



## TITLE: WIOA Title I Programs – Alternative Compensation Procedures # 6200P

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**Type:** Program Procedure

**Date Established:** 07/01/2016

**Date Last Revised:** 09/4/2019

**Date Posted to Website:** 12/27/2019

**Status:** Final

**Supersedes:** N/A

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### Procedural Guidelines

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Alternative Compensation includes different types of payment. Among them, Incentives for Program Performance and Needs Related Payments.

PacMtn does not offer Needs Related Payments.

PacMtn does allow for Stipend and Incentive Payments in accordance with local policy. Each as requested must be tied to activities directly related to meeting contractual performance metrics.

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### Procedures

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Contractors choosing to offer program performance incentives must develop policies and procedures that detail the following:

- Category of incentives earned
- Amount of incentive
- Frequency of incentive
- Tracking expectations to prevent multiple payments
- Documentation requirements
- Limits for incentives issued per program year

Prior to the distribution of any allowable WIOA Formula Title I funds to a contracted service provider for issuance of incentive payments to program participants, contractors must annually request and receive approval from PacMtn. The annual request must include the following:

- The business case for the incentive payment's contribution to the participant's success
- How the incentive payment was calculated

Incentive structure should be based on award amount, and should be revisited/updated annually, once budget is determined.

As identified below, for each participant issued an incentive payment or other form of alternative compensation allowable per local policy, all requests and payments should be documented within the MIS System and hard copy participant files as applicable.

Record keeping, case noting and documentation requirements include the following:

- Completed and signed Request and Approval form that details category and amount
- Official form of verification for achievement or completion of activity/service that merits award
- Case note confirming participant's receipt of payment
- Official proof of completion of incentivized activity/service
- Signature of participant receiving incentive
- Signature of staff issuing incentive
- Final Signature of authorizing Program Manager

Self-attestation for achievement of incentive will not be accepted.

Service providers must also internally maintain appropriate and identifiable expenditure records of incentive payments.

In addition, incentives must be tied to grant activity that directly supports the achievement of contract performance metrics. Incentive structures that offer alternative compensation for program activity not tied to performance will not be approved or allowable.

Service provider staff must use internal controls to track and ensure no duplication of payments. Only one Incentive for Program Performance should be issued for participants for each category, regardless of the number of times it has been achieved.

Service providers must work with program applicants and/or participants to help identify if the issuance of any specific form of Alternative Compensation through a PacMtn/WorkSource system program will negatively impact the individual and any other means of funding, earnings or compensation they may be in receipt of.

Service providers will work to identify the appropriate form of Alternative Compensation best suited for the program participant (stipend, incentive, etc.). This guidance will apply to participant wages and earning issued through a WEX or other allowable paid Work Based Learning (WBL) agreement.

If a concern is identified and assistance is needed to resolve, staff should contact a member of PacMtn's Fiscal Department before signing and initiating the WBL agreement.

Incentives can be issued only to those determined eligible as follows:

- Be enrolled in a WIOA Program;
- Be actively engaged in services offered through a WIOA Title I qualifying program in accordance with their Individual Service Strategy (ISS), or Individual Employment Plan (IEP). Activities not supported through the ISS or IEP will not be allowable.
- Approved services to earn incentives include, but are not limited to; training leading to credential, and or successful completion and intended outcomes for secondary or post-secondary education, apprenticeships, work-based learning activities and employment.

- Have not previously received an incentive in the same category without approval through a waiver request process, *(unless the multiple incentives are awarded individually as part of a total achievement and award packet for the specific allowable activity)*.

**Stipend and Incentive payments issued, individually or in combination, may not exceed an accumulative total of \$7,000.00 per participant**

Service providers wishing to issue a stipend or incentive payment or award to a qualifying participant must first complete and submit Attachments 1, 2 & 3, as applicable, to an authorized program manager for approval.

*Any discrepancies arising between PacMtn policy and or procedures with federal and state provisions due to current or future revisions will default to the current minimum federal and state regulations and guidance available. PacMtn policy and or procedures may set forth stricter requirements than provided by federal and state guidance, but in no case will PacMtn policy and or procedures not meet minimum federal and state policy.*

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## References

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Workforce Innovation and Opportunity Act of 2014

WIOA Final Rule; 20 CFR Parts 676,677, and 678; Federal Register, Vol. 81, No. 161, August 19, 2016

WIOA Final Rule; 20 CFR Parts 603, 651, 652, et al; Federal Register, Vol. 81, No. 161, August 19, 2016

Employment Guidance Letter's (TEGL's) 21-16, 19-16, 23-14 & 08-15

WorkSource System Policy 1019, Revision 4, Attachment A- Eligibility Handbook Training

WorkSource System Policy 5602 R1 - Supportive Services and Need Related Payments

WorkSource System Policy 5621 R1 - Incentive Payments

PacMtn Alternative Compensation Policy #6200

*Compliance with the state's eligibility policy will be based on the version of the handbook in effect at the time of the action or activity that may be at issue.*

**DATE APPROVED: June 4, 2016, 6/30/19, 9/6/2019**

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**Direct Inquiries to:**

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PacMtn is an equal opportunity employer/program. Auxiliary aids and services are available upon request to individuals with disabilities. WA Relay 711.

Attachment 1

PacMtn WIOA Title I Adult/DW Program  
Alternative Compensation  
Qualifying Activity and Completion Verification

1) Program Participant

Name \_\_\_\_\_

Phone \_\_\_\_\_ Email \_\_\_\_\_

2) WIOA Program Staff

Name \_\_\_\_\_

Phone \_\_\_\_\_ Email \_\_\_\_\_

3) Activity Title and Type

Activity Title \_\_\_\_\_

Activity Type \_\_\_\_\_

Start Date \_\_\_\_\_ Activity End Date \_\_\_\_\_

Outcome to be achieved upon completion of all planned activities: \_\_\_\_\_

4) Activity Provider

Activity Provider \_\_\_\_\_

Address \_\_\_\_\_

Phone \_\_\_\_\_ Email \_\_\_\_\_

5) Incremental Activity - Stipend Payment Plan

Activity/Training Plan Increments 1, 2 & 3	Incremental Achievement Completed	Date Achieved? -- / -- / --	Verified by Staff and Signed

For individuals being awarded multiple incentives over any pre-determined payment schedule as part of a total achievement and award packet, for the specific allowable activity, each completion and verification should be captured above as individual achievements and payments.

Stipend and Incentive payments issued, individually or in combination, may not exceed a total accumulative of \$7,000.00 per participant.

**Attachment 2**

**STIPEND / INCENTIVE PAYMENT  
REQUEST AND APPROVAL FORM**

Incentive and Stipend based payments are forms of Alternative Compensation, which may be used to award Participants for pre-determined Program Performance outcomes.

1. Upon management approval, Alternative Compensation (Stipends and Incentive based performance payments) may be issued in accordance with local policy.
2. Stipends and incentives must be tied to activities directly related to meeting contractual performance outcomes.

To be eligible to earn stipends and incentives, individuals must:

- Be enrolled in a WIOA Program;
- Be actively engaged in services offered through a qualifying program, in accordance with their Individual Service Strategy (ISS), or Individual Employment Plan (IEP). Activities not supported through the ISS or IEP will not be allowable
- Additional performance based achievements to earn incentives may include, but are not limited to: completion of training leading to additional credential, Exceptional rating upon completion of training program, apprenticeship, work-based learning activities, employment, or other qualifying activity
- Have not previously received an incentive in the same category.

All Stipend and incentive payments must be recorded and retained in the participant file along with proper documentation and case noting of justification of award.

**Participant Name:** \_\_\_\_\_

**Qualifying Activity (per attachment 1):** \_\_\_\_\_

Stipend Justification: \_\_\_\_\_

\_\_\_\_\_

Incentive Justification: \_\_\_\_\_

\_\_\_\_\_

**Program Counselor:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

**Program Director:** \_\_\_\_\_

APPROVED \_\_\_\_\_ DENIED \_\_\_\_\_ **DATE:** \_\_\_\_\_

Attachment 3

ALTERNATIVE COMPENSATION  
ACTIVITY PAYMENT/STIPEND PLAN

Participant: \_\_\_\_\_

Provider/Employer: \_\_\_\_\_

STIPEND PLAN Earning Period End Date Payment Completion Description & Verification	Satisfactorily Achieved? Yes or No	Earning Period End Date
1.	1.	1.
2.	2.	2.
3.	3.	3.

Training Provider/Activity Staff: \_\_\_\_\_ Date: \_\_\_\_\_

Service Provider Staff: \_\_\_\_\_ Date: \_\_\_\_\_