



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: 25

Agenda Date: August 29, 2024

In Control: City Council A Session

DEPARTMENT: Department of Human Services

DEPARTMENT HEAD: Melody Woosley

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Ordinance authorizing the acceptance of the Child Care Services Program Grant for a total program budget of \$125,679,717.00 including an in-kind match of up to \$3,686,371.00 and \$500.00 from program income; and a revised personnel complement of 68 positions.

SUMMARY:

This ordinance authorizes budgetary, grant, and associated contract-related actions for the City's FY 2025 Child Care Services (CCS) Program, including:

- a) Acceptance of funds upon award of a grant from Workforce Solutions Alamo in the amount of \$121,992,846.00 for the period of October 1, 2024 through September 30, 2025;
- b) A total program budget of \$125,679,717.00, including an in-kind match of up to \$3,686,371.00 and \$500.00 from program income;
- c) A revised personnel complement from 66 to 68 positions; and
- 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 in-kind funds as available in the City's budget, in amounts up to 20%.

This item also requests authorization to submit a Child Care Services Grant application to Workforce Solutions Alamo for FY 2026, and accept funding upon award, in an amount up to \$121,922,846.00.

BACKGROUND INFORMATION:

For over 30 years, the Department of Human Services (DHS) has managed the CCS program in Bexar County and 12 rural counties comprising the Alamo Workforce Development Areas. The program provides subsidized childcare for families meeting income and other qualification requirements.

The Texas Workforce Commission (TWC) administers the State's subsidized childcare program through 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 Workforce Solutions Alamo (WSA), the local workforce development board, to implement the program.

Through a competitive Request for Proposal (RFP) process, WSA awards contracts with local agencies to provide program services. On April 30, 2021, WSA issued a Request for Proposals for the Child Care Services Program. DHS received approval to apply on May 13, 2021, and was awarded the grant with contract award extensions for up to three one-year periods. DHS has again received a renewal extension for FY 2025.

This fiscal year, CCS has served 19,145 unduplicated children receiving care at least one day, with an average of 14,597 children in care daily.

This is the last year of the current grant award term. Through this action, staff is requesting City Council approval to apply for a Request for Proposals, to continue the childcare scholarship program, and accept funding if awarded in an amount up to \$121,922,846.00 for Fiscal Year 2026. Should the grant be awarded, DHS would return to City Council in September 2025 to authorize a program budget and personnel complement.

ISSUE:

This ordinance authorizes acceptance of grant funds in the amount of \$121,992,846.00 for the period of October 1, 2023 through September 30, 2024; a total program budget of \$125,679,717.00 including an in-kind match of up to \$3,686,371.00 and \$500.00 from program income; a revised personnel complement of 68 positions; and authorizing the submission of a Child Care Services Grant application to Workforce Solutions Alamo for FY 2026, and acceptance of funding upon award.

The total budget includes program income of \$500.00 and up to \$3,686,371.00 of in-kind match funds from the City of San Antonio that is comprised of After School Challenge program, Youth Delegate Agencies, and Pre-K 4 SA, which support early childhood activities. Awarded funding will provide operational costs including a personnel complement of 68 positions and direct

childcare scholarship payments to 628 childcare vendors. Currently, CCS services are primarily provided to low-income families, parents enrolled in the WSA Workforce Choices Program (Choices) and those referred from the Texas Department of Family Protective Services, Child Protective Services (CPS) system. Additionally, children are enrolled in CCS for a minimum of 12 months to ensure continuity of care for vulnerable children.

This ordinance recommends the addition of two grant-funded positions to assist with the FY 2025 Texas Workforce Commission assigned performance goal to serve an additional 1,800 children in FY 2025.

ALTERNATIVES:

Should authority to accept funding not be approved, WSA would award funding to another agency to provide childcare services to the Alamo Workforce Board 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 acceptance of grant funds in the amount of \$121,992,846.00 for the period of October 1, 2024 through September 30, 2025. Required program match includes up to \$3,686,371.00 of in-kind funds comprised of City of San Antonio funding and \$500.00 from program income. Contractual funding will be allocated from this award and the grant will also support a personnel complement of 68 positions in the Department of Human Services.

RECOMMENDATION:

Staff recommends approval.