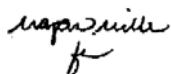


TEXAS WORKFORCE COMMISSION LETTER

ID/No:	WD 41-11
Date:	October 19, 2011
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: **Fiscal Year 2012 Additional Child Care Local Match Funds**

PURPOSE:

This WD Letter provides Local Workforce Development Boards (Boards) with information and guidance on Fiscal Year 2012 (FY' 12) additional child care local match funds, specifically:

- conditions and options for use of FY' 12 additional child care local match funds;
- FY' 12 Additional Child Care Local Match Agreement;
- FY' 12 Additional Child Care Local Match Agreement Amendment; and
- FY' 12 Additional Local Match Determination Tool.

BACKGROUND:

The Texas Workforce Commission (TWC) approved the FY' 12 child care allocations, as indicated in WD Letter 28-11, issued August 9, 2011, and entitled "Fiscal Year 2012/Program Year 2011 Allocations"

<http://www.twc.state.tx.us/boards/wdletters/letters/28-11.pdf>.

TWC also approved the distribution of \$9,766,061 in additional federal matching funds for FY' 12, contingent upon Boards securing additional local matching funds totaling \$7,008,350. The amount of additional federal matching funds available to each Board along with the amount of local funds needed to secure federal matching funds are set forth at

http://www.twc.state.tx.us/business/fmgc/fy2012_py2011_alloc.pdf.

WD Letter 40-09, Change 1, issued September 23, 2010, and entitled "Child Care Local Match Process—*Update*," and subsequent issuances, sets forth information and procedures for regular (not additional) child care local match funds.

PROCEDURES:

Boards must be aware of the following:

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- Boards are not required to secure additional local match target and are not required to access additional federal matching funds.
- Boards must secure 100 percent of their FY' 12 local match target to access additional federal matching funds.
- Boards that do not pursue additional matching funds must notify their senior contract manager of this decision in writing as soon as possible, but no later than March 31, 2012.
- Separate Board contracts for FY' 12 additional local match—extending October 1, 2011, through March 31, 2013—will be issued to access the additional matching funds.
- Boards have through March 31, 2012, to fully secure FY' 12 additional child care local match target.
- Boards must notify their senior contract managers in writing prior to March 31, 2012, if they are unable to secure additional local match.
- If a Board cannot secure 100 percent of the additional funds by March 31, 2012, the balance will be made available to other local workforce development areas—on a first-come, first-served basis—that have secured:
 - 100 percent of FY' 12 local match; and
 - 100 percent of FY' 12 additional local match.

Boards may secure certification of expenditures occurring from October 1, 2011 to September 30, 2012. Boards may submit FY' 12 additional child care local match agreements concurrently with FY' 12 local match agreements, with the understanding that an additional agreement will not be submitted for TWC acceptance until the Board has secured 100 percent of its FY' 12 target.

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Conditions and Options for Use of FY'12 Additional Child Care Local Match Funds

Direct Care

- Boards may serve additional children meeting TWC and Board eligibility requirements.
- Boards must be aware that children served using additional match funds will not count in the Board's FY' 12 performance.

LF

NLF

Quality Improvement Activities

- Boards may fund any quality activity allowed under Child Care and Development Fund federal regulations (45 CFR §98.51).

LF

- Boards using additional funds for quality improvement activities must submit a quarterly report on quality initiatives. The quarterly report will be included in the Board contract for the additional matching funds. **NLF**

Fiscal Year 2012 Additional Child Care Local Match Agreement

When securing pledges for additional child care local match funds, Boards must use the “Fiscal Year 2012 Additional Child Care Local Match Contribution Agreement” (Attachment 1) to enter into signed, written agreements with contributors that: **NLF**

- document the contributor’s pledge and remittance schedule to provide allowable matching funds for child care services; and
- contain sufficient information to ensure that the local funds pledged meet federal and state requirements.

Boards must ensure that TWC’s Office of General Counsel reviews and approves any contributor-requested addenda or additional requirements to Attachment 1 before Board submission of the complete, signed, local match agreement. **NLF**

Fiscal Year 2012 Additional Child Care Local Match Agreement Amendment

Boards must use the “Fiscal Year 2012 Additional Child Care Local Match Agreement Amendment” (Attachment 2) if there is: **NLF**

- a change of certification date; or
- an increase or decrease in the pledge amount.

Boards must be aware that TWC approval is required for local pledge increases. **NLF**

Fiscal Year 2012 Additional Local Match Determination Tool

Boards must use the “Fiscal Year 2012 Additional Local Match Determination Tool” (Attachment 3) to calculate the amount of federal matching funds that will result from an additional local match pledge. **NLF**

Boards must not use additional matching funds to increase provider reimbursement rates. **NLF**

INQUIRIES:

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

ATTACHMENTS:

Attachment 1: Fiscal Year 2012 Additional Child Care Local Match Contribution Agreement

Attachment 2: Fiscal Year 2012 Additional Child Care Local Match Agreement Amendment

Attachment 3: Fiscal Year 2012 Additional Local Match Determination Tool

RESCISSIONS:

None

REFERENCE:

U.S. Department of Health and Human Services, Child Care and Development Fund,
45 CFR, Part 98 and 99
WD Letter 28-11, issued August 9, 2011, and entitled “Fiscal Year 2012/Program Year 2011
Allocations”
WD Letter 40-09, Change 1, issued September 23, 2010 and entitled “Child Care Local Match
Process—*Update*”

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.”