



Missouri Department of Higher Education and Workforce Development

# OWD Issuance 14-2019

Release Number—Program Year

Release Date:  
December 26, 2019  
Effective Date:  
December 26, 2019  
Expiration Date:  
Continuous, until further notice

**SUBJECT:**

## Statewide WIOA Youth Program Incentive Policy

**ATTACHMENTS:** (1)—None

*This Issuance is Official Policy of the Missouri Department of Higher Education and Workforce Development*

**ISSUING AUTHORITY:**

Mardy Leathers  
Director  
Missouri Office of  
Workforce Development

**THIS ISSUANCE REQUIRES CREATION OR ALTERATION OF A CORRESPONDING LOCAL POLICY**

**KEYWORDS:**

Statewide; Local Plans and Policies;  
Youth Program Incentive; Workforce  
Innovation and Opportunity Act  
(WIOA)

**THIS ISSUANCE AFFECTS:**

Missouri One-Stop Delivery System (MJC/AJCs)  
WIOA Title I Local Areas/Local Boards/Local Plans  
WIOA Title I In-State Funding  
WIOA Title I Performance/Accountability  
WIOA Title I One-Stop Delivery/Service Providers  
WIOA Youth Workforce Investment Activities  
WIOA Section 188 Nondiscrimination Issues  
WIOA Fiscal/Administrative Procedures

**FOR THE ATTENTION OF:**

One-Stop frontline staff  
Chief Elected Officials  
Local Fiscal Agents  
Local WDB Chairpersons  
Local WDB Directors  
Local WDB Members  
One-Stop Operators  
One-Stop Functional Leaders  
Service Providers  
Local Equal Opportunity Officers  
Local Compliance Monitors

**RESCISSIONS:** None

**REFERENCES:**

U.S Department of Labor, Employment and Training Administration, Training and Guidance Letter ([TEGL 21-16](#)), “Third Workforce Innovation and Opportunity Act (WIOA) Title I Youth Formula Program Guidance,” March 2, 2017.  
[20 CFR 681.640](#), “Are incentives payments to youth participants permitted?”  
[2 CFR 200](#), “Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.”  
[OWD Issuance 09-2019](#), “Local and Regional Plan Guidelines for Local Workforce Development Boards,” October 7, 2019.

**SUMMARY:**

This Issuance transmits the Office of Workforce Development (OWD) guidance to Local Workforce Development Boards (LWDBs) regarding WIOA Youth Incentives in order to conform to federal laws and regulations.

**BACKGROUND:**

LWDBs have WIOA Title I performance outcomes to meet; therefore, incentives that inspire WIOA Youth participants to successfully complete training and/or work experiences are beneficial to youth, program providers and LWDBs.

## SUBSTANCE:

WIOA permits incentive payments<sup>1</sup> to enrolled youth participants for recognition and achievement **directly tied to training activities and work experiences**. Incentives may be awarded to participant based upon their progress and/or achievement of milestones in the program tied to education, training, or work experience as outlined in their Individual Service Strategies (ISS). Allowable milestones may include, but not limited to:

- Obtaining Secondary or Postsecondary Credential
- Successful completion of work experiences
- Educational Functioning Level (EFL) Gains
- Educational performance

LWDBs must have written policies and procedures in place governing the award of incentives and must ensure that such incentives are:

- a) Tied to the goals of the specific program;
- b) Outlined in writing before the commencement of the program that may provide incentive payments;
- c) Align with the local program's organizational policies; and
- d) Are in accordance with the requirements contained in 2 CFR part 200. For example, Federal funds **cannot be** spent on entertainment costs; therefore, youth incentives **must not** include entertainment such as movie or sporting event tickets or gift cards to movie theaters or other venues whose sole purpose is entertainment. There are also requirements related to internal controls to safeguard cash, which also apply to safeguarding of gift cards, which are essentially cash.

DOL **does not** allow incentives to be used as motivators for various activities such as recruitment, submitting eligibility documentation, and participation in the program<sup>2</sup>. OWD has determined that incentives are not allowed for workshop participation or for taking assessments such as the National Career Readiness Certificate (NCRC).

OWD **does not** allow incentives to be paid to Youth who have exited the program and who are now in follow-up. LWDBs are encouraged to engage Youth while in the program to ensure successful outcomes in training, education and work experiences. Incentives must be tied to training, education and work experiences; therefore, OWD **does not** allow incentives for obtaining unsubsidized employment, entering the military or retaining employment. Unsubsidized employment is not a “work experience”<sup>3</sup> which is a planned structured learning experience that takes place for a limited number of hours.

## ROLES, RESPONSIBILITIES, and REQUIRED ACTIONS:

Each LWDB must develop a youth incentive policy and it will be a required component of the Local Plan<sup>4</sup>. Each LWDB local compliance monitor must ensure that all incentives paid are, in fact, allowable.

Effective immediately, all LWDB Directors and Missouri Job Center Leadership should inform Frontline Workforce System staff of these requirements.

All Frontline Workforce System Staff handling WIOA Youth case management services and incentive payments should immediately apply these requirements.

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<sup>1</sup> [20 CFR 681.640](#)

<sup>2</sup> [TEGL 21-16](#)

<sup>3</sup> [20 CFR 681.600](#)

<sup>4</sup> [OWD Issuance 09-2019](#), “Local and Regional Plan Guidelines for Local Workforce Development Boards,” October 7, 2019.

**TIMELINE:**

**All Missouri Workforce System Staff** — Implementation of these rules ..... **Immediate and Continuous**

**INQUIRIES:**

Please direct all questions or comments regarding this Issuance document to [dwdpolicy@dhewd.mo.gov](mailto:dwdpolicy@dhewd.mo.gov). All active Issuances are available at [jobs.mo.gov/dwdissuances](http://jobs.mo.gov/dwdissuances). Expired/rescinded Issuances are available on request.

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