

Recovery of WIOA Tuition and Training Refunds Policy

Policy Memorandum 24-04

Date: October 30th, 2024

To: All WIOA Staff and Service Providers

Purpose: This policy provides the guidance and establishes the procedures regarding the recovery of Workforce Innovation and Opportunity Act (WIOA) tuition and training refunds.

Rescissions: N/A

References: WIA Individual Training Accounts; WIOA Sections 134(c)(3)(F)(i) – (iv), and 185(c)(3) Title 2 Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance); Title 20 CFR, WIOA Final Rule, Sections 680.230, 680.300, and Section 683.410(a)(1); One-Stop Comprehensive Financial Management Technical Assistance Guide (TAG), Department of Labor (DOL), July 2002, Section II-6-10, Title 2 CFR Part 2900, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Department of Labor Exceptions); Employment Development Department Directive dated February 20, 2020, WSD19-10 Recovery of WIOA Tuition and Training Funds;

Background:

The WIOA Final Regulations, Title 20 CFR 683.410(a)(1) states it is the responsibility of the WIOA Title I subrecipient, known locally as the Santa Cruz County Workforce Development Board (WDB) and each contracted service provider to conduct regular oversight and monitoring of its WIOA activities and those of its contracted services providers in order to determine expenditures have been made against the cost categories and within the cost limitations specified in WIOA and the regulations. The WDB conducts annual fiscal and programmatic monitoring of its' WIOA contracted service providers and training vendors on the Eligible Training Provider List (ETPL).

The ETPL is a state list of training providers who are eligible to received WIOA Title I, subtitle B funds for training services. Training providers must be approved by the state and be listed on the CalJOBS state system to be considered locally to be on our local ETPL. WDB establishes a County Master Agreement stipulating terms and conditions to be an approved Santa Cruz County training provider.

Employment Development Department Directive dated February 20, 2020, WSD19-10 Recovery of WIOA Tuition and Training Funds requires ALL subrecipients of WIOA funds must produce and maintain a written policy/procedure at the local level to ensure the recovery of unused WIOA training monies.

Policy:

All WIOA participants who are enrolled in WIOA-funded training, from the ETPL, must be covered by the training institution's tuition refund policy. In the absence of a refund policy established by the training institution, WDB must negotiate a reasonable refund policy with the training site during the process of completing a master agreement. The refund policy shall be reviewed and established prior to a WIOA participant entering training.

The County Master Agreement between the WDB and the training provider will ensure that the training provider is aware of this policy.

The WDB will verify the refund policy of the training provider for early termination of the participant from the training program. Prior to participants entering training, WDB shall ensure the refund policy includes the following:

- Percentage of the advanced payment to be returned upon non-completion of courses.
- Turnaround time of refund.
- Time spent in training before a refund will no longer be honored.
- Requirement for the training provider to immediately notify the subrecipient if a WIOA participant drops out of a training program during the period when tuition can be refunded.

The Santa Cruz County WDB will obtain the designated training provider's standard policy regarding the amount of tuition that must be paid in advance to enroll or accept a participant.

Contracted Service Responsibilities

WIOA contracted services provider shall:

- Be responsible for acknowledging/determining a refund is due for early termination of a WIOA participant's training and communicate immediately with Santa Cruz County Fiscal.
- Maintain, at minimum, monthly tracking to determine the WIOA participant is still receiving training and to ensure prompt return of any unused training monies. Case note entry in CalJOBS regarding the contact with the training provider.
- Each month WIOA contracted services provider shall check with training providers to ensure WIOA participants are still in the training program. If services are no longer being rendered within the refund timeline agreed upon in the training provider's contract, then a refund for the portion of services not received must be recovered.

If the participant is no longer receiving training services, within the refund timeline agreed upon in the training vendor's contract, then a refund for the portion of services not received must be recovered by notifying the WDB staff and County fiscal for pursuing a refund. This should be done with immediate notification and training vendor shall provide the reason for dropping the participant and the date the action was initiated. Failure to recover these costs will result in an audit finding and disallowed costs.

County Fiscal Responsibilities

Santa Cruz County Fiscal shall:

- Review training vendor invoicing for completion; rejecting incomplete invoices. Per the master agreement, Santa Cruz County Fiscal will not process invoices that exceed the Total WIOA Voucher amount as indicated in the Individual Training Account.
- Be responsible for the collection process of any outstanding training and/or tuition

refund.

Individual Training Account Policy

Per the WIOA Individual Training Account Local Policy Memorandum 16-02, revision 1, Individual Training Account voucher payments will be made in two separate installments for all private, for-profit training vendors as follows:

- Enrollment Payment = 50% Total
- Midpoint Payment = 50% Total

ETPL/Program Monitoring Training Vendor Monitoring Findings

The WDB conducts regular oversight and annual monitoring of its WIOA contracted services providers and training vendors to determine whether expenditures have been made against the cost categories and within the cost limitations specified in WIOA and the regulations.

During a monitoring, should it be discovered that training services were not provided, a corrective action is required, and failure to take timely action to be in compliance may result in removal from ETPL.

Action: All WIOA Staff and Service Providers will comply with Recovery of WIOA Tuition and Training Funds policy. This policy memorandum is on-going and effective immediately.

Inquiries: Any questions regarding this policy memorandum may be directed to the WDB Director and/or designee.

Attachments: None

This policy authorized by: the Executive Committee of the Workforce Development Board on September 25th, 2024 and Workforce Development Board, October 30th, 2024