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

From: Reagan Miller, Director, Child Care & Early Learning Division

Subject: Funds for Hiring and Retaining Texas Rising Star Mentors and Assessors

PURPOSE:
The purpose of this WD Letter is to provide guidance to Local Workforce Development Boards (Boards) on the distribution of Board Contract Year 2020 (BCY’20) Child Care and Development Fund (CCDF) funds to Boards for hiring and retaining Texas Rising Star mentors and assessors.

RESCISSIONS:
WD Letter 16-18

BACKGROUND:
Texas Government Code §2307.3155—as added by the 83rd Texas Legislature, Regular Session (2013) by House Bill 376—requires the Texas Workforce Commission (TWC) to make CCDF funding available to each Board to hire Texas Rising Star mentors and assessors.

From BCY’14 through BCY’18, TWC’s three-member Commission (Commission) had approved the distribution of $3,584,137 to support mentors and assessors. Beginning in BCY’19, the Commission approved an increase in funding to Boards for Texas Rising Star mentors and assessors, with a total distribution of $10,084,327.

On September 24, 2019, the Commission approved a new method for distributing funds to Boards for hiring Texas Rising Star mentors and assessors for BCY’20. This distribution includes an equal amount of base funding to ensure that all local workforce development areas receive a sufficient amount of funding to support two full-time equivalents (FTEs). The remainder of the funds are to be distributed according to a needs-based formula. If a Board would have received a lower allocation for BCY’20 based on the new formula than it received in BCY’19, the Board will receive the BCY’19 allocation to ensure level funding.

The new method:
• applies an equal base funding amount of $150,000 for each Board, as
established for BCY’19; and
• calculates distribution of the remaining funding as follows:
  ➢ 50 percent is based on the Board’s relative percentage of the total
    statewide regulated providers (licensed child care centers, licensed
    child care homes, and registered child care homes);
  ➢ 25 percent is based on the Board’s relative percentage of the total
    number of children under 13 living in families at or below 150 percent
    of the federal poverty level; and
  ➢ 25 percent is based on the Board’s relative percentage of the state’s Texas Rising
    Star providers.

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” 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.”

NLF: Boards must use the BCY’20 funds to pay for the salaries and benefits of Board staff
members and child care contractors that provide Texas Rising Star technical assistance,
mentoring, and assessments as described in the TWC Child Care Services Guide, Section
I-600: Texas Rising Star Assessors and Mentors.

Specifically, Boards must use the funding to:
• hire and retain the mentors and assessors necessary to increase the number of Texas
  Rising Star–rated providers and high-quality child care slots available for CCDF-
  subsidized families; and
• ensure that staffing levels are adequate to meet the requirement to separate the
  functions of mentors and assessors.

NLF: Boards must be aware that:
• TWC will include the BCY’20 funds in the Boards’ BCY’20 Child Care Quality
  (CCQ) contracts; and
• the BCY’20 funds will be available from October 1, 2019, through October 31, 2020.

Note: The cost categories for Texas Rising Star personnel are explained in Technical
Assistance (TA) Bulletin 270, issued October 1, 2014, and titled “Child Care Quality
Expenditure Cost Categories,” and its attachment, “378 Child Care Quality Expenditure
Cost Categories.”

NLF: Boards must ensure that BCY’19 CCQ funds are spent before BCY’20 CCQ funds are
spent.
**NLF:** Boards must be aware that any changes to mentor or assessor staffing as reported pursuant to Section 6 of the Board’s CCQ contract must be reported within 30 days of the change. Updates must include changes to the number of budgeted FTEs dedicated to mentor or assessor activities. Updates must be reported to the Board’s assigned CCQ contract manager.

**INQUIRIES:**
Send inquiries regarding this WD Letter to childcare.programassistance@twc.state.tx.us.

**ATTACHMENTS:**
Attachment 1: Distribution of Board Contract Year 2020 Funds for Texas Rising Star Mentors and Assessors

**REFERENCES:**
Texas Government Code §2308.3155
TWC Child Care Services Guide