



## Workforce System Technical Assistance

### Clarification and Compliance Guidance on WSD 82-2024, Adult and Dislocated Worker 40% Minimum Training Expenditure.

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**Effective Date of Policy:** 01/22/2025

**Policy Number:** WSTA 02-2025

**Rescissions:** N/A

**Approved By:** Trae Rahill, Chief Executive Officer

#### STAKEHOLDERS:

- Chief Local Elected Officials
- Workforce Development Board Chairs
- Workforce Development Board Staff
- Designated Fiscal Agent Staff
- Oklahoma Department of Career Tech-Adult Education
- Oklahoma Rehabilitation Services
- Wagner Peyser

#### REFERENCES:

- [WSD 82-2024](#)

#### PURPOSE:

The Oklahoma Employment Security Commission (OESC), as the Governor's designated Workforce Innovation and Opportunity Act (WIOA) administrative entity, provides this issuance as guidance for local workforce development boards concerning WSD 82-2024: Adult and Dislocated Worker 40% Minimum Training Expenditure Rate.

This policy reflects Oklahoma's implementation of federal WIOA goals, with stricter mandates to maximize investments in participant-focused training activities. It was developed with a participant-first approach at the direction of the Governor's Council for Workforce and Economic Development.

#### MESSAGE:

It has come to our attention that local workforce areas have been operating based on prior email communications from previous state administrative agency that conflict with WSD 82-2024. To clarify the current policy and ensure compliance:

**Guidance from ODC in 2022:**

The email guidance sent by the Oklahoma Department of Commerce (ODC) in 2022 was never formalized through an official policy memo, directive, or issuance. As such, it directly contradicts the requirements of WSD 82-2024 and cannot be considered valid guidance. This email does not supersede formal policy and should not be relied upon for compliance.

**Current Policy – WSD 82-2024:**

The governing policy, WSD 82-2024 (formerly OWDI 08-2019), establishes that local workforce development boards must ensure that a minimum of 40% of WIOA Adult and Dislocated Worker formula funds are expended on training costs that directly benefit participants.

Under this policy, allowable costs that count toward the 40% requirement include:

- Individual Training Accounts (ITAs)
- On-the-Job Training (OJT)
- Customized Training
- Incumbent Worker Training
- Registered Apprenticeships
- Supportive services directly tied to training activities

It is critical to note that staff time and salaries, as well as other administrative expenses, are explicitly excluded from the 40% calculation, even if they relate to training activities. These exclusions ensure that funds are focused on participants rather than operational costs.

**Compliance Expectations:**

Local workforce development boards must adhere strictly to WSD 82-2024 as the governing policy. To maintain compliance:

- All expenditures counted toward the 40% training expenditure rate must fall under the allowable cost categories outlined in the policy.
- Informal communications, past practices, or alternative interpretations that conflict with this policy are not valid and cannot override its requirements.

**Request for Documentation:**

To ensure compliance with WSD 82-2024 and verify alignment with the 40% minimum training expenditure requirement, local workforce development boards will be asked to submit the 1<sup>st</sup> QTR PY24 and 2<sup>nd</sup> QTR PY24 ETA-9130 Financial Reports, along with corresponding transactional documentation detailing training expenses categorized under the 40% direct training cost category. Expected documentation will also include any supporting documents that explain the initial calculation of the ETA-9130, as well as any updates or changes to the current calculation. This will facilitate in-depth monitoring of any adjustments made to the original figures, ensuring transparency and accuracy in the reporting process.

As part of this review, OESC will also request an outline of costs that were classified under the 40% category but are not allowed under the policy (e.g., staff time, salaries, or other operational expenses). This will help OESC confirm compliance and identify specific instances where adjustments may be necessary.

**Next Steps – Remedying Cost Incorrectly Included in the 40% Category:**

OESC will be in contact with local workforce development boards regarding the process for addressing any necessary adjustments. This may include outlining corrective actions, providing guidance on removing certain costs where appropriate, and ensuring compliance moving forward. Our goal is to work collaboratively with boards to resolve these issues while upholding the integrity of the WSD 82-2024 policy and ensuring proper use of WIOA funds.

**Clarification on Informal Communications:**

Informal communications—such as emails, verbal guidance, or discussions in workgroups—are not formal policy and should not be used as the basis for decision-making. Policy compliance must always rely on official issuances, such as WSD 82-2024.

**Future Changes:**

Following a comprehensive review of the policy, more stringent changes will be forthcoming to further strengthen compliance and ensure alignment with the original intent of the 40% training expenditure requirement.

**ACTION REQUIRED:** This WSTA is to become a part of the permanent records of all local Workforce Development Boards and be shared with all appropriate staff.

**INQUIRIES:** If you have any questions or concerns regarding this policy, please [WorkforceServices.Inquiry@oesc.ok.gov](mailto:WorkforceServices.Inquiry@oesc.ok.gov).