TEXAS WORKFORCE COMMISSION LETTER

ID/No:	WD 33-10
Date:	September 13, 2010
Keyword:	Child Care
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: **Child Care Services Start-up Materials and Information for Fiscal Year 2011 Contracts**

PURPOSE:

To provide Local Workforce Development Boards (Boards) with child care start-up materials and information for Fiscal Year 2011 (FY'11) contracts, including:

- income eligibility limits;
- guidance on entering contract and budget information in the Budget and Payment Application (BAPA) and the Child Care Service Delivery (CCSD) application; and
- budget information and the Federal Medical Assistance Percentages (FMAP) for Child Care Local Match (CCLM) agreements.

BACKGROUND:

The Texas Workforce Commission (Commission) annually enters into three contracts with Boards for child care services.

The Child Care Formula (CCF) contract is for child care funds allocated to the Boards under Commission rule §800.58, excluding the amount of federal funds contingent upon Boards securing local funds. The CCF contract for FY'11 is from October 1, 2010, to October 31, 2011.

The Child Care Match (CCM) contract is for the federal matching funds that are contingent upon Boards securing local funds. The CCM contract for FY'11 is from October 1, 2010, to December 31, 2011.

The Child Care Protective (CCP) contract is for child care services funded through the Texas Department of Family and Protective Services (DFPS). The CCP contract for FY'11 is from September 1, 2010, to August 31, 2011.

PROCEDURES:

Income Eligibility Limits

Effective October 1, 2010, Boards must determine eligibility for child care services in their local workforce development areas based on the new FY'11 income data set forth in Attachment 1, the Fiscal Year 2011 Eligibility Code Card for Child Care Services. **NLF**

Boards may use the federal poverty guidelines (FPG) or the state median income (SMI) to determine income eligibility limits. **LF**

However, Boards must ensure that income limits do not exceed 85 percent of SMI. **NLF**

FY'11 Child Care Services Start-up Instructions

No later than October 1, 2010, Boards must follow the instructions detailed below for setting up FY'11 contract and budget information in the CCSD application and BAPA. **NLF**

CCSD Application: Attachment 2, Fiscal Year 2011 Child Care Service Delivery Application and Budget and Payment Application Start-up, provides a view of the CCSD screens, which Boards must review and update, or establish, for FY'11. For detailed information on entering information in the CCSD application, refer to the CCSD Process Steps.

To request a copy of the CCSD Process Steps, e-mail childcare.applicationassistance@twc.state.tx.us.

Boards must ensure that appropriate staff performs the following tasks in the CCSD application: **NLF**

1. On the *Contract Information* screen:
   - Extend contract end dates on all current contracts that will continue into FY'11, including CCLM agreements.
   - Enter new contracts. Boards must ensure that the employer identification number (EIN) entered in the CCSD application matches the EIN number entered in BAPA. Additionally, the contract number entered in the CCSD application must contain the first five digits of the contract number entered in BAPA.
2. Set up fund codes, and update service codes and group codes as appropriate, using Attachment 3, the Fiscal Year 2011 Crosswalk of Accounting Codes, and the information on the crosswalk and budget descriptions provided in Attachment 4, Information Related to Fiscal Year 2011 Crosswalk of Accounting Codes (Direct Child Care). Please note that the codes may have changed from FY'10.

3. Set up DFPS fund codes 001, 002, 003, and 014 using the budget amounts provided by the Regional DFPS Day Care Liaison.
4. Complete the Calculate Funds Projection for each fund code entered for FY'11.

BAPA: Attachment 2 also provides a view of the *Contract Maintenance, Code Maintenance,* and *Schedules and Notices* screens in BAPA, which Boards must use to create contracts and budgets. **NLF**

Boards must ensure that appropriate staff: **NLF**

1. sets up new child care contracts, if necessary;
2. ensures that, for contracts associated with CCLM agreements, the sixth digit of the child care contract number is one of the following agreement types:
   - *D* for a Donation agreement
   - *C* for a Certification agreement
   - *T* for a Transfer agreement;
3. ensures that the EIN entered in BAPA's *Contract Maintenance* screen matches the EIN in the CCSD application's *Contract Maintenance* screen;
4. determines the budget amounts and set-up budgets for each FY'11 contract in BAPA under *Budget Maintenance*; and
5. does not enter contracts or budgets for CCLM agreements until the Commission has approved the agreements.

Note: State office staff enters the DFPS statewide budgets associated with the Agency-Board CCP Contracts.

Boards must: **NLF**

- provide appropriate staff with the budget amounts for each contract established in BAPA; and
- ensure that the budget amounts entered in BAPA equal the total budget amounts entered by fund code in the CCSD application.

FY'11 Child Care Local Match Agreements: Attachment 5, Fiscal Year 2011 Child Care Local Match Fact Sheet, provides budget information and FMAP for CCLM, effective October 1, 2010. Boards must be aware of the budget information and FMAP related to CCLM. **NLF**

Boards must not enter CCLM agreements in BAPA or the CCSD application until notified by Board Contract Management staff that the Commission has approved the pledge agreement. **NLF**

BAPA Board Contract Year 2010 Shutdown

Boards must be aware that the deadlines to enter claims in BAPA are: **NLF**

- October 31, 2010, for FY'10 DFPS claims; and
- November 28, 2010, for regular FY'10 claims.

INQUIRIES:

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

ATTACHMENTS:

Attachment 1: Eligibility Code Card for Child Care Services
Attachment 2: Fiscal Year 2011 Child Care Service Delivery Application and Budget and Payment Application Start-up
Attachment 3: Fiscal Year 2011 Crosswalk of Accounting Codes (Direct Child Care)
Attachment 4: Information Related to Fiscal Year 2011 Crosswalk of Accounting Codes
Attachment 5: Fiscal Year 2011 Child Care Local Match Fact Sheet

RESCISSIONS:

WD Letter 37-09 (as of September 30, 2010)

REFERENCE:

U.S. Department of Health and Human Services, Child Care and Development Fund, 45 C.F.R. Part 98
U.S. Department of Health and Human Services State Median Income Estimates, *Federal Register*, Vol. 73, No. 44, published March 5, 2008
U.S. Department of Health and Human Services Poverty Guidelines, *Federal Register*, Vol. 73, No. 15, published January 23, 2008
Texas Workforce Commission General Administration rules: 40 TAC §800.58
Texas Workforce Commission Child Care Services rules: 40 TAC Chapter 809

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."