

# SNAP Third-Party Reimbursement Guide

Texas Workforce Commission

June 2022

# Table of Contents

Introduction.....	3
Goal of SNAP E&T .....	3
Expected Outcomes .....	3
Eligible SNAP E&T Populations for TPR Initiatives.....	3
Eligibility Considerations for TPR Initiatives .....	4
Referrals from Providers.....	4
TPR Initiative Implementation Steps.....	4
1. Board Submits Letter of Intent to TWC .....	4
2. TWC Updates the SNAP E&T State Plan of Operations .....	5
3. TWC Staff and Board Discuss Expectations and Requirements .....	5
4. Board Establishes Contractual Agreements or MOU with Provider .....	5
5. TPP Begins Service Delivery.....	5
Supplanting and Cost Parity Requirements .....	5
TWIST Codes .....	6
Stipends.....	6
Allowable Costs .....	6
TPR Financial Management and Tracking .....	6
TPR Contributions from TPPs .....	6
1. Consistent Cost Allocation .....	7
2. Staff Time .....	7
3. TPR Funding Agreement .....	7
4. Certification of TPR Expenditures.....	7
Sample Letter of Intent for TPR Initiative .....	8
Recommended Checklist for Contracts with Third-Party Providers .....	10
SNAP E&T Third-Party Reimbursement Funding Agreement Form.....	12
SNAP E&T Third-Party Reimbursement Certification of Expenditures Form .....	14

## Introduction

The US Department of Agriculture's (USDA) Food and Nutrition Service (FNS) permits states to use the 50 Percent Federal Reimbursement Funds (50-50 Funds) to create partnerships with local entities and provide Supplemental Nutrition Assistance Program Employment and Training (SNAP E&T) services to SNAP recipients. Through these third-party reimbursement (TPR) partnerships, third-party partners (TPPs) such as community colleges, local governments, private-sector entities, and community-based organizations supply funding for the provision of SNAP E&T services and are reimbursed up to 50 cents per dollar expended.

TPR models present Local Workforce Development Boards (Boards) with opportunities to expand services to SNAP recipients who may not currently receive them due to funding limitations. Using a TPR model allows local entities to recoup up to half of their service costs, which creates incentive to provide services that help SNAP recipients.

The purpose of this guide is to provide information about:

- SNAP E&T policies and procedures related to the TPR funding model; and
- implementing a TPR initiative under the SNAP E&T program.

## Goal of SNAP E&T

The goal of the SNAP E&T program is to help SNAP recipients improve their ability to enter regular employment and reduce their dependency on public assistance. TPR initiatives must be designed to promote the goal of SNAP E&T.

## Expected Outcomes

The expected outcome for a SNAP recipient in a TPR initiative is full-time unsubsidized employment. Education, training, work experience, or other allowable activities may be provided to a SNAP recipient before he or she searches for work.

SNAP E&T customers served under a TPR initiative are included in federal outcome measures and participant reporting.

## Eligible SNAP E&T Populations for TPR Initiatives

Exempt SNAP recipients and mandatory work registrants may participate in E&T services under a TPR model. Boards have the flexibility to choose the population of SNAP recipients that will be best served by TPR initiatives.

Boards may consider serving SNAP recipients who are:

- federally exempt from work registration;
- residents of minimum-service counties;
- mandatory General Population E&T participants; and
- mandatory Able-Bodied Adults Without Dependents (ABAWDs) E&T participants.

Mandatory work registrants appear in The Workforce Information System of Texas (TWIST) outreach pool nightly. Boards may use the outreach pool as appropriate.

## Eligibility Considerations for TPR Initiatives

Boards that choose to serve exempt individuals must carefully consider the circumstances of each exempt individual to determine whether the individual is a good candidate for participation in a TPR initiative.

Careful consideration must also be given when outreaching ABAWDs because their SNAP benefits are time-limited. To receive SNAP benefits for more than three months in a three-year period, ABAWDs are required to meet the federal ABAWD work requirement. A 10-day outreach requirement applies to all ABAWDs participating under a TPR model in full-service counties.

Under federal law, TANF recipients are not permitted to receive SNAP E&T services.

## Referrals from Providers

If the TPP screens for SNAP eligibility or if a customer of the TPP self-attests to receiving SNAP benefits, the TPP will refer the customer to the Board for verification of benefits or to the Texas Health and Human Services Commission (HHSC) for enrollment in SNAP.

## TPR Initiative Implementation Steps

### 1. Board Submits Letter of Intent to TWC

Boards interested in implementing a TPR initiative must submit a letter of intent to the Texas Workforce Commission (TWC). The letter must include the name of the TPP that the Board is proposing to enter into an agreement with, in addition to the following information:

- Proposed implementation date
- Source of the funds that the TPP will provide (must confirm that the source is nonfederal)
- Amount to be funded for cash contributions
- Amount (if any) to be withheld by the Board for administrative costs
- Assurances that the TPP will expend the full cost of the service to receive the reimbursement
- Assurances that the Board will not supplant federal funds and will ensure cost parity
- Whether the Board will develop a memorandum of understanding (MOU) or contract
- Which SNAP recipients will participate under the initiative—mandatory, exempt, or both
- The anticipated number of SNAP recipients to be served
- The SNAP E&T service or services that will be provided
- Proposed time frames for services (for example, a three- or six-month training period)

Note: A sample letter of intent titled “[Sample Letter of Intent for TPR Initiative](#)” is on page 6 of this document.

## 2. TWC Updates the SNAP E&T State Plan of Operations

Once TWC receives the Board's letter of intent, staff adds detailed information regarding the Board's proposed TPR initiative to the SNAP E&T State Plan of Operations (state plan) or plan amendment, whichever is appropriate.

As the agency with administrative authority over the SNAP program, HHSC submits the state plan or amendment to FNS for review and approval.

## 3. TWC Staff and Board Discuss Expectations and Requirements

After FNS approves the proposed TPR initiative and before the Board implements the initiative, TWC staff meets with the Board to discuss the following:

- Expectations for TPR operations
- TPR fiscal requirements
- Policy and other requirements associated with planning and implementing a TPR initiative

## 4. Board Establishes Contractual Agreements or MOU with Provider

TWC and Boards participating in an approved TPR initiative enter into a SNAP E&T TPR contract. Boards also must enter into a contractual agreement or MOU with all TPPs. See the [Recommended Checklist for Contracts with Third-Party Providers](#) at the end of this document.

## 5. TPP Begins Service Delivery

The TPP participating in the TPR initiative is responsible for the provision of SNAP E&T services. Employability assessment and employment planning must be conducted before enrolling a SNAP recipient into allowable SNAP E&T activities funded through TPR. Boards may case-manage SNAP recipients engaged in TPR-funded programs or leave case management to the provider, as appropriate; however, case management must be provided throughout participation under the TPR initiative. This includes tracking and reporting allowable activities and support services in TWIST. For more information on the requirements of case management, see [the TWC SNAP E&T Guide](#).

## Supplanting and Cost Parity Requirements

In accordance with 7 CFR §273.7(d)(1)(ii)(C), federal SNAP E&T funds used for activities within the education component must not supplant nonfederal funds for existing educational services and the costs charged to E&T must not exceed the costs charged for non-E&T participants.

An agency must charge the federal government consistently with how other participants and local, state, or federal grants are charged. If a service is offered at no cost to non-E&T participants and it is not allocated to any other grant, a TPP may not charge the SNAP E&T cost category.

SNAP E&T may not be charged for the difference between the actual costs of instruction and tuition and fees that are charged to the public. For example, if a subsidy is available to all students at no cost but charged to SNAP E&T, SNAP recipients are not receiving the same benefits as other students, and, in so doing, state funds are supplanted.

## TWIST Codes

The following fund codes are to be used for the TPR initiative:

- 83 – TPR ABAWD
- 85 – TPR SNAP E&T General Population

These fund codes must be used in the SNAP E&T *Program Detail* in TWIST. All SNAP E&T TPR activities and support services must be entered into TWIST in the same manner as regular SNAP E&T activities and support services.

## Stipends

Stipends given to participants as an incentive to participate or continue participating in a SNAP TPR initiative are not eligible for reimbursement.

## Allowable Costs

Allowable Costs for SNAP E&T Partnerships—SNAP E&T allowable activities and support service expenses must be reasonable, necessary, and directly related to allowable SNAP E&T activities.

Reasonable Costs—A cost is reasonable if the amount does not exceed that which a prudent individual would pay under the circumstances prevailing at the time the decision was made to incur this cost.

Necessary Costs—Necessary costs are incurred to carry out essential functions that cannot be avoided without adversely affecting program operations.

## TPR Financial Management and Tracking

### TPR Contributions from TPPs

TWC accepts TPR public- or private-entity contributions that are:

- not used to match other federal funds;
- not federal funds;
- for the provision of allowable SNAP E&T services to SNAP recipients participating in the TPR initiative; and
- certified by both the TPP and the Board.

## 1. Consistent Cost Allocation

If the TPP allocates costs to other federal, state, and local grants for non-SNAP recipients, the TPP must charge consistently with how other participants and local, state, or federal grants are charged, and in accordance with federal grant laws. If a service is offered at no cost to non-SNAP E&T participants and it is not allocated to any other grant, the TPP may not charge it to the SNAP E&T 50 percent reimbursement grant.

## 2. Staff Time

The TPP must track and invoice for staff time spent on SNAP E&T services and must keep time records to bill for its staff.

## 3. TPR Funding Agreement

Boards must complete the SNAP E&T Third-Party Reimbursement Funding Agreement Form and submit the form to TWC. A copy of this form is on page 11.

## 4. Certification of TPR Expenditures

Boards must use the Third-Party Reimbursement Certification of Expenditures Form (certification form) to submit certifications of expenditures to TWC.

To ensure accountability of certified expenditures from TPPs, TWC will not accept certified expenditures without a certification form. Boards must ensure that the certification form is complete and that it lists the TPP contributing the funds. A copy of the certification form is on page 13.

# Sample Letter of Intent for TPR Initiative

, 20XX

Mr./Ms. Full Name

Title

Name of Workforce Development Board

dba Workforce Solutions Name

Address

City, Texas ZIP Code

Dear \_\_\_\_\_ :

This letter is to inform the Texas Workforce Commission of the \_\_\_\_\_ Workforce Development Board's (Board) intent to implement a Supplemental Nutrition Assistance Program Employment and Training (SNAP E&T) Third-Party Reimbursement (TPR) initiative. The Board will establish a local partnership with \_\_\_\_\_ for the provision of SNAP E&T services to approximately \_\_\_\_\_ (mandatory or exempt) SNAP recipients for Federal Fiscal Year \_\_\_\_\_.

## **Type of Initiative**

Description of initiative: \_\_\_\_\_

Services provided by the partner: \_\_\_\_\_

Description of cash contribution: \_\_\_\_\_

Planned TPR costs: \_\_\_\_\_

Proposed expenditures: \_\_\_\_\_

## **1. Source of Funding and Amount To Be Funded**

The source of the third-party funding is nonfederal private nonprofit (or for-profit) funding. The nonfederal dollars are not used to match other federal funding. The funding received from \_\_\_\_\_ is to be used for the following:

- Allowable SNAP E&T activities in the amount of \$ \_\_\_\_\_
- Allowable SNAP E&T support services in the amount of \$ \_\_\_\_\_

## **2. Assurances**

Funds made available for this TPR initiative will be used to provide allowable SNAP E&T services to SNAP recipients (mandatory and/or exempt).

## **3. Contract or Agreement**

The Board and the entity with which it partners will enter into a contract or memorandum of understanding (MOU) upon approval from TWC. The Board will provide TWC with a copy of the contract or MOU.



## **Implementation Date**

The expected implementation date for this initiative is \_\_\_\_\_. The Board and the entity with which it partners will establish the timeline for implementation and will work together to meet this timeline.

### **4. Requirements for Implementing SNAP E&T Services**

- SNAP eligibility will be verified by \_\_\_\_\_ before any SNAP E&T services and support services are provided.
- Only the services outlined in TWC Chapter 813 Supplemental Nutrition Assistance Program Employment and Training rules will be provided.
- The Board will follow the TWC SNAP E&T Guide when providing services through the TPR initiative.
- Support services allowable under SNAP E&T (for example, transportation, child care) will be provided to SNAP recipients who request them.
- All services and support services will be tracked and reported in The Workforce Information System of Texas (TWIST) by \_\_\_\_\_ (Board, entity, or Workforce Solutions Office staff).
- The appropriate TWIST sub-fund code will be used to identify the SNAP recipients participating under the TPR initiative and to differentiate the TPR initiative from regular SNAP E&T services.

## Recommended Checklist for Contracts with Third-Party Providers

TWC recommends that the contract or memorandum of understanding (MOU) between the Local Workforce Development Board and the TPP, at a minimum, include the following:

- ✓ **Scope of Services**

This section outlines the responsibilities of the state agency and the TPP. This section must identify which party will assess SNAP recipients, place them in an activity, monitor progress, and issue SNAP E&T support services.
  
- ✓ **Fiscal Responsibilities**

This section identifies which party will pay for what and outlines allowable expenditures. If the TPP is providing the funds for the project, this section must explain that the state agency will not be providing the nonfederal share. This is important if the TPP will be providing the state share of the funding for the project.
  
- ✓ **Invoice Method and Frequency**

This section describes how often invoices will be submitted (for example, monthly or quarterly). Boards must receive a detailed invoice from the TPP that is providing SNAP E&T services. For agreements with institutions of higher education, FNS recommends that the university or community college invoice for tuition be based on the withdrawal deadline for classes.
  
- ✓ **Recoupment Clause**

If the program involves payment up front, such as tuition at a community college, there must be a protocol for students who lose SNAP benefits midway through a class or program and are no longer eligible for SNAP E&T services.
  
- ✓ **Performance and Outcome Measures**

This section details how the TPP will monitor performance, and how and how often performance outcomes will be reported.
  
- ✓ **Audits**

This section details how often the TPP will be audited and what the audit entails.

- ✓ Legal Binding  
This section outlines the responsibilities of the agreement, which both parties sign in acceptance. Signatures of appropriate personnel from the TPP and the state agency agreeing to the terms of the contract are required.
  
- ✓ Termination Provisions  
This section outlines termination provisions for circumstances beyond the control of the contractor or termination due to lack of federal funding.
  
- ✓ Copyright Provision  
Any audio and/or visual material, software, or other works that the federal government pays for must be provided with a nonexclusive, royalty-free right to use and to authorize others to use these materials. (TWC may copyright the material.)
  
- ✓ Additional Adherence  
This section details additional adherence to various federal contract provisions, including requirements related to clean air and water, equal employment opportunity, and the Copeland “Anti-kickback” Act and Davis-Bacon Act for wages and salaries. These items may be grouped together in a general statement that federal procurements rules and regulations will be followed; however, the first and second provisions must be stated explicitly in the contract.
  
- ✓ Records Retention  
For auditing purposes, records must be retained for a minimum of three years.
  
- ✓ Required Clauses  
Language in this section must specify that program records will be made available to the state and/or USDA FNS upon request. Clauses that require confidentiality and compliance with civil rights provisions must also be included in this section.

# SNAP E&T Third-Party Reimbursement Funding Agreement Form

Board Name	
Board Address	
Contact Name Contact Phone Contact Email	
TPP Name	
TPP Address	
Type of Entity	
Fiscal Agent Name	
Federal Employer ID	
Contact Name Contact Phone	
Contact Email	

<b>TPP FUNDING AMOUNT</b>
Amount TPP pledges for the provision of allowable SNAP E&T activities: \$
Amount TPP pledges for the provision of allowable SNAP E&T support services: \$

The third-party partner (TPP) identified above pledges the local funds as indicated for the Texas Workforce Commission (TWC) to reimburse the TPP for a percentage of the total cost incurred for serving Supplemental Nutrition Assistance Program (SNAP) recipients. The local funds will be used for the provision of allowable SNAP Employment and Training (E&T) activities and support services in the following local workforce development area: \_\_\_\_\_.

All parties understand and agree that: (1) the local entity or entities will supply funding for the provision of SNAP E&T services and support services to SNAP recipients participating under

the TPR initiative; and (2) the entity will be reimbursed a percentage of federal 50 percent funding.

**SIGNATURES:** The individual signing this agreement on behalf of the TPP or the Board hereby warrants that he or she has been fully authorized to:

- execute this agreement on behalf of his or her organization; and
- validly and legally bind his or her organization to all terms, performances, and provisions of this agreement.

For the faithful performance of this agreement as delineated, the parties below affix their signatures and bind their agencies, effective \_\_\_\_\_, and continuing through \_\_\_\_\_.

	TPP	Local Workforce Development Board
Signature		
Name		
Title		
Email		

Submit this SNAP E&T Third-Party Reimbursement Funding Agreement form to:  
[TPR\\_Coordinator@twc.texas.gov](mailto:TPR_Coordinator@twc.texas.gov)

or

Texas Workforce Commission  
Workforce Program Policy  
Attn: TPR Coordinator  
101 E. 15th Street, Room 404-T  
Austin, Texas 78778-0001

# SNAP E&T Third-Party Reimbursement Certification of Expenditures Form

**Instructions:** The purpose of this form is to: (1) provide the Texas Workforce Commission (TWC) with information about completed third-party reimbursement (TPR) contributions; (2) accompany contributions the Local Workforce Development Board collects from third-party partners (TPPs) and remits to TWC as 50 percent funding reimbursement; and (3) collect signed attestations from TPPs for completion of certification of SNAP E&T TPR expenditures that those contributors pledged to the Board as reimbursement for services provided to SNAP recipients. Boards may provide this form to TPPs to sign but must collect this form and any related payment from the contributor. Boards must use the charts below to list TPR contribution expenditures by individual contributor, type, and amount. For more than four contributors, Boards must submit additional forms, as needed.

Only Boards may submit this form and related payments to TWC. TPPs must not send this form or related payments directly to TWC. Information on submitting this form to TWC is at the end of this document.

**Name of Board:** Click or tap here to enter text.

**Date:** Click or tap here to enter text.

**Board Contact Name:** Click or tap here to enter text.

**Board Contact Email:** Click or tap here to enter text.

**Board Contact Phone:** Click or tap here to enter text.

TPP INFORMATION				
	TWC Contract #	Contributor Legal Name or DBA	Contributor Tax ID	Expenditures
1.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.
2.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.
3.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.
4.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.

TOTAL EXPENDITURES FOR CERTIFICATION	\$ Click or tap here to enter text.
--------------------------------------	-------------------------------------

CERTIFIED TPR 50 PERCENT FUNDING REIMBURSEMENT	
Type of Expenditure	Amount
TPR—Administration	Click or tap here to enter text.
TPR—Direct Program	Click or tap here to enter text.
TPR—Support Services (Transportation)	Click or tap here to enter text.
TPR—Support Services (Other Than Transportation)	Click or tap here to enter text.
Total Expenditures for Reimbursement	\$ Click or tap here to enter text.
Subcontract Period	Click or tap here to enter text.

The certified expenditures are to be used to draw available federal 50 percent SNAP E&T funds as authorized by 7 USC §2025 Administrative Cost Sharing and Quality Control. By signing below, the TPP listed in the TPP Information chart above certify that the funds specified above: (1) are not federal funds; (2) are not used to match other federal funds; and (3) represent expenditures eligible for reimbursement.

**Board Rep. Signature:** Click or tap here to enter text.      **Date:** Click or tap here to enter text.

**Contributor Signature:** Click or tap here to enter text.      **Date:** Click or tap here to enter text.

**Contributor Signature:** Click or tap here to enter text.      **Date:** Click or tap here to enter text.

**Contributor Signature:** Click or tap here to enter text.      **Date:** Click or tap here to enter text.

**Contributor Signature:** Click or tap here to enter text.      **Date:** Click or tap here to enter text.

Submit remittances and payments with the certification of expenditures form attached to:

Texas Workforce Commission  
 Attn: Revenue and Trust Management, Depository Section  
 P.O. Box 322  
 Austin, Texas 78767

Submit this signed certification of expenditures form to: [Payables.CDER@twc.texas.gov](mailto:Payables.CDER@twc.texas.gov)

or

Texas Workforce Commission  
 Attn: Contracts Payables Unit  
 101 E. 15th Street, Room 470  
 Austin, Texas 78778-0001