



YOUTH INCENTIVES PAYMENTS

Procedure Number: 2040d

Effective Date: January 1, 2025

Youth Incentives Procedure

Incentive payments to participants enrolled in WIOA Title I Youth are permitted for recognition and achievement milestones directly tied to training or education activities and work experiences. Provision of incentives is dependent upon funding availability. Service providers must ensure that the incentive payments are:

- A. Awarded in recognition and achievement directly tied to applicable youth program elements as defined in TEGL 21-16.
- B. Tied to the goals of the WIOA Title I youth program,
- C. Outlined in a written, local policy prior to the start date of training programs or work experiences that might provide incentive payments,
- D. Aligned with other WIOA Title I youth program policies, and
- E. Provided in accordance with the requirements and cost principles in 2 CFR part 200.

In accordance with 2 CFR part 200.438 incentive payments cannot be spent on entertainment costs, such as movie or sporting event tickets, gift cards to movie theaters, or other venues whose sole purpose is for entertainment. Additionally, internal controls must be established to safeguard any form of payment used to award incentive payments, such as checks, gift cards or gift certificates.

Per 20 CFR 681.640 and TEGL 21-16, incentive payments with WIOA funds must be connected to recognition of achievement of milestones in the program tied to work experience, education, or training. Such incentives for achievement could include improvements marked by the acquisition of a credential or other successful outcomes.

Incentives may not be used for recruitment purposes or returning eligibility documentation to the service provider. Providers are responsible for maintaining an equitable distribution of incentives based on the outlined milestones achieved while participating in the WIOA youth program. Providers will be required to follow the fixed amounts below.

The following is the exclusive list of allowable incentive achievements and their caps per participant's period of participation, no other categories are allowed:

Program Element	Milestone	Repeatable	Max	Incentive
1	Tutoring & Study Skills	Y	4	\$50
1	Completion of High School Diploma	N	1	\$250
2	Completion of High School Diploma or GED	N	1	\$250
2	Credit Recovery	Y	4	\$100
2	Passing one GED test	Y	3	\$100
3 ^a	Successful completion of an internship, pre-apprenticeship or on-the-job training Work Experience internship	N	1	\$200
3	Participation in an unpaid Work Experience job shadowing activity	Y	4	\$50
4	Earned an industry-recognized credential	N	1	\$300
5	Earned a basic certificate (CPR, First Aid, Food Handlers)	Y	2	\$50
11, 9	Completion of a Financial Literacy Workshop or Activity	Y	8	\$25
12	Completion of Entrepreneurial Skills Training activities	Y	8	\$25
14, 9	Post-secondary preparation and transition activities	N	1	\$50
14	Completed one quarter of post-secondary education	N	1	\$250
see note ^b	Obtained unsubsidized employment	N	1	\$200
see note ^c	Retained unsubsidized employment of 3 months or more	N	1	\$200

Notes:

^aSuccessful completion of a WEX internship is earned when the Youth participant acquires the skills outlined in their Work Experience agreement.

^bYouth incentive payments are allowed for attainment of unsubsidized employment resulting from participation in one or more program elements for which incentive payments qualify.

^cYouth incentive for employment retention may be provided to those youth that qualified for an unsubsidized incentive as it tied to one or more program elements for which incentive payments qualified.

Documenting Incentives

Incentive payments are not services but, rather, financial transactions. Youth service providers must document incentive payments to youth by recording in Case Note Touchpoints the incentive milestone achieved and associated youth program element along with the incentive amount paid. The WIOA Title IB Youth service provider must obtain documentation of achievement prior to providing the incentive to the youth participant. Documentation could include a copy of the GED, High School Diploma, a recognized credential, quarter grade print-out, pay stubs, timesheets, or supervisor letter to document attendance. All documentation including signed supportive service form must be kept in participant file and uploaded in an Upload Files TouchPoint in MIS.

Service providers must document (case note) the following in the case management system for each participant that receives an incentive payment(s):

- Case note the incentive with the following information:
 - How the participant earned the incentive
 - How the incentive ties to the applicable program element and their Individual Service Strategy (ISS)
 - Amount of incentive earned
- Supporting document of attainment (copy of the credential/certificate/license, test scores/grades., etc.).
- Youth Receipt of Incentive Form signed by participant.

When entering the Case Note, utilize the Identifier field to indicate the incentive and amount.

Example Case Note #1: “Issuing a \$100.00 learning incentive to Lee for passing their math GED test. See Test and Results TouchPoint for documentation of passing math score in GED test and Uploaded Files TouchPoint for all required incentive documentation. Lee is eligible for this incentive because they are actively participating in a ‘Alternative secondary school services or dropout recovery services’ recorded in MIS which is tied to their ISS goal to obtain their GED.”

Example Case Note #2: “Jerri has successfully completed a Work Experience at ABC Logistics, earning a \$200 incentive. Jerri acquired customer service, time management and record keeping skills and improved their computer literacy as outlined in their WEX agreement. This has been a meaningful experience for Jerri and notable progress from their ISS goal to build work experience history. See Uploaded Files TouchPoint for documentation of their WEX agreement and progress report.”

References

- [TEGL 21-16](#) - Third Workforce Innovation and Opportunity Act (WIOA) Title I Youth Formula Program Guidance
- [2 CFR part 200](#) - Cost principles and allowable activities funded under WIOA Title I
- [20 CFR 681.640](#) - Are incentive payments to youth incentives allowable?
- [Washington Employment Security Department Policy 5621 Revision 5](#) - Incentive

Payments to WIOA Title I Participants

- Washington State Employment Security Department - [Services Catalog](#)

Attachments

- [Attachment A](#) - Youth Program Elements for which incentive payments are or are not allow

Attachment A
WIOA Youth 14 Elements

WIOA Youth Program Elements must be recorded in MIS in accordance with the [Services Catalog](#)

Program Element #	Element Description
1	Tutoring, study skills training, instruction, and dropout prevention
2	Alternative secondary school services or dropout recovery services
3	Paid and unpaid work experience
4	Occupational skills training
5	Education offered concurrently with workforce preparation and training for a specific occupation
6	Leadership development opportunities
7	Supportive services
8	Adult mentoring
9	Follow-up services
	Supportive services in follow-up
	Financial Literacy education in follow-up
	Services that provide labor market information in follow-up
	Post-secondary preparation and transition activities in follow-up
	Adult mentoring in follow-up
10	Comprehensive guidance and counseling
11	Financial literacy education
12	Entrepreneurial skills training
13	Services that provide labor market information
14	Post-secondary preparation and transition activities