

**TITLE: YOUTH INCENTIVE PAYMENTS**

**Objective**

Research has shown that younger youth and especially at-risk youth, who are engaged in non-paid/paid training activities, are more likely to stay engaged in programs that help build workplace foundation skills and address their basic skill deficiencies when they are rewarded for skill and competency attainment. The studies have found that financial incentives are among those creating the highest incentive.

WIOA 20 CFR § 681.640 states that "incentive payments" to youth participants are permitted for recognition and achievement directly tied to training activities and work experiences. The local program must have written policies and procedures in place governing the award of incentives and must ensure that such incentive payments are tied to the goals of the specific program; outlined in writing before the commencement of the program that may provide incentive payments; align with the local program's organizational policies; and are in accordance with the requirements contained in 2 CFR part 200.

The Workforce Innovation and Opportunity Act (WIOA) Section 688.210 allows incentive payments for such activities as classroom training for, High school equivalency completion, basic skills completion, or work readiness, provided the provision of an incentive payment is included in the participant's Individual Service Strategy (ISS). Further, the Act requires that all youth served in WIOA funded programs undergo a comprehensive assessment to identify deficiencies and barriers and determine the most appropriate array of services and activities to address those deficiencies. This comprehensive assessment will be included in all South Central Tennessee Workforce Board yearlong youth programs.

**General Provisions**

- Justification for the incentive payment must be documented on the youth's ISS.
- Incentive payments can be paid for non-paid skills training such as work readiness, basic literacy, Measurable Skills gains, High school equivalency completion, classroom attendance, classroom occupational skills, and placement in 2<sup>nd</sup> and 4<sup>th</sup> quarters after exit, not to exceed \$1,000.00.
- Incentives shall be given to eligible WIOA eligible youth who successfully complete their paid internship of 400 hours. The amount will not exceed \$500.00.

Title: SMTLWDB Policy

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Effective Date: January 31st, 2019

Duration: Indefinite

Authorized By:

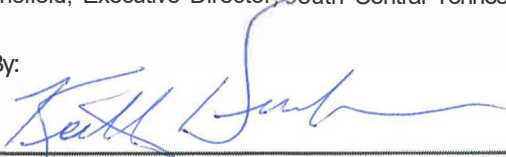


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Jerry Mansfield, Executive Director, South Central Tennessee Development District

Date

Approved By:



12/21/2018

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Keith Durham, Board Chair, Southern Middle Tennessee Local Workforce Board

Date