



## **Youth Incentive Policy**

Effective Date: May 1, 2010

### **I. Purpose**

To provide guidance on the use of incentives to eligible youth utilizing WIOA and TANF Youth Development funds.

### **II. References:**

- WIOA Section 681.640
- 2CFR part 200
- TEGL 16-21

### **III. Background:**

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. Workforce Solutions for North Central PA / The North Central Workforce Development Board has developed this policy to ensure that appropriate and necessary incentives to encourage eligible youth participants in the local workforce development area (LWDA) to achieve specific goals tied to training activities and work experiences. This policy is intended to ensure compliance with all federal and state regulations by providing guidance to, program services contractor staff in the local PA CareerLink® system on the use of youth incentives in the LWDA. This policy applies to all LWDB funded in-school youth (ISY), out-of-school youth (OSY) and Temporary Assistance for Needy Families (TANF) Youth Development participants. Youth program services staff are responsible for implementing this policy.

It is important to note that incentives are not an entitlement. All incentive awards will be subject to availability and budgeting of WIOA Youth Program and TANF Youth Development funds and applied at the discretion of Workforce Solutions. Incentives shall not be issued as actual direct cash payments to youth participants.

### **III. Definitions:**

**INCENTIVE:** 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 an achievement and must be related to a training and/or education activity that specifically addresses at least one of the fourteen (14) required Youth Program elements. Such achievements must be documented in the participant's Individual Service Strategy (ISS) as the basis for an incentive payment. Tied to the goals of the specific program;

Incentives are considered awards to youth participants for their achievement and successful participation in workforce development activities. The following is a list of incentives that may be awarded at the discretion of the LWDB to WIOA youth participants based on funding availability:

1) Basic Skills Improvement Incentive: Up to \$50.00

Documentation Required: Participants identified as basic skills deficient in either reading and/or math must be post-tested at least once by the end of the first year after enrollment. Participants who successfully complete all TABE re-testing requirements within 12 months from the date of the first youth service and who increase his/her TABE score in math and/or reading by two (2) Grade Level Equivalencies or one (1) Education Functioning Level (EFL) can receive, while actively participating and enrolled in the Youth Program, an incentive not to exceed a total of \$50.00 (reading \$25.00 and/or math \$25.00). A copy of the TABE level increase must be included in the participant's file.

2) Attainment of GED/High School Equivalency or Industry Recognized Credential or Successful Completion of Work Experience and/or On-the-Job Training: \$50.00

Documentation Required: Youth participants are eligible for this one-time incentive following the submission of the appropriate respective certificate and/or official document from the test site verifying the participant successfully passed the testing requirements or successful completion of work experience.

3) Post-Secondary School Incentive: \$50.00

Documentation Required: Youth participants attending post-secondary education in a local high-demand occupation are eligible for this incentive by providing a copy of a letter of acceptance and their course schedule for their first semester after completion of the first semester/term.

4) Placement in employment: \$50.00

Documentation Required: Youth participants who enter employment are eligible for this incentive by providing a copy of their first paycheck or letter of hire if provided by employer.

5) Retention of a job for 90 days: \$50.00

Documentation Required: Youth participants who have retained employment for 90 days must provide pay stubs showing they were employed by the same employer for a 90-day period or a letter/email from their employer stating that they have been employed for the past 90 days.

The following is a list of incentives that may be awarded at the discretion of the LWDB to TANF Youth Development participants based on funding availability:

- 1) Successful completion of work experience: \$50.00

Documentation Required: Copy of final Bi-Weekly Performance Evaluation completed by worksite supervisor.

- 2) Received High School Diploma and/ or GED: \$50.00

Documentation Required: Copy of High School Diploma or GED

- 3) Completed Post-Secondary Semester: \$25.00

Documentation Required: Official grade report from post-secondary institution.

For youth being served as TANF Youth only, the board requires the provider to maintain a list of all incentives issued, and include at a minimum, the following information: amount and type of incentive issued, name of individual receiving incentive, dates issued and reason for issuance of incentive.

**ELIGIBILITY:** Participants must meet eligibility requirements for a program before receiving incentive payments purchased with the respective program funds.

The following are the eligibility requirements for youth incentives:

- Participants must be a WIOA or TANF eligible youth participant
- Participants must be active and in good standing with a program, including regular contact with youth program staff
- Participants must have achieved an outcome listed as a goal within their Individual Service Strategy (ISS)

#### **IV. Policy**

Each Workforce Solutions funded in-school youth and out-of-school youth program services contractor and TANF Youth Development provider that utilizes incentives must maintain a clear and concise written incentive policy that outlines a uniform and consistent strategy for awarding incentives with Workforce Solutions funds.

At a minimum, the program service provider's incentive procedure must include:

- The method and justification for the issuance of incentives
- The internal controls for incentive awards (e.g. number of signatures required)

- Compliance and alignment with the Workforce Solutions Incentive Policy, Uniform Guidance at 2 CFR part 200, and TEGL 21-16.

In addition:

- Programs may not award direct cash payments to youth participants as part of an incentive strategy.
- When the payment of the incentive takes the form of a check or debit card, written recognition or receipt of the payment must be contained as part of the participant file. An inventory, log and periodic reconciliation of such items must be documented and maintained and must be kept in a secured and locked area.
- Participants cannot receive multiple incentives for the same activity. A participant could receive up to a maximum of \$250 for WIOA Youth programs and \$125 for TANF youth programs upon successful completion of benchmarks and documentation in the participant file.
- Incentives may not include entertainment costs, such as movie or event tickets or gift cards to movie theaters
- Incentive payments may only be awarded in recognition of an achievement directly tied to training and work experience and must be tied to the goals of the program
- Incentives must be administered in a manner that ensures all participants receive equal awards for equal achievements
- At least three (3) individuals must sign off to indicate that an incentive has been awarded: a program services supervisor, a program services staff member, and the participant receiving the incentive
- The program service contractor's written incentive policy and procedures must clearly describe this process

Reports to the fiscal agent must be provided on the status of issuing incentives at least monthly.

**Prior to issuing incentive payments, a program incentive plan must be approved by the NCWDB.**

Workforce Solutions will monitor the use of incentives to ensure that proper procedures are followed.

**VII. Expiration:** Ongoing

**VIII. Inquiries:** Pam Streich [pstreich@ncwdb.org](mailto:pstreich@ncwdb.org) or Susan R. Snelick [ssnelick@ncwdb.org](mailto:ssnelick@ncwdb.org)

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