



Youth Incentives

Department: Office of Economic & Workforce Development

Effective Date: 1/1/2021

Directive # 21-37

_Supersedes: 37-08

PURPOSE

The purpose of this policy is to communicate Local policy regarding the expected use of incentives for WIOA-enrolled youth. Incentives encourage participation or reward participants for achieving specific elements. Service providers must develop and implement internal policies or procedures that comply with this policy.

REFERENCES

- WIOA Section 129
- 20 CFR Part 681.640 Incentive payments to youth; WIOA Final Rule
- 2 CFR 200 Part 200.75; 2 CFR Part 200.456 Participant Support Costs; Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance UG 2 CFR 200)

BACKGROUND

As provided for under the Workforce Innovation and Opportunity Act (WIOA) and the WIOA Final Rules, it is allowable to provide incentives for recognition and achievement to WIOA-enrolled eligible youth. These incentives shall be provided under performance incentives and program incentives categories of the WIOA program design.

POLICY

An incentive is a payment to an enrolled eligible WIOA Youth participant for the successful participation and 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 an occupational skills attainment goal identified. Achievements must be documented in the participant's file and the basis for the incentive payment. WIOA also allows incentives to be provided to youth that have exited the program and are in the Follow-up and Retention phase. An incentive is not considered a wage or stipend and it does not follow IRS guidelines for wages. An incentive payment is permitted for recognition and achievement directly tied to training activities and work experiences.

Each service provider's policy on incentives must include details of pre-determined milestones and achievement of goals related to the incentive payment structure. Each policy must also contain the preferred method of distribution of incentives and related internal control process that ensures efficiency and maximizes youth participation.

Example of supportive documentation for internal control purposes may include (but not limited to): Incentives procedure, gift card inventory log, distribution and receipt log, copy of method of distribution, case file documentation that shows amount of incentive; reason for incentive; copy of achievement certificate or other documentation.

INQUIRIES

Inquiries should be address to workforce.development@sfgov.org.

OEWD and its service providers shall follow this policy. This policy will remain in effect from the date of issue until such time that a revision is required.