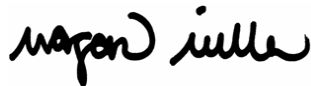


**TEXAS WORKFORCE COMMISSION**  
**Workforce Development Letter**

<b>ID/No:</b>	WD 09-24
<b>Date:</b>	July 1, 2024
<b>Keyword:</b>	Child Care; Fiscal- Allocations
<b>Effective:</b>	October 1, 2024

**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 2025 Child Care Funding**

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**PURPOSE:**

The purpose of this WD Letter is to provide Local Workforce Development Boards (Boards) with guidance on Board Contract Year 2025 (BCY'25) child care allocations and distributions for the Child Care Services (CCS) program.

**RESCISSIONS:**

None

**BACKGROUND:**

On June 11, 2024, the Texas Workforce Commission's (TWC) three-member Commission (Commission) approved BCY'25 allocations, including the child care allocation. Child care quality improvement activities will comprise 2 percent of the allocation. The Commission also approved the BCY'25 Statewide Initiatives, which include funding for the 2025 Child Care Quality Improvement Strategic Planning meeting.

Additionally, on May 7, 2024, the Commission [approved](#) the BCY'25 Texas Rising Star Mentor distribution, and on May 28, 2024, the Commission [approved](#) the new 4 percent child care quality improvement funding.

**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 \$1,319,162,553 to be allocated to all Boards for CCS. The allocation includes 2 percent, or \$27,482,553, for quality improvement activities, and the remainder, \$1,291,680,000, supports CCS financial assistance (subsidies). Additionally, the Commission will approve BCY’25 child care performance targets for these funds later this summer.

**NLF**: Boards must be aware that the Commission approved an additional 4 percent for quality improvement activities, totaling \$54,965,106. TWC will provide Boards with parameters on using the 4 percent quality funding in a subsequent WD letter.

**NLF**: Boards must be aware that the Commission approved an additional \$29,066,665 for Texas Rising Star Mentor distribution.

**NLF**: Boards must be aware that the Commission approved funding to support the BCY’25 Child Care Quality Improvement Strategic Planning event. Each Board will receive funding to help increase staff attendance at this event.

**INQUIRIES:**

Send inquiries regarding this WD Letter to [childcare.programassistance@twc.texas.gov](mailto:childcare.programassistance@twc.texas.gov).

**ATTACHMENTS:**

Attachment 1: Board Contract Year 2025 Child Care Allocations and Distributions