

STEVE FRANKS
DIRECTOR
OC COMMUNITY RESOURCES

JENNIFER HAWKINS, DVM
DIRECTOR
OC ANIMAL CARE

KAREN ROPER
DIRECTOR
OC COMMUNITY SERVICES


STACY BLACKWOOD
DIRECTOR
OC PARKS

HELEN FRIED
COUNTY LIBRARIAN
OC PUBLIC LIBRARIES

January 27, 2016

To: WIOA Young Adult Service Providers of the Orange County

Workforce Investment Area

From: Andrew Munoz 
Community Investment Division Administrator/
OC Workforce Investment Board Executive Director

Subject: WIOA Young Adult Incentives and Stipends Policy
Information Notice No. 15-OCWDB-05
Supersedes Information Notice 12-OCWDA-10 and
Addendum #1 Information Notice 12-OCWDA-10

PURPOSE:

This policy provides guidelines for WIOA Young Adult Service Providers who implement an incentive and stipend plan for young adult participants of the Title I WIOA Young Adult Program.

This policy supersedes Information Notice 12-OCWDA-10 and Addendum #1 to Information Notice 12-OCWDA-10.

Note: This policy is being issued pending the release of WIOA final regulations and future policy guidance issuances by the DOL and the State that impact incentives and stipends. At such time, if there are substantial changes, an amendment to Young Adult Incentives and Stipends policy will be issued; otherwise, this policy stays in effect.

BACKGROUND:

WIOA allows the payment of incentives and stipends to young adults who achieve established and measurable goals as a result of program participation. Since WIOA Young Adult programs are driven by performance outcomes, incentives and stipends encouraging successful program completion are beneficial to young adults, WIOA Young Adult Service Providers and ultimately local areas.

EFFECTIVE DATE:

This notice is effective on the date of issuance.

REFERENCES:

- Workforce Innovation and Opportunity Act (WIOA) Section 129 (a) (5)



**ORANGE COUNTY
WORKFORCE INVESTMENT
BOARD**

1300 SOUTH GRAND
BLDG. B, THIRD FLOOR
SANTA ANA, CA 92705
PHONE: 714.480.6500
FAX: 714.834.7132



POLICY AND PROCEDURE:

WIOA Young Adult Service Providers of the Orange County Workforce Investment Area (OCWIB) shall use the guidelines provided herein when awarding incentives and stipends to young adult participants of the Title I WIOA Young Adult Program. Providing young adult incentives and stipends is an option for each service provider and is not required. WIOA Young Adult Service Providers are strongly encouraged to be strategic with establishing incentive and stipend plans for young adults to ensure the best utilization of incentives based upon budget constraints.

Young adult incentives and stipends are expected to:

- Reward young adults for attainment of WIOA performance outcomes and/or key benchmarks toward those outcomes (including but not limited to attainment of employment skills and goals, mastering competency levels, participating in unpaid career exploration activities, etc.);
- Encourage young adults to enroll and remain in activities throughout program duration, including the 12-month minimum post-exit follow up phase; and
- Provide an incentive for young adults to take an active role in their community by engaging them in leadership and community service projects, including, but not limited to participation in any council/committee meetings related to WIOA activities or services.

A. Incentives

1. **What Are Incentives For:** An incentive is a payment to a WIOA young adult participant for the successful achievement of expected outcomes. The incentive must be linked to an achievement and must be tied to training and education, work readiness skills, and/or occupational skills attainment goal as identified in the Individual Service Plan (ISP). Such achievements must be documented in the participant's file as the basis for an incentive payment.
2. **When Incentives May Be Awarded:** Incentives may be awarded for, but are not limited to, the following goals/accomplishments:
 - (a) Attainment of skill goal (basic skills, work readiness, and/or occupational goal)
 - (b) Attainment of degree or recognized certificate
(Incentives can be awarded only if young adults do not possess their H.S. Diploma, GED, Post-Secondary certificates at the time of enrollment in the program.)
 - (c) Placement in employment or education
 - (d) Retention of employment or education
3. **Service Provider's Incentive Plan:** Each WIOA Young Adult Service Provider has the flexibility to develop its own young adult incentive plan as long as it is directly linked to the young adult's attainment of WIOA performance outcomes, key benchmarks toward those outcomes, and/or successful engagement in program and follow-up activities. The young adult incentive plan must be submitted to and approved by the OCWIB Contract Administrator and, at minimum, contain the elements identified in this policy as well as articulate the award amount for each associated activity.
4. **Group Activities:** In lieu of individual incentives, WIOA Young Adult Service Providers may choose to reward young adults through group activities. A combination of group activities and individual incentives may be implemented. The plan must be relevant to the young

adult's objective assessment and documented in the Individual Service Plan (ISP) and case notes.

5. **Fund for Incentives:** Young adult incentive activities shall be funded from each of the WIOA Young Adult Service Providers' allocation and included in their budget's incentives line item. Incentives are not to be dispersed as payroll or supportive services. Incentives shall be presented in the form of coupons (i.e. gift certificates) and not be redeemable for cash.
6. **Guidelines:** All WIOA Young Adult Service Providers who implement a young adult incentive plan shall ensure the following:
 - (a) All incentive payments must be relevant to the results of the objective assessment of each participant's ISP.
 - (b) All incentive details must be specified in the participant's WIOA Incentives Log, including the amount that was provided, the funding source used and the participant's acknowledgement of receipt.
 - (c) Appropriate activity code for incentives shall be entered in CalJOBS, updated during the participation in the program, and closed on the actual end date of the service. If participants receive incentives during follow-up, designated activity code for follow-up incentives shall be used and entered in CalJOBS.
 - (d) Participant records (ISP/Case Notes/Incentives Log) and financial records pertaining to incentive payments must be made available for review by local, state, and federal monitors and must meet financial management standards in WIOA including sufficient information to provide:
 - (e) A comparison of actual expenditures with the budgeted amounts of each contract.
 - (f) Support for accounting records to ensure proper charging of costs and cost allocation.
 - (g) Incentives shall not exceed \$500.00 per participant during the participant's enrollment in the program, including the post-exit follow-up phase.

7. **Acceptable Documentation For Incentives**

- (a) Pre and Post tests to measure gains
- (b) H.S. Diploma, GED, Post-Secondary certificates
- (c) Training certificates
- (d) Attendance records
- (e) ISPs and case notes
- (f) Incentive Logs

B. **Stipends**

1. **What Are Stipends For:** A stipend is a fixed regular small payment made to a WIOA young adult participant during his/her enrollment to encourage the WIOA young adult to participate in certain activities (seat/participation time payments).
2. **Payment of Stipends:**
 - (a) Stipends may not exceed the California minimum wage. Stipends may be paid based on actual hours of attendance, not to exceed eight (8) hours a day for the activity. Payment must be based on actual (seat) time of participant in the activity as documented on the attendance sheet.

(b) Attendance in the activity must be documented as the basis of stipend payments. The attendance sheet must be signed by the participant and appropriate staff before reimbursement can be made. The attendance sheet must be maintained in the WIOA young adult participant's file. Justification of need must be documented in the participant's file.

3. **When Stipends May be Awarded:** Stipends may be awarded for, but are not limited to, the following activities:

- (a) Attendance at General Education Development (GED)
- (b) Attendance at workshops
- (c) Participants in community service projects, service learning projects, and/or job shadowing

4. **Service Provider's Stipends Plan:** Each WIOA Young Adult Service Provider has the flexibility to develop its own stipend plan as long as it is directly linked to the young adult's attainment of WIOA performance outcomes, key benchmarks toward those outcomes, and/or successful engagement in program and follow-up activities. The young adult stipend plan must be submitted to and approved by the OCWIB Contract Administrator and, at minimum, contain the elements identified in this policy as well as articulate the award amount for each associated activity.

5. **Group Activities:** In lieu of individual stipends, WIOA Young Adult Service Providers may choose to reward young adults through group activities. A combination of group activities and stipends may be implemented. The plan must be relevant to the young adult's objective assessment and documented in the Individual Service Plan (ISP) and case notes.

6. **Fund for Stipends:** Young adult stipend activities shall be funded from each of the WIOA Young Adult Service Providers allocation and included in their budget's incentives/stipends line item. Stipends must be issued through a uniform payment system.

7. **Guidelines:** All WIOA Young Adult Service Providers who implement a young adult stipend plan shall ensure the following:

- (a) All stipend payments must be relevant to the results of the objective assessment of each participant's ISP.
- (b) All stipend details must be recorded in the participant's WIOA Stipends Log, including activity attended, participant's actual time in the activity, the funding source used, the issuing case manager's signature, and the participant's acknowledgement of receipt.
- (c) Appropriate activity code for stipends shall be entered in CalJOBS, updated during the participation in the program, and closed on the actual end date of the service.
- (d) Participant records (ISP/Case Notes/Stipends Log) and financial records pertaining to stipend payments must be made available for review by local, state, and federal monitors and must meet financial management standards in WIOA including enough information to provide:
 - i. A comparison of actual expenditures with the budgeted amounts of each contract.
 - ii. Support for accounting records to ensure proper charging of costs and cost allocation.
- (e) Stipends shall not exceed \$500.00 per participant during the participant's enrollment in the program, including the post-exit follow-up phase. Special projects may be determined exempt from the \$500.00 stipend per participant limit with OCWIB approval.

8. Acceptable Documentation for Stipends

- (a) Attendance records
- (b) ISPs and case notes
- (c) Stipend Logs

ACTION:

Bring this policy and procedure to the attention of all staff.

INQUIRIES:

If you have any questions regarding this policy, please contact the Contract Administrator at (714) 480-6500.

ATTACHMENTS:

Attachment I: WIOA Incentives Log

Attachment II: WIOA Stipends Log

