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

DIRECTIVE NO.	EFFECTIVE DATE	APPLICABILITY	PAGE
D-61	July 1, 2023	WIOA Youth	1 of 4
SUBJECT: INCENTIVES AND STIPENDS			

I. PURPOSE

The purpose of this Policy is to provide guidance to WIOA staff and service providers on guidance regarding the provision of incentive and stipend payments for enrolled youth under the Workforce Innovation and Opportunity Act (WIOA) Youth program.

II. GENERAL INFORMATION

WIOA regulations allows incentive payments in recognition of the youth's achievements directly tied to training activities, education and/or work experience. WIOA regulations allow stipends for classroom-based learning activities and must be paid based on actual hours of attendance and participation. Local Areas must have written policies and procedures in place governing the award of incentives and stipends and must ensure that such 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 a payment. All 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.

Definitions

An incentive is a one-time 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 outcomes as defined in the Individual Service Strategy (ISS). Attainment of unsubsidized employment may be eligible for an incentive payment if it is tied to work experience, education, or training.

A stipend is defined as a fixed, regular, small payment made to a youth participant during their enrollment to encourage program participation. Attendance and participation in the activity must be documented as a basis of stipend payments.

The activity should be of limited duration and should be tied to specific learning goals.

References

- Workforce Innovation and Opportunity Act (WIOA), PUBLIC LAW 113-128 July 22, 2014
- Title 20 Code of Federal Regulations (CFR) Part 681.640
- 2 CFR Part 200 (Uniform Guidance)
- TEGL 21-16: Third WIOA Title I Youth Formula Program Guidance
- EDD Directive 17-07, WIOA Youth Program Requirements

III. POLICY

Actively enrolled WIOA youth/young adult participants, both in-school and out-of-school are eligible for incentive and stipend payments. Youth service providers (YSP) must include a description of incentive payments in their program design and budget. Each YSP may develop an incentive and stipend policy for their program(s). The policies must be submitted to and approved by EEDD before program implementation, and before given or promised to any youth participant. Youth service providers will take necessary steps to manage the incentives budget to provide services throughout the program year to customers who meet the criteria for planned incentives.

Incentive and stipend 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. Incentives are for successful completion of service/activities and not solely for participation. Stipends may only be paid for activities which begin after participation (enrollment). Stipends may not be awarded for participation in paid work experience or employment.

The following are types of achievements/milestones eligible for incentives and stipends, but not limited to

1. Types of Incentives:

- a. Attainment of high school diploma or post-secondary certificate/credential/degree, GED/HSET.
- b. Passing a GED component.
- c. Completion of CASAS post-test.
- d. Retention in placement for a period of time.
- e. Completion of Work Experience (WEX)
- f. Enrollment in post-secondary school.

- g. Completion of workshops that include, but are not limited to:
 - i. A resume, job application, LinkedIn profile.
 - ii. An informational interview, job shadow.
 - iii. An aptitude and/or career interest assessment.
- h. The following certifications: First Aid/CPR, OSHA 10, Food Handlers, basic certification.
- i. Any combination of the aforementioned items.

Incentives should always be tied to a service and goals identified in the ISS and outlined in writing before the commencement of the program providing the payment.

2. Types of Stipends:

- a. High School Diploma, GED, or equivalent.
 - i. Attendance at secondary school
 - ii. Attendance at High School Equivalency classes
 - iii. Attendance at alternative school
 - iv. Attendance at adult education for basic skills enhancement if the youth is documented as basic skills deficient.
- b. Occupational/technical skills training.
 - i. Attendance in a post-secondary skills training tied to a specific occupation.
 - ii. Participation in work-readiness training
 - iii. Participation in job-shadowing or unpaid internship
 - iv. Participation in financial literacy training
 - v. Participation in entrepreneurial skills training
- c. Pre-apprenticeship skills/trades training.
 - i. Participation in classroom-based apprenticeship training.

IV. PROCEDURE

To ensure compliance with Federal law and regulations, YSPs must ensure they have established protocols for the payment, documentation, and awarding of incentive payments to eligible WIOA youth.

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

- ISS must outline how incentive payments will result from the achievement of specific work experience, education, or training goals. ISS must be dated prior to the commencement of the activities that may lead to incentive payments.
- Incentive forms need to be created and signed by the youth to confirm received payment with date.
- Incentive should only be billed to EEDD once the youth receives the incentive payment.
- Incentive payment must be recorded in CalJOBS using enrollment activity code 419 – Incentive payment and be tied to an activity.
- A case note should be entered that explains the achieved outcome and

- supports the incentive payment given.
- A copy of the incentive payment must be maintained in the youth's case file.
- Incentive payments should only be issued by a check or gift card.

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

- The stipend must be documented on the ISS under the specific goal/objective related to the participation in the career activity or training.
- Stipends must be aligned with approved Stipend Policy; approved by EEDD.
- The stipend must be provided in conjunction with another career service or training service and must be within the same dates of the career service or training activity.
- Stipends shall not be disbursed until the participant meets all stipulated requirements and YSP staff verifies the attainment of the program outcome(s).
- Stipend payments must be in accordance with the requirements contained in 2 CFR part 200.

V. QUESTIONS REGARDING THIS DIRECTIVE

May be referred to the Executive Director of EEDD via Managers or designee.

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

PV:jl