



## **ADULT AND DISLOCATED WORKER INCENTIVE PAYMENTS POLICY**

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**Policy Number:** 2120

**Effective Date:** May 18, 2023

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### **A. PURPOSE**

To provide clarification and guidance on incentive payments to eligible Adult, Dislocated Worker and Statewide Activity funded program participants under Title I of the Workforce Innovation and Opportunity Act (WIOA).

### **B. BACKGROUND**

There is no specific reference in the WIOA final rules regarding incentive payments to adults and dislocated workers in 20 CFR 681.640. Furthermore, although the WIOA final rules and WIOA operating guidance state that guidance in this area is forthcoming, the one-stop system is still awaiting such guidance. Therefore, to provide additional clarification to WorkSource Snohomish County, Workforce Snohomish is issuing this policy to support comprehensive service delivery. If and when federal guidance is issued, the state's WIOA policy team will review the state policy and make necessary and appropriate revisions and Workforce Snohomish will update this policy, accordingly.

### **C. POLICY**

As allowed by [Policy Number 5621, Revision 4](#), Incentives may be provided to WIOA Title I-B Adult, Dislocated Worker and Statewide Activity funded program participants.

1. Incentives payments must be directly related to:
  - a. WIOA training services or work experience (WEX), as defined in the WorkSource Services catalogue;
2. Incentives must not be paid to enter or maintain employment.
3. Incentives payments with WIOA and statewide activities funds must be connected to recognition of achievement of milestones in the program tied to work experience, education, or training. Such incentives for achievement include improvements marked by credential attainment or other successful outcomes. The following is the exclusive list of allowable incentive achievements allowed:
  - a. WEX, and Training Progress based upon achievements and milestones
  - b. Attainment of credential related to a training service.
  - c. Progress or completion of work experience or training services including obtainment of job skills as specified in the training plan, or specific training or WEX attendance or task completion as documented on the Individual Participation Plan (IPP) or Individual Employment Plan (IEP) or WEX contracts.
  - d. Positive Measurable Skills Gain (for WEX and training activities only).
4. All incentives must be compliant with this local policy, and 2 CFR part 200 (e.g., federal funds must not be spent on entertainment costs, such as movie or sporting



event tickets, gift cards to movie theaters, or other venues whose sole purpose is entertainment).

5. Workforce Snohomish must request and receive approval from the state annually prior to expending any new WIOA Title I-B formula grants or statewide activities funds on incentives to WIOA Title I-B Adult, Dislocated Worker, or Statewide Activity funded program participants.
6. Providers must also internally maintain appropriate and identifiable expenditure records of incentive payments for the purposes of local, state, and federal monitoring/audits.
7. Provider agencies must safeguard cash and other similar items (e.g., gift cards) with internal controls.
8. Workforce Snohomish does not limit the total amount of incentives payments an enrolled WIOA Title I- B Adult, Dislocated Worker, or Statewide Activity funded program participant may receive in a program year (July 1 through June 30).
9. Providers must document (case note) the following in the case management system for each participant that receives an incentive payment(s):
  - a. The WEX or training milestone achieved.
  - b. The incentive amount paid for the achievement.

**References:**

- [Policy Number 5621, Revision 5](#)
- WIOA Final Regulations, 20 CFR 681.640 – Are incentive payments to youth permitted?
- WIOA Final Regulations, 20 CFR 683.200(b)(2) – Allowable Costs and Cost Principles
- OMB Uniform Guidance, 2 CFR 200.456 – Participant Support Costs
- OMB Uniform Guidance, 2 CFR 200.75 – Participant Support Costs
- OMB Uniform Guidance, 2 CFR 200.407(t) – Prior Written Approval
- Training and Employment Guidance Letter (TEGL) 21-16
- Training and Employment Guidance Letter (TEGL) 19-16

**Supersedes:**

**Attachments:**

- Attachment A Part I
- Attachment A Part II