

SAN JOAQUIN COUNTY WORKNET EMPLOYMENT AND ECONOMIC DEVELOPMENT DEPARTMENT POLICIES AND PROCEDURES DIRECTIVE

DIRECTIVE NO.	EFFECTIVE DATE	APPLICABILITY	PAGE
24-25	January 1, 2025	Departmental	1 of 4
SUBJECT: SALARY AND BONUS LIMITATIONS			

I. PURPOSE

This policy provides guidance and establishes the procedures regarding salary and bonus limitations for individuals paid by funds appropriated to the Department of Labor (DOL) Employment and Training Administration (ETA). This policy applies to all subrecipients expending the Workforce Innovation and Opportunity Act (WIOA) program funds.

II. GENERAL INFORMATION

[Public Law 109-234, Section 7013](#) limits the salary and bonus compensation for individuals paid by funds appropriated to ETA and provided to recipients and subrecipients. Specifically, Section 7013 states the following:

“None of the funds appropriated in Public Law 109-149 or prior acts under the heading ‘Employment and Training’ that are available for expenditure on or after the date of enactment of this section shall be used by a recipient or subrecipient of such funds to pay the salary and bonuses of an individual, either as direct costs or indirect costs, at a rate in excess of Executive Level II, except as provided for under Section 101 of Public Law 109-149. This limit shall not apply to vendors providing goods and services as defined in the Office of Management and Budget Circular A-133. Where States are recipients of such funds, States may establish a lower limit for salaries and bonuses of those receiving salaries and bonuses from subrecipients of such funds, taking into account factors including the relative cost of living in the State, the compensation levels for comparable State or local government employees, and the size of the organization that administers federal programs involved including Employment and Training Administration programs.”

[TEGL 10-24](#) provides guidance to states and other ETA federal assistance award recipients and subrecipients on the limitation on salary and bonus payments that can be made using funds appropriated to ETA. It discusses the limitations on salary and bonus payments that can be made with funds appropriated to the ETA. Specifically, it provides information on programs affected by this provision, effective dates and funding cycles, covered individuals and transactions, application of the limitation, and related grant and contract modifications.

As stated in [TEGL 10-24](#), under the “Further Consolidated Appropriations Act, 2024”, funds provided to the Employment and Training Administration (ETA) cannot be used to pay salaries or bonuses (directly or indirectly) above the Executive Level II pay rate. This rule applies to recipients and subrecipients of ETA funds, but not to vendors supplying goods or services.

States can set lower salary limits for subrecipients based on:

- Local cost of living
- Comparable government compensation
- Size of the organizations administering federal programs

The current guidance from the California Employment Development Department, [WSD22-10 Salary and Bonus Limitations for 2023](#) does not include any state-imposed requirements.

This directive supersedes PPD D-34, Rev. 5, Salary and Bonus Limitations, dated January 1, 2023.

References:

- [Emergency Supplemental Appropriations Act for Defense, The Global War on Terror, and Hurricane Recovery, 2006 \(Public Law 109-234\)](#), Title VII, Section 7013
- [TEGL 10-24, Salary and Bonus Limitation Imposed by Appropriations Language](#), January 17, 2025
- U.S. Office of Personnel Management, [2025 Rates of Pay for the Executive Schedule](#)
- [Workforce Services Directive WSD22-10, Salary and Bonus Limitations for 2023](#), March 21, 2023

III. POLICY

As the Administrative Entity/Fiscal Agent for the Workforce Development Board and its WorkNet Service Delivery System, the Employment and Economic Development Department of San Joaquin County (EEDD) will adhere to the policy as outlined in [WSD22-10](#) and any subsequent modifications of said directive. This policy will remain in effect from the date of issue until a revision is required.

The Office of Personnel Management (OPM) salary table providing the Executive Level II rates is updated annually and can be found on the [Federal Office of Personnel Management website](#) under Pay & Leave. Effective January 1, 2025, the salary and bonus limit is set at [\\$225,700](#) until further notice is made available. It should be noted that Public law 109-234 does not apply to benefits that are not salary and bonuses such as fringe benefits, insurance premiums or pension plans paid by a subrecipient and should not be included in the calculation.

Per DOL's ETA Region 6 Office, the salary and bonus limit applies to both the gross amount of salary and bonus, and to the rate at which the salary is paid. As a result, for individuals who do not work full time on ETA funded projects or who are only employed part time or part of the year, the salary and bonus limit will be prorated based on the amount of time the individual is dedicated to the ETA funded grant.

All subrecipients of WIOA program funds are required to comply with federal requirements regarding the limitations on salary and bonus payments. Additionally, subrecipients are required to follow the instructions for implementing the salary and bonus limitations as provided in [TEGL 10-24](#).

IV. PROCEDURE

EEDD shall ensure compliance with this Federal mandate by ensuring that all subrecipients who are recipients of WIOA funds:

1. Procurement and Contractual Agreements

It shall incorporate language in its procurement and contractual instruments to make sure that potential service providers and subrecipients understand these conditions.

2. Subrecipient Monitoring

Subrecipient monitoring activity will ensure compliance with [Public Law 109-234, Section 7013](#) through the review of the necessary documentation.

3. Technical Assistance and Training

The Grants Management Division shall conduct orientation, training and technical assistance to ensure that its WIOA subrecipients understand the WIOA Federal and State rules, regulations and mandates.

V. QUESTIONS REGARDING THIS DIRECTIVE

All questions regarding this directive should be directed to the Administrative Entity/Fiscal Agent.

VI. UPDATE RESPONSIBILITY

The Executive Director of EEDD and/or designee shall be responsible for updating this directive, as appropriate.

VII. APPROVED



PATRICIA VIRGEN
EXECUTIVE DIRECTOR

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