



City of San Antonio

Agenda Memorandum

File Number: 16-4796

Agenda Item Number:

Agenda Date: 10/13/2016

In Control: City Council A Session

DEPARTMENT: Human Services

DEPARTMENT HEAD: Melody Woosley

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

FY 2017 Child Care Services Program

SUMMARY:

This ordinance authorizes budgetary, grant, and associated contract related actions for the City's FY 2017 Child Care Services (CCS) Program, including:

- a) Acceptance of grant funds in the amount of \$46,664,779.00 for the period of October 1, 2016 - September 30, 2017;
- b) A total program budget of \$50,370,034.00. This amount includes an in-kind match of up to \$3,665,255.00 and \$40,000.00 from program income, and a personnel complement of 62 positions
- c) Authorization of a delegate agency contract for rural child care services with Community Council of South Central Texas, Inc. (CCSCT) for a transitional six-month period in an amount up to \$260,000.00 to provide childcare services to 11 rural counties in the Alamo Workforce Development Area;
- d) Approval for the Director of the Department of Human Services to execute any and all documents related to acceptance of this grant, to include acceptance of additional grant funds, if awarded and matching funds are available in the City's budget.

BACKGROUND INFORMATION:

For over 24 years, the Department of Human Services has managed the CCS program in the 12 county Alamo Workforce Development Area. The program provides subsidized childcare for families meeting income and other qualification requirements. In Fiscal Year 2016, the CCS program served an average of 9,466 children on a daily basis with over 5,265 children on a waitlist to receive subsidized childcare through 645 child care vendors/contractors.

Texas Workforce Commission (TWC) administers the State's subsidized childcare program through funding received from the U.S. Department of Health and Human Services (HHS), Child Care Development Block Grant. TWC determines the allocation for childcare services based on federal appropriations, local needs, and contracts with WSA, the local workforce development board, to implement the program. In turn, WSA awards contracts with local agencies to provide program services.

On October 1, 2015, DHS entered into a one-year contract, with renewal options, with the Community Council of South Central Texas, Inc. (CCSCT) to provide services to clients in the 11 rural counties surrounding Bexar County. The current annual contract will expire September 30, 2016.

ISSUE:

This ordinance authorizes the City of San Antonio Department of Human Services to accept grant funds in the amount of \$46,664,779 for the period of October 1, 2016 to September 30, 2017 with a total program budget of \$50,370,034.00. The total budget includes program income of \$40,000.00 and the provision of up to \$3,665,255.00 of in-kind matching funds from City of San Antonio Funds, which are used to support early childhood and after school delegate agency contracts. COSA's contribution of match draws an additional \$6.7 million in federal matching funds for direct child care assistance.

To align with the Child Care and Development Block Grant Act of 2014, the Texas Workforce Commission (TWC) established new policies for Child Care Services (CCS) that took effect October 1, 2016. The Child Care Development Block Grant (CCDBG) Act previously required at least six months of eligibility period for child care services now requires a minimum of a 12-month eligibility period. Mandatory child care is now required for children whose parents are enrolled in either the Choices or the Supplemental Nutrition Assistance Program (SNAP) Education and Training Workforce programs or for children in the Child Protective Services (CPS) system. Discretionary child care, subject to funding availability, are provided to children who are homeless, children of teen parents, children with disabilities and children in low-income family.

The Child Care and Development Block Grant Act of 2014 resulted in a restructuring of the CCS program, changes in mandatory groups, and the realization of administrative efficiencies. Based on identified efficiencies, DHS will contract with CCSCT for administration for rural child care services for a transitional six-month period. At the end of the six month period, rural services will transfer to DHS and reduce administrative costs.

Awarded funding will provide for operational costs, including a personnel complement of 62 positions and direct child care subsidies payments to child care vendors. The DHS personnel complement support reception, call center, provider technical assistance, and client services functions.

ALTERNATIVES:

Should authority to accept funding not be approved, WSA would award funding to another agency to provide child care services to the Alamo Workforce Board Area. Additionally, should the contract with CCSCT not be approved, the City would provide administration of direct child care services in the 11 county rural area. Such an action may delay the provision of services to the community and may negatively impact currently enrolled children and families.

FISCAL IMPACT:

This ordinance authorizes the acceptance of grant funds in the amount of \$46,664,779.00 for the period of October 1, 2016 - September 30, 2017. Required program match includes up to \$3,665,255.00 of in-kind matching funds comprised of City of San Antonio funding and \$40,000.00 from program income. Contractual funding will be allocated from this award and the grant will also support a personnel complement of 62 City positions in the Human Services Department.

RECOMMENDATION:

Staff recommends approval of this ordinance authorizing budgetary, grant and contract related items for the FY 2017 CCS Program. Continuation of program operations will ensure uninterrupted services to the community.

This contract is procured by means of Request for Proposals, and a Contracts Disclosure Form is required.