

ACTION BULLETIN

TO: All WIOA Youth Service Providers

DATE: 07/01/2019

SUBJECT: **Youth Incentive Payment Policy**

PURPOSE:

To provide comprehensive guidance that ensures compliance with the Workforce Innovation and Opportunity Act (WIOA) requirements for the provision of incentive payment to WIOA Title I Youth and Young Adult participants.

CITATIONS:

- WIOA Act P.L. 113-128 – July 22, 2014
- WIOA Regulations of 20 CFR part 681
- 2 CFR part 200 of the OMB Uniform Guidance – Cost Principles
- TEGL 21-16: Third WIOA Title I Youth Formula Program Guidance

DEFINITION:

An incentive is a one-time, regular payment to a WIOA youth/young adult participant for recognition of achievement of expected program and performance outcomes linked to training, education activities or work experiences. Such achievements could include improvements marked by acquisition of a credential or other successful outcome. Attainment of unsubsidized employment may be eligible for an incentive payment if it is tied to work experience, education or training.

BACKGROUND:

WIOA regulations allows for incentive payments that are based on an incentive contract between a youth participant and the local board in recognition of the youth's achievements directly tied to training activities, education and/or work experience. Local Areas must have written 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 youth service programs. These policies must be outlined in writing prior to the commencement of the activity that may lead to an incentive payment. All incentive payments must be aligned with the local program's policies and in

accordance with the requirement contained in 2 CFR part 200 and Title 20 CFR Section 681.640.”

BOARD ACTION:

At its May 9, 2019 meeting, the Alameda County Workforce Development Board (ACWDB) approved the implementation of the Youth Incentive Payment Policy to be used as one strategy to recruit and retain WIOA participants.

POLICY:

Actively enrolled WIOA youth and young adult participants, both in-school and out-of-school are eligible for incentive payments. Youth service providers must include a description of incentive payments in their program design and budget. No more than \$1,000 may be allotted for an incentive payment for any one participant. Exceptions to this maximum allotment require prior approval of the Youth Program/Contract Liaison.

Incentive payments are used to encourage and motivate WIOA youth and young adults to reach specific goals and obtain positive outcomes. Such awards are not an entitlement nor should they be classified as a supportive service.

Incentives must not be awarded through methods that could be classified as for entertainment purposes, such as movie or sporting event tickets, gift cards to movie theaters or other venues whose sole purpose is entertainment.

Incentive payments must be scheduled and documented in each participant’s Individual Service Strategy (ISS).

Types of achievements/milestones eligible for incentive payments include, but not limited to:

- Attainment of high school diploma, GED/HSET
- Passing a GED component
- Completion of CASAS post test
- Enrollment in post-secondary school
- Completion of:
 - a resume, job application, LinkedIn profile
 - an informational interview, job shadow
 - an aptitude and/or career interest assessment
 - the following certifications: First Aid/CPR, OSHA 10, Food Handlers
- or any combination of the aforementioned items

PROCEDURE:

The following documentation is required when youth incentive payments are being used:

- The ISS must outline how incentive payments will result from the achievement of specific work experience, education or training goals;
- The ISS must be dated prior to the commencement of the activities that may lead to incentive payments;
- The incentive payment must be related to an achieved outcome supported through documentation (such as a credential);
- Use of the incentive payment must be recorded in the CalJOBS using Enrollment Activity Code 419 – Incentive Payment;
- A copy of the incentive payment issuance document (check) is must be maintained in the participant's case file.

ACTION:

- This ACWDB Action Bulletin becomes effective immediately upon release.
- All WIOA Youth Service Providers shall comply with these requirements.
- All relevant staff shall be immediately informed of this bulletin and all requirements contained herein.

INFORMATION & INQUIRIES:

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