



<b>WS 18-09 Change 3</b>
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To: All Contractors

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Subject: Managing Financial Aid – Financial Aid Priority Criteria

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## Purpose

To update information related to the priorities that apply to certain financial aid funds.

## Revisions

WS 18-09 Managing Financial Aid – Financial Aid Priority Criteria Change 2 released February 2, 2023

## Background

Workforce Solutions uses multiple funds to provide financial aid for customers.

In addition to meeting basic eligibility and suitability requirements, Child Care and Development Block Grant dollars and Workforce Innovation and Opportunity Act (WIOA) funds require the use of a priority list for awarding financial aid dollars.

## Policy

When working with a customer interested in financial aid, staff must be aware of the following guidelines:

## **A. Child Care and Development Block Grant (financial aid for early education/care)**

**Effective: October 19, 2022**

1. The following customers can receive financial aid using Child Care and Development Block Grant funds at any time:
  - a. Recipients of Temporary Assistance for Needy Families (TANF)/Choices who are participating with us in employment and training activities;
  - b. Applicants of Temporary Assistance for Needy Families who are participating with us in employment and training activities;
  - c. Recipients of Supplemental Nutrition Assistance (SNAP) who are participating with us in employment and training activities;
  - d. At-risk child care for former Choices child care recipients whose TANF benefits were denied or voluntarily ended within the last 12 months due to employment, timing out of benefits, or an earnings increase;
  - e. At-risk child care for families directly referred from a recognized Pre-K or Head Start/Early Head Start partnership to receive services in a contracted partnership program.
  
2. The following customers can receive financial aid using Child Care and Development Block Grant funds subject to the funds being available and, if there is a waiting list, in the following order:
  - a. Children in protective services;
  - b. Children of qualified veterans<sup>1</sup> or qualified spouses<sup>2</sup>;
  - c. Children of a foster youth<sup>3 & 4</sup>;
  - d. Children experiencing homelessness<sup>5</sup>;
  - e. Children of active-duty military personnel who are unable to enroll their children in military-funded child care assistance programs;
  - f. Children of teen parents;
  - g. Children with disabilities<sup>6</sup>;
  - h. Siblings in families already receiving our financial aid for one or more children;
  - i. Children of parents who are students at or employees of a match partner;
  - j. Children of parents who are participating in career, employment or education activities that require the financial aid to successfully complete their service;
  - k. Children of parents who are receiving child care services based on eligibility for time-limited special projects;
  - l. Children of families who have lost financial aid for program violations including a child exceeding 40 unexplained absence days or failure to pay Parent Share of Cost, who have fulfilled their mandatory waiting period and have reapplied for aid;
  - m. All other eligible families.

Note: Priority 2, letter j, refers to customers receiving Workforce Solutions financial aid.

## **B. Workforce Innovation and Opportunity Act**

1. For customers who are eligible as adults for financial aid paid with Workforce Innovation and Opportunity Act dollars, priority goes:
  - a. First, to individuals who are (i) recipients of public assistance<sup>7</sup>, (ii) other low-income<sup>8</sup> individuals, or (iii) individuals who are basic skills deficient<sup>9</sup> in the following order of priority:
    - i. Eligible veterans<sup>1</sup> and eligible spouses<sup>2</sup>
    - ii. Foster youth<sup>3</sup> and former foster youth<sup>4</sup>
    - iii. All other individuals who are (i) recipients of public assistance<sup>7</sup>, (ii) other low-income<sup>8</sup> individuals, or (iii) individuals who are basic skills deficient<sup>9</sup>
  - b. Second, to individuals at or below the self-sufficiency<sup>10</sup> income levels in the following order of priority:
    - i. Eligible veterans<sup>1</sup> and eligible spouses<sup>2</sup>
    - ii. Foster youth<sup>3</sup> and former foster youth<sup>4</sup>
    - iii. All other individuals at or below the self-sufficiency<sup>10</sup> income levels.
2. For customers who are eligible as dislocated workers for financial aid paid with Workforce Innovation and Opportunity Act dollars, priority goes:
  - a. First to eligible veterans<sup>1</sup> or eligible spouses<sup>2</sup>
  - b. Second to foster youth<sup>3</sup> and former foster youth<sup>4</sup>
  - c. Third to all other individuals eligible as dislocated workers.
3. For customers who are eligible as youth for financial aid paid with Workforce Innovation and Opportunity Act dollars, priority goes:
  - a. First to eligible veterans<sup>1</sup> or eligible spouses<sup>2</sup>
  - b. Second to foster youth<sup>3</sup> and former foster youth<sup>4</sup>
  - c. Third to all other individuals eligible as youth.

## **Procedures**

### **Child Care and Development Block Grant Funds**

1. We fund assistance with child care expenses upon request for customers who meet participation requirements as TANF Choices, TANF Applicants, SNAP E&T, and children of parents directly referred from a recognized Pre-K or Head Start/Early Head Start partnership to receive services in a contracted partnership.
2. For all other customers, when there is a waiting list, we fund assistance using the priorities listed in Section A above.

## **Workforce Innovation and Opportunity Act**

1. We fund financial assistance upon request for customers eligible under WIOA funds when funds are open and available.
2. When funds are limited, we fund assistance from the financial aid registry for eligible adults, dislocated workers or youth using the priority list in Section B above.
3. Staff must identify and document in case notes any priority criteria met by customers eligible for WIOA funds.

## **Action**

1. All staff must read and apply the Financial Aid Priority Criteria when assisting customers interested in financial aid.
2. Service provider management must ensure that they train and equip all staff with the necessary knowledge to assist customers interested in financial aid.
3. Service provider senior management are responsible for actively monitoring and ensuring staff adhere to the procedures outlined in this issuance.

## **References**

1. WS 18-04 Managing Financial Aid - Child Care Standards and Guidelines, Change 9 released April 17, 2023
2. WS 23-05 Financial Aid Standards and Guidelines, Change 1 released April 1, 2024
3. [WD 01-21, Change 1 Applying Priority of Service and Identifying and Documenting Veterans and Transitioning Service Members – Update](#)

## **Questions**

Staff should first ask questions of their managers or supervisors. Direct questions for Board staff through [workforcepolicy@wrksolutions.net](mailto:workforcepolicy@wrksolutions.net).

# Definitions

## <sup>1</sup> Veteran

A person who served in the active military, naval, air, *or space* service, and who was discharged or released from such service under conditions other than dishonorable, as specified at 38 U.S.C. 101(2). Active service includes full-time duty in the National Guard or a Reserve component, other than full-time for training purposes only.

***Notes: This definition does not apply to eligibility for services provided by Disabled Veterans' Outreach Program or Local Veterans' Employment Representatives staff.***

***A transitioning service member on terminal leave with a DD 214 (Certificate of Release or Discharge from Active Duty) who indicates a discharge status other than "dishonorable" is considered a veteran and is eligible for priority of service.***

## <sup>2</sup> Federal Qualified Spouse

The spouse of:

- a. any veteran who died of a service-connected disability;
- b. any member of the armed forces serving on active duty who, at the time of application for the priority, is listed in one or more of the following categories and has been so listed for a total of more than 90 days:
  - missing in action;
  - captured in line of duty by a hostile force; or forcibly detained or
  - interned in line of duty by a foreign government or power;
- c. any veteran who has a total disability resulting from a service-connected disability, as evaluated by the US Department of Veterans Affairs;
- d. any veteran who died while a disability in definition c. existed.

## State Qualified Spouse

A spouse:

- a. who meets the definition of federal qualified spouse; or
- b. of any member of the armed forces who died while serving in the active military, naval, air, *or space* service.

**Note:** The spouse of a living veteran or service member (as listed in definitions c. or d. above) will lose their eligibility if the veteran or service member loses the status that is the basis for eligibility.

For example, the spouse of a veteran with a total service-connected disability will not be eligible for priority of service if the veteran's disability is revised to a lower level. Similarly, a spouse whose eligibility is derived from a living veteran or service member will lose their eligibility upon divorce from the veteran or service member.

## <sup>3</sup> Current Foster Youth

A youth, age 14 or older, who is receiving substitute care services under the managing conservatorship of the Texas Department of Family and Protective Services (DFPS), including WS 18-09 Financial Aid Priority Criteria, Change 3

youth residing in private foster homes, group homes, residential treatment centers, juvenile correctional institutions, and relative care.

#### <sup>4</sup> Former Foster Youth

A youth up to 21 years of age, who was formerly under the managing conservatorship of DFPS, until:

- a court transferred the conservatorship;
- the youth was legally emancipated (i.e., the youth's minority status was removed by a court); or
- the youth attained 18 years of age.

#### <sup>5</sup> Children Experiencing Homelessness

Individuals who lack a fixed, regular, and adequate nighttime residence. The term includes—

- Children and youths who are sharing the housing of other persons due to loss of housing, economic hardship, or a similar reason; are living in motels, hotels, trailer parks, or camping grounds due to the lack of alternative adequate accommodations; are living in emergency or transitional shelters; or are abandoned in hospitals.
- Children and youths who have a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings.
- Children and youths who are living in cars, parks, public spaces, abandoned buildings, substandard housing, bus or train stations, or similar settings; and
- Migratory children (as defined in section 1309 of the Elementary and Secondary Education Act of 1965, as amended), who qualify as homeless because they are living in circumstances described in this definition above.

#### <sup>6</sup> Child with Disabilities

A child who has a physical or mental impairment that substantially limits one or more major life activities, has a record of such an impairment, or is regarded as having such an impairment. Major life activities include, but are not limited to, caring for oneself; performing manual tasks; walking; hearing; seeing, speaking, or breathing; learning; and working.

#### <sup>7</sup> Recipient of Public Assistance

An individual who is a recipient of **income-tested or non-income-tested** public assistance. This might include individuals with disabilities who are receiving some sort of public assistance based on their disability without regard to the individual's income.

#### <sup>8</sup> Low-Income

An individual who meets any *one* of the following criteria satisfies the low-income requirement for Workforce Innovation and Opportunity eligibility.

- Receives, or in the past six months has received, or is a member of a family that is receiving or in the past six months has received, assistance through SNAP, TANF, the Supplemental Security Income program, or state or local income-based public assistance;
- Receives an income or is a member of a family receiving an income that, in relation to family size, is not in excess of the current [Workforce Solutions Income Guidelines](#);

- Is an individual experiencing homelessness or a child or youth experiencing homelessness, as defined in §41403(6) of the Violence Against Women Act of 1994, or §725(2) of the McKinney-Vento Homeless Assistance Act;
- Receives or is eligible to receive a free or reduced-price lunch under the National School Lunch Act (this only applies to the individual receiving the free or reduced-price lunch);
- Is a foster youth, as defined in Texas Family Code §264.101(a-1) and §264.101(d), on behalf of whom state or local government payments are made; or
- Is an individual with a disability whose own income meets:
  - [Workforce Solutions Income Guidelines](#), even if the individual's family income does not meet the income requirements; or
  - income eligibility criteria for payments under any federal, state, or local public assistance program.

<sup>9</sup> Basic Skills Deficient

An individual who is a:

- youth and the individual has English reading, writing, or computing skills at or below the 8th grade level on a generally accepted standardized test; or
- youth or adult and the individual is unable to compute or solve problems, or read, write, or speak English, at a level necessary to function on a job, in the individual's family, or in society.

<sup>10</sup> Self-Sufficiency

Workforce Solutions defines self-sufficiency at 200% of the Federal Poverty Guidelines. See [Workforce Solutions Income Guidelines](#) for self-sufficiency income levels based on family size.