



CITY OF OAKLAND
OFFICE OF ECONOMIC AND WORKFORCE DEVELOPMENT
OAKLAND WORKFORCE DEVELOPMENT BOARD

DIRECTIVE No: 24-001
EFFECTIVE: July 1, 2024
SUBJECT: Management of Training Funds by Service Providers

PURPOSE

This policy establishes the guidelines under which service providers contracted by the Oakland Workforce Development Board (OWDB) may manage and receive advances of training dollars on behalf of the OWDB, in alignment with federal regulations and local workforce needs.

SCOPE

This policy applies to all service providers who are contracted by the OWDB to manage WIOA-funded training activities, including but not limited to Individual Training Accounts (ITAs), On-the-Job Training (OJT) contracts, customized training, and cohort-based training programs.

POLICY

Service providers contracted by the OWDB may be authorized to manage and receive advances of training funds under the following conditions:

Advance Payments

1. **Eligibility for Advances:**

Service providers may request advance payments for training dollars based on demonstrated need, the type of training program, and the overall budget allocation. Advances can be provided for ITAs, OJT contracts, customized training, and cohort-based training programs. [WIOA Sec. 134(c)(3)(A), 20 CFR 680.330]

2. **Request Process:**

Service providers must submit a formal request for advance payment utilizing the OWDB Training Payment Advance Request Form, including a detailed justification, budget, and proposed payment schedule. Requests should be submitted to the OWDB Executive Director for review and approval. [20 CFR 683.200]

3. Approval and Disbursement:

Advances will be approved based on the provider's financial stability, past performance, and the alignment of the requested advance with the OWDB's strategic goals. Approved advances will be disbursed based on the payment schedule outlined in the service provider's contract. [20 CFR 683.295]

Management of Advanced Funds

1. Fund Allocation:

Service providers must allocate advanced funds in accordance with the approved budget and payment schedule. They are responsible for ensuring that funds are used appropriately and in compliance with WIOA regulations. [WIOA Sec. 134(c)(3)(A), 20 CFR 683.285]

2. Documentation:

Service providers must maintain detailed records of all expenditures made with advanced funds, including receipts, invoices, and participant records. These records must be submitted to the OWDB in periodic financial reports. [20 CFR 683.410]

FINANCIAL ACCOUNTABILITY AND REPORTING

1. Allocation of Funds:

- The OWDB will allocate a set budget to the service provider, including any approved advance payments, based on the number of participants, the type of training, and the anticipated outcomes. [WIOA Sec. 134(c)(3)(A), 20 CFR 683.295]
- The service provider is responsible for ensuring that funds are allocated in compliance with WIOA regulations and the terms of their contract with the OWDB. [20 CFR 683.210]

2. Monitoring and Oversight:

- The OWDB will conduct regular monitoring and oversight of service providers to ensure compliance with WIOA regulations and the effective use of advanced training funds. [WIOA Sec. 116(d), 20 CFR 683.410]
- Service providers must submit regular financial reports detailing the allocation and expenditure of training dollars, including participant outcomes and any challenges encountered. [20 CFR 683.410]

3. Payback and Clawback Provisions:

- In the event of non-completion of training, misuse of funds, or failure to comply with reporting requirements, the service provider may be required to repay the advanced funds to the OWDB. [20 CFR 683.430]
- The OWDB reserves the right to recover funds if it is determined that the service provider failed to comply with WIOA regulations or the terms of their contract. [20 CFR 683.430]

4. Return of Unspent Funds:

- Year-End Reconciliation: At the end of each program year, service providers must reconcile all allocated and advanced training funds. This includes a review of all expenditures, commitments, and obligations. [20 CFR 683.420]
- Unspent Funds: Any training dollars that have not been expended, committed, or obligated by the end of the program year must be returned to the OWDB. This includes funds advanced to service providers. [20 CFR 683.430]
- Reporting of Unspent Funds: Service providers must report the amount of unspent funds to the OWDB by July 20, along with a detailed explanation of why the funds were not utilized. This report should also include any recommendations or improving fund utilization in the following program year. [20 CFR 683.420]
- Reallocation of Funds: The OWDB may reallocate returned funds to other service providers or training initiatives based on the workforce development needs of the community and in accordance with WIOA regulations. [WIOA Sec. 134(c)(3)(A), 20 CFR 683.420]
- Consequences for Non-Compliance: Failure to return unspent funds or accurately report financial activities may result in penalties, including disqualification from future funding opportunities, and may trigger a comprehensive audit by the OWDB. [20 CFR 683.430]

PARTICIPANT CHOICE

1. Participant Involvement

- Participants must be actively involved in the decision-making process regarding their training, including the selection of training providers from the ETPL. [WIOA Sec. 134(c)(3)(B), 20 CFR 680.330]
- Service providers must provide participants with information on all available training options, ensuring that decisions are informed and aligned with the participant's career goals. [WIOA Sec. 134(c)(3)(B), 20 CFR 680.330]

2. Transparency and Communication

- Service providers must maintain open communication with participants, providing clear information on how training funds are being used and the progress of their training. [WIOA Sec. 134(c)(3)(B), 20 CFR 683.285]
- Participants have the right to appeal decisions made by the service provider regarding the allocation of training funds. [20 CFR 683.550]

WAIVERS AND APPEALS

1. Waivers:

- Service providers may request waivers from specific policy provisions in cases where flexibility is needed to address unique participant needs or local labor market conditions. [WIOA Sec. 189(i)(4), 20 CFR 683.550]
- Waiver requests must be submitted in writing to the OWDB Executive Director for approval. [20 CFR 683.550]

2. Appeals Process:

- Participants or training providers who disagree with decisions made by the service provider regarding the allocation of training funds have the right to appeal. [20 CFR 683.550]
- Appeals must be submitted in writing to the OWDB within 30 days of the decision, and the OWDB will review and respond within 30 days of receipt. [20 CFR 683.550]

PROCEDURE

Requesting Advance Payments:

Step 1: Submission of Request

Service providers must submit a written request for advance payment of training dollars, utilizing the OWDB Training Payment Advance Request Form to the OWDB Executive Director for approval. The request must include a detailed justification, budget breakdown, and proposed payment schedule. [20 CFR 683.200]

Step 2: OWDB Review and Approval

OWDB staff will review the advance payment request to ensure alignment with the provider's contractual obligations and compliance with WIOA regulations. The review will consider the provider's financial stability, past performance, and the alignment with the OWDB's strategic goals. [20 CFR 683.295]

Step 3: Disbursement of Funds

Upon approval, the OWDB will disburse the advance payment to the service provider according to the approved payment schedule. The service provider must allocate these funds strictly in accordance with the approved budget. [WIOA Sec. 134(c)(3)(A), 20 CFR 683.295]

Managing Advanced Funds:

Step 1: Allocation and Expenditure Tracking

Service providers must allocate advanced funds according to the approved budget. They must maintain detailed records of all expenditures, including receipts, invoices, and participant records. These records must be submitted to the OWDB in periodic financial reports. [20 CFR 683.410]

Step 2: Reporting and Documentation

Service providers must submit financial reports to the OWDB detailing how the advanced funds have been allocated and expended. These reports should be submitted quarterly and include all supporting documentation. [20 CFR 683.410]

End-of-Year Reconciliation and Return of Unspent Funds:

Step 1: Year-End Reconciliation

At the end of the program year, service providers must reconcile all allocated and advanced training funds. This includes reviewing all expenditures, commitments, and obligations to ensure funds were used appropriately. [20 CFR 683.420]

Step 2: Reporting Unspent Funds

Service providers must report any unspent training dollars to the OWDB by July 20. This report should include a detailed explanation of why the funds were not utilized and any recommendations for improving fund utilization in the following program year.

COMPLIANCE

This policy shall be implemented in compliance with all applicable WIOA regulations and federal, state, and local laws.

REVIEW

This policy shall be reviewed annually by the OWDB and amended as necessary to reflect changes in WIOA regulations or local workforce needs.

EFFECTIVE DATE

This policy shall be effective immediately and shall remain in effect until amended or superseded.