 (BCY'24) funds.

RESCISSIONS:

WD Letter 07-23

BACKGROUND:

On September 19, 2023, TWC's three-member Commission (Commission) [approved](#) the BCY'24 allocations, distributions, and targets for child care.

Additionally, on September 27, 2022, the Commission [approved](#) \$50 million in COVID stimulus funds to cover the one-time cost of modifying payment cycles to implement prospective payments to child care providers with the launch of the Texas Child Care Connection (TX3C) case management functionality.

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 Commission approved \$1.19 billion to be distributed to all Boards, as shown in Attachment 1, BCY'24 Board Child Care Allocations and Adjusted Targets.

NLF: Boards also must be aware that TWC has updated child care performance targets to reflect the BCY'24 Child Care Allocations, as shown in Attachment 1.

NLF: Boards must report obligations and expenditures for direct care in the Cash Draw and Expenditure Reporting (CDER) system under the Direct Care – Local Child Care Solutions cost category 869. The category will be a regular cost category for BCY'24 CCF grant awards.

NLF: Boards must report obligations and expenditures for the 4% Quality Allocation in the CDER system under the following cost categories for BCY'24 CCQ grant awards:

- ** - Quality Improvement (Non-Direct)
- QLTY - TRS Personnel Cost
- QLTY - TRS Promotion and Supports

NLF: Boards must be aware that their BCY'24 grant awards include both the BCY'24 allocations as outlined in Attachment 1 as well as the Board's relative proportion of supplemental funding to cover the cost of implementing prospective payments.

INQUIRIES:

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

ATTACHMENTS:

Attachment 1: BCY'24 Child Care Allocations and Adjusted Targets

REFERENCES:

None