

TEXAS WORKFORCE COMMISSION LETTER

ID/No:	WD 15-11, Change 1
Date:	June 15, 2011
Keyword:	Child Care; TWIST
Effective:	Immediately

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



From: Laurence M. Jones, Director, Workforce Development Division

Subject: **Parent Share of Cost Policy—*Update***

PURPOSE:

To provide Local Workforce Development Boards (Boards) with information and guidance on establishing a parent share of cost policy.

This WD Letter provides Boards with:

- **updated information regarding the new Child Care Service Delivery (CCSD) implementation date of October 1, 2011, for integration of CCSD into The Workforce Information System of Texas (TWIST); and**
- **clarified percentage ranges in Attachment 1.**

CHANGES TO WD LETTER 15-11:

New information in this WD Letter is indicated by:

- A ~~strickethrough~~ of the original language, which indicates that language has been deleted; and
- **Bold** typeface, which indicates new or clarifying language.

BACKGROUND:

Child Care and Development Fund (CCDF) regulations at 45 CFR §98.42 require a sliding fee scale that provides for cost sharing by families receiving CCDF child care services. Texas Workforce Commission (Commission) Child Care Services rule §809.19(a) requires Boards to set a policy that assesses the parent share of cost in a manner that results in it “being an amount determined by a sliding fee scale based on the family’s size and gross monthly income, and also may consider the number of children in care.”

Most Boards’ parent share of cost policies use a flat percentage of family income to determine the parent share for one child, with additional percentage increases when two or more children are in care. However, most Boards do not include

family size as a factor unless the family consists of seven members or more. Furthermore, the CCSD system accommodates only share of cost policies based on a percentage of family income.

The Commission is currently integrating CCSD into TWIST, with an anticipated **implementation** date of ~~September~~ **October 1, 2011**. The TWIST child care integration includes automating the parent share of cost calculation, which will result in an amount determined by a sliding fee scale based on the family size and gross monthly income.

PROCEDURES:

Boards must:

NLF

- adopt a parent share of cost policy that results in an amount determined by a sliding fee scale based on family size and gross monthly income¹; and
- ensure that the parent share of cost policy is effective no later than ~~September~~ **October 1, 2011**.

Boards must ensure that the sliding fee scale is based on family income and family size expressed as a percent of the U.S. Department of Health and Human Services Poverty Guidelines (aka federal poverty guidelines) or state median income, as shown in Attachment 1.

NLF

In establishing a parent share of cost policy, Boards also may consider:

LF

- the number of children in care by including an additional amount for each additional child in care; and
- adjustments to the parent share of cost amount based on other factors such as:
 - the family only requires part-time care;
 - the family only requires before- or after-school care; or
 - the family only requires part-week care.

Prior to the implementation of TWIST child care integration on ~~September~~ **October 1, 2011**, Boards must enter the sliding fee amounts and any additional optional considerations listed above, under the TWIST *WDA Administration – Share of Cost* tab.

NLF

As required by Child Care Services rule §809.13(c), Boards must submit modifications to the parent share of cost policy no later than two weeks after adoption of the policy.

NLF

Boards must be aware that for a parent with a child enrolled in care prior to October 1, 2011, the parent share of cost amount listed in CCSD will:

NLF

- **automatically transfer to TWIST on October 1, 2011; and**

¹ As required by Commission rule at 40 TAC §802.1(f) and as detailed in WD Letter 10-07, Board members must take such actions in an open meeting.

- **remain in effect until the parent’s scheduled eligibility redetermination date or until eligibility is otherwise redetermined.**

INQUIRIES:

Direct inquiries regarding this WD Letter to wfpolicy.clarifications@twc.state.tx.us.

ATTACHMENTS:

Attachment 1: Parent Share of Cost Sliding Fee Scale Based on Family Size and Gross Monthly Income

RESCISSIONS:

WD Letter 15-11

REFERENCE:

U.S. Department of Health and Human Services, Administration for Children and Families, 45 CFR §98.42(b)
Texas Workforce Commission Child Care Services Rules §809.13(c) and §809.19(a)
WD Letter 10-07, issued February 2, 2007, and entitled “Adoption of Local Workforce Development Board Policies in Open Meetings”

FLEXIBILITY RATINGS:

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.”