# PART C, CHAPTER 10.3: POSTSECONDARY: PROPRIETARY SCHOOLS

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| **Policy Number** | **Authority** | **Scope** | **Effective Date** |
| Part C, Chapter 10.3 | 34 CFR [§361.48(b)(6)](https://www.ecfr.gov/current/title-34/part-361#p-361.48(b)(6)), TWC Rule [§856.45](https://texreg.sos.state.tx.us/public/readtac$ext.TacPage?sl=R&app=9&p_dir=&p_rloc=&p_tloc=&p_ploc=&pg=1&p_tac=&ti=40&pt=20&ch=856&rl=45), and [TEC §132](https://statutes.capitol.texas.gov/Docs/ED/htm/ED.132.htm) | All TWC-VR staff | 9/3/2024 |

## PURPOSE

In accordance with the authority (Federal and State) listed above, this policy is issued by the Texas Workforce Commission Vocational Rehabilitation Division (TWC-VR). Adherence to these rules and regulations issued under the Rehabilitation Act of 1973, as amended by Title IV of the Workforce Innovation and Opportunity Act (WIOA), supports Texans with disabilities in gaining, maintaining, and advancing in competitive integrated employment (CIE).

Specifically, the purpose of this policy and these procedures is to ensure adherence to the provision of education and training services purchased or arranged by TWC-VR at Proprietary Schools.

## DEFINITIONS

Informed Choice: The means by which a customer chooses their rehabilitation path, from options based on their needs and circumstances and the VR program's rules, as it relates to choosing education and training services and the providers of those services.

## POLICY

### General Overview

Career and Technical Schools, also known as proprietary or for-profit schools, offer a variety of education and training programs designed to prepare students for specific careers or industries. These schools provide vocational and technical training in fields such as healthcare, cosmetology, culinary arts, automotive technology, and information technology, among others.

These schools play a vital role in meeting the demand for skilled workers in various industries and contribute to economic growth and workforce development in Texas.

Proprietary Schools may not always be regionally accredited like traditional colleges and universities. Many programs within these schools may hold programmatic accreditation from industry-specific accrediting bodies. This accreditation ensures that programs meet established standards of quality and rigor and may lead to recognized credentials. All vocational or career-specific training providers who charge tuition and fees, including individuals that provide training, are defined as "schools."

### Licensure or Certificate of Approval

Proprietary schools must—

* Have been reviewed by the appropriate regulatory entity;
* Offer approved curricula; and
* Hold a license to operate a career school or college.

In order for TWC-VR to purchase training from proprietary schools, they need to be set up as TWC-VR training providers.

Proprietary schools must be licensed or certified by TWC or another regulatory agency such as the Texas Department of Licensing and Regulation. For a list of TWC licensed schools, refer to [Licensed Career Schools and Colleges Directory Search](https://apps.twc.state.tx.us/CSC/directory/search.do). For a list of certified schools, refer to the [Eligible Training Provider System](https://twc.texas.gov/partners/eligible-training-providers).

### Recognized Credentials and Measurable Skill Gains (MSG)

Education and training services may result in MSGs (e.g., transcript, training progress) and a recognized credential (e.g., bachelor’s degree, vocational license). All credentials and MSGs achieved during participation in TWC-VR services must be entered in the Education History page in RHW.

### Additional Policy Considerations

* Comparable Services and Benefits: TWC-VR must not expend funds on education and training services unless the VR counselor and the customer have made maximum efforts to secure comparable services and benefits from other sources to pay for services.
* Customer Participation in the Cost of Services: A customer's eligibility for TWC-VR services does not depend on the customer's income or liquid assets; however, if the customer's net income or liquid assets exceed the Basic Living Requirements (BLR), the customer must participate in the cost of services unless an exception is granted.
* Recipients of Social Security Disability Benefits: Recipients of Supplemental Security Income (SSI) or Social Security Disability Insurance (SSDI), due to the customer’s disability, are exempt from the requirement to participate in the cost of TWC-VR services regardless of income.
* Exceptions to Policy: When necessary to meet the VR needs of a customer, TWC-VR staff members may request exceptions to policies and procedures through their chain of management up to the Deputy Division Director of Field Services Delivery, or designee. However, exceptions to policies and procedures based on Federal and State laws, statutes, and rules or regulations are not allowable.

## PROCEDURES

### Assessment for Training at a Proprietary School

Customers must meet the minimum standards for acceptance to any school that is sponsored by TWC-VR; the proprietary schools must be identified as the provider for the service in the customer's Individualized Plan for Employment (IPE) or IPE amendment.

Before completing the IPE, the VR Counselor assesses the customer's potential to benefit from and successfully complete training. The assessment includes a review of the customer's—

* Previous academic achievements (grades, degrees, and certificates);
* Existing or new cognitive evaluations;
* Need for, or history of, remedial classes;
* Independent living skills;
* Ability to manage the related time demands;
* Need for assistive technology or accommodations in a training environment; and
* Need for non-VR supports for participation.

It is critical for VR Counselors and customers considering proprietary schools to research the accreditation status of the programs in which they are interested and to verify that they lead to recognized credentials accepted by employers and industry organizations. Additionally, students should consider factors such as program outcomes, job placement rates, and alumni satisfaction when evaluating the quality and reputation of proprietary schools.

### IPE Requirements

In addition to the general requirements for developing an IPE, an IPE that includes training services must also include the following:

* An employment goal that is directly associated with the sponsored training;
* The specific definition of satisfactory progress such as minimum grades requirements and attendance;
* The credit hours required for each semester or grading period;
* Statements of specific customer and VR responsibilities; and
* A statement about the requirement to apply available Federal financial aid (e.g., the Pell Grant and other funding that does not require repayment) to the cost of training before TWC-VR funds are authorized.

The IPE must be written for the entire length of the agreed-upon training at the proprietary institution and can be amended throughout the life of the case. Customers must meet the institution's requirements for attendance, progress, and grades for each grading period.

When completing the IPE, the VR Counselor must not include specific rates of tuition and fees. Rather, the VR Counselor should refer to the rates as "will pay amounts per policy."

### Admission and Registration

The customer must complete all admission and registration procedures required by the proprietary school. Ideally, the customer learns to complete these requirements on their own, but until they are able, the VR Counselor works with the customer on self-advocacy, independence, and any other related issues that arise. The level of coaching regarding the completion of the admission and registration procedures should be individualized, based on the customer's unique needs and circumstances.

### Required Time Frames for Completion at Proprietary Schools

VR customers are expected to complete TWC-VR purchased training within a reasonable time and in accordance with their training plan.

* Training Time Frames: When a student is enrolled full time, VR sponsorship of training through a proprietary school must be completed within the time frames established by the school for full-time enrollment.
* Prorated Time Frames: When a customer has spent time in a proprietary school before TWC-VR funds were used to purchase the training, the VR Counselor must consider the credit hours already earned that apply to the current training plan. The required timeframes for completion are then based on the school’s training plan, which must be based on full-time enrollment, unless the full-time enrollment requirement is justified in a case note and approved.

The VR Counselor documents the justification for the prorated time frame in a case note and includes the agreed-upon time frame in the customer's IPE or IPE amendment.

### Maximum Payment for Proprietary Schools

The maximum amount TWC-VR can pay for tuition and fees combined for full-time enrollment at a proprietary school, after comparable benefits and BLR is applied, is the lesser of—

* $136 per semester hour; or
* $4,080 per year.

These rates are based on one standard deviation above the average annual college costs of tuition and fees in Texas.

### Out-of-State Proprietary Schools

Out-of-state proprietary schools that provide training to a customer must meet all the following criteria:

* The school must be legally authorized by the State of its physical location to offer postsecondary education and award degrees;
* The school must be accredited by a regional or national accrediting organization recognized by the U.S. Secretary of Education under the Higher Education Act of 1965; and
* The school must offer in Texas only postsecondary distance or correspondence programs of instruction (i.e., no physical location in Texas).

If the school meets the criteria listed above, it must take the actions listed on the [TWC Out-of-State Distance Education Institutions](https://twc.texas.gov/partners/out-state-distance-education-institutions) website.

If the school does not meet all the criteria, an explanation of both TWC's licensing and exemption processes is contained on the [TWC Career Schools and Colleges Resources](https://www.twc.texas.gov/programs/career-schools-colleges) website.

### Out-of-State Training at a Proprietary School

When a customer chooses to attend an out-of-state proprietary school, even though a comparable training school is available in Texas, the VR Counselor—

* Documents in a detailed case note why the customer chose an out-of-state school; and
* Follows payment procedures to determine the maximum amount that TWC-VR may pay to the out-of-state school.

## APPROVALS & CONSULTATIONS

TWC-VR staff must follow the following approvals and consultations:

*Approvals*

* *VR Supervisor Approval is required when there is justification for exceptions to the limitations for tuition and fees.*
* *VR Supervisor Approval is required when TWC-VR funds will be used for training that exceeds the time frame for completion. The approval should be requested as soon as it is apparent that the timeframes will be exceeded.*

*Consultations*

* *State Office Program Specialist(s) for Proprietary Training consultation is required* to verify that the school in question has the necessary licenses and accreditations and is properly linked in RHW when exceptions to the limitations for tuition and fees are being considered.

## REVIEW

The Policy Planning and Statewide Initiatives Team, or designee, is responsible for reviewing this policy and these procedures and will update the Document History log if necessary.

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| **Date** | **Type** | **Change Description** |
| 9/3/2024 | New | VRSM Policy and Procedure Rewrite |