

## TEXAS WORKFORCE COMMISSION LETTER

<b>ID/No:</b>	WD 27-10
<b>Date:</b>	June 28, 2010
<b>Keywords:</b>	Administration; Project RIO; SNAP E&T; TAA; TANF/Choices; WIA
<b>Effective:</b>	Immediately

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



**From:** Laurence M. Jones, Director, Workforce Development Division

**Subject:** **Local Workforce Development Board Transportation Policies to Safeguard against the Misuse of Funds**

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### **PURPOSE:**

To provide Local Workforce Development Boards (Boards) with information and guidance on developing transportation policies that simplify transportation support across all programs and promote safeguards against the misuse of transportation funds, and include:

- personal and vehicular components; and
- specified minimum standards.

### **BACKGROUND:**

A recent Texas Workforce Commission (Commission) review of Boards' transportation policies shows great disparity in the scope, language, limits, and safeguards against misuse of funds. Some policies are too vague, while others simply reference Commission rules or direct Texas Workforce Centers to develop transportation policies that are in "compliance" with Commission rules. Other policies are too specific to address the transportation needs of eligible participants across all programs.

The following Commission rules provide the general directives and framework for Boards to develop written policies and procedures that provide necessary and reasonable transportation support services to all eligible participants:

- Chapter 811, Choices
- Chapter 813, Supplemental Nutrition Assistance Program Employment and Training (SNAP E&T)
- Chapter 841, Workforce Investment Act (WIA)
- Chapter 847, Project RIO Employment Activities and Support Services

- Chapter 849, Employment and Training Services for Dislocated Workers Eligible for Trade Benefits

WD Letter 34-09, issued September 15, 2009, and entitled “Transportation Services and Job Access and Reverse Commute Projects” and Technical Assistance (TA) Bulletin 178, Change 2, issued September 15, 2009, and entitled “Transportation Services—*Update*” provide further guidance on the provision of transportation services with specific examples of allowable transportation expenses. TA Bulletin 178, Change 2 also provides general information on best practices for transportation policies.

**PROCEDURES:**

By September 1, 2010, Boards must develop transportation assistance policies that include the following (*as required by Commission rule §801.51(f) and as detailed in WD Letter 10-07, Board members must take such actions in an open meeting*):

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**Personal and Vehicular Components**

Boards must ensure that transportation policies address the following:

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- Personal:
  - Bus passes
  - Gas cards
- Vehicular:
  - Repair
  - Insurance
  - Registration
  - Inspection
  - Consumables (e.g., tires)

**Minimum Standards**

Boards must ensure that all transportation policies meet the following minimum standards:

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- All expenses must be reasonable and necessary to assist a participant in achieving the goals of his or her Individual Employment Plan (IEP) or Family Employment Plan (FEP).
- Boards must establish financial caps based on:
  - type of support—vehicle repair, prepaid gas cards, bus passes, etc.; and
  - time period—week, month, quarter, etc.

It is recommended that Boards keep the specified cap consistent across programs. A discretionary override of the cap is allowed, as long as a specific process and safeguard for the override—i.e., director signature, two signatures, etc.—is detailed in the transportation policy.

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Boards are encouraged to develop a structural framework in their policies and procedures that aids in identifying routine transactions from those that rise to the level of suspicious activity.

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*Example:* A Board allows participants a maximum of \$40 per week for gas cards. The Board-established safeguard for exceeding \$40 a week is three signatures—e.g., participant, specialist, and manager. The reconciliation process then identifies any staff member or participant who exceeds the limit and an audit verifies whether the safeguard was followed, i.e., if the three signatures are in place.

- Boards must require receipts for all reimbursements. NLF
- Boards must develop consistent policies to monitor and maintain receipts.
- Boards must require participants to demonstrate ownership of a vehicle before any payment of expenses for repairs, insurance, or registration. NLF
- If Board policy allows for the vehicle to be owned by another individual, Boards must ensure the following safeguards are in place: NLF
  - Before inclusion of the vehicle's use in an IEP or FEP, a signed statement indicating that the participant has use of the vehicle for employment-related purposes, along with a copy of supporting ownership documentation, must be provided; and
  - Before repairing a third-party vehicle, a hold harmless agreement or other protection is signed by the vehicle owner and maintained in the participant's case file.
- Boards must ensure that prepayment for a participant's vehicle repairs is prohibited. Larger and more involved expenses can require bids and are payable directly to the vendor after completion of repairs and receipt of invoice. NLF
- Boards must be aware that payments for car insurance, tires, registration, and other transportation-related expenses other than repairs also are payable directly to the vendor after receipt of invoice. NLF

Boards must be aware that Trade Adjustment Assistance (TAA) participants who are coenrolled in WIA are eligible for dislocated worker-funded support services. However, if a Trade-certified worker lacks the job skills required to secure suitable employment and is required to commute more than 50 miles for occupational training, federal regulations dictate that TAA-funded transportation and subsistence payments:

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- are not subject to any caps; and

- must not be used for expenses such as vehicle repairs, car insurance, registration, or consumables.

WD Letter 06-10, issued February 6, 2010, and entitled “Trade Adjustment Assistance: Statewide Commuting Area and Reasonable Cost of Training Standard” provides specific TAA transportation guidance.

**INQUIRIES:**

Direct inquiries regarding this WD Letter to [wfpolicy.clarifications@twc.state.tx.us](mailto:wfpolicy.clarifications@twc.state.tx.us).

**RESCISSIONS:**

None

**REFERENCE:**

20 C.F.R. Part 617.28, Transportation Payments  
 Federal Trade and Globalization Adjustment Assistance Act of 2009  
 Texas Labor Code §301.063  
 Transportation Equity Act for the 21st Century (Public Law 105-178 §3037)  
 Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (Public Law 109-59 §3018)  
 Texas Workforce Commission Choices Rules: 40 TAC §811.63  
 Texas Workforce Commission Supplemental Nutrition Assistance Program Employment and Training Rules: 40 TAC §§813.22, 813.34, and 813.41  
 Texas Workforce Commission Workforce Investment Act Rules: 40 TAC, Chapter 841  
 Texas Workforce Commission Project RIO Employment Activities and Support Services Rules: 40 TAC, Chapter 847  
 Texas Workforce Commission Employment and Training Services for Dislocated Workers Eligible for Trade Benefits Rules: 40 TAC §849.41  
 Texas Workforce Commission Local Workforce Development Boards Rules: 40 TAC §801.51(f)  
 WD Letter 10-07, issued February 2, 2007, and entitled “Adoption of Local Workforce Development Board Policies in Open Meetings”  
 WD Letter 34-09, issued September 15, 2009, and entitled “Transportation Services and Job Access and Reverse Commute Projects”  
 WD Letter 58-09, issued December 21, 2009, and entitled “The Workforce Information System of Texas: Providing Workforce Investment Act Support Services to Trade Adjustment Assistance Participants”  
 WD Letter 06-10, issued February 6, 2010, and entitled “Trade Adjustment Assistance: Statewide Commuting Area and Reasonable Cost of Training Standard”  
 Technical Assistance Bulletin 178, Change 2, issued September 15, 2009, and entitled “Transportation Services—*Update*”

**FLEXIBILITY RATINGS:**

**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.”