



APPROVAL DATE: 3/23/10
APPROVED BY: Betty Baker, WIB Chair

**COUNTY OF SAN LUIS OBISPO
DEPARTMENT OF SOCIAL SERVICES**

POLICY NO: 10-08
TO: Service Providers
EFFECTIVE: April 1, 2009
SUBJECT: Recovery of Tuition and Training Refunds

REFERENCES:

- One-Stop Comprehensive Financial Management Technical Assistance Guide (TAG), Department of Labor, July 2002, Chapters II-6-9, WIA Individual Training Accounts (ITA)
- Workforce Investment Act (WIA) Section 185(c)(3)
- Title 20 Code of Federal Regulations (CFR), WIA Final Rule, Section 667.410(a)(1)
- Title 20 CFR Part 663, Subpart D
- Title 29 CFR Part 97.37
- Office of Management and Budget Circulars (OMB) A-87, Cost Principles for State, Local and Indian Tribal Governments
- State of California WIA Information Bulletin WIAB03-94, Recovery of WIA Tuition and Training Refunds (June 23, 2004)
- State of California WIA Directive WIAD04-4, Recovery of WIA Tuition and Training Refunds (August 18, 2004)

PURPOSE:

This policy restates the requirement to have policies and procedures in place to recover WIA training and/or tuition refunds.

BACKGROUND:

The WIA Final Rule, Title 20 CFR 667.410(a)(1) states it is the responsibility of the recipient and each subrecipient to conduct regular oversight and monitoring of its WIA activities and those of its subrecipients and subrecipients in order to determine expenditures have been made against the cost categories and within the cost limitations specified in WIA and the regulations.

POLICY AND PROCEDURES:

Program operators in receipt of WIA funds must produce and maintain a written policy/procedure to ensure the recovery of unused WIA training monies. The procedure must include at a minimum the following information:

- The staff person who is the responsible party for acknowledging/determining a refund is due for early termination of a participant's training.
- How often a participant's participation is reviewed to determine whether he or she is still receiving training and to ensure prompt return of any unused training monies.
- Who is responsible for the collection process of any outstanding training and/or tuition refund.

Program operators must 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. The One-Stop Comprehensive Financial Management Technical Assistance Guide, Chapter II-6-9, states that "unless specifically required as a condition of attendance, as in a tuition payment required before beginning a formal training course, payment should not be made in advance of the receipt of services." Program operators should negotiate any advanced payments with the training provider in order to minimize out of pocket expense prior to the start of training.

Program operators must also verify the refund policy of the training provider for early termination of the participant from the training program. Items to research and consider are:

- 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; and
- Requirement for the training provider to notify the subrecipient of early participant dropout

These agreements must be in the form of a contract with the training provider to ensure prompt refund of any unused WIA funds for early participant dropout.

Each month program operators must check with training providers to ensure participants are still in the training program. If unable to check monthly, the program operator must request an extension in writing from DSS to perform this check less frequently, but at least quarterly. The requests will be reviewed and approved by the Administrative Entity for the WIB. If services are no longer being rendered within the refund time line agreed upon in

the training provider's contract, then a refund for the portion of services not received must be recovered. Failure to recover these costs by the program operator will result in an audit finding and disallowed costs.

ACTION:

Program operators authorized by the WIB to use WIA funds for tuition must submit a written policy addressing the requirements in this policy.

The Administrative Entity for the WIB and its service providers shall follow this policy. This policy will remain in effect from the date of issue until such time that a revision is required.

INQUIRIES:

Inquiries should be addressed to WIB Admin at wibadmin@co.slo.ca.us.

REVISION HISTORY:

<i>DATE</i>	<i>DETAILS</i>
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