

ALABAMA WORKFORCE INVESTMENT SYSTEM

Office of Workforce Development
401 Adams Avenue
Post Office 5690
Montgomery, Alabama 36103-5690

September 1, 2005

GOVERNOR'S WORKFORCE DEVELOPMENT DIRECTIVE NO. PY 2005-07

SUBJECT: *Guidance Related to Pell Grant and Individual Training Account/Individual Referral (ITA/IR) Funding*

- 1. Purpose.** This Directive clarifies the application of Pell Grant and Workforce Investment Act (WIA) funds for WIA participants.
- 2. Discussion.** As stated in the *Individual Training Account/Individual Referral (ITA/IR) Guidelines*, page 3, Workforce Investment Act funds are available for tuition, fees, required books, and tools. There are limitations on amounts, which will be paid for these costs.

Questions have been directed to the Office of Workforce Development (OWD) concerning the allocation of Pell Grant and Workforce Investment Act (WIA) funds for participants enrolled in WIA Individual Training Account/Individual Referral (ITA/IR) programs. The following guidance is being provided relating to Pell Grant and ITA/IR funding.

A Financial Aid Plan (Form WDD 13-III, Rev. 01/2002) is developed for each ITA/IR participant by the training facility. This is a comparison of all financial aid received by the participant and the projected cost to attend training (generally referred to as their "campus based budget").

If the amount of aid available exceeds budgeted needs, then the participant's Pell Grant should be used before WIA funds are expended. Due to reduced WIA funding and increased costs of attending training, the financial aid package will rarely, if ever, exceed the campus based budget.

Assuming that the participant's needs are greater than available aid as shown on Form WDD 13-III, it is OWD's policy that training facilities should utilize WIA funds to cover the cost of tuition, books, and supplies. Pell Grant funds should be used to cover any costs that exceed WIA funding. Any remaining Pell Grant funds should be allocated to WIA participants to assist with education-related expenses such as transportation, food, etc.

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This policy is in accordance with Sec. 663.320(c) of the Workforce Investment Act's Implementing Regulations dated Friday, August 11, 2000.

3. **Action.** Staff responsible for the ITA/IR program should be made aware of this policy for the Governor's Setaside funded ITA/IR participants enrolled in the three local workforce investment areas.

4. **Contact.** Questions regarding this Directive should be referred to Bill Hornsby, Supervisor, Workforce Development Division, State Programs and Divisional Budget Management Section. (Telephone: (334) 242-5847 or Email: billh@adeca.state.al.us).



Steve Walkley, Division Director
Workforce Development Division