

COORDINATION WITH PELLGRANTS AND OTHER RESOURCES POLICY #: 150

Date of Current Revision: May 17, 2006

Effective Date: Mar 17, 2006

Purpose: To describe WIA coordination with the Department of Education Pell Grants, Financial Aid and other fund sources.

REFERENCE: Workforce Investment Act Section 134 (d) (4) (B); 20 CFR 663.220

BACKGROUND

To ensure WIA participants have access to the maximum financial resources available for training and support services, WIA service providers shall encourage and assist participants, when appropriate, to apply for Pell Grants, other education-related forms of financial aid and other sources of funds.

Section 134 (d) (4) (B) of the Workforce Investment Act emphasizes: WIA training funds shall be limited to participants who are unable to obtain grant assistance from other sources to pay for their training or require assistance beyond what is available from other sources to pay for their training. WIA training funds are intended to supplement other sources of training grants. WIA participants shall not be required to apply for or access student loans or incur personal debt as a condition of WIA participation.

POLICY:

Program Operators shall consider all available sources of funds excluding loans to cover the full education and education related costs for training and support services. A resource plan shall be developed for each participant that will identify and track the exact mix of funds used to pay for training and supportive services.

Program Operators must ensure that WIA funds are not used to pay for training or services already covered by other sources. Training agreements, particularly with Pell-eligible institutions, should ensure:

1. the institution cannot bill or be paid twice for the same expenses;
2. costs paid for by WIA and by the Pell Grant are clearly identified and documented
3. access is guaranteed to the WIA participant's financial aid records (such as the Student Aid Report (SAR)).

In the case of performance-based contracts, liability for meeting performance benchmarks must remain with the school and the service provider. If the contract conditions payment on the student's successful completion and placement in the occupation trained for at the specified wage, the student shall not be liable to the school for WIA funds withheld under a WIA performance based contract. The school should also be prohibited by the terms of the Training agreement from using Pell funds, or any other federal funding sources, to recoup WIA funds withheld when outcomes are not met.