

ATLANTIC COUNTY OFFICE OF WORKFORCE DEVELOPMENT

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WIOA Youth Incentive and Stipend Policy

Purpose: The Workforce Innovation and Opportunity Act (WIOA) allows funding for eligible youth to be used as incentives to recognize achievement in identified workforce development programs. The Atlantic County Workforce Development Board and the Atlantic County Office of Workforce Development has developed this policy as required by WIOA Section 129 and 20 CFR 681.640, which states that “incentive payments to youth participants are permitted for recognition and achievement directly tied to training activities and work experiences. The local program must have policies and procedures in place governing the award of incentives and must ensure that such incentive payments are tied to the goals of the specific program; outlined in writing before the commencement of the program that may provide incentive payments; align with the local program's organizational policies; and are in accordance with the requirements contained in 2 CFR 200.” (See also TEGL 21-16 and NJWIN 1-17)

[**NOTE:** USDOL makes the reference to Uniform Guidance at 2 CFR 200 to emphasize that while incentive payments are allowable under WIOA, the incentives must be in compliance with the Cost Principles in 2 CFR 200. For example, federal funds cannot be spent on the cost of entertainment. Therefore, incentives must not include entertainment, such as movie or sporting event tickets or gift cards to movie theaters or other venues whose sole purpose is entertainment. Additionally, there are requirements related to internal controls to safeguard cash, which also apply to safeguarding of gift cards, which are essentially cash.]

DEFINITIONS

Incentive: An incentive is a payment to an *enrolled youth participant* who is actively working toward the goals and objectives of his Individual Service Strategy (ISS). The incentive must be linked to an achievement and must be related to a training and/or education activity that specifically addresses at least one of the required Youth Program elements. Such achievements must be documented in the youth's ISS as the basis for an incentive payment.

Incentives must be for recognition of achievement of milestones in the program tied to work experience, education, or training. Achievement of milestones could include improvements marked by attainment of a credential, increased EFL, or other successful outcomes defined in the ISS.

Use of incentives for recruitment, submitting eligibility documentation or general participation in the program is not allowed with WIOA funds.

The following is the list of achievements that qualify for incentive payment:

- 1) A youth participant who is Basic Skills Deficient who improves his/her EFL by one (1) or more levels.
[\$50 incentive for each area- Reading and Math]
Required documentation: Copy of youth's pre and post-test for math and reading from either TABE or CASAS.
- 2) A youth who passes the high school equivalency exam.

[\$100 for achievement of high school diploma]

Required documentation: Copy of youth's high school diploma and transcript.

- 3) A youth who receives an industry-valued credential as a result of occupational training while in the program or within 12 months of exit.

[\$100 for industry-valued credential]

Required documentation: Copy of industry-valued credential and validation that credential is on the Industry-Valued Credential List.

- 4) A youth who enrolls in postsecondary education and completes his/her first semester of classes.

[\$100 for enrollment and completion of one (1) semester of postsecondary education]

Required documentation: Transcript from postsecondary institution documenting the completion of one (1) semester.

- 5) A youth who obtains unsubsidized employment and retains that employment for six months.

[\$100 for continuing employment with the same employer for six (6) months]

Verification of start date of employment and continuing employment for six (6) months signed by youth's employer or his/her representative.

- 6) A youth who obtains unsubsidized employment and retains that employment for twelve months.

[\$200 for continuing employment with the same employer for twelve (12) months.]

Verification of start date of employment and continuing employment for twelve (12) months signed by youth's employer or his/her representative.

Receipt of youth incentives must also be documented by a signed form that the youth participant (ages 18-24) understands what activities are prohibited (entertainment), or the parent or guardian (ages 16-17) signs the same on behalf of the minor participant.

Fiscal Procedures for Incentives

Providers may provide financial incentives (gift cards or checks) in one of two ways:

1) Providers may award the incentive directly to the youth in the form of a gift card or check then request reimbursement from the Atlantic County Office of Workforce Development through the monthly invoicing process.

2) Providers may submit the required supportive documentation to the Atlantic County Office of Workforce Development and request incentive payment through the county check-writing process.

If providers elect to award the incentive directly, the following process must be followed:

a) If using a gift card:

- Maintain a log which includes date purchased, type of gift card (bank/visa), amount, bar code ID number, issued to, issued by;
- Receipt of gift card signature form which will include- Participant's name, reason for giving gift card, date received, type of gift card, amount, the bar code number, written signature and printed name of received by and issued by;
- Copy front and back of gift card;
- Signed acknowledgement of prohibited activities
- Attach copy of the gift card to the receipt;
- Retain copy of record in participant's master file and in the provider's fiscal office file;

b) If writing a check:

- Provide a copy of the check that includes the name of the youth, amount of the check, reason for incentive payment, date of payment and signature of provider accompanied by a copy of the required documentation for that incentive.
- Signed acknowledgement of prohibited activities

2) Atlantic County Office of Workforce Development processing:

- Provide a completed copy of the invoicing form with attached required documentation to request an incentive check for youth achievement. Incentive form should include the date, name of the youth, the amount of the check and the reason for the incentive payment. A copy of the required documentation should be attached to the signed form.
- The provider should also provide a copy of the signed acknowledgement of prohibited activities

Stipend: A stipend, as defined in NJWIN 1-17, is a fixed, regular, small payment made to a youth to encourage participation in a WIOA Youth program. Reasonable stipends are allowable expenditures for *unpaid work experience* for youth when the provision of stipend is included in the participant's ISS and is a budgeted line item within the provider's current contract award.

Within the current RFP, the Atlantic County Office of Workforce Development has established the current stipend level at a minimum of \$12.00 per hour for unpaid work experience identified within the youth's ISS. Stipends must be supported by daily time sheets signed by both the youth and the provider's counselor or work site supervisor and the associated ISS.

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