



**NORTH CAROLINA DEPARTMENT OF COMMERCE
DIVISION OF WORKFORCE SOLUTIONS**

DWS Operational Guidance Number: OG 13-2021

Date: May 21, 2021

**Subject: Use of Workforce Innovation and Opportunity Act
(WIOA) Funds and Federal Pell Grants**

From:

**Chet Mottershead
Assistant Secretary for Workforce**

Purpose: To provide information on the use of WIOA resources when combined with Federal Pell Grants and to rescind PS 08-2018.

Background: The WIOA 134(c)(3)(B)(i)(I) states that WIOA funding for training is limited to participants who are unable to obtain grant assistance from other sources to pay the costs of training or require assistance beyond that available under grant assistance from other sources to pay the costs of such training.

WIOA Section 134(c)(3)(B)(ii) states that training services may be provided under this paragraph to an individual who otherwise meets the requirements of this paragraph while an application for a Federal Pell Grant is pending, except that if such individual is subsequently awarded a Federal Pell Grant, appropriate reimbursement shall be made to the entity which provided payment from such Federal Pell Grant.

Action: WIOA Final Regulations at 20 C.F.R. § 680.230(b) states that One-Stop Centers must consider the availability of other sources of grants to pay for training costs such as Temporary Assistance for Needy Families (TANF), state-funded training funds, and Federal Pell Grants, so that WIOA Title I funds supplement other sources of training grants. Per TEGL No. 19-16, veterans and spouses are not required to first use any available benefit entitlements associated with his or her military service before being considered eligible for WIOA funded training, and One-Stop Centers are not required to consider the availability of those funds.

The WIOA seeks to ensure that financial resources and services are available to the individual seeking training. Other resources that may be available to the individual, including WIOA resources, should not be reduced based on the receipt of a Federal Pell Grant unless the combination of such resources results in a level of support that exceeds an individual's cost of training and

education-related expenses. Individuals who are potentially eligible for a Federal Pell Grant must apply. WIOA Title I service providers will coordinate funds available with the financial aid office of the training provider. The Federal Pell Grant is an entitlement and the student is eligible to receive it, regardless of receiving funds from external sources.

Service providers must complete a Financial Award Analysis form (attached), or alternate form containing the same information, for individuals as a means to determine shortage/surplus of resources available. If the selected training provider refuses to complete/sign the participant's provided Financial Award Analysis form, the service provider may complete the form and note the signature as "Not Applicable" and check the corresponding box that the data contained herein was obtained from the training provider's handbook or catalog.

WIOA Section 134(c)(3)(B)(iii) states that in determining whether an individual requires assistance under clause (i)(II), a One-Stop Operator (or One-Stop Partner, where appropriate) may take into consideration the full cost of participating in training services, including the costs of dependent care and transportation, and other appropriate costs to determine full training and education-related expenses.

Therefore, where a Federal Pell Grant payment is received by a training provider in an account first, the Division of Workforce Solutions emphasizes applying WIOA Title I funds towards tuition, books, fees, and supplies while the Federal Pell Grant funds may be applied toward the additional training and education-related expenses to include dependent care and transportation, and other appropriate costs as determined in the completed Financial Award Analysis form or alternate form containing the same information.

Local Area Workforce Development Boards should share this information as appropriate.

Effective Date: Immediately

Expiration: Indefinite

Contact: DWS Financial Monitor
DWS Planner

Attachment: Financial Award Analysis Form

