

SUPPLEMENTAL MATERIALS

Committee on Academic and Workforce Success

AGENDA ITEM V-P (4)

Consideration of adopting the Commissioner's recommendation to the Committee relating to the proposed new rules for Chapter 21, Subchapter W, Sections 21.700 - 21.707 of Board rules, concerning the Texas Working Off-Campus: Reinforcing Knowledge and Skills (WORKS) Internship Program (House Bill 3808, 86th Texas Legislature)

RECOMMENDATION: Approval

Background Information:

Texas Education Code, Chapter 56, Subchapter E-1, Sections 56.0851-56.0857, enacted by House Bill 3808, 86th Texas Legislature, provides the authority to adopt rules to enforce the requirements, conditions, and limitations concerning the Texas Working Off-Campus: Reinforcing Knowledge and Skills (WORKS) Internship Program. Texas Higher Education Coordinating Board staff propose new rules to administer the Texas WORKS Internship Program, Chapter 21, Subchapter W, Sections 21.700-21.707. This program provides undergraduate students with paid, off-campus internships to strengthen their marketable skills and support their transition to the workforce.

Jerel Booker, Assistant Commissioner for College Readiness and Success, will be available to answer questions.

Date approved by the Commissioner for publication in the *Texas Register*: October 9, 2019.

Date Published in the *Texas Register*: October 25, 2019.

The 30-day comment period with the *Texas Register* ended on: November 25, 2019.

No comments were received.

Although no external comments were received, Coordinating Board staff made non-substantive changes to the proposed rules to address the following:

- Clarification of process and terms;
- Correct grammar; and
- Include required legislative language.

CHAPTER 21.
STUDENT SERVICES

SUBCHAPTER W.
TEXAS WORKING OFF-CAMPUS: REINFORCING KNOWLEDGE AND SKILLS (WORKS)
INTERNSHIP PROGRAM

- 21.700 Authority and Purpose of the Texas Working Off-Campus: Reinforcing Knowledge and Skills (WORKS) Internship Program
- 21.701 Definitions
- 21.702 Employer Eligibility and Participation Requirements
- 21.703 Employer Agreement
- 21.704 Employer Reimbursement
- 21.705 Qualified Internship Opportunity
- 21.706 Student Eligibility
- 21.707 Records Retention

- 21.700 Authority and Purpose of the Texas Working Off-Campus: Reinforcing Knowledge and Skills (WORKS) Internship Program

- (a) Authority. The Texas Working Off-Campus: Reinforcing Knowledge and Skills (WORKS) Internship Program is authorized by Texas Education Code, Chapter 56, Subchapter E-1, §§ 56.0851-56.0857.
- (b) Purpose. The purpose of the program is to provide paid internships funded in part by the State of Texas to enable students employed through the program to attend public or private institutions of higher education in Texas while exploring career options, developing and improving career readiness, and strengthening marketable skills.

21.701 Definitions

The following words and terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise:

- (1) Coordinating Board--The Texas Higher Education Coordinating Board.
- (2) Commissioner--The Commissioner of Higher Education, the Chief Executive Officer of the Board.
- (3) Program or Texas WORKS Internship Program--The Texas Working Off-Campus: Reinforcing Knowledge and Skills (WORKS) Internship Program.
- (4) Eligible Employer--To be eligible to enter into agreement with the Coordinating Board to participate in the program, an employer must:
 - (A) be a private, nonprofit or for-profit entity or a governmental entity; and

- (B) demonstrate the administrative and financial capacity to carry out the employer's responsibilities under the program, including the ability to pay full wages and benefits to a student placed through the program.
- (5) Financial need--Eligibility guidelines will be determined by the Commissioner or his or her designee.
- (6) Half-time student--For undergraduates, enrollment or expected enrollment for the equivalent of six or more semester credit hours per regular semester.
- (7) Eligible institution:
 - (A) an institution of higher education as defined by TEC § 61.003 (8); or
 - (B) a private or independent institution of higher education, as defined by TEC § 61.003(15), other than a private or independent institution of higher education offering only professional or graduate degrees.
- (8) Eligible Wages--Gross wages paid to an individual student as required by the student's internship.
- (9) Resident of Texas--A resident of the State of Texas as determined in accordance with Chapter 21, Subchapter B of this title (relating to Determination of Resident Status). Nonresident students who are eligible to pay resident tuition rates are not residents of Texas.
- (10) Administrative and Financial Capacity--An employer must have legal authority to operate within the state of Texas, be in good standing and have the financial responsibility and administrative capability to administer the Texas WORKS Internship program.

21.702 Employer Eligibility and Participation Requirements

- (a) Must be a private nonprofit or for-profit entity or a governmental entity;
- (b) Demonstrate the administrative and financial capacity to carry out the employer's responsibilities under the program, including the ability to pay full wages and benefits to a student employed through the program;
 - 1. An employer must demonstrate its ability to properly administer the Texas WORKS Internship program. Administrative capability focuses on the processes, procedures, and personnel used in administering the program and comply with reporting requirements. Eligible employers must have an adequate internal system of checks and balances, monitoring and evaluating marketable skills, authorizing, and disbursing funds, and reporting data accurately and in a timely manner.

2. The Coordinating Board determines an employer's financial capacity based on its ability to meet all its financial obligations, meet third-party financial audit requirements, and satisfactorily resolved any past internship performance violations.
- (c) Must enter into an agreement with the coordinating board;
 - (d) Must provide employment to a student placed through the program in nonpartisan and nonsectarian activities that relate to the student's career interests with identifiable marketable skills;
 - (e) Must use program positions only to supplement and not supplant positions normally filled by persons who are not eligible to participate in the program, as provided by coordinating board rule;
 - (f) Must provide the entirety of an employed student's wages and employee benefits; and submit eligible wages to the coordinating board for reimbursement;
 - (g) An employer is not eligible to participate in the program if the employer is:
 - (1) a public or private institution of higher education in Texas; or
 - (2) a career school or college, as defined by TEC § 132.001
 - (h) Must follow the Civil Rights Act of 1964, Title VI (Public Law 88-353) in avoiding discrimination in admission or employment.

21.703 Employer Agreement

An agreement between the Coordinating Board and participating employers will establish the roles and responsibilities, base wages, Coordinating Board reimbursement amount, minimum work hours for students employed, compliance with hiring and employment laws, and data reporting terms and conditions.

21.704 Employer Reimbursement

All employers will be required to login and have access to the Texas WORKS portal to upload invoices and receive reimbursement for eligible paid student wages.

21.705 Qualified Internship Opportunity

- (a) A qualified internship position must meet a specific set of criteria, including:
 - (1) Internship must identify marketable skills to be strengthened or gained;
 - (2) Internship must be paid;
 - (3) Internship must be at least 8 weeks in duration;

- (4) Intern must work at minimum 12 hours per week;
 - (5) Intern activities may not be political or sectarian in nature;
 - (6) No more than 25% of intern's work can be administrative in nature;
 - (7) No more than 50% of the eligible employer's workforce may be interns; and
 - (8) Federal work study funds may not be received or used for the internship position.
- (b) The Coordinating Board has the right to set a maximum number of internship opportunities per eligible employer.
- (c) In the event that available funds are insufficient to award all selected eligible students, a priority determination clause must be included in the employer agreement to govern placement and reimbursement.

21.706 Student Eligibility

- (a) To be eligible for employment in the Program a person shall:
- (1) be a resident of Texas;
 - (2) be enrolled for at least the number of hours required of a half-time student, and be seeking a degree or certification at an eligible institution the semester prior to the assigned internship;
 - (3) establish financial need in accordance with Board procedures;
 - (4) must be an undergraduate student enrolled in a degree or certificate program at an eligible institution.
- (b) A person is not eligible to participate in the Program if the person has not graduated from high school or received the equivalent of a high school diploma.
- (c) A person may not be employed in more than one Texas WORKS internship at a time.

21.707 Records Retention

All employers participating in the Texas WORKS Internship program shall:

- (1) Maintain its records and accounts of all transactions related to intern placement, benefit and wages for not less than seven (7) years after agreement expiration to ensure a full accounting of all funds received, disbursed, and expended by the employer. A participating employer shall immediately make available, upon request of the Coordinating Board, its representative(s), or an auditing entity authorized by law or regulation, all documents and other information related to the Texas Works Internship program.

- (2) Immediately make available upon request, records and accounts for inspecting, monitoring, programmatic or financial auditing, or evaluation by the Coordinating Board, its representative(s) and an auditing entity authorized by law or regulation for a period not less than seven (7) years, or whichever is later:
- (A) after completion of all services under the Texas Works Internship program, or
 - (B) after the date of the receipt of the participating employer's final claim for reimbursement or submission of the final expenditure report, or
 - (C) upon final resolution of all invoice questions related to the Texas Works Internship program.