



# Recovery of Tuition and Training Refunds

Department: Office of Economic & Workforce Development

Effective Date: March 1, 2023

Directive #: WDD 23-33

Supersedes: 33-12

## **PURPOSE**

This policy provides the guidance and establishes the procedures regarding the recovery of Workforce Innovation and Opportunity Act (WIOA) tuition and training refunds. This policy applies to all San Francisco Job Centers administering WIOA Individual Training Accounts (ITAs) and is effective immediately.

## **REFERENCES**

- [One-Stop Comprehensive Financial Management Technical Assistance Guide \(TAG\)](#), Department of Labor (DOL), July 2002, Section II-6-10, 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 2 CFR Part 2900](#), Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Department of Labor Exceptions)
- Title 20 CFR, WIOA Final Rule, [Sections 680.230, 680.300](#), and [Section 683.410\(a\)\(1\)](#)
- [State of California EDD Workforce Services Directive WSD19-10](#), Recovery of WIOA Tuition and Training Refunds (February 20, 2020)

## **BACKGROUND**

The WIOA Final Rule, Title 20 CFR 683.410(a)(1) states it is the responsibility of the recipient and each subrecipient to conduct regular oversight and monitoring of its WIOA activities and those of its subrecipients and contractors in order to determine whether expenditures have been made against the cost categories and within the cost limitations specified in WIOA and the regulations.

## **POLICIES AND PROCEDURES**

All subrecipients of WIOA funds must produce and maintain a written policy/procedure to ensure the recovery of unused WIOA training monies. The Required Elements for the tuition recovery policy/procedure should include but not be limited to the following:

- Who the responsible party is for acknowledging/determining a refund is due for early termination of a participant's training
- How often the participant is tracked to determine the participant 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

- Process requirement (per EDD): Each month subrecipients should check with training providers to ensure clients are still in the training program. If not able to check monthly, the subrecipient must check at least quarterly. 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. Failure to recover these costs will result in an audit finding and disallowed costs

The policy/procedure must also:

- Have a general use policy
- Specify the circumstances in which the OEWD will require a refund for over-invoiced training
- Clearly define the recovery process the OEWD/Job Centers will use for over-invoicing or for services not provided

Additionally, the policy/procedure shall also include:

- Direction to 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, that includes:
  - 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 time period when tuition can be refunded
- ITA administrators should negotiate any advanced payments with the training provider in order to minimize out of pocket expense prior to the start of training
- It is recommended to have these agreements in the form of a contract with the training provider to ensure prompt return of any unused WIOA funds for the early dropout of a participant

## **INQUIRIES**

Inquiries should be addressed to the OEWD Director of Workforce Strategy at (415) 701-4848 or email [workforce.connection@sfgov.org](mailto:workforce.connection@sfgov.org).

*OEWD 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.*