

XX.....	2
TEXAS WORKFORCE COMMISSION	2
CHAPTER 835. SELF-SUFFICIENCY FUND	3
SUBCHAPTER A. GENERAL PROVISIONS REGARDING THE SELF-SUFFICIENCY FUND.....	3
§835.1. <i>Purpose and Goal</i>	3
§835.2. <i>Definitions</i>	3
§835.3. <i>Uses of the Fund</i>	4
§835.4. <i>Waivers</i>	5
SUBCHAPTER B. PROJECT ADMINISTRATION	5
§835.11. <i>Project Objectives</i>	5
§835.12. <i>Grant Administration</i>	6
§835.13. <i>Limitations on Awards</i>	6
§835.14. <i>Procedure for Requesting Funding</i>	6
§835.15. <i>Procedure for Evaluation</i>	7
SUBCHAPTER C. PROJECT ADMINISTRATION AFTER AWARD OF CONTRACT	8
§835.31. <i>Grant Recipient's Responsibilities</i>	8
§835.32. <i>Contract Completion Reports</i>	8
§835.33. <i>Contract Payment</i>	9
§835.34. <i>Notice to Local Workforce Development Board</i>	9

XX.

TEXAS WORKFORCE COMMISSION

The rules are adopted under Texas Labor Code §§301.0015 and 302.002(d), which provide the Texas Workforce Commission with the authority to adopt, amend, or repeal such rules as it deems necessary for the effective administration of Agency services and activities.

Chapter 835. SELF-SUFFICIENCY FUND

SUBCHAPTER A. GENERAL PROVISIONS REGARDING THE SELF-SUFFICIENCY FUND

§835.1. Purpose and Goal

- (a) The purpose of the Self-Sufficiency Fund is to provide training for targeted employment opportunities primarily for adult Temporary Assistance for Needy Families (TANF) recipients as well as those individuals at risk of becoming dependent on public assistance.
- (b) The goal of the fund is to help primarily adult TANF recipients as well as those individuals at risk of becoming dependent on public assistance receive training leading to a job which allows them to become and remain independent of financial assistance provided under Texas Human Resources Code, Chapters 31, 33 and 34.
- (c) Priority shall also be given to proposals containing evidence of established referral procedures or agreements with Board contractors, one-stop centers, or other entities.
- (d) The goal of the fund may also be accomplished by providing funds for support services as necessary for participants to prepare for and participate in training activities and to make the transition from training activities to employment.

The provisions of this §835.1 adopted to be effective January 7, 2003, as published in the Texas Register, January 3, 2003, 28 TexReg 357.

§835.2. Definitions.

The following words and terms, when used in this chapter, shall have the following meanings, unless the context clearly indicates otherwise.

- (1) Community-based organization (CBO)--A private nonprofit organization that is representative of a community or a significant segment of a community and that provides education, vocational education or rehabilitation, job training, or internship services or programs. The term includes a neighborhood group or corporation, union-related organization, employer-related organization, faith-based organization, tribal government, or organization serving Native Americans. The CBO must be certified as a 501(c)(3) nonprofit organization under the IRS Code of 1986, as amended. A CBO providing services, which are regulated by the state, must provide evidence of required certification, license or registration.
- (2) Customized job training project--A project designed for a business, business consortium, or trade union in partnership with a public community or technical college, state extension service, TEEX or community-based organization for the purpose of providing specialized workforce training to prospective employees of the business or business consortium, or members of the trade union with the intent of expanding the workforce.
- (3) Director--The Executive Director of the Texas Workforce Commission.
- (4) Texas Engineering Extension Service (TEEX)--A higher education agency and service established by the Board of Regents of the Texas A&M University System.
- (5) Grant recipient--A public community or technical college, community-based organization, state extension service, or TEEX awarded a grant from the Self-Sufficiency Fund.

- (6) Individual at risk of becoming dependent on public assistance--An individual who is a member of a food stamp household with dependent children, a TANF applicant who has been referred to a Board contractor by the Texas Department of Human Services (DHS) to attend a Workforce Orientation for Applicants session in accordance with DHS rule 40 TAC §3.7301, or a parent, including a noncustodial parent, whose annual wages are at or below \$37,000.
- (7) Private partner--A person, sole proprietorship, partnership, corporation, association, consortium, or private organization that enters into a partnership for a customized job training project with a public community or technical college, a community-based organization, state extension service, or TEEEX.
- (8) Public community college--A state funded two-year educational institution primarily serving its local taxing district and service area in Texas and offering vocational, technical and academic courses for certification or associate degrees.
- (9) Public technical college--A state funded coeducational institution of higher education offering courses of study in vocational and technical education, for certification or associate degrees.
- (10) Self-Sufficiency--Employment with wages reasonably calculated to make the employee independent of financial assistance under Texas Human Resources Code, Chapters 31, 33 and 34.
- (11) State extension service-- An education service that provides technical and vocational training and is sponsored by a higher education agency regulated by the Texas Higher Education Coordinating Board.
- (12) TANF recipient--A person who receives financial assistance under Texas Human Resources Code, Chapters 31, 33 and 34.
- (13) Trade union--An organization, agency or employee committee, in which employees participate and which exists for the purpose of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment or conditions of work.
- (14) Training provider--Any public community or technical college, community-based organization, state extension service, or TEEEX that provides training; or any person, sole proprietorship, partnership, corporation, association, consortium, governmental subdivision or public or private organization with whom a public community or technical college, community-based organization, state extension service, or TEEEX has subcontracted to provide training.

The provisions of this §835.2 adopted to be effective September 29, 2003, as published in the Texas Register, September 26, 2003, 28 TexReg 8385.

§835.3. Uses of the Fund

- (a) The Self-Sufficiency Fund may be used by a public community or technical college, community-based organization, state extension service, or TEEEX for the following job-training purposes:
 - (1) to develop customized job training projects for adult TANF recipients or individuals who are at risk of becoming dependent on public assistance;
 - (2) to develop customized job training projects for businesses, trade unions, and small and medium-sized business consortiums participating in projects with the intent to expand the workforce; and

- (3) for support services, deemed reasonable and necessary by the Agency for participants to prepare and participate in training activities and to make the transition from training activities to employment.
- (b) Only those support services specifically described in a contract under this subsection may be charged to a contract funded with Self-Sufficiency Fund monies.
- (c) The Self-Sufficiency Fund may not be used for the purchase of any proprietary or production equipment for the training project of a single employer.

The provisions of this §835.3 adopted to be effective January 7, 2003, as published in the Texas Register, January 3, 2003, 28 TexReg 357.

§835.4. Waivers

The Director may suspend or waive a section of this chapter, not statutorily imposed, in whole or in part, upon a showing of good cause and a finding that the public interest would be served by such a suspension or waiver. For purposes of this section, the Director, and not a designee of the Director, is the only person who may approve a waiver.

The provisions of this §835.4 adopted to be effective January 7, 2003, as published in the Texas Register, January 3, 2003, 28 TexReg 357.

SUBCHAPTER B. PROJECT ADMINISTRATION

§835.11. Project Objectives

The objectives of the Self-Sufficiency Fund are:

- (1) to provide training for targeted employment to allow adult TANF recipients as well as those individuals at risk of becoming dependent on public assistance to achieve self-sufficiency;
- (2) to the extent practicable, to provide Self-Sufficiency Fund services in all areas of the state and ensure expansion of the state's capacity to respond to workforce training needs;
- (3) to assist the Board in its efforts to meet the Board's Choices performance measures and assist individuals receiving public assistance in entering the workforce;
- (4) to develop projects that will create jobs in local workforce development areas through collaboration with the Boards;
- (5) to collaborate with Board contractors, one-stop centers, or other entities to establish referrals of eligible trainees;
- (6) to develop projects that at the completion of training will result in employment benefits, including medical insurance, for the participants in the customized training project;
- (7) to develop projects which include contributions from other resources, including the private partners, that are being committed to the customized job training project; and
- (8) to develop projects that at completion of the training will result in the greatest economic benefit to the public, in the form of enhanced worker skills and positive economic impact within the local community for each dollar invested in worker training.

The provisions of this §835.11 adopted to be effective January 7, 2003, as published in the Texas Register, January 3, 2003, 28 TexReg 357.

§835.12. Grant Administration

- (a) The Agency shall administer the Self-Sufficiency Fund.
 - (1) The Director, or his or her designee who is knowledgeable in the administration of grants, shall be responsible for the distribution of money from the Fund.
 - (2) The Director, or his or her designee, shall ensure that employers and training providers work together to propose training and employment for a specific number of trainees.
- (b) Proposals requesting funding for a project may be submitted from any area of the state. Proposals must be reasonable in scope and utilize all available resources, including private contributions as well as local, state and federal funds.

The provisions of this §835.12 adopted to be effective January 7, 2003, as published in the Texas Register, January 3, 2003, 28 TexReg 357.

§835.13. Limitations on Awards

The Agency may impose any or all of the following limitations on the funds awarded under any specific grant:

- (1) a limit of \$500,000 for training needs of a single employer;
- (2) a limit of 10% of the grant award for the allowable purchase of any proprietary or production equipment required for the training project for a consortium of employers;
- (3) a limit of 10% of the grant award for administrative costs related to the direct training needs of a single employer; and
- (4) a limit of 15% of the grant award for administrative costs related to direct training needs of two or more employers.

The provisions of this §835.13 adopted to be effective January 7, 2003, as published in the Texas Register, January 3, 2003, 28 TexReg 357.

§835.14. Procedure for Requesting Funding

- (a) After obtaining the review and comments of the Board in the applicable local workforce development area(s), a prospective private partner, together with a public community or technical college, community-based organization, state extension service, or TEEEX and any other training provider, shall present to the Director, or his or her designee, a joint proposal requesting funding for a project which meets the objectives of the Self-Sufficiency Fund.
- (b) The proposal shall contain evidence of established referral procedures or agreements with Board contractors, one-stop centers, or other entities for referral of eligible trainees.
- (c) Proposals shall be written and contain the following information:
 - (1) the number of trainees to be trained and employed;
 - (2) a brief outline of the proposed customized job training project including:
 - (A) methods of recruitment and assessment of eligible trainees;
 - (B) skills to be taught;
 - (C) strategies for successfully meeting the needs of eligible trainees; and
 - (D) a list of the measurable training objectives and outcomes.

- (3) the occupation for which training will be provided, the wages to be paid during the first year of employment for a trainee who successfully completes the training project, the proposed timeline to achieve self-sufficiency, and the employment benefits provided by the private partner;
- (4) a statement describing the prospective private partner's equal opportunity employment policy;
- (5) a budget summary identifying all sources of funding for the project and specifying the amount requested from the Self-Sufficiency Fund;
- (6) completed checklist of information on the training provider's financial management system;
- (7) names of all of the entities which will be directly providing training and education services, a description of the training and educational services to be provided by each entity, as well as a description of the prior experience and demonstrated performance in directly providing training or education services to the targeted population;
- (8) a signed agreement between the prospective private partner and the public community or technical college, community-based organization, state extension service, or TEEX outlining each entity's role and responsibilities if a grant is awarded; and
- (9) any other factors unique to the circumstances of the project which should be considered.

The provisions of this §835.14 adopted to be effective January 7, 2003, as published in the Texas Register, January 3, 2003, 28 TexReg 357.

§835.15. Procedure for Evaluation

- (a) The Director's, or his or her designee's, evaluation of each proposal shall include consideration of the:
 - (1) information contained in the written proposal;
 - (2) project objectives and outcome measures as referenced in §835.11 of this subchapter;
 - (3) prior experience and performance in the provision of direct training and education by the entity providing training and education services; and
 - (4) verification of good standing for any required certification, license, or registration for training providers.
- (b) Priority shall be given to proposals which utilize all available resources, including private contributions as well as local, state and federal funds.
- (c) The Agency will notify the Board in the applicable local workforce development area(s) when the Agency is evaluating a proposal so as to inform the Board of potential workforce activities in the workforce area(s).
- (d) If the Agency determines that a proposal is appropriate for funding through the Self-Sufficiency Fund and funding is available, the Director, or his or her designee, may enter into a contract with the grant recipient [on behalf of the Agency].

The provisions of this §835.15 adopted to be effective January 7, 2003, as published in the Texas Register, January 3, 2003, 28 TexReg 357.

SUBCHAPTER C. PROJECT ADMINISTRATION AFTER AWARD OF CONTRACT

§835.31. Grant Recipient's Responsibilities

- (a) The grant recipient shall serve as fiscal agent, shall administer the contract, and in cooperation with the private partner and any separate training provider, submit financial and performance reports to the Agency on a quarterly contract basis.
- (b) The grant recipient shall maintain fiscal data needed for independent verification of expenditures of funds received for the customized job training project for three years after the termination of the contract.
- (c) All requests for contract amendments must be made in writing by the grant recipient. Contract amendments must be written and must be executed by the Director, or his or her designee, before the implementation of a change to the contract.
- (d) The grant recipient shall cooperate with and comply with the Agency monitoring activities as required by Chapter 800, Subchapter H of this title.
- (e) The grant recipient shall submit all required reports in electronic format required by the Agency unless otherwise approved by the Agency.

The provisions of this §835.31 adopted to be effective January 7, 2003, as published in the Texas Register, January 3, 2003, 28 TexReg 357.

§835.32. Contract Completion Reports

No later than 60 days following the end of the contract period for the customized job training project, the grant recipient shall provide the Agency with the following information:

- (1) a copy of any audit performed on the customized job training project;
- (2) the number of trainees placed in jobs, in which occupations they were placed, the wages for those occupations, and the number of trainees who have achieved self-sufficiency at the completion of the customized job training project;
- (3) a narrative report by the grant recipient summarizing the customized job training project results, which shall include documentation that the training objectives and outcomes specified in the contract have been achieved, and may include brief narratives by employers evaluating the customized job training project's effectiveness in meeting their needs;
- (4) a detailed accounting of the expenditure of funds received under the contract; and
- (5) the grant recipient shall provide the Agency one of the following:
 - (A) payroll records and/or reports certified by an independent auditor or verified by the employer that provides the name, the social security number, the occupation, and the trainee's wage at the completion of the training; or
 - (B) a statement from the employer that the wages at the time of job placement for each individual who successfully completes customized training is comparable to the wage for that occupation in the local labor market area.

The provisions of this §835.32 adopted to be effective January 7, 2003, as published in the Texas Register, January 3, 2003, 28 TexReg 357.

§835.33. Contract Payment

Payment under a contract will be contingent upon the Director's, or his or her designee's, determination that the project has met the training objectives, outcomes, and requirements specified in the contract. The final payment of the grant amount will be withheld for 60 days after the completion of training and after receipt by the Agency of verification that the trainees are employed in jobs leading to self-sufficiency. The Director may allow an attrition rate of 15% based on the total number of trainees as outlined in the contract.

The provisions of this §835.33 adopted to be effective January 7, 2003, as published in the Texas Register, January 3, 2003, 28 TexReg 357.

§835.34. Notice to Local Workforce Development Board

The Agency will inform the Board in the applicable local workforce development area(s) when the Agency awards a grant from the Self-Sufficiency Fund that impacts the local workforce development area.

The provisions of this §835.34 adopted to be effective January 7, 2003, as published in the Texas Register, January 3, 2003, 28 TexReg 357.