



**DATE:** August 28, 2020

**DIRECTIVE NO:** 53-20

**RECISSION:** La Cooperativa Directive No. 22-09

**TO:** All La Cooperativa Subrecipients

**SUBJECT:** Recovery of WIOA Tuition and Training Refunds

**REFERENCES:**

- WIOA Sections 134(c)(3)(F)(i) – (iv), and 185(c)(3)
- Title 20 CFR, WIOA Final Rule, Sections 680.230, 680.300, and Section 683.410(a)(1)
- 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)
- One-Stop Comprehensive Financial Management Technical Assistance Guide (TAG), Department of Labor (DOL), July 2002, Section II-6-10, WIA Individual Training Accounts

**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 La Cooperativa Campesina de California (LCCDC) subrecipients.

**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. A previous DOL audit found that some subrecipients do not have a process or procedure in place for the recovery of unused WIOA training monies and/or tuition refunds.

**POLICY AND PROCEDURES:**

1107 9<sup>th</sup> Street, Suite 420, Sacramento, CA 95814 - (916) 388-2220 - Fax (916) 388-2425



All LCDCC subrecipients must maintain a written policy/procedure at the local level to ensure the recovery of unused WIOA training monies. The 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.

In addition, the subrecipient's policy/procedure must (1) establish general policy, (2) specify the circumstances in which it will require a refund for over-invoiced training, and (3) must clearly define the recovery process the subrecipient will use for over-invoicing or for services not provided.

Subrecipients must document the standard policy regarding the amount of tuition that must be paid in advance to enroll or accept a participant. The DOL TAG, Section II-6-10, 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."

The subrecipient must also document the refund policy for early termination of the participant from the training program. Items that should be documented include 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.
- if a WIOA participant drops out of a training program during the time period when tuition can be refunded that the designated staff responsible for recovery of the refund is immediately notified.

Each month subrecipients should monitor their process 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 time line, then a refund for the portion of services not received must be recovered. Failure to recover these

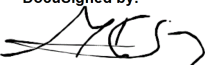
costs will result in an audit finding and disallowed costs.

**ACTION:**

LCCDC and its subrecipient 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 Marina Tapia at 916-388-2224.

DocuSigned by:  
  
3E7F6A7E361E4C8...

Marco Lizarraga  
Executive Director