

Chapter 835. SELF-SUFFICIENCY FUND

SUBCHAPTER A. GENERAL PROVISIONS REGARDING THE SELF-SUFFICIENCY FUND

§835.1. Purpose and Goal...2
§835.2. Definitions...2
§835.3. Uses of the Fund...4
§835.4. Waivers...5

SUBCHAPTER B. PROJECT ADMINISTRATION

§835.11. Project Objectives...5
§835.12. Grant Administration...6
§835.13. Limitations on Awards...6
§835.14. Procedure for Requesting Funding...7
§835.15. Procedure for Evaluation...8

SUBCHAPTER C. PROJECT ADMINISTRATION AFTER AWARD OF CONTRACT

§835.31. Grant Recipient's Responsibilities...9
§835.32. Contract Completion Reports...9
§835.33. Contract Payment...10
§835.34. Notice to Local Workforce Development Board...10

1 **Chapter 835. SELF-SUFFICIENCY FUND**

2
3 **SUBCHAPTER A. GENERAL PROVISIONS REGARDING THE SELF-SUFFICIENCY**
4 **FUND**

5
6 **§835.1. Purpose and Goal.**

- 7
8 (a) The purpose of the Self-Sufficiency Fund is to provide training for targeted
9 employment opportunities primarily for adult Temporary Assistance for Needy
10 Families (TANF) recipients as well as those individuals at risk of becoming
11 dependent on public assistance.
12
13 (b) The goal of the fund is to help primarily adult TANF recipients as well as those
14 individuals at risk of becoming dependent on public assistance receive training
15 leading to a job which allows them to become and remain independent of financial
16 assistance provided under Texas Human Resources Code, Chapters 31, 33 and 34.
17
18 (c) Priority shall also be given to proposals containing evidence of established referral
19 procedures or agreements with Board contractors, one-stop centers, or other entities.
20
21 (d) The goal of the fund may also be accomplished by providing funds for support
22 services as necessary for participants to prepare for and participate in training
23 activities and to make the transition from training activities to employment.
24

25 *The provisions of this §835.1 adopted to be effective January 7, 2003, 28 TexReg 357*

26
27 [Return to Table of Contents](#)

28
29 **§835.2. Definitions.**

30
31 The following words and terms, when used in this chapter, shall have the following
32 meanings, unless the context clearly indicates otherwise.
33

- 34 (1) Community-based organization (CBO)--A private nonprofit organization that
35 is representative of a community or a significant segment of a community and
36 that provides education, vocational education or rehabilitation, job training, or
37 internship services or programs. The term includes a neighborhood group or
38 corporation, union-related organization, employer-related organization, faith-
39 based organization, tribal government, or organization serving Native
40 Americans. The CBO must be certified as a 501(c)(3) nonprofit organization
41 under the IRS Code of 1986, as amended. A CBO providing services, which
42 are regulated by the state, must provide evidence of required certification,
43 license or registration.
44
45 (2) Customized job training project--A project designed for a business, business
46 consortium, or trade union in partnership with a public community or technical

1 college, state extension service, TEEEX or community-based organization for
2 the purpose of providing specialized workforce training to prospective
3 employees of the business or business consortium, or members of the trade
4 union with the intent of expanding the workforce.
5

- 6 (3) Director--The Executive Director of the Texas Workforce Commission.
7
- 8 (4) Texas Engineering Extension Service (TEEX)--A higher education agency and
9 service established by the Board of Regents of the Texas A&M University
10 System.
11
- 12 (5) Grant recipient--A public community or technical college, community-based
13 organization, state extension service, or TEEEX awarded a grant from the Self-
14 Sufficiency Fund.
15
- 16 (6) Individual at risk of becoming dependent on public assistance--An individual
17 who is a member of a food stamp household with dependent children, a TANF
18 applicant who has been referred to a Board contractor by the Texas
19 Department of Human Services (DHS) to attend a Workforce Orientation for
20 Applicants session in accordance with DHS rule 40 TAC §3.7301, or a parent,
21 including a noncustodial parent, whose annual wages are at or below \$37,000.
22
- 23 (7) Private partner--A person, sole proprietorship, partnership, corporation,
24 association, consortium, or private organization that enters into a partnership
25 for a customized job training project with a public community or technical
26 college, a community-based organization, state extension service, or TEEEX.
27
- 28 (8) Public community college--A state funded two-year educational institution
29 primarily serving its local taxing district and service area in Texas and offering
30 vocational, technical and academic courses for certification or associate
31 degrees.
32
- 33 (9) Public technical college--A state funded coeducational institution of higher
34 education offering courses of study in vocational and technical education, for
35 certification or associate degrees.
36
- 37 (10) Self-Sufficiency--Employment with wages reasonably calculated to make the
38 employee independent of financial assistance under Texas Human Resources
39 Code, Chapters 31, 33 and 34.
40
- 41 (11) State extension service--An education service that provides technical and
42 vocational training and is sponsored by a higher education agency regulated by
43 the Texas Higher Education Coordinating Board.
44
- 45 (12) TANF recipient--A person who receives financial assistance under Texas
46 Human Resources Code, Chapters 31, 33 and 34.

- 1
2 (13) Trade union--An organization, agency or employee committee, in which
3 employees participate and which exists for the purpose of dealing with
4 employers concerning grievances, labor disputes, wages, rates of pay, hours of
5 employment or conditions of work.
6
7 (14) Training provider--Any public community or technical college, community-
8 based organization, state extension service, or TEEEX that provides training; or
9 any person, sole proprietorship, partnership, corporation, association,
10 consortium, governmental subdivision or public or private organization with
11 whom a public community or technical college, community-based
12 organization, state extension service, or TEEEX has subcontracted to provide
13 training.
14

15 *The provisions of this §835.2 adopted to be effective January 7, 2003, 28 TexReg 357;*
16 *amended to be effective September 29, 2003, 28 TexReg 8385*
17

18 [Return to Table of Contents](#)
19

20 **§835.3. Uses of the Fund.**
21

- 22 (a) The Self-Sufficiency Fund may be used by a public community or technical college,
23 community-based organization, state extension service, or TEEEX for the following
24 job-training purposes:
25
26 (1) to develop customized job training projects for adult TANF recipients or
27 individuals who are at risk of becoming dependent on public assistance;
28
29 (2) to develop customized job training projects for businesses, trade unions, and
30 small and medium-sized business consortiums participating in projects with the
31 intent to expand the workforce; and
32
33 (3) for support services, deemed reasonable and necessary by the Agency for
34 participants to prepare and participate in training activities and to make the
35 transition from training activities to employment.
36
37 (b) Only those support services specifically described in a contract under this subsection
38 may be charged to a contract funded with Self-Sufficiency Fund monies.
39
40 (c) The Self-Sufficiency Fund may not be used for the purchase of any proprietary or
41 production equipment for the training project of a single employer.
42

43 *The provisions of this §835.3 adopted to be effective January 7, 2003, 28 TexReg 357*
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45 [Return to Table of Contents](#)

1 **§835.4. Waivers.**
2

3 The Director may suspend or waive a section of this chapter, not statutorily imposed, in
4 whole or in part, upon a showing of good cause and a finding that the public interest
5 would be served by such a suspension or waiver. For purposes of this section, the
6 Director, and not a designee of the Director, is the only person who may approve a
7 waiver.
8

9 *The provisions of this §835.4 adopted to be effective January 7, 2003, 28 TexReg 357*
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11 [Return to Table of Contents](#)
12

13 **SUBCHAPTER B. PROJECT ADMINISTRATION**
14

15 **§835.11. Project Objectives.**
16

17 The objectives of the Self-Sufficiency Fund are:
18

- 19 (1) to provide training for targeted employment to allow adult TANF recipients as
20 well as those individuals at risk of becoming dependent on public assistance to
21 achieve self-sufficiency;
22
- 23 (2) to the extent practicable, to provide Self-Sufficiency Fund services in all areas
24 of the state and ensure expansion of the state's capacity to respond to
25 workforce training needs;
26
- 27 (3) to assist the Board in its efforts to meet the Board's Choices performance
28 measures and assist individuals receiving public assistance in entering the
29 workforce;
30
- 31 (4) to develop projects that will create jobs in local workforce development areas
32 through collaboration with the Boards;
33
- 34 (5) to collaborate with Board contractors, one-stop centers, or other entities to
35 establish referrals of eligible trainees;
36
- 37 (6) to develop projects that at the completion of training will result in employment
38 benefits, including medical insurance, for the participants in the customized
39 training project;
40
- 41 (7) to develop projects which include contributions from other resources,
42 including the private partners, that are being committed to the customized job
43 training project; and
44
- 45 (8) to develop projects that at completion of the training will result in the greatest
46 economic benefit to the public, in the form of enhanced worker skills and

1 positive economic impact within the local community for each dollar invested
2 in worker training.

3
4 *The provisions of this §835.11 adopted to be effective January 7, 2003, 28 TexReg 357*

5
6 [Return to Table of Contents](#)

7
8 **§835.12. Grant Administration.**

9
10 (a) The Agency shall administer the Self-Sufficiency Fund.

11
12 (1) The Director, or his or her designee who is knowledgeable in the
13 administration of grants, shall be responsible for the distribution of money
14 from the Fund.

15
16 (2) The Director, or his or her designee, shall ensure that employers and training
17 providers work together to propose training and employment for a specific
18 number of trainees.

19
20 (b) Proposals requesting funding for a project may be submitted from any area of the
21 state. Proposals must be reasonable in scope and utilize all available resources,
22 including private contributions as well as local, state and federal funds.

23
24 *The provisions of this §835.12 adopted to be effective January 7, 2003, 28 TexReg 357*

25
26 [Return to Table of Contents](#)

27
28 **§835.13. Limitations on Awards.**

29
30 The Agency may impose any or all of the following limitations on the funds awarded
31 under any specific grant:

32
33 (1) a limit of \$500,000 for training needs of a single employer;

34
35 (2) a limit of 10% of the grant award for the allowable purchase of any proprietary
36 or production equipment required for the training project for a consortium of
37 employers;

38
39 (3) a limit of 10% of the grant award for administrative costs related to the direct
40 training needs of a single employer; and

41
42 (4) a limit of 15% of the grant award for administrative costs related to direct
43 training needs of two or more employers.

44
45 *The provisions of this §835.13 adopted to be effective January 7, 2003, 28 TexReg 357*

2
3 **§835.14. Procedure for Requesting Funding.**

- 4
5 (a) After obtaining the review and comments of the Board in the applicable local
6 workforce development area(s), a prospective private partner, together with a public
7 community or technical college, community-based organization, state extension
8 service, or TEEEX and any other training provider, shall present to the Director, or his
9 or her designee, a joint proposal requesting funding for a project which meets the
10 objectives of the Self-Sufficiency Fund.
11
- 12 (b) The proposal shall contain evidence of established referral procedures or agreements
13 with Board contractors, one-stop centers, or other entities for referral of eligible
14 trainees.
15
- 16 (c) Proposals shall be written and contain the following information:
17
- 18 (1) the number of trainees to be trained and employed;
 - 19
 - 20 (2) a brief outline of the proposed customized job training project including:
 - 21 (A) methods of recruitment and assessment of eligible trainees;
 - 22 (B) skills to be taught;
 - 23
 - 24 (C) strategies for successfully meeting the needs of eligible trainees; and
 - 25
 - 26 (D) a list of the measurable training objectives and outcomes.
 - 27
 - 28
 - 29
 - 30 (3) the occupation for which training will be provided, the wages to be paid during
31 the first year of employment for a trainee who successfully completes the
32 training project, the proposed timeline to achieve self-sufficiency, and the
33 employment benefits provided by the private partner;
 - 34
 - 35 (4) a statement describing the prospective private partner's equal opportunity
36 employment policy;
 - 37
 - 38 (5) a budget summary identifying all sources of funding for the project and
39 specifying the amount requested from the Self-Sufficiency Fund;
 - 40
 - 41 (6) completed checklist of information on the training provider's financial
42 management system;
 - 43
 - 44 (7) names of all of the entities which will be directly providing training and
45 education services, a description of the training and educational services to be
46 provided by each entity, as well as a description of the prior experience and

1 demonstrated performance in directly providing training or education services
2 to the targeted population;

- 3
4 (8) a signed agreement between the prospective private partner and the public
5 community or technical college, community-based organization, state
6 extension service, or TEEEX outlining each entity's role and responsibilities if a
7 grant is awarded; and
8
9 (9) any other factors unique to the circumstances of the project which should be
10 considered.

11
12 *The provisions of this §835.14 adopted to be effective January 7, 2003, 28 TexReg 357*

13
14 [Return to Table of Contents](#)

15
16 **§835.15. Procedure for Evaluation.**

- 17
18 (a) The Director's, or his or her designee's, evaluation of each proposal shall include
19 consideration of the:
20
21 (1) information contained in the written proposal;
22
23 (2) project objectives and outcome measures as referenced in §835.11 of this
24 subchapter;
25
26 (3) prior experience and performance in the provision of direct training and
27 education by the entity providing training and education services; and
28
29 (4) verification of good standing for any required certification, license, or
30 registration for training providers.
31
32 (b) Priority shall be given to proposals which utilize all available resources, including
33 private contributions as well as local, state and federal funds.
34
35 (c) The Agency will notify the Board in the applicable local workforce development
36 area(s) when the Agency is evaluating a proposal so as to inform the Board of
37 potential workforce activities in the workforce area(s).
38
39 (d) If the Agency determines that a proposal is appropriate for funding through the Self-
40 Sufficiency Fund and funding is available, the Director, or his or her designee, may
41 enter into a contract with the grant recipient.
42

43 *The provisions of this §835.15 adopted to be effective January 7, 2003, 28 TexReg 357*

44
45 [Return to Table of Contents](#)
46

1 **SUBCHAPTER C. PROJECT ADMINISTRATION AFTER AWARD OF CONTRACT**

2
3 **§835.31. Grant Recipient's Responsibilities.**

- 4
- 5 (a) The grant recipient shall serve as fiscal agent, shall administer the contract, and in
6 cooperation with the private partner and any separate training provider, submit
7 financial and performance reports to the Agency on a quarterly contract basis.
8
- 9 (b) The grant recipient shall maintain fiscal data needed for independent verification of
10 expenditures of funds received for the customized job training project for three years
11 after the termination of the contract.
12
- 13 (c) All requests for contract amendments must be made in writing by the grant recipient.
14 Contract amendments must be written and must be executed by the Director, or his
15 or her designee, before the implementation of a change to the contract.
16
- 17 (d) The grant recipient shall cooperate with and comply with the Agency monitoring
18 activities as required by Chapter 800, Subchapter H of this title.
19
- 20 (e) The grant recipient shall submit all required reports in electronic format required by
21 the Agency unless otherwise approved by the Agency.
22

23 *The provisions of this §835.31 adopted to be effective January 7, 2003, 28 TexReg 357*

24
25 [Return to Table of Contents](#)

26
27 **§835.32. Contract Completion Reports.**

28
29 No later than 60 days following the end of the contract period for the customized job
30 training project, the grant recipient shall provide the Agency with the following
31 information:

- 32
- 33 (1) a copy of any audit performed on the customized job training project;
- 34
- 35 (2) the number of trainees placed in jobs, in which occupations they were placed,
36 the wages for those occupations, and the number of trainees who have
37 achieved self-sufficiency at the completion of the customized job training
38 project;
- 39
- 40 (3) a narrative report by the grant recipient summarizing the customized job
41 training project results, which shall include documentation that the training
42 objectives and outcomes specified in the contract have been achieved, and may
43 include brief narratives by employers evaluating the customized job training
44 project's effectiveness in meeting their needs;
45

- 1 (4) a detailed accounting of the expenditure of funds received under the contract;
2 and
3
4 (5) the grant recipient shall provide the Agency one of the following:
5
6 (A) payroll records and/or reports certified by an independent auditor or
7 verified by the employer that provides the name, the social security
8 number, the occupation, and the trainee's wage at the completion of the
9 training; or
10
11 (B) a statement from the employer that the wages at the time of job
12 placement for each individual who successfully completes customized
13 training is comparable to the wage for that occupation in the local labor
14 market area.

15 *The provisions of this §835.32 adopted to be effective January 7, 2003, 28 TexReg 357*

16
17 [Return to Table of Contents](#)

18
19 **§835.33. Contract Payment.**

20
21 Payment under a contract will be contingent upon the Director's, or his or her designee's,
22 determination that the project has met the training objectives, outcomes, and
23 requirements specified in the contract. The final payment of the grant amount will be
24 withheld for 60 days after the completion of training and after receipt by the Agency of
25 verification that the trainees are employed in jobs leading to self-sufficiency. The
26 Director may allow an attrition rate of 15% based on the total number of trainees as
27 outlined in the contract.
28

29 *The provisions of this §835.33 adopted to be effective January 7, 2003, 28 TexReg 357*

30
31 [Return to Table of Contents](#)

32
33 **§835.34. Notice to Local Workforce Development Board.**

34
35 The Agency will inform the Board in the applicable local workforce development area(s)
36 when the Agency awards a grant from the Self-Sufficiency Fund that impacts the local
37 workforce development area.
38

39 *The provisions of this §835.34 adopted to be effective January 7, 2003, 28 TexReg 357*

40
41 [Return to Table of Contents](#)
42