

<b>WORKFORCE INVESTMENT BOARD OF TULARE COUNTY</b>  <b>WORKFORCE INNOVATION AND OPPORTUNITY ACT TITLE I</b>	<b>DATE:</b> <b>July 13, 2022</b>
	<b>SUBJECT:</b> <b>Youth Incentive and Stipend Policy</b>

**WIB DIRECTIVE  
TUL 22-03**

APPROVED BY  
WORKFORCE INVESTMENT BOARD  
**MINUTES OF 07-13-2022**

**TO:** WIB Subrecipients and WIB Staff

**SUBJECT:** Youth Incentive and Stipend Policy

**EXECUTIVE SUMMARY**

This policy provides the guidance and establishes the procedures for issuing incentives and stipends to youth enrolled in the WIOA Title I Youth Program and other programs implemented by the WIB and is effective immediately.

This policy contains some locally imposed requirements.

This Directive applies to all WIB-funded youth programs where incentives and stipends are an allowable cost under the funding stream. Should a particular funding stream have requirements differing from this Directive, those requirements will be issued in a separate policy memo, technical assistance memo, or within the subrecipient contract statement of work.

This policy supersedes TUL 13-06 *Youth Incentive Policy* dated November 12, 2013. Retain this Directive until further notice.

**REFERENCES**

- Workforce Innovation and Opportunity Act, PUBLIC LAW 113-128-July 22,2014
- Federal Register, 20 CFR § 681.640, August 19, 2016
- Title 2 *Code of Federal Regulations* (CFR) Part 200: “Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards” (Uniform Guidance)
- U.S. Department of Labor Employment & Training Administration Training and Employment Guidance Letter WIOA 21-16 Third Workforce Innovation and Opportunity Act (WIOA) Title I Youth Formula Program Guidance
- USDOL ETA WIOA TEGL 8-15 Second Title 1 WIOA Youth Program Transition Guidance

**BACKGROUND**

The awarding of incentives to motivate, encourage, and reward the attainment of individual goals that lead to completing education, training, employment, or other programmatic outcomes is allowable under the WIOA Title I Youth program.

The awarding of a stipend during enrollment to encourage the youth to participate in certain activities is also allowable under the WIOA Title I Youth program.

## **POLICY AND PROCEDURES**

### **Incentive**

20 CFR § 681.640 states that "incentive payments to youth participants are permitted for recognition and achievement directly tied to training activities and work experiences. The WIB has developed this policy to ensure that incentive payments are tied to the goals of the specific program in accordance with the requirements contained in 2 CFR part 200. Federal funds must not be spent on entertainment costs. 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 applies to safeguarding gift cards, which are essentially cash.

Motivators for various activities such as recruitment, submitting eligibility documentation, and participation in the program are not allowed. Incentives paid for with WIOA funds must be connected to recognition of achievement of milestones in the program tied to education or training. Such incentives for achievement could include improvements marked by the acquisition of a credential or other successful outcomes. Local areas may leverage private funds for incentives that WIOA cannot fund. Incentive payments may be provided to both ISY and OSY as long as the payments comply with the requirements of 20 CFR § 681.640. An incentive is a payment to an enrolled youth participant for successful participation and achievement of expected outcomes as identified in the participant's individual service strategy (ISS). The incentive must be linked to training or educational activity achievement that addresses at least one of the fourteen (14) required youth program elements.

The WIB has established a maximum lifetime cap of \$1,500 for incentives and stipends to achieve individual goals outlined in this policy.

All incentive awards are subject to the availability of funds.

### **Eligibility**

Participants must meet eligibility requirements for a program before receiving an incentive payment. The following are the eligibility requirements for youth incentives.

- Meet WIOA youth eligibility criteria and/or other applicable WIB funded youth program criteria.
- Have achieved an outcome as defined in the Individual Service Strategy (ISS)
- Meet the incentive criteria identified in this policy

### **Documentation**

- Document the achievement qualifying for a specified incentive award in the participant case file as part of the individual's service strategy (ISS)
- Subrecipients may choose to issue incentives through gift cards or a check.

- The Subrecipient must have internal controls in place to safeguard purchased incentives such as gift cards. Controls should also include a signature sheet to verify receipt of delivery.
- Incentives gift cards should be purchased and awarded within the same program year.
- A copy of the check request and check must be uploaded in the participant's file.
- Obtain supporting documentation of attainment prior to issuing an incentive award. For example, retain a copy of credentials, test scores, grades, employer evaluations, attendance records, etc.

**INCENTIVES MAY BE AWARDED FOR THE FOLLOWING GOAL, ACCOMPLISHMENTS, OR ACTIVITIES:**

**1. Attainment of a Secondary School Diploma or its Equivalent**

Incentives may be awarded to participants who do not possess their high school diploma or equivalent at the time of enrollment.

- \$100 for the attainment of a secondary school diploma or equivalent

Required Documentation:

Copy of diploma, GED, school transcript, or school progress report signed by school staff.

**2. Improvement of Letter Grade**

Participants enrolled in secondary education may receive incentives for maintaining or improving a letter grade.

- \$15 incentive award for maintaining a "C" or better
- \$25 incentive award for improving one letter grade (from a D to C, or C to B, or B or A)

Required Documentation:

- School records (i.e., transcript), or
- School progress report signed by school staff

**3. Secondary Transcript/ Report Card**

For each school year, a transcript of a report card of a participant in HS or a GED program demonstrating that they achieved a "C" or above for all classes taken and are in good academic standing.

- \$50 per semester

**4. Post-Secondary School Enrollment**

Incentives may be awarded to those participants, who, at the time of enrollment, are not attending post-secondary education but enroll in post-secondary education during program participation; incentives may be awarded as follows:

- \$25 incentive award for acceptance into post-secondary education

Required Documentation:

- Letter of acceptance and course schedule for the first semester

**5. Post-Secondary Transcript**

A transcript or a report card demonstrating the following based upon enrollment status

- \$50 Full-time students- completion of a minimum of 12 hours for one semester
- \$50 Part-time students- completion of a minimum of 12 credit hours over two consecutive semesters during a program year.

**6. Post-Secondary Credential or Certificate of Completion**

Attainment of a post-secondary credential or certificate of completion in a WIB Approved Industry Sector

- Incentive award must be preapproved by the WIB Deputy Director. Incentive amount may be up to \$1,500 for attaining a post-secondary certificate of completion.

**7. Employment**

A progressive job retention incentive for a customer who has completed WIOA Youth program activities and attained employment in the individual's selected career/industry as planned in the ISS. Verification of employment and retention by the subrecipient is required for reimbursement.

- \$50 for obtaining employment

**Stipends**

A Stipend is a fixed, regular small payment made to a WIOA Youth participant during their enrollment to encourage satisfactory attendance and participation in certain activities. The stipend can be used for activities such as classroom instruction, career services, occupational skills training, and basic and essential skills training. Justification of need must be documented on the Individual Service Strategy (ISS).

The WIB has developed this policy to ensure that stipend payments are tied to the goals of the specific program in accordance with the requirements contained in 2 CFR part 200. Federal funds must not be spent on entertainment costs. Therefore, stipends 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 applies to safeguarding gift cards, which are essentially cash.

Stipend Guidelines:

- The stipend must be documented on the individual service strategy under the specific goal/objective.
- Online classroom attendance is allowable if participation/seat time can be verified.
- Attendance in the activity must be documented as the basis of stipend payments.
- Stipends may be paid based on actual hours of attendance.

- Stipends may be paid to participants for their successful participation in education career services, or training services (except such allowance may not be provided to participants in paid or unpaid work experience, OJT, and internships).
- Stipend awards must be preapproved by the WIB Deputy Director and the total stipend award must not exceed \$1,500.
- All stipend awards are subject to availability of funds.

The WIB has established a maximum lifetime cap of \$1,500 for a combination of incentives and stipends to achieve individual goals outlined in this policy.

### **Eligibility**

Participants must meet eligibility requirements before receiving a stipend payment. The following are the eligibility requirements for a youth stipend.

- Meet WIOA youth eligibility criteria and other applicable WIB funded youth program eligibility criteria
- Have achieved satisfactory attendance.
- Meet the stipend criteria identified in this policy

### **Required Documentation**

- The appropriate CalJOBS activity code must be entered to record the stipend.
- A case note must be entered to document the reason for the stipend, the amount of the stipend, and the date the participant received the stipend—case note title: Stipend (Date).
- Staff must have copies of signed attendance sheets and awards of attainments such as certificates or diplomas or other documentation verifying successful completion of the activity.
- Documents must be labeled “Stipend” and uploaded into the participant’s file.

### **ACTION**

Subrecipients are required to adhere to the policies and guidelines set forth in this Directive.

### **INQUIRES**

Please direct inquiries to this Directive to the Workforce Investment Board of Tulare County at (559) 713-5200.



Adam Peck  
Executive Director

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