



CITY AND COUNTY OF SAN FRANCISCO  
GAVIN NEWSOM, MAYOR

OFFICE OF ECONOMIC  
AND  
WORKFORCE DEVELOPMENT

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**DIRECTIVE NO:** 33-07  
**TO:** WIA Service Providers  
**EFFECTIVE:** July 1, 2007  
**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 directive provides guidance regarding policy and procedures for the recovery of 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:**

All intensive service providers must produce and maintain a written procedure at the local level 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 customer's training.
- How often a customer'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.

Service providers 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 customer. 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." Subrecipients will negotiate any advanced payments with the training provider in order to minimize out of pocket expense prior to the start of training.

The subrecipient must also verify the refund policy of the training provider for early termination of the customer from the training program. Items to research 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
- Requirement for the training provider to notify the subrecipient of early customer dropout

In instances where this information is not available, subrecipients should establish a written agreement with the training provider to ensure prompt return of any unused WIA funds for early customer dropout.

Monthly but not less than quarterly subrecipients must check with training providers to ensure customers are still in the training program. 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 will result in disallowed costs.

**ACTION:**

The Office of Economic and Workforce Development 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 the WIA Program Manager at 581-2314 or [marc.majors@sfgov.org](mailto:marc.majors@sfgov.org).

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