

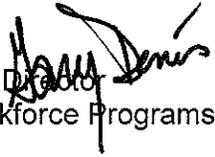
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Date May 24, 2007

To: Workforce Development Board Executive Directors
Job Service Directors
Job Service Supervisors
ASSET User Group Representatives

From: Gary Denis 
Acting Bureau Director
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Subject: **WIA Policy Update 07-05: U.S. Department of Labor-Funded Program Participant Records Retention**

Purpose

This policy update defines the length of time that U.S. Department of Labor (U.S. DOL) funded program participant records must be retained. The policy expands upon earlier records retention guidance that appears in the Workforce Programs Guide.

Legislative/Regulatory References

- WIA Federal Law, section 101(37)
- OMB Circular A-110, Revised 11/19/93 - Uniform Administrative Requirements for Grants and Agreements, Sections 50 - 53.
- S.97.42 - Retention and Access Requirements for Records

Background

The Division of Employment and Training (formerly the Division of Workforce Solutions) published a Workforce Investment Act (WIA) Program Guide in 2002. This guide included State policy and program requirements associated with the WIA and expanded on those areas where local flexibility was allowed by the Act. The guide includes policy on the retention of records associated with local grant awards.

Federal Office of Management and Budget (OMB) Circular A-110, upon which State policy has been based, stipulates that "Financial records, supporting documents, statistical records and all other records pertinent to an award shall be retained for a period of three years from the date of submission of the final expenditure report, or, for awards that are renewed quarterly or annually, from the date of submission of the quarterly or annual financial report..." This Federal policy has not been updated since November 1993.

U.S. DOL program requirements include the submission of participant files that contain the most recent three consecutive years of program participant data to support outcomes that are published in our annual reports. This data is used to evaluate program success through the calculation of Federally mandated performance measures. Because Unemployment Insurance (UI) wage data is used to compute nearly all of the performance measures, a minimum of 18 months must pass from the time a

participant exits WIA to the time that UI wage data begins to be available to determine participant outcomes.

Program participant outcomes are not evaluated immediately after exiting our programs. This means that the guidance contained in the OMB Circular is an insufficient retention period for participant data used to compute performance outcomes and conduct other Federally mandated program evaluation activities such as data validation. Each program year's annual report participant file contains three program years worth of participant data. In Program Year (PY) 05, DWS staff examined participant records with exit dates ranging from April 1, 2002, to September 30, 2005. Under the Federal records retention guidelines, a three-year retention period means that data might not be available for any participants who were counted in the PY03-04 performance measures.

Policy

All program participant files must be retained for seven consecutive years after the participant exits from U.S. DOL funded programs:

- WIA Title 1 Adults, Dislocated Workers and Youth ages 14-21, including Special Response Grant recipients;
- WIA Title 3 participants, including Veterans;
- Trade Assistance Adjustment participants; and
- National Emergency Grant participants.

Local Boards must have a process in place to recover and retain participant records for service providers whose grants or contracts close to insure that the records are available for validation and review. Participant records that are subject to data element validation or in litigation may need to be retained longer.

Action Required

This policy is effective immediately. All service providers associated with the programs listed above are expected to comply. This policy does not apply to the retention of records associated with grant management, fiscal reporting or audits. If you have questions about this policy, please contact your Local Program Liaison.