

MISSISSIPPI DEPARTMENT OF EMPLOYMENT SECURITY

State Policy Number 25

Youth Incentive Policy

Workforce Innovation and Opportunity Act (WIOA)

I. PURPOSE

The Purpose of this policy is to provide guidance that ensures compliance with WIOA requirements for the provision of incentive payment to eligible Title I Youth participants. WIOA encourages the use of incentive payments whenever appropriate to ensure successful program participation in work experience, education, or training. Incentive payments may be provided to both In-School Youth (ISY) and Out-of-School Youth (OSY) as long as they comply with the requirements of 20 CFR 681.640.

II. BACKGROUND

WIOA youth funds may be used to provide incentives, stipends, support services, and wages as an allowable expense for WIOA Title I Youth. Incentive payments may be used to encourage and motivate WIOA youth to reach specific goals and obtain positive outcomes.

III. REQUIREMENTS

1. 20 CFR 681.640 states “incentive payments to youth participants are permitted for recognition and achievement directly tied to training activities and work experiences.” Local Workforce Development Areas (LWDAs) and subgrantees must have written policies and procedures in place governing the award of incentives and/or stipends. LWDAs and subgrantees must ensure that payments are:
 - a. Tied to the goals of the specific program;
 - b. Outlined in writing before the commencement of the program that may provide incentive payments;
 - c. Align with the local program's organizational policies; and
 - d. Are in accordance with the requirements contained in 2 CFR part 200.438.
2. Appropriate documentation must be available to support payments of stipends, incentives, support services, and wages. The need for such services should be a part of the youth's Individual Service Strategy (ISS).

IV. DEFINITIONS

Incentive: A payment to a WIOA youth participant for the successful participation and achievement of expected outcomes as defined in the youth's ISS. The incentive must be linked to an achievement and must be tied to training and education, work readiness skills, and/or an occupational skills attainment goal as identified in the ISS. Such achievements must be documented in the participant's file as the basis for an incentive payment. Incentives are considered awards to WIOA youth for their achievement and participation in WIOA activities.

Stipends: A fixed payment made to a WIOA youth participant during his/her enrollment to encourage the WIOA youth to participate in certain activities (seat/participation time payments). The stipend can be used for activities such as classroom instruction. Stipends may not exceed the Federal or Mississippi minimum wage, whichever is higher, and stipends may be paid based on actual hours of attendance that must be documented as the basis of stipend payments. Stipends may be paid to participants for their successful participation in and completion of, education or training services. Justification of need must be documented in the youth's ISS.

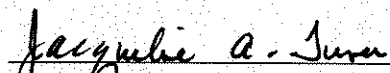
Support Services: Assistance provided to a WIOA youth participant that is necessary to enable participation in activities as part of the WIOA youth program. Such services may include, but are not limited to, assistance with transportation, childcare, housing, uniforms or other appropriate work clothing, and tools. The need for supportive services must be documented in the participant's file.

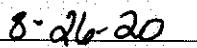
Note: Supportive services is a separate program element and cannot be counted toward the work experience expenditure requirement even if supportive services assist the youth in participating in the work experience.

Wages: Wages may be paid to WIOA youth participants enrolled in work experience activities. Wages should pay not less than Federal minimum wage and not more than other employees in a like position with similar training, experience, and skills.

V. EFFECTIVE DATE

This policy shall be effective immediately. This policy will be revised and reissued as additional DOL/ETA guidance is received.


Jacqueline A. Turner
Executive Director


Date