

SELF-SUFFICIENCY FUND FREQUENTLY ASKED QUESTIONS

These Frequently Asked Questions (FAQ) were developed as a supplement to the Self Sufficiency Fund Proposal Submission Packet. The Proposal Submission Packet, FAQ updates, and more Self Sufficiency Fund information can be found at <http://www.twc.state.tx.us/svcs/funds/ssfintro.html>. Any questions about this document can be directed to customizedtraining.solutions@twc.state.tx.us.

- 1. Q What are the Fiscal Year (FY) 2010 proposal submission deadlines for the Self-Sufficiency (SSF) program?**

A Proposals may be submitted year round. Project developers are highly encouraged to take advantage of technical assistance prior to final proposal submission. The Workforce Business Services Outreach & Customer Support Team will provide technical assistance, assist with development of quality projects, and review “draft” proposals prior to formal submission.
- 2. Q How will I be notified about the status of my proposal submission form?**

A TWC will keep applicants informed of the status of their proposals throughout the evaluation period. An applicant will be notified within 10 working days from the date of receipt that the proposal was received and whether or not it contains all the required components. Extensive and/or multiple Requests for Information required during the review process may affect the evaluation timeline.
- 3. Q How is SSF different from the Skills Development Fund (SDF)?**

A The purpose of SDF is to respond to industry and workforce training needs. The purpose of SSF is to provide training for targeted employment opportunities primarily for adult Temporary Assistance for Needy Families (TANF) recipients as well as individuals at risk of becoming dependent on public assistance. SSF also assists businesses and trade unions by financing the development and implementation of customized job training projects for new and incumbent workers.
- 4. Q Who are eligible grant recipients?**

A Eligible grant recipients include:

 - Public community colleges;
 - Public technical colleges;
 - The Texas Engineering Extension Service;
 - A state extension service; or
 - A community-based organization (CBO).
- 5. Q Who is eligible to receive training under SSF grants?**

A Individuals eligible to participate in SSF training are primarily adult TANF/Choices recipients, as well as those individuals at risk of becoming dependent on public assistance. These include individuals who are members of a food stamp household with dependent children; TANF applicants who have been referred to a Board contractor by the Texas Health and Human Services Commission to attend a Workforce Orientation for Applicants session; or parents, including non-custodial parents, whose annual wages are at or below \$37,000. Applicants must exhaust all qualified referrals on the TANF/Choices caseload in their areas before using SSF funds to serve other eligible individuals.

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6. Q Who is an eligible training provider?

A Eligible training providers include:

- Public community colleges;
- Public technical colleges;
- The Texas Engineering Extension Service;
- A state extension service;
- A community-based organization; or
- A person, sole proprietorship, partnership, corporation, association, consortium, governmental subdivision, or a public or private organization with whom a public community or technical college, community-based organization, or state extension service has subcontracted to provide training.

7. Q What is the definition of a community-based organization (CBO)?

A A community-based organization is a private nonprofit organization, including a neighborhood group or corporation, union-related organization, employer-related organization, faith-based organization, tribal government, or organization serving Native Americans that: (A) provides 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.

8. Q Are Local Workforce Development Boards (Boards) eligible grant recipients for the Self Sufficiency Fund?

A No. However, eligible grant recipients must coordinate with the Board in the development and design of the customized training project.

9. Q What is the role of the Board in the SSF proposal submission process?

A Because the Local Workforce Development Boards play an important leadership role in developing the Texas workforce, applicants are required to obtain their review and comments on proposals prior to submission. In addition, Boards have various labor market resources at their disposal and are knowledgeable about business and workforce needs in the community. They can provide useful referral information in helping to identify individuals for training and ensure that all qualified referrals on the TANF/Choices caseload have been exhausted before identifying other eligible individuals. Further, priority for funding will be given to proposals containing evidence of established referral procedures or agreements with Board contractors and one-stop centers.

10. Q Do the individuals who get trained with SSF grants have to be referred by the Local Workforce Development Boards (Boards)?

A This is not a requirement; however, applicants must exhaust all qualified referrals on the TANF/Choices caseload in their areas before using SSF funds to serve other eligible individuals and the Boards can make those qualified referrals. In addition, priority shall be given to those proposals that contain evidence of established referral procedures or agreements with Board contractors, one-stop centers, or other entities.

11. Q How do I verify trainee eligibility?

A The most efficient and effective method is to establish referral and eligibility procedures with the Board contractors and one-stop centers because the staff can more readily determine eligibility. Grant recipients that do not establish these procedures must have a defensible methodology in place to ensure that participants meet the eligibility criteria needed.

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- 12. Q How are businesses involved in the development of an SSF project?**
A Businesses must participate in the planning and design of the proposed training project. They identify training needs that require a customized approach and complete the Private Partner Information Form. This form requires the businesses to identify the available job openings and incumbent positions for which they are requesting training. It also requires them to address questions about employment benefits for workers in the proposed project, the company's Equal Employment Opportunity policy, trainee occupational and wage information using the Standard Occupational Classification codes system, and demographic information about the company.
- 13. Q Are business partners required to hire trainees into the identified available job openings upon completion of training?**
A Businesses that choose to be involved with SSF grants commit to interviewing trainees who successfully complete the training project and employing trainees who meet their hiring qualifications for the identified job openings. In order to meet contract requirements, grant recipients must place 85 percent or more of the participants in jobs with the business partners. Therefore, the business partners are required to be involved in the design of the proposal and the training so that individuals who successfully complete the training meet the qualifications for hire.
- 14. Q Is the business required to provide medical insurance?**
A A business is not required to provide medical insurance to trainees in an SSF grant. However, one of the objectives of the SSF program is to develop projects that at the completion of training will result in employment benefits, including medical insurance, for participants in the project. The provision of medical insurance to participants contributes to their ability to achieve and sustain self-sufficiency. Therefore, it is an important factor that will be considered in the evaluation of proposals.
- 15. Q What financial commitments must the business make?**
A While there is no financial commitment required of the business; one of the objectives of the SSF program is to develop projects which include contributions from other resources, including the private partner. The resource contributions from the private partner are considered in the evaluation of proposals. The Proposal Submission Form requires an applicant to identify all sources of funding for the proposed project, including resource contributions the private partner commits to the project. Priority is given to proposals that utilize all available resources, including private contributions, as well as local, state, and federal funds.
- 16. Q How can the Workforce Business Services department at TWC assist in the development of an SSF proposal?**
A Workforce Business Services staff can help convene meetings between the Boards, applicants, training providers, and interested businesses. Staff can also provide technical assistance during the project development phase and in completing the proposal submission forms. To request technical assistance, call 512-463-8844 or email customizedtraining.solutions@twc.state.tx.us.
- 17. Q What is customized training?**
A Customized training must be specifically designed to meet the needs and special requirements of a business, employees or prospective employees of the private business or business consortium, and/or members of the trade union.
- While customized training extends beyond standard programs available through the provider's course curriculum, it may also encompass standard programs. The overall unique design and development of a training project creates customization. A truly customized training project meets an employer's specific training requirements, including customizing the curriculum, scheduling classes around the employees' schedules, developing company specific instructional examples, as well as addressing needs in real time with real situations.

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- 18. Q What is the typical length of an SSF contract?**
A The standard length for an SSF contract is 12 months. Training projects should be developed and planned so that deliverables can be accomplished within this time period. TWC will only approve contract amendments and extensions under extenuating circumstances
- 19. Q What is an “upgraded job”?**
A An upgraded job is a position occupied by an existing (current or incumbent) worker who will receive training through the proposed project.
- 20. Q What is a “new job”?**
A A new job is one occupied by an individual hired after the contract start date who will receive training through the proposed project.
- 21. Q What is a CIP code?**
A A CIP (Classification of Instructional Programs) code provides a categorical coding scheme for accurate tracking, assessment, and reporting of a training activity. The CIP code directory can be found at the National Center for Educational Statistics website:
<http://nces.ed.gov/pubs2002/cip2000/>.
- 22. Q What is a NAICS code?**
A The North American Industry Classification System has replaced the US Standard Industrial Classification system. NAICS was developed jointly by the United States, Canada and Mexico to provide comparability in statistics about business activity across North America. You can access NAICS codes at: <http://www.census.gov/epcd/naics02/naicod02.htm>.
- 23. Q What is an SOC code?**
A An SOC (Standard Occupational Classification) code is the new system being adopted by federal agencies to classify workers into occupational categories for the purpose of collecting, calculating, or disseminating data. All workers are classified into one of more than 800 occupations according to their occupational definition. To facilitate classification, occupations are combined to form 23 major groups, 96 minor groups, and 449 broad occupations. Each broad occupation includes detailed occupations requiring similar job duties, skills, education, or experience. The detailed SOC Code is required for the occupations listed in an SSF proposal. You can access SOC codes at http://stats.bls.gov/soc/soc_majo.htm.
- 24. Q What does positive economic impact mean?**
A Generally, a positive impact can be demonstrated by the creation of new jobs, an increase in wages for upgraded jobs, the provision of medical benefits to employees, and the growth and stability of local businesses.
- 25. Q What can SSF grants pay for?**
A SSF grants may be used for customized job training projects and for support services to address the barriers participants may face so that they can prepare for and participate in the workforce.
- 26. Q Can SSF funds be used to pay for training that is delivered through distance learning?**
A Yes. The same reporting requirements apply for training delivered via distance learning as that of traditional classroom-based training.
- 27. Q Can SSF funds be used for adult education and literacy?**
A Yes. The SSF program does not preclude the use of funds for literacy and adult education, if a business identifies this as a need.

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- 28. Q Can SSF be used to pay for testing fees such as the GED?**
A Yes, paying for GED testing is an allowable cost. Other testing fees for work-related exams may also be allowable.
- 29. Q What support services can SSF be used for?**
A Support services may include childcare, transportation assistance, case management, work-related expenses, and other services needed to help individuals prepare for and participate in training activities, begin work, and remain employed. Applicants must show that they have worked with the local workforce development board to leverage support services already provided through the Boards for TANF/Choices recipients, as well as those individuals at risk of becoming dependent on public assistance. In addition, applicants must show that they have worked with the private partners, and other local partners to leverage resources for the project, particularly support services.
- 30. Q Are there unallowable costs in Self-Sufficiency grants?**
A Yes. The purchase of proprietary or production equipment required for the training project of a single local employer is not an allowable expense. However, up to 10% of the total grant award can be used to purchase necessary training equipment for a consortium of employers. All costs will be reviewed to determine whether they appear reasonable and necessary.
- 31. Q What is the average cost per trainee in a Self-Sufficiency project?**
A The average cost for an SSF trainee varies from year to year and from project to project due, in part, to the inclusion of support services covered by the grant.
- 32. Q Does the grant recipient have to competitively procure for a training provider, or can they identify the provider in the application without procurements?**
A It is the Texas Workforce Commission's (TWC) intent that when it reviews and approves a SSF grant project, that it is also approving the training delivery method, the training providers and the agreements between the grant recipients and private partners to expedite the delivery of training in a timely manner. SSF project plans may include private partners that will conduct some of the training in-house using a training provider selected by the private partner. Although TWC requires a subcontract between the community college and such a training provider, the Agency does not require any further procurement activity for such training providers.
- 33. Q My company has professional trainers on staff and the majority of our training material is proprietary. Is it allowable for the applicant to subcontract all of the instruction to the business?**
A Yes. All or part of the instruction can be subcontracted to the business partner. However, applicants will need to show how training that is considered proprietary has been customized for a proposed project. In addition, a business that wants to use its own training curricula in an SSF project must demonstrate a lack of capacity or inability to meet its own demand. The proposal must explain why the business' infrastructure cannot support its training needs without the assistance of an SSF grant. The proposal must also describe the pre- and post-skills assessment methodology, and the business must report training outcomes that include course completion, trainee attendance, and credential attainment.

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34. Q Why are Social Security Numbers (SSN) required for trainees?

A One of the key pieces of information required for reporting monthly participation and status in a Skills Development or Self-Sufficiency Fund project is the trainees' Social Security Number (SSN). TWC has always required SSNs for reporting purposes and has never allowed substitute numbers (e.g., employee numbers) to be used. TWC recommends that the college discuss the SSN requirements with business partners at the earliest appropriate opportunity and that the SSN requirement be included in the signed agreement. Further, the business partner needs to be aware that the person signing the Private Partner Information Form on behalf of the business is signing an assurance that the business agrees to comply with the reporting requirements of the Self-Sufficiency Fund program. If businesses are unwilling or unable to provide SSNs, provisions have to be made to obtain the SSN from the trainee prior to enrolling the trainee in class. Failure to report the SSN for a trainee results in the contractor not being able to count that trainee in their performance.

35. Q What security is used to protect individual private information?

A TWC uses a computer system called Learner Outcome Tracking System (LOTS) to track contractor's performance against grant awards from the Skills Development and Self-Sufficiency Fund programs. TWC uses a multi-level approach to address system and data security. LOTS user access is granted by TWC through a user security system. A self-registration process is used to provide access to a specifically identified contact. Once this contact is established as the initial user, he/she can authorize additional individuals to register with LOTS for the same grant recipient. Grant recipients can only view data they have loaded into LOTS for the grant awarded.

Data uploads are accomplished through a LOTS website that uses secure socket layer (SSL) security, which encrypts or scrambles all of the data between the web server and the user's internet browser. It is the same type of security that banks and secure online shopping websites provide to protect your credit card data over the Internet. In addition, please see TWC WD Letter 13-08 issued April 1, 2008 for information on additional security measures that must be implemented to ensure the confidentiality and security of customers' personal identity data.