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3
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CHAPTER 835. SELF-SUFFICIENCY FUND

SUBCHAPTER A. GENERAL PROVISIONS REGARDING THE SELF-SUFFICIENCY FUND

- [§835.1. Purpose and Goal](#)
- [§835.2. Definitions](#)
- [§835.3. Uses of the Fund](#)
- [§835.4. Waivers](#)

SUBCHAPTER B. PROJECT ADMINISTRATION

- [§835.11. Project Objectives](#)
- [§835.12. Grant Administration](#)
- [§835.13. Limitations on Awards](#)
- [§835.14. Procedure for Requesting Funding](#)
- [§835.15. Procedure for Evaluation](#)

SUBCHAPTER C. PROJECT ADMINISTRATION AFTER AWARD OF CONTRACT

- [§835.31. Grant Recipient's Responsibilities](#)
- [§835.32. Contract Completion Reports](#)
- [§835.33. Contract Payment](#)
- [§835.34. Notice to Local Workforce Development Board](#)

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

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

4
5 **§835.1. Purpose and Goal.**
6

- 7 (a) The purpose of the Self-Sufficiency Fund is to provide training for targeted
8 employment opportunities for individuals who are identified as low-income, youth
9 up to the age of 24 who are part of a low-income family, or individuals at risk of
10 becoming dependent on public assistance.
11
- 12 (b) The goal of the fund is to help individuals who have been identified as low-income,
13 youth up to the age of 24 who are part of a low-income family, or individuals at risk
14 of becoming dependent on public assistance to receive training leading to a job that
15 allows them to become and remain independent of financial assistance provided
16 under Texas Human Resources Code, Chapter 31.
17
- 18 (c) Priority shall also be given to proposals containing evidence of established referral
19 procedures or agreements with Board contractors, Workforce Solutions Offices, or
20 other entities.
21
- 22 (d) The goal of the Self-Sufficiency Fund may also be accomplished by providing funds
23 for support services as necessary for participants to prepare for and participate in
24 training activities and to make the transition from training activities to employment.
25

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28
29 [Return to Table of Contents](#)
30

31 **§835.2. Definitions.**
32

33 The following words and terms, when used in this chapter, shall have the following
34 meanings, unless the context clearly indicates otherwise.
35

- 36 (1) **Business Partner**--An individual, sole proprietorship, partnership, corporation,
37 or association.
38
- 39 (2) **Community-based organization (CBO)**--A private nonprofit organization that
40 is representative of a community or a significant segment of a community and
41 that provides education, vocational education or rehabilitation, job training, or
42 internship services or programs. The term includes a neighborhood group or
43 corporation, union-related organization, employer-related organization, faith-
44 based organization, tribal government, or organization serving Native
45 Americans. The CBO must be certified as a 501(c)(3) nonprofit organization
46 under the IRS Code of 1986, as amended. A CBO providing services, which

1 are regulated by the state, must provide evidence of required certification,
2 license, or registration.

- 3
- 4 (3) Executive director--The executive director of the Texas Workforce
5 Commission.
- 6
- 7 (4) Grant recipient--A public community or technical college, CBO, or state
8 extension service awarded a grant from the Self-Sufficiency Fund.
- 9
- 10 (5) Individual at risk of becoming dependent on public assistance--An individual
11 who is a member of a Supplemental Nutrition Assistance Program (SNAP)
12 benefits household with dependent children, a youth up to the age of 24 who is
13 a part of a low-income family, or a parent, including a noncustodial parent,
14 whose income does not exceed the income limit established by the
15 Commission. To establish the income limit, the Commission will consider the
16 Temporary Assistance for Needy Families (TANF) and SNAP income limits,
17 and other relevant data, including economic indicators such as the state
18 unemployment rate and inflation. The Commission may periodically review the
19 income limit established and may update the level as necessary to reflect
20 changes in the economic conditions in the state and the factors used to establish
21 the income limit.
- 22
- 23 (6) Low-income--An individual whose family:
- 24
- 25 (A) receives any one of the following benefits:
- 26
- 27 (i) TANF;
- 28
- 29 (ii) SNAP;
- 30
- 31 (iii) Children's Health Insurance Program; or
- 32
- 33 (iv) income-based subsidized child care through the Child Care and
34 Development Fund;
- 35
- 36 (B) is eligible for or receives subsidized public housing assistance;
- 37
- 38 (C) participates in:
- 39
- 40 (i) the United States Department of Agriculture Food and Nutrition
41 Service's Special Supplemental Nutrition Program for Women,
42 Infants and Children program; or
- 43
- 44 (ii) free or reduced-cost school lunch based on income;
- 45

- 1 (D) is eligible for, or enrolled in, Workforce Innovation and Opportunity Act
2 youth services; or
3
- 4 (E) income does not exceed the income limit established by the Commission.
5 To establish the income limit, the Commission will consider the TANF
6 and SNAP income limits, and other relevant data, including economic
7 indicators such as the state unemployment rate and inflation. The
8 Commission may periodically review the income limit established and
9 may update the level as necessary to reflect changes in the economic
10 conditions in the state and the factors used to establish the income limit.
11
- 12 (7) Participant--An individual who meets the eligibility criteria to engage in the
13 Self-Sufficiency Fund's training program by being either low-income, at risk of
14 becoming dependent on public assistance, or a youth up to the age of 24 who is
15 a part of a low-income family.
16
- 17 (8) Public community college--A state-funded two-year educational institution
18 primarily serving its local taxing district and service area in Texas and offering
19 vocational, technical, and academic courses for certification or associate
20 degrees.
21
- 22 (9) Public technical college--A state-funded coeducational institution of higher
23 education offering courses of study in vocational and technical education, for
24 certification or associate degrees.
25
- 26 (10) Self-Sufficiency--Employment with wages reasonably calculated to make the
27 employee independent of financial assistance under Texas Human Resources
28 Code, Chapter 31.
29
- 30 (11) State extension service--An education service that provides technical and
31 vocational training and is sponsored by a higher education agency regulated by
32 the Texas Higher Education Coordinating Board.
33
- 34 (12) TANF recipient--An individual who receives financial assistance under Texas
35 Human Resources Code, Chapter 31.
36
- 37 (13) Trade union--An organization, agency, or employee committee, in which
38 employees participate and which exists for the purpose of dealing with
39 employers concerning grievances, labor disputes, wages, pay rates,
40 employment hours, or work conditions.
41
- 42 (14) Training provider--Any public community or technical college, CBO, or state
43 extension service that provides training; or any individual, sole proprietorship,
44 partnership, corporation, association, consortium, governmental subdivision, or
45 public or private organization with whom a public community or technical
46 college, CBO, or state extension service has subcontracted to provide training.

1
2 *The provisions of this §835.2 adopted to be effective January 7, 2003, 28 TexReg 357;*
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4 *September 12, 2022, 47 TexReg 5499*

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

7
8 **§835.3. Uses of the Fund.**

9
10 (a) The Self-Sufficiency Fund may be used by a public community or technical college,
11 CBO, or state extension service:

12
13 (1) to develop training projects in which participants, as defined by §835.2(7) of
14 this chapter, are provided job training by:

15
16 (A) an entity that develops a job-training program under Texas Labor Code,
17 §309.002;

18
19 (B) a small- or medium-sized business or trade union; or

20
21 (C) an informal partnership between an entity that develops a job-training
22 program under this section and a small- or medium-sized business
23 network; and

24
25 (2) for support services, deemed reasonable and necessary by the Agency, for
26 participants to prepare and participate in training activities and to make the
27 transition from training activities to employment.

28
29 (b) Only those support services specifically described in a contract under this section
30 may be charged to a contract funded with Self-Sufficiency Fund monies.

31
32 (c) The Self-Sufficiency Fund may not be used for the purchase of any proprietary or
33 production equipment for the training project.

34
35 *The provisions of this §835.3 adopted to be effective January 7, 2003, 28 TexReg 357;*
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37
38 [Return to Table of Contents](#)

39
40 **§835.4. Waivers.**

41
42 The Director may suspend or waive a section of this chapter, not statutorily imposed, in
43 whole or in part, upon a showing of good cause and a finding that the public interest
44 would be served by such a suspension or waiver. For purposes of this section, the

1 Director, and not a designee of the Director, is the only person who may approve a
2 waiver.
3

4 *The provisions of this §835.4 adopted to be effective January 7, 2003, 28 TexReg 357*
5

6 [Return to Table of Contents](#)
7

8 **SUBCHAPTER B. PROJECT ADMINISTRATION**

9 **§835.11. Project Objectives.**

10 The objectives of the Self-Sufficiency Fund are to:
11

- 12 (1) provide training for targeted employment to allow individuals identified as
13 low-income, youth up to the age of 24 who are part of a low-income family, or
14 individuals at risk of becoming dependent on public assistance benefits to
15 achieve self-sufficiency;
16
- 17 (2) the extent practicable, provide Self-Sufficiency Fund services in all areas of
18 the state;
19
- 20 (3) develop projects that place individuals in a position of employment that is on a
21 career pathway or in employment in local workforce development areas in
22 which participants will earn wages sufficient to enable them to become
23 independent of, or to avoid becoming dependent on, public assistance benefits;
24
- 25 (4) collaborate with Board contractors, Workforce Solutions Offices, or other
26 entities to establish referrals of eligible trainees;
27
- 28 (5) develop projects that at the completion of training will result in employment
29 benefits, including medical insurance, for training project participants;
30
- 31 (6) develop projects that include contributions from other resources, including the
32 business partners, that are supporting the training project; and
33
- 34 (7) develop projects that at completion of the training will result in the greatest
35 economic benefit to the public, in the form of enhanced occupational skills and
36 positive economic impact within the local community.
37

38 *The provisions of this §835.11 adopted to be effective January 7, 2003, 28 TexReg 357;*
39 *amended to be effective September 12, 2022, 47 TexReg 5499*
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41 [Return to Table of Contents](#)
42

43 **§835.12. Grant Administration.**

44
45
46

1 (a) The Agency shall administer the Self-Sufficiency Fund.
2

3 (1) The Director, or his or her designee who is knowledgeable in the
4 administration of grants, shall be responsible for the distribution of money
5 from the Fund.
6

7 (2) The Director, or his or her designee, shall ensure that employers and training
8 providers work together to propose training and employment for a specific
9 number of trainees.
10

11 (b) Proposals requesting funding for a project may be submitted from any area of the
12 state. Proposals must be reasonable in scope and utilize all available resources,
13 including private contributions as well as local, state and federal funds.
14

15 *The provisions of this §835.12 adopted to be effective January 7, 2003, 28 TexReg 357*
16

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

19 **§835.13. Limitations on Awards.**
20

21 The Agency may impose any or all of the following limitations on the funds awarded
22 under any specific grant:
23

24 (1) a limit of \$500,000 for training projects;
25

26 (2) a limit of 10 percent of the grant award for the allowable purchase of any
27 nonproprietary equipment required for the training project; and
28

29 (3) a limit of the grant award for administrative costs related to direct training
30 needs, as defined in the grant contract.
31

32 *The provisions of this §835.13 adopted to be effective January 7, 2003, 28 TexReg 357;*
33 *amended to be effective September 12, 2022, 47 TexReg 5499*
34

35 [Return to Table of Contents](#)
36

37 **§835.14. Procedure for Requesting Funding.**
38

39 (a) After obtaining the Board's review and comments in the applicable local workforce
40 development areas, a public community or technical college, CBO, state extension
41 service, or any other training provider, shall present to the executive director, or his
42 or her designee, a joint proposal requesting funding for a project that meets Self-
43 Sufficiency Fund objectives.
44

- 1 (b) The proposal shall contain evidence of established referral procedures or agreements
2 with Board contractors, Workforce Solutions Offices, or other entities for referral of
3 eligible trainees.
4
- 5 (c) Proposals shall be written and contain the following information:
6
- 7 (1) The number of trainees to be trained and placed in related employment;
8
 - 9 (2) A summary of the proposed training project, including:
 - 10 (A) a description of how the applicant determined industry training needs;
11
 - 12 (B) skills to be taught;
13
 - 14 (C) strategies for successfully meeting the needs of eligible trainees; and
15
 - 16 (D) a list of the measurable training objectives and outcomes, including the
17 industry-based certifications that trainees will receive upon completion;
18
 - 19
 - 20 (3) A budget summary identifying all sources of funding for the project and
21 specifying the amount requested from the Self-Sufficiency Fund;
22
 - 23 (4) A completed checklist of information on the training provider's financial
24 management system;
25
 - 26 (5) Names of the entities that will provide support services to project participants
27 and a description of the services they will provide, including an explanation of
28 why the support services are necessary for the trainees, and a description of
29 how the services provided will prepare the trainees for employment;
30
 - 31 (6) A description of how the proposed training will link participants to employers
32 upon completion, including a career pathway with a timeline and wage data to
33 show how the proposed training will enable participants to become
34 independent or avoid becoming dependent on public assistance benefits; and
35
 - 36 (7) Any other factors unique to the circumstances of the project that should be
37 considered.
38

39 *The provisions of this §835.14 adopted to be effective January 7, 2003, 28 TexReg 357;*
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41 [Return to Table of Contents](#)

42 **§835.15. Procedure for Evaluation.**
43
44
45

- 1 (a) The Director's, or his or her designee's, evaluation of each proposal shall include
2 consideration of the:
3
4 (1) information contained in the written proposal;
5
6 (2) project objectives and outcome measures as referenced in §835.11 of this
7 subchapter;
8
9 (3) prior experience and performance in the provision of direct training and
10 education by the entity providing training and education services; and
11
12 (4) verification of good standing for any required certification, license, or
13 registration for training providers.
14
15 (b) Priority shall be given to proposals which utilize all available resources, including
16 private contributions as well as local, state and federal funds.
17
18 (c) The Agency will notify the Board in the applicable local workforce development
19 area(s) when the Agency is evaluating a proposal so as to inform the Board of
20 potential workforce activities in the workforce area(s).
21
22 (d) If the Agency determines that a proposal is appropriate for funding through the Self -
23 Sufficiency Fund and funding is available, the Director, or his or her designee, may
24 enter into a contract with the grant recipient.
25

26 *The provisions of this §835.15 adopted to be effective January 7, 2003, 28 TexReg 357*
27

28 [Return to Table of Contents](#)
29

30 **SUBCHAPTER C. PROJECT ADMINISTRATION AFTER AWARD OF CONTRACT**
31

32 **§835.31. Grant Recipient's Responsibilities.**
33

- 34 (a) The grant recipient shall serve as fiscal agent, shall administer the contract, and
35 submit financial and performance reports to the Agency as specified in the contract.
36
37 (b) The grant recipient shall maintain fiscal data needed for independent verification of
38 expenditures of funds received for the training project for seven years after the
39 termination of the contract.
40
41 (c) All requests for contract amendments must be made in writing by the grant recipient.
42 Contract amendments must be written and must be executed by the executive
43 director, or his or her designee, before the implementation of a change to the
44 contract.
45

1 (d) The grant recipient shall cooperate with and comply with the Agency monitoring
2 activities as required by Chapter 802, Subchapter D of this title.

3
4 (e) The grant recipient shall submit all required reports in electronic format required by
5 the Agency unless otherwise approved by the Agency.
6

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8 *amended to be effective September 12, 2022, 47 TexReg 5499*

9
10 [Return to Table of Contents](#)

11
12 **§835.32. Contract Completion Reports.**

13
14 No later than 60 days following the end of the contract period for the customized job
15 training project, the grant recipient shall provide the Agency with the following
16 information:

- 17
- 18 (1) a copy of any audit performed on the customized job training project;
 - 19
 - 20 (2) the number of trainees placed in jobs, in which occupations they were placed,
21 the wages for those occupations, and the number of trainees who have
22 achieved self-sufficiency at the completion of the customized job training
23 project;
 - 24
 - 25 (3) a narrative report by the grant recipient summarizing the customized job
26 training project results, which shall include documentation that the training
27 objectives and outcomes specified in the contract have been achieved, and may
28 include brief narratives by employers evaluating the customized job training
29 project's effectiveness in meeting their needs;
 - 30
 - 31 (4) a detailed accounting of the expenditure of funds received under the contract;
32 and
 - 33
 - 34 (5) the grant recipient shall provide the Agency one of the following:
35
 - 36 (A) payroll records and/or reports certified by an independent auditor or
37 verified by the employer that provides the name, the social security
38 number, the occupation, and the trainee's wage at the completion of the
39 training; or
 - 40
 - 41 (B) a statement from the employer that the wages at the time of job
42 placement for each individual who successfully completes customized
43 training is comparable to the wage for that occupation in the local labor
44 market area.
 - 45

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

1
2 [Return to Table of Contents](#)
3

4 **§835.33. Contract Payment.**
5

- 6 (a) Payment under a contract will be contingent upon the executive director's, or his or
7 her designee's, determination that the project has met the training objectives,
8 outcomes, and requirements specified in the contract.
9
10 (b) The final payment of the grant amount will be withheld for 60 days after the
11 completion of training and after receipt by the Agency of verification that the
12 trainees are employed in jobs leading to self-sufficiency.
13
14 (c) The executive director, or his or her designee, may allow an attrition rate, as
15 specified in the contract, based on the total number of trainees.
16

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19

20 [Return to Table of Contents](#)
21

22 **§835.34. Notice to Local Workforce Development Board.**
23

24 The Agency will inform the Board in the applicable local workforce development area(s)
25 when the Agency awards a grant from the Self-Sufficiency Fund that impacts the local
26 workforce development area.
27

28 *The provisions of this §835.34 adopted to be effective January 7, 2003, 28 TexReg 357*
29

30 [Return to Table of Contents](#)