

WORKFORCE DEVELOPMENT BOARD
Workforce Innovation and Opportunity Act Area 8

Policy number	301 (WIOAPL 15-13)
Subject	Work Experience for Youth
This policy obsoletes	Updated Work Experience Page as it applies to Youth
May apply for waiver	NA
Board approved	7/20/2017
Effective date	7/1/2017
Revisions approved	Local Board NA/State ODJFS, Workforce Investment Act Policy Letter No. 13-05, Work Experience for Youth, (January 9, 2014).

Purpose:

To establish policy and provide direction on the implementation and allowance for work experience for youth participating in Workforce Innovation and Opportunity Act (WIOA) programs.

REFERENCES: Workforce Innovation and Opportunity Act Section 129 and 681.650 Federal Regs 2 CFR part 200.

Under the Workforce Innovation and Opportunity Act, paid and unpaid work experience is an allowable activity and one of the fourteen (14) youth program elements required to be competitively procured when selecting a youth service provider for this activity.

Work experience is a service to assist in the assessment of an individual for further training or placement. This service is designed to meet the needs of individuals with little or no work experience (less than one year of continuous employment) and is in need of this service to obtain unsubsidized employment leading to self-sufficiency.

WIOA allows for paid, unpaid, stipend and the payment of incentives to youth participants for recognition and achievement directly tied to training and work experiences. Since WIOA youth programs are driven by performance outcomes, incentives encouraging recruitment, participation, and successful completion are beneficial to youth and local areas. Based on this premise, the following youth incentive policy and procedures are established.

Definitions

Incentive: remuneration to participants for successful participation and achievement of expected outcomes as defined in the Individual Opportunity Plan(IOP).

Internship: a system of gaining on-the-job experience by placement in a work environment for a period of time with the goal to build technical and job awareness skills. Internships may be paid or unpaid.

Job shadowing: a short-term unpaid activity which introduces a participant to the workplace and provides exposure to occupational areas of interest to increase career awareness. Job shadowing is limited and allows youth to observe only.

On-the-job training (OJT): training by an employer that is provided to a paid participant while engaged in productive work in a job that:

- Provides knowledge or skills essential to the full and adequate performance of the job;
- Is made available through a program that provides reimbursement to the employer of a percentage of the wage rate of the participant; and
- Is limited in duration as appropriate to the occupation for which the participant is being trained, taking into account the content of the training, prior work experience of the participant, and the service strategy for the participant.

Pre-apprenticeship programs: programs or set of strategies designed to prepare individuals to enter and succeed in Registered Apprenticeship programs and have a documented partnership with at least one, if not more, Registered Apprenticeship programs.

Stipend: a fixed and regular small payment such as an allowance.

Summer employment opportunities: an activity conducted mainly during the summer months which involves work experience as the primary strategy and must provide direct linkages to academic and occupational learning.

Work experience: a planned, structured learning activity that takes place in a workplace setting for a limited period of time not to exceed 90 days (new placements as of 7/20/17). A work experience may be paid or unpaid and may take place in the private for profit sector, the non-profit sector or public sector. Labor standards apply where an employer/employee relationship exist. Individual client extension beyond the 90 days must be approved by the JFS County Sub Recipient Director prior to implementation; and be within the state and federal WIOA guidelines, and funding limitations.

“Pursuant to WIOA section 129(c)(2)(C), Area 8 is required to offer youth programs that involve paid and unpaid work experiences that have as a component academic and occupational education. Work experiences are a planned, structured learning activity that takes place in a workplace for a limited period of time. Work experience may be paid or unpaid, as appropriate. A work experience may take place in the private for-profit sector, the non-profit sector, or the public sector. Work experiences provide the youth participant with opportunities for career exploration and skill development. Labor standards apply where an employer/employee relationship exist.”

POLICY:

In a paid work experience, the sub recipient county will be the employer of record, paying the participant wages, paying workman's compensation, and all applicable taxes, or pay a training stipend. The work site will provide the structure and outline of what will be accomplished during the work experience.

In addition to assessing the individual's ability to be successful in a workplace setting, the goal for this service is to place the individual in unsubsidized employment either directly or after further training. The work site providing the

work experience is not precluded from hiring the individual directly or after further training utilizing the On the Job Training program.

The criteria for incentive/stipend awards are tied to the youth performance outcomes as established by WIOA. Incentives **may** be awarded to youth based upon their progress and/or achievement toward employment and education success as outlined in their Individual Opportunity Plan (IOP). Youth **may** receive more than one incentive for the achievement of multiple outcomes and such incentives can also be awarded during the 12-month follow-up period. Maximum incentive amount per year is \$500. Follow-up incentives are not included in the maximum but subject to JFS Sub-Recipient Director approval. Service Providers will annually review and determine if their WIOA young adult budget allocation can support all planned incentives. Service Providers will issue formal guidance to staff on which incentives are affordable within annual budgets.

Other:

Other incentives may be developed on an individual basis or in conjunction with a structured youth project. Such incentives must be approved by the JFS County Sub Recipient Director prior to implementation; and be within the state and federal WIOA guidelines. Service Providers will annually review and determine if their WIOA youth budget allocation can support all planned incentives. Service Providers will issue formal guidance to staff on which incentives are affordable within annual budgets

Case Managers will be responsible for documenting the attainment of incentives for each young adult and proper documentation to support the incentive scanned into case management system.

Note: Under 2 CFR 200, Federal funds may not be spent on entertainment costs. Therefore, incentives may not include entertainment, such as movie or sporting event tickets or gift cards to movie theaters or other venues whose sole purpose is entertainment.

PAYMENT METHOD: All payments shall be described and noted in the participant's IOP and/or case management file. This shall include the amount, type of payment method, and justification. **Please note:** Incentives are not to be dispersed as payroll, and, thus, income tax is not to be withheld.

Participants in a work experience opportunity must be compensated at the same rates, including periodic increases, as trainees or employees who are similarly situated in similar occupations by the same employer and who have similar training, experience, and skills. The rates may not be lower than the higher of the federal or state minimum wage.

Tracking Youth Work Experience

Local youth programs must expend not less than 20% of the funds allocated to them to provide in-school youth and out-of-school youth with paid and unpaid work experiences.

Local WIOA youth programs must track program funds spent on paid and unpaid work experiences, including wages and staff costs for the development and management of work experiences, and report such expenditures as part of the local WIOA youth financial reporting. The percentage of funds spent on work experience is calculated based on the total local area youth funds expended for work experience rather than calculated separately for in-school and out-of-school youth. Local area administrative costs are not subject to the 20% minimum work experience expenditure requirement.

Monitoring

The WDB is responsible for ensuring oversight of the program. The WDB must periodically monitor the participant and the worksite or a host site to ensure that goals are being met and adherence to this guidance and WIOA law and regulations.

Through the state's monitoring system, program monitors will review the local area's use of work experience in the WIOA youth program, including a participant file review, during the annual onsite monitoring review for compliance with federal and state laws and regulations. Any issues will be handled through the state's monitoring resolution process.

Technical Assistance

For additional information, you may send your questions to the Office of Workforce Development:
OWDPOLICY@jfs.ohio.gov.

For additional information, you may send your questions to ODJFS, Office of Workforce Development:
WIAQNA@JFS.OHIO.GOV.

References

Workforce Innovation and Opportunity Act, Pub. L. 113-128

29 U.S.C. 3101 et seq

2 CFR 200

Fair Labor Standards Act of 1938, 52 Stat. 1060, 29 U.S.C. 201 et seq.

USDOL, Training and Employment Guidance Letter No. 12-09, Joint Guidance for States Seeking to Implement Subsidized Work-Based Training Programs for Unemployed Workers, (January 29, 2012).

USDOL, U.S. Secretary's Commission on Achieving Necessary Skills, A SCANS Report for America 2000, (June 1991).

I.R.S. Revenue Ruling 75-246, 1975-1 C.B. 24, Scenarios distinguish between amounts paid in connection with training-excludable under general welfare exception-and amounts paid in connection with services.

O.A.C. Ch. 4101:9-2 (2004).

O.R.C. Ch. 3331 (2002).

O.R.C. Ch. 4109

Rescission

ODJFS, Workforce Investment Act Policy Letter No. 13-05, Work Experience for Youth, (January 9, 2014).

Board Action Approved **Disapproved** _____

7/20/17