

ADMINISTRATION /FISCAL	WIOA CareerFirst Stipend and Incentive Policy
Classification:	Title I Youth
Date Approved:	04/06/16 Modification #1: 06/22/16 Modification 2: 05/10/17 Modification 3: 01/25/18
Effective Date:	04/06/16
Duration:	Indefinite
Background:	These policies and procedures provide step-by-step instructions for performing the minimum standards for Workforce Innovation and Opportunity Act (WIOA), Title I Youth Services, which Service Provider Representatives and Career Specialists are to follow when issuing stipend and/or incentive payments to eligible enrolled CareerFirst participants. This policy and procedures establishes the standards to be adopted.
Policy:	<p>I. Purpose The purpose of this policy and procedures is to provide step-by-step instructions for performing the minimum standards for Workforce Innovation and Opportunity Act (WIOA); Title I Youth Services, which Service Provider Representatives and Career Specialists are to follow when issuing stipend and/or incentive payments to eligible enrolled CareerFirst participants. This policy and procedures establishes the standards to be adopted and immediately implemented by WIOA CareerFirst.</p> <p>A) The Federal Register / Vol. 80 / April 2015 / Rule and Regulations, describe the role of the Local Area Workforce Boards as one of “providing strategic and operational oversight in collaboration with required and other partners to help the workforce development system.”</p> <p>B) It is required of the contracted Service Providers and the Career Specialists to have read and understand the Workforce Innovation and Opportunity Act (WIOA) and Regulations as well as any and all Tennessee Employment and Training Issuances regarding youth.</p> <p>C) As described in Section 129 of the Workforce Innovation and Opportunity Act, WIOA Title I Youth Program resources are intended to be used for the following purposes:</p> <ol style="list-style-type: none"> 1) To provide, to eligible youth seeking assistance in achieving academic and employment success, effective and comprehensive activities, which shall include a variety of options for improving educational and skill competencies and provide effective connections to employers; 2) To ensure on-going mentoring opportunities for eligible youth with adults committed to providing such opportunities; 3) To provide opportunities for training to eligible youth; 4) To provide continued supportive services for eligible youth; 5) To provide incentives for recognition and achievement to eligible youth; and 6) To provide opportunities for eligible youth in activities related to leadership, development, decision-making, citizenship, and community service. <p>II. Definitions</p> <p>A) Federal Policy</p>

20 CFR 681.650 “clarifies that incentives under the WIOA youth program are permitted.” It further details a reference to 2 CFR 200 to emphasize that while incentive payments are allowable under WIOA, the incentives must be in compliance with the requirements in 2 CFR part 200. The U.S. Department of Labor has also addressed the topic of incentives and stipends in several guidance letters over the course of the last several years.

Training and Employment Guidance Letter (TEGL) #18-00 suggests that incentives may be used as part of an outreach and recruitment strategy for the WIOA Youth program:

“It is important to make a positive connection with a young person from initial recruitment. This includes enabling youth who can talk positively about programs as peer advocates and recruiters; collaborating with community and faith-based organizations that already work with disadvantaged youth, especially out-of-school youth; and offering staff and youth incentives for recruiting new participants.”

Later in the same TEGL, the Department of Labor describes the use of non-monetary incentives including prizes, premiums, and bonuses:

“The most effective youth programs promote a sense of membership and affiliation and a safe alternative to the streets. This includes strategies such as providing participants with membership cards, t-shirts, and opportunities to participate in planning activities, all of which contribute to retention. Programs that are co-located or connected to community centers that offer a range of recreational and cultural activities may be more successful in attracting and engaging young people, especially out-of-school youth....”

An attachment to the same TEGL describes “Model Practices”, including a program for 14-16 year olds:

“Participants receive a stipend for their participation in the summer and incentives for year-round participation.”

Training and Employment Guidance Letter (TEGL) #28-01 endorses the idea of using incentives in order to produce desired program results:

“Other innovative strategies... that focus on out-of-school youth include: youth serving as outreach workers and recruiters (with incentives provided for recruiting friends into the program).....”

B) State Policy

Current state guidance requires a local policy to be developed, including a description of guidelines for providing stipends to youth participants.

Additionally, current local guidance on the subject of, “WIOA Participant Payments” is as follows:

“ALLOWANCES, EARNINGS, AND PAYMENTS – Any allowances, earnings, and payments to individuals participating in programs

under this title shall not be considered as income for the purposes of determining eligibility for the amount of income transfer and in-kind aid furnished under any federal or federally assisted program based on need, other than as provided under the Social Security Act (42 U.S.C. 301 et seq.).”

Incentive payments made to participants in the CareerFirst program are different from payments made as a supportive service. Supportive service payments may only be made when they are necessary to enable an individual to participate in youth services and activities. Stipend and incentive payments, on the other hand, are designed to be used as a way of recognizing achievement and rewarding participation in services and activities.

In developing a policy for stipends and incentives, the Smoky Mountains Area Workforce Board, the Youth Services Committee, and staff, must be mindful of the requirements of our State and Federal funding sources.

III. Procedures

It shall be the policy of the local area workforce board and its Consortium of Local Elected Officials (LEOs) that all Workforce Innovation and Opportunity Act (WIOA) Title I funded youth services shall be delivered in a manner that fully complies with the WIOA law and regulations as well as any other State guidance and the Office of Management and Budget (OMB) Circulars. A copy of this policy shall be distributed to contracted Youth Service Providers.

A) Payment Procedures

The Service Provider Representatives may make incentive and/or stipend payments to eligible enrolled/active CareerFirst participants based on properly documented attainment of benchmarks and goals. The payment mechanisms must adhere to include appropriate review of procedures to ensure that all stipend and/or incentive payments are made in accordance with local area workforce board guidelines.

Once the Service Provider Representative, in conjunction with the Career Specialist, have verified the proper attainment benchmark(s) is achieved and documented, the Service Provider Representative will submit to the Career Specialist the documentation so that the Career Specialist may enter a case note into the Virtual One Stop (VOS) Case Notes documenting the attainment of the benchmark and the ensuing request for stipend/incentive payment. The Service Provider Representative will then complete the "Request for Stipend/Incentive Payment" form and submit it to the Career Specialist for submission to the WIOA Fiscal Office to authorize payment when monthly youth service provider invoices are received. Once approved, the Career Specialist will put a copy of the form in the participant's case file in the appropriate case file section that relates to the stipend/incentive requested/being paid. The Service Provider Representative will then make arrangements for direct deposit, check

issuance, or other appropriate payment mechanism as required. If the submission is denied, the Career Specialist must enter a case note in VOS Case Notes explaining why it was denied. The Service Provider Representative will be responsible for initiating the payment to the participant.

For the incentive payments, the career specialists must have copies of awards of attainments such as certificates or diplomas or other documentation verifying successful completion of the activity. Case notes must document why the incentive was provided, the amount of the incentive, and the date the participant received the incentive.

B) Standard Stipend/Incentive Plan

This plan describes stipend and incentive payments that may be offered to eligible enrolled CareerFirst participants served by the Service Provider Representative and Career Specialist.

1) TYPE ~ Post-Secondary School Enrollment/Retention ... *Incentive Payment*

Eligibility: Any participant who is enrolled in a recognized post-secondary school.

- **Benchmark:** Successful completion of a semester of post-secondary school (full-time).
 - **Payment:** \$50.00 per semester, payable at the end of the first semester after enrollment into the WIOA CareerFirst program and at the end of each semester thereafter. This incentive is **not** available to students who enroll in a short-term training project (less than one semester in length) which does not result in a credential/certificate per Common Measures/Performance definition.
 - **Documented by:** Progress report from the school. (Participant must provide the original document. After review by the Service Provider Representative, a copy of the original will be maintained in the participant file by the Career Specialist.

2) TYPE ~ Attainment of High School Diploma or the Tennessee High School Diploma (GED/HiSet) ... *Incentive Payment*

Eligibility: Any participant who has not yet completed a high school diploma or the Tennessee High School Diploma (GED/HiSet) certificate at the time of enrollment into WIOA Title I CareerFirst Services.

- **Benchmark:** Completion of high school or Tennessee High School Diploma (GED/HiSet).
 - **Payment:** \$200, payable upon the documented attainment of a diploma or certificate.
 - **Documented by:** Diploma, certificate, letter, report, or completion notice from the school. (Participant must provide the original document. After review by Service Provider

Representative, a copy of the original will be maintained in the participant file by the Career Specialist).

3) TYPE ~ Post-Secondary Occupational Skills Training ... *Incentive Payment*

Eligibility: Any participant who is enrolled in an occupational skills training program that is linked to the local area workforce board's list of in-Demand Occupations.

- **Benchmark:** Completion of a post-secondary occupational skills certificate or degree granted by a Career Tech, college or university (including public or private schools), whether or not the training was paid for with WIOA financial assistance.
 - **Payment:** See "Type of Attainment" below for payment schedule.
 - **Documented by:** Report card or other progress report from the school such as certification or degree. (Participant must provide the original document. After review by Service Provider Representative, a copy of the original will be maintained in the participant file by the Career Specialist).
 - **Type of Attainment**
 - **Career Tech Certificate \$100.00**
 - **Associates Degree \$150.00**
 - **Bachelor's Degree \$200.00**

"In-Demand Occupation" refers to skills training in support of an occupation that is included on the current local area workforce board's official list of In-Demand Occupations.

4) TYPE ~ Out-of-School CareerFirst participant: Numeracy / Literacy Gains ... *Incentive Payment*

Eligibility: Out-of-School CareerFirst Participants who were assessed as having a deficiency in basic skills as defined in the State Common Measures policy and as measured by a WIOA and local area workforce board's approved assessment process.

- **Benchmark:** The participant achieves an "educational gain". As described in the Common Measures policy, an educational gain shall be demonstrated by the results of a post-test. In the post-test assessment, if the participant demonstrates an increase to the next functioning level in any of the areas – reading, writing, numeracy, speaking, listening, functional, and workplace areas – he/she has made an educational gain.
 - **Payment:** \$50.00 per measure (Maximum \$100.00 in a 12-month period).
 - **Documented by:** Post-Assessment using an approved standardized test or performance assessment.

5) TYPE ~ Out of School CareerFirst Participant: Work Readiness Skills Attainment ... *Incentive Payment*

Eligibility: CareerFirst participants who are enrolled in the WIOA Work Experience Plan.

- **Benchmark:** The participant achieves Work Readiness goal on or before the set attainment date per State policy.
 - **Payment:** \$100.00.
 - **Documented by:** Policy developed by the State.

6) TYPE ~ Unsubsidized Employment ... *Incentive Payment*

Eligibility: Any participant: (a) Who was not employed as of the date of participation; and (b) For whom employment is a goal. This incentive is reserved for participants who accept unsubsidized employment, including seasonal or temporary employment, which does not interfere with school attendance.

- **Benchmark:** Entry into employment that: (a) Offers a consistent work schedule typically a minimum of 15 hours per week; and ; (b) Has an expected duration of at least 4 weeks; and (c) Is not subsidized by State or Federal program funding.
 - **Payment:** \$50.00 (one time only).
 - **Documented by:** Participant statement accompanied by the participant's first paycheck or a hiring letter signed by the employer. (Participant must provide the original document. After review by Service Provider Representative, a copy of the original will be maintained in the participant file by the Career Specialist).

Employment in a Work Experience activity does not meet the qualification benchmark for this incentive.

7) TYPE ~ Retention in Employment ... *Incentive Payment*

Eligibility: Any participant who entered unsubsidized employment during the period of his/her enrollment in the WIOA CareerFirst program.

- **Benchmark:** Successful retention in a job that: (a) Offers a consistent work schedule typically a minimum of 15 hours per week; and (b) Is not paid for nor subsidized by State or Federal program funding.
 - **Payment:** See schedule below. The maximum amount of cumulative payments to an individual participant is \$325.00
 - **Documented by:** Presentation of an employer-generated record – such as paystubs, etc. (Participant must provide the original document. After review by Service Provider Representative, a copy of the original will be maintained in the participant file by the Career Specialist).
 - **Retention Period Incentive Payment Cumulative Incentive**
 - **3 Months \$ 25.00**
 - **6 Months \$ 50.00**
 - **9 Months \$ 100.00**
 - **12 Months \$150.00**

Employment in a Work Experience activity does not meet the qualification benchmark for this incentive.

8) TYPE ~ Advancement in Employment ... *Incentive Payment*

Eligibility: Any participant: (a) Who was employed as of the date of participation; and (b) For whom advancing in their employment/career path is a goal. This incentive is reserved for participants who are considered underemployed and continue to advance their employment level/career path while striving toward self-sufficiency.

- **Benchmark:** Successful advancement in employment/career path that: (a) Offers a consistent work schedule typically moving from a part-time to a full-time position, an increase in job responsibilities which may include a title change; and/or a wage increase (b) Is not paid for nor subsidized by State or Federal program funding.
 - **Payment:** \$100 per advancement of employment/career path. The maximum amount of cumulative payments to an individual participant is \$300.
 - **Documented by:** Presentation of an employer-generated record – such as paystubs, letter from employer, or other employer documentation, etc. (Participant must provide the original document. After review by Service Provider Representative, a copy of the original will be maintained in the electronic participant file (VOS) by the Career Specialist).

Employment in a Work Experience activity does not meet the qualification benchmark for this incentive.

9) TYPE ~ Workshops and Conferences ... *Stipend Payment*

Eligibility: Any participant who has participated in a WIOA Workshop or Conference focusing on Leadership Development or any one of the 14 Elements. To be eligible for this stipend, the agenda for the workshop or conference must reflect a length of at least two (2) hours. Cannot be used in conjunction with item 11 Work Readiness Workshops; participants can only be paid for one of the other of these.

- **Benchmark:** Successful completion of the time allotted Workshop/Conference with evidence of a signed Attendance Record and description of the Workshop/Conference (such as an agenda, program or brochure).
 - **Payment: *Conference Duration Stipend Payment***
 - ***Less than 4 hours \$ 10.00***
 - ***4 hours or more \$ 25.00***
 - **Documented by:** Attendance records and detailed description of the Workshop/Conference - - including date, time, and topic(s) –case note and and any follow-up documentation (such as a written report by the participant on the Workshop/Conference).

10) TYPE ~ Summer and Night School ... *Incentive Payment*

Eligibility: Any participant who has been identified by a high school that the youth is in need of credits to graduate and earn a high school diploma.

- **Benchmark:** Successful completion of Summer School or Night School by passing with a “C” or above for the semester.

- **Payment:** \$25.00 per semester completed. (Payment may be repeated while the participant is in need of academic credits).
- **Documented by:** Report card or other progress report from the school. (Participant must provide the original document. After review by Service Provider Representative, a copy of the original will be maintained in the participant file by the Career Specialist).

11) TYPE ~ Summer Academic Enrichment ... *Stipend Payment/Incentive Payment*

Eligibility: Any participant who is enrolled in a Service Provider Academic Enrichment/Work Readiness program with the emphasis in increasing and/or maintaining the Reading and Math skills during the summer months. The Summer Academic Enrichment program may also incorporate life skills and work readiness skills into the training curriculum. Summer Academic Enrichment programs may last from 2 – 8 weeks in length.

- **Benchmark #1:** Successful completion of program with an 85% attendance record and completion of Work Readiness class assignments.
 - **Payment:** **STIPEND** \$8.00 per hour of attendance.
 - **Documented by:** case note, and records of attendance and completion of any classroom assignments.
- **Benchmark #2: INCENTIVE** Achievement of a measurable increase in Reading skills (equivalent to a gain of 6 months or more).
 - **Payment:** \$25.00, payable after verification of post-TABE results.
 - **Documented by:** Pre & Post TABE results indicating an increase in reading skills of at least 6 months (grade equivalent).
- **Benchmark #3: INCENTIVE** Achievement of a measurable increase in Math skills (equivalent to a gain of 6 months or more).
 - **Payment:** \$25.00, payable after verification of post-TABE results.
 - **Documented by:** Pre & Post TABE results indicating an increase in math skills of at least 6 months (grade equivalent).
- **Benchmark #4: INCENTIVE** Completion of Service Provider Academic Enrichment Workbook and completion of Summer Work Experience/Summer Employment Opportunities worksite agreement (defined as not having been fired or quitting before contract estimated end date).
 - **Payment:** \$300, max amount payable; one time only per program year.
 - **Documented by:** verification of workbook completion by Service Provider, attainment of worksite agreement evaluation conducted by worksite supervisor, and Service Provider review of participant time sheets.

- **Benchmark #5: STIPEND** Completion of academic enrichment class/activities made available during the Work Experience element: Summer Employment Opportunities. Participants are not allowed to have a combined work experience and an academic enrichment class/activity in excess of 40 hours per week.
 - **Payment:** \$8.50 per hour with the exception of Sevier County where pay will be \$9.50 per full hour, max amount payable
 - **Documented by:** verification of completion of academic enrichment activities through case notes with supporting documentation of activities completed (copy of workbook, Key Train online hours receipt, classroom work, attendance sheets, etc as appropriate).

12) TYPE ~ Work Readiness Workshops ... *Stipend Payment*

Eligibility: Any participant who has participated in a Work Readiness Workshop focusing on work readiness skills prior to being placed at a work experience worksite. To be eligible for this stipend, the agenda for the workshop must reflect a length of at least two (2) hours. Cannot be used in conjunction with item 8 Workshops/conferences; participants can only be paid for one of the other of these.

- **Benchmark:** Successful completion of the time allotted Work Readiness Workshop with evidence of a signed attendance record and description of the Work Readiness Workshop to include an agenda, related topics covered, any Q&A provided, handout materials, any follow-up documentation (such as a written report by the participant regarding the Work Readiness Workshop, evaluations, etc.) as appropriate.
 - **Payment:** \$8.50 per full hour of attendance with the exception of Sevier County where pay will be \$9.50 per full hour (partial hours cannot be counted)
 - **Documented by:** case notes, and attendance records and detailed description of the Workshop including agenda, related topics covered, any Q&A provided, handout materials, and any follow-up documentation (such as a written report by the participant regarding the Work Readiness Workshop, evaluations, etc.) as appropriate.

13) TYPE~ Attaining a CRC... *Incentive Payment*

Eligibility: Any participant who has successfully completed the work keys test and scored a bronze certificate or higher. Participants are only allowed to be paid one time for this type of incentive while participating in WIOA CareerFirst program.

- **Benchmark # 1:** Successfully attaining a bronze, silver, gold, or platinum Career Ready Certificate, with evidence of test scores in case files and uploaded to VOS.
 - **Payment:** Bronze Certificate-Up to \$25.00
 - Silver Certificate-Up to \$50.00
 - Gold Certificate-Up to \$75.00
 - Platinum Certificate-Up to \$100.00

Documented by: VOS case note, Work Keys scores

- IV. Policy Additions and Clarifications
The local area workforce board Staff is authorized to issue additional instructions, guidance, forms, etc., to further implement the requirements of this policy.

Elaine Ely
Smoky Mountain Area Workforce Board Chair

