

TEXAS WORKFORCE COMMISSION LETTER

ID/No: WD 33-00, Change 1

Date: September 29, 2003

Key Word: Charitable Choice

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

From: Luis M. Macias, Director, Workforce Development Division

Subject: Charitable Choice Quarterly Report: Updated Procedures

PURPOSE:

To provide Local Workforce Development Boards (Boards) with updated procedures for completing the Charitable Choice Quarterly Report (CCQR).

The updated procedures include:

- Instructions for designating a Charitable Choice liaison, who will be responsible for completing and submitting the updated CCQR; and
- Definitions and examples of appropriate faith-based and private nonprofit community-based organizations that must be included in the CCQR.

REFERENCE:

Personal Responsibility and Work Opportunity Reconciliation Act of 1996, H.R. 3734, 104th Congress, 2nd Session, Public Law 104-193
Workforce Investment Act of 1998, §101(7)
Texas Government Code, §2308.303 (a)(9)
Texas Labor Code, §303.001 and §309.001
WD Letter 33-00, issued April 5, 2000, and entitled “Charitable Choice/Faith-Based Initiatives”

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. Federal and State laws, rules, policies, and required procedures with a “No Local Flexibility” rating are indicated by the acronym, **NLF**, in the margin to the right of the applicable paragraph. Additionally, all information with a “No Local Flexibility” rating is indicated by “must” or “shall.”

Failure to comply with the federal and State laws, rules, policies, and required procedures with a “No Local Flexibility” rating may result in corrective action, up to and including sanction and penalty.

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 guidance or recommended practices with a “Local Flexibility” rating are indicated by the acronym, **LF**, located in the margin to the right of the applicable paragraph. Additionally, guidance or recommended practices with a “Local Flexibility” rating are indicated by “may” or “recommend.”

Boards are not subject to corrective action for failure to comply with guidance or recommended practices with a “Local Flexibility” rating.

BACKGROUND:

The federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 was signed into law on August 22, 1996. Section 104 provides that a state may administer and provide services through contracts with charitable, religious, or private nonprofit organizations.

PROCEDURES:

In order to facilitate Texas Workforce Commission (Commission) reporting to the Governor’s office on the effectiveness of the Charitable Choice initiative, Boards must record and report quarterly to the Commission on their use of Charitable Choice service providers, capturing all relationships, both financial and non-financial. The updated CCQR is included as Attachment 1 to this WD Letter.

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Although faith-based organizations are community-based organizations, for the purposes of the updated CCQR, Boards must complete both parts as follows:

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- In Part 1, list all faith-based organizations; and
- In Part 2, list all community-based nonprofit organizations that are not faith-based.

Boards must include the following in the CCQR:

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- faith-based organizations;
- community-based organizations; and
- day care centers that are private nonprofit organizations.

Boards **must not** include the following in the CCQR:

NLF

- Private for-profit organizations or businesses, such as Wal-Mart, Jane Doe Day Care, etc.; or
- Public nonprofit organizations, such as State, county, or municipal agencies.

Effective immediately, Boards must use the updated CCQR. All columns must be completely filled out. The CCQR must be e-mailed to charitable.choice@twc.state.tx.us on or before the due date. If a Board cannot meet the due date, the Charitable Choice liaison must contact Janie Young at (512) 936-0469 or janie.young@twc.state.tx.us.

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Instructions for Designating a Charitable Choice Liaison

Boards must designate a Charitable Choice liaison to be responsible for completing and submitting the CCQR on time. Boards must notify the Commission of the designee's name. If there is a personnel change, the Board must designate another liaison, and notify the Commission of the new designee's name.

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Definitions and Terms

Boards must be aware of the following definitions and terms:

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Texas Labor Code §303.001 (2002):

(2) "Community-based organization" means a private nonprofit organization, including a development corporation and faith-based organization, that:

- (A) provides for education, vocational education, rehabilitation, job training, or internship services or programs; and
- (B) is exempt from the payment of federal income taxes under Section 501(a) of the Internal Revenue Code of 1986, and its subsequent amendments, by being listed as an exempt entity under Section 501(c)(3) of that code.

Texas Labor Code §309.001 (2002):

(1) "Community-based organization" means **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 organization, community action agency, community development corporation, union-related organization, employer-related organization, faith-based organization, tribal government, or organization serving Native Americans.

Workforce Investment Act, §101 (1998):

(7) Community-based organization: The term "community-based organization" means a private nonprofit organization that is representative of a community or a significant segment of a community and that has demonstrated expertise and effectiveness in the field of workforce investment.

The relationship a Board has with a faith-based organization or community-based organization is defined by the following terms:

- Informal: No written agreement between the parties. Generally, informal referrals and services are not paid with Commission funds.
- Contract: Services are contracted out (financial). This includes child care providers with agreements and quality contractors.
- MOU: Memorandums of Understanding are written agreements (nonfinancial).
- Vendor: Agreements for services such as self-arranged, regulated child care (financial).

NOTE: Child care services are generally classified as “Vendor” or “Contract.” However, if a Board has an informal arrangement with a private, nonprofit child care organization, the Board must indicate what services are provided under the “Services Offered” section of the CCQR. For example, a Board or a child care contractor may have informally agreed to or arranged to refer applicants that would otherwise be on a waiting list for a specific faith-based or community based-organization that provides services that are not paid for with Commission funds.

Additionally, Boards must:

- Develop and use appropriate internal methods to record their coordination, participation, and integration with faith-based, nonprofit community-based and private nonprofit organizations for quarterly reporting to the Commission; and
- Compile and submit the CCQR by e-mail according to the following schedule:

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Report	Due Date:
1 st Quarterly Report (January, February, March)	April 10
2 nd Quarterly Report (April, May, June)	July 10
3 rd Quarterly Report (July, August, September)	October 10
4 th Quarterly Report (October, November, December)	January 10

If the 10th of the due date month falls on a Saturday or Sunday, Boards must submit the CCQR by the following Monday.

ACTIONS REQUIRED:

Boards must ensure that appropriate staff are apprised of and comply with the requirements in this WD Letter.

INQUIRIES:

Direct inquiries to Janie Young at (512) 936-0469 or janie.young@twc.state.tx.us.

ATTACHMENT:

Attachment 1: Charitable Choice Quarterly Report (Updated)

Rescissions: None	Expiration: Continuing
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CHARITABLE CHOICE QUARTERLY REPORT (Updated)
Faith-Based and Community-Based Organizations
(TO BE COMPLETED IN 2 PARTS)

#	Board Name & Contact	Faith-Based Organization (Part 1)	Services Offered	Relationship Between Board and Organization (Enter either Contract, Vendor, MOU or Informal)	Organization Street, Address, City & Zip Code	Organization Contact & Phone Number	Contract Amount (If Applicable)	Contract Funding Source (List only one funding source per line)	Comments
1									
2									
3									
4									
5									
6									
7									
8									
#	Board Name & Contact	Community-Based Organization (Part 2)	Services Offered	Relationship Between Board and Organization (Enter either Contract, Vendor, MOU or Informal)	Organization Street, Address, City & Zip Code	Organization Contact & Phone Number	Contract Amount (If Applicable)	Contract Funding Source (List only one funding source per line)	Comments
1									
2									
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6									
7									