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|  | <b>Subject</b><br><b>Adult Incentive Payment Policy</b><br><b>ARIZONA@WORK-Yuma County</b> |   |
|   | <b>Original Issue Date</b><br><b>November 1, 2018</b>                                      | <b>Revision Date</b><br><b>September 10, 2025</b> |
|   | <b>Authorized by:</b><br>Yuma County Workforce Development Board                           |   |

**Purpose:** To provide guidance to the Yuma County Local Workforce Development Area (LWDA) on the payment of incentives for Workforce Innovation and Opportunity Act (WIOA) Title1-B Adult and Dislocated Worker Program participants.

**Reference(s):**

Workforce Innovation and Opportunity Act (WIOA) of 2014: (P.L. 113-128); Final Rules; 2 CFR 200.75; 2 CFR 200.456, 2 CFR part 200, WIOA Incentive Policy- Chapter 3 Fiscal Policies, Section 700; AZ Dept. of Economic Security (DES) AJC Service Dictionary.

**Policy:**

Incentives may be awarded to WIOA Adult and Dislocated Worker participants to motivate, encourage, or congratulate when certain goals and/or activities are completed. WIOA incentives may not be used for recruitment and eligibility determination. Service Providers are encouraged to provide such incentive awards but must not exceed the limited amounts listed in this policy.

Incentive awards will be subject to availability of funding and will be reviewed by the LWDB annually for approval. All incentive awards must be in compliance with 2 CFR Part 200 (e.g., federal funds must not be spent on entertainment. This includes gift cards, tickets to events, or other related entertainment).

**Incentive Award Criteria for Adults and Dislocated Workers:**

1. Incentives must be directly related to a training service or work experience.
2. Incentives must not be paid to maintain employment during the 2<sup>nd</sup> and 4<sup>th</sup> quarters after exit.
3. Incentives may only be paid to a participant for the following;
  - (a) Upon receipt of a recognized postsecondary credential during participation or within one year after exit (during the Follow-Up period);
  - (b) When credential is related to a training service provided prior to exit from the program;
  - (c) For achievements during a work experience or training activities, including demonstration of soft skills (i.e. attendance, punctuality, interpersonal relationships, acquired of job skills as outlined on training plan, task completion);

Equal Opportunity Employer/Program Auxiliary Aids and Services Are Available Upon Request To Individuals With Disabilities.

(d) Upon successful completion of a work experience.

LWDBs that chose to provide incentives to WIOA Title 1-B Adult and Dislocated Worker participants must request and receive state approval annually prior to expending any new WIOA Title 1-B formula grant on such payments. The LWDB must complete the Exhibit 3-700A WIOA Title 1-B Adult and Dislocated Worker Incentive Approval form to request approval to pay WIOA Title 1-B Incentives to Adults and Dislocated Workers.

**Definitions: Work Experience (WEX):**

Work Experience or an Internship are defined in section 20 CFR 680.180 as a planned, structured learning experience that takes place in a workplace for a limited period of time and consistent with the Fair Labor Standards Act. A Work Experience or Internship may be within the private for profit sector, the non-profit sector, or public sector. Labor standards apply where there is an employee/employer relationship, as defined by the Fair Labor Standards Act.

**Incentives may be provided for the following:**

***Work Experience/Internship:***

Guidelines for receiving the incentive payment for a work experience or internships are provided to the participant before the service is provided. A progress incentive form is used to track the participant's time and ensure each incentive objective was achieved. A contract is implemented which identifies the worksite employer, the authorized representative, the supervisors, the position, the hours authorized, the time frame for the work experience or internship, and skills to be attained. The contract must be signed and dated by staff and employer prior to or on the start date of the Work Experience/ Internship service.

1. The contract for Work Experience/Internship **may not exceed the total of 600 hours rated at the State Minimum Wage amount.** A Work Experience may be provided more than once on a case by case basis.

**Note:** Item #1 listed above also applies to the Virtual/Remote Work Experience/Internships. *(Further guidance provided on the Procedure for Virtual/Remote Work Experience/Internship Services.)*

***Occupational Skills Training (Recognized Postsecondary Credential):***

Incentive payment in the amount of **\$250** will be awarded at the completion of a recognized postsecondary credential such as an educational/occupational certificate, occupational license/certification, associate's diploma/degree, or bachelor's diploma/degree during program participation or within one year of exit during (Follow-Up period). A copy of the credential must be attached to the request for payment.

**Note:** Refer to Eligible Training Provider List (ETPL) for a complete list of approved WIOA Trainings.

### **Documentation Requirements:**

1. Supporting documentation must be attached to the request for payment and submitted in a timely manner to the Fiscal Department for processing.
2. Supporting documentation must be uploaded into AJC system along with any additional back up documentation to comply with State programmatic audits. Refer to the AJC Uploaded Supporting Documentation list.
3. All incentives must be justified and documented in AJC Program Notes and on the IEP to include the contribution to the participant's success as a result of the incentive payment, and how the incentive payment was calculated.
4. The Incentives/Bonuses Service and appropriate AJC Activity/code must also be entered in the S&T plan of AJC when incentives are provided.
5. If the incentive payment was given during Follow-up, the "Follow-up Incentive and Bonuses" service must be entered in the S&T plan of AJC as well as case noted.
6. When a participant is receiving a Work Experience /Internship Service, the Incentive & Bonuses Service must be closed in AJC once payment is issued. A new Incentive & Bonuses Service must be open and then closed again when the payment is once again issued. The S&T Plan will capture each time this service is being provided. Staff must indicate in the "Note" Section of the service the pay period for the payment issued.
7. The LWDA must internally maintain appropriate and identifiable expenditure records of incentive payments for the purposes of monitoring/audits.