



- Subject:** Policy regarding payments on debt for WIOA participants (Adult, Dislocated Worker, and Youth); also to include discretionary grant funds
- Purpose:** To transmit Area 4's policy regarding payments on debt
- Statutory Authority:** Workforce Innovation and Opportunity Act (WIOA), H.R. 803, 113<sup>th</sup> Cong. (2013-2014): (38) (final regulation TBD)
- Action:** WIOA Service providers are required to adhere to all policies and guidelines set forth in the policy below.
- Effective Date:** September 10, 2015
- Revision Date(s):** N/A
- Expiration Date:** Indefinite

---

At its core, WIOA services seek to support participants in development, training, and job search activities required to succeed in the labor market.

Payments made for these activities, i.e. training, support services, are to be in-line with the successful completion of the participant's respective program. It is not allowable for payments to be made on past debt. The following policy will apply to all participants enrolled in WIOA services:

For purposes of this policy, debt will be considered money owed or due that was incurred prior to the start of the participant's eligibility into all WIOA based programs or for services rendered without prior approval in regards to the individual's service strategy. Any and all debt will be considered a disallowable cost and should not be paid utilizing WIOA funds.

**LWIB Approved: September 10, 2015**