

TITLE: Community Reinvestment Funds Incentive Policy # 4.2.1-R1

Type: Program Policy

Original Policy Date: 06/06/2024

Effective Revision Date: 11/20/2025

Status: Final

Supersedes: 4.2.1

Purpose

The purpose of the Community Reinvestment Funds Incentive Policy is to foster sustainable economic development and enhance the well-being of underserved communities. This policy was established in response to Washington State's Community Reinvestment Account, designed to address racial, economic, and social disparities and reduce poverty with a focus on equity.

Policy

The Career Accelerator Incentives Fund authorizes financial support payments of \$1,000.00 per month to participants enrolled in the State Economic Security for All (EcSA) program. These incentives are intended to support individuals actively engaged in career development activities and making **satisfactory** progress toward securing self-sufficient employment.

**All incentive payments are subject to fund availability and may be adjusted or discontinued if funding constraints arise.*

Policy Guidelines

Eligibility Requirements

To qualify for monthly incentive payments through **the EcSA Career Accelerator**, participants must:

- Be fully enrolled in the State EcSA program.
- Be actively engaged in their career development plan.
- Meet with their case manager at least once per month to provide updates on their career plan progress.
- Demonstrate meaningful engagement in qualifying career development activities beyond basic job search.
- Have their progress documented in the Efforts to Outcome (ETO) system by their case manager.

Qualifying Career Development Activities

Participants must engage in **at least one of the following activities** each month to remain eligible for incentives:

- **Training or Education Pathways, Including Work Experience**
Examples: Completing an accredited certificate program, enrolling in vocational training, participating in registered apprenticeships, or completing an industry-recognized certification (e.g., CNA, HVAC, IT Support).
- **Credential Attainment & Measurable Skill Gains**
Examples: Passing a GED exam, earning a professional license (e.g., Real Estate, CDL), completing coursework for an associate or bachelor's degree, or gaining proficiency in an in-demand technical skill (e.g., software coding, welding).
- **Barrier Mitigation to Employment**
Examples: Securing reliable transportation (e.g., purchasing a car, obtaining a driver's license), enrolling in childcare assistance programs, completing an English as a Second Language (ESL) course, or accessing legal services to expunge criminal records.
- **Job Search & Employment Attainment**
Examples: Attending job interviews, participating in mock interview sessions, securing employment through a hiring event, or obtaining a written job offer from an employer.
- **Employment Retention**
Examples: Maintaining employment for at least 30 days, successfully completing an employer's probationary period, or receiving positive performance reviews at work.
- **Wage Increase**
Examples: Negotiating a higher salary, transitioning from part-time to full-time employment, receiving a pay raise or promotion, or moving to a job with better benefits and financial stability. Participants are encouraged to assess their wage increases using the UW Self-Sufficiency Calculator to determine progress toward achieving full household self-sufficiency.
- **Financial Coaching & Planning**
Examples: Completing a financial literacy course, creating a household budget with a financial advisor, setting up an emergency savings account, or developing a debt repayment plan.
- **Engagement in Customized Self-Sufficiency Strategies**
Examples: Completing an assessment using the UW Self-Sufficiency Calculator, developing an individualized plan to reach income adequacy, or participating in long-term career coaching sessions.
- **Other Activities Approved by the Case Manager**
Examples: Participating in leadership development workshops, attending professional networking events, engaging in mentorship programs, or enrolling in specialized workforce development initiatives.

**** Job search alone does not qualify as a sufficient activity. Participants must demonstrate additional career development progress.***

Enrollment & Compliance

- Initial enrollment into the Career Accelerator Incentive Program occurs during a financial coaching meeting where participants complete required forms and discuss tax implications.
 - Participants must submit evidence of qualifying activities to their case manager by the 20th of each month to qualify for that month's incentive payment.
 - If a participant fails to meet with their case manager or submit documentation by the 20th, they will not be eligible for that month's incentive.
 - Incentive payments will be processed by the end of the month and issued on the 5th of the following month.
 - Participants must complete a new UW Self-Sufficiency Calculator assessment upon employment attainment to ensure income adequacy.
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Payment Structure & Duration

- Incentive payments are strictly limited to fund availability. If funds are depleted, payments may be paused or discontinued.
- Participants may continue receiving monthly incentives as long as they remain enrolled in EcSA, meet eligibility requirements, and funding is available.
 - The participant must submit a **written appeal** within **10 business days** of receiving the denial notice.
 - The appeal must include:
 - Reason for requesting reconsideration.
 - Any supporting documents that demonstrate compliance or mitigating circumstances.
 - A statement explaining how the issue has been or will be resolved.

2. Review by Appeals Committee

- The appeal will be reviewed by a **three-person Appeals Committee**, including:
 - A **Case Manager** (not directly involved in the original decision).
 - A **Program Administrator**.
 - A **PacMtn Representative**.
- The committee will evaluate the case within **10 business days** and determine if the decision should be overturned or upheld.

3. Notification of Decision

- The participant will receive a **written response** with the final decision within **5 business days** after review.
- If the appeal is **approved**, the participant will receive **retroactive incentive payment** if applicable.
- If the appeal is **denied**, the participant will be provided with a **clear explanation** and any corrective actions required to regain eligibility.

4. Final Resolution

- If the participant disagrees with the committee's decision, they may **request a final review** by the **PacMtn Executive Team** within **5 business days** of the committee's decision.
- The **Executive Team's decision is final**.

Anti-Fraud & Compliance Measures

- **Random Audits:** Participants may be selected for periodic audits to verify program compliance.
- **Photo or Digital Check-Ins:** Participants may be required to submit time-stamped photo evidence or check-in digitally for certain activities.
- **Clawback Policy:** If fraud is discovered after payments are made, participants may be required to repay improperly received funds.
- **Zero Tolerance for Fraud:** Providing false documentation or misrepresenting progress will result in immediate program termination and potential legal consequences.
- **Two-Month Non-Compliance Rule:** If a participant fails to engage in qualifying activities for two consecutive months, they will be removed from the incentive program unless corrective action is taken.

Definitions

- **Self-Sufficiency:** The ability of an individual or household to meet basic needs without external assistance, measured using tools such as the UW Self-Sufficiency Calculator to determine income adequacy and financial independence.
- **ETO (Efforts to Outcome):** A data management system used to track participant progress, incentive payments, and program compliance.

- **EcSA (Economic Security for All):** A state program designed to reduce poverty through workforce development and financial incentives, supporting individuals in achieving self-sufficient employment.
- **Career Plan / IEP:** A structured roadmap developed between a participant and their case manager that outlines career goals, training, employment steps, and milestones toward self-sufficiency.
- **Barrier Mitigation:** Strategies and services aimed at overcoming challenges that prevent employment, including transportation, childcare, legal assistance, and language proficiency.
- **Wage Progression:** The increase in earnings through promotions, pay raises, job transitions, or skill enhancements that contribute to financial stability and self-sufficiency.
- **Financial Coaching:** Personalized guidance provided by financial advisors to help participants develop budgets, plan debt reduction, establish savings, and manage tax obligations.
- **Verification Process:** The required documentation and third-party confirmations (from employers, training providers, or financial coaches) to ensure participants are meeting program requirements.
- **Fraud Prevention Measures:** Policies and practices designed to detect and prevent misrepresentation, unauthorized incentive claims, and compliance violations.
- **Program Compliance:** The adherence to all requirements, including monthly check-ins, documented progress, and engagement in qualifying activities to continue receiving incentives.

References

Workforce Innovation and Opportunity Act (WIOA), 2014

WIOA Final Rule; 20 CFR Parts 676, 677, and 678 (2016)

Washington State Policy 7005-1: Community Reinvestment Fund

PacMtn Policy 4.1.1-P: State EcSA Program Procedure

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Process for Enrollment and Approval into the Career Accelerator Incentive Program

This process ensures that participants are properly enrolled, vetted, and approved before receiving incentive payments under the Career Accelerator Incentive Program. The process includes the completion of required forms, review by designated staff, and final approval by program administrators.

Step 1: Initial Eligibility Determination

Responsibility: Case Manager/Talent Recruiter

1. **Verify Participant Eligibility:**
 - a. Ensure the participant is fully enrolled in the State Economic Security for All (EcSA) Program.
 - b. Confirm that the participant meets all qualifying criteria for incentive payments, including engagement in approved career activities.
 - c. Schedule an appointment with financial coach to go over the program and complete required enrollment paperwork. This appointment will be documented in ETO under State Funded Services as a Financial Literacy touchpoint.

Responsibility: Financial Coach

2. **Discuss Financial & Tax Implications:**
 - a. Explain that the incentive is taxable income and that a 1099 form will be issued at the end of the year.
 - b. Inform the participant that receiving the incentive may impact state benefits (e.g., SNAP, TANF, Medicaid).
 - c. Provide contact information for a financial coach if additional guidance is needed.

Step 2: Participant Agreement & Documentation Submission Review

Responsibility: Financial Coach & PacMtn Quality Assurance Team (QA)

1. **Complete the Career Accelerator Incentive Participant Agreement Form** (attached document).
 - a. The participant must read and acknowledge the terms of the incentive, including:
 - ✓ Ongoing engagement requirements
 - ✓ Tax responsibilities
 - ✓ Impact on benefits
2. **Complete the Vendor Form** (for payment processing).

- a. Provide accurate bank account details (for direct deposit) or mailing address (for check payments).
 - b. Verify personal information (name, contact details, social security number, or tax ID if required).
3. **Submit Forms to PacMtn QA Team for review:**
- a. PacMtn QA team will review the submitted forms for compliance and validate participant is eligible for and all required forms are filled out.

Step 3: Participant Documentation Approval and Enrollment into Program Documented

Responsibility: PacMtn Program Administrator

The PacMtn QA team conducts a comprehensive review of the participant's eligibility documentation to ensure compliance with program requirements before approving enrollment into the CRF program.

Eligibility Validation & Documentation Review

The QA team:

- Validates allowability by reviewing the participant's application, eligibility criteria, and required supporting documents.
- Ensures all required documentation (e.g., proof of eligibility, work-based learning agreements, case notes) is present and properly recorded.
- Confirms corrections have been made if prior compliance issues were identified, verifying that necessary updates are reflected in the state MIS system.
- Logs an internal approval note in ETO, confirming eligibility verification and compliance with program requirements.

If corrections were required, the QA team verifies that:

- All missing or inaccurate information previously flagged by the ESD Monitoring Unit has been addressed.
- Updated documentation has been uploaded and properly linked to the participant's file in the state MIS and ETO.
- A compliance checklist is completed, detailing any corrections made and confirming that the participant meets all eligibility requirements.

Final Approval & Enrollment Process

Once eligibility verification is complete:

1. QA runs a report from ETO and/or the state MIS listing all participants eligible for payment based on program criteria.
2. QA approves the report with a signature and forwards it to the Program Administrator for final review.

3. **Participant Forms Approval:**

- If the participant is approved for CRF program enrollment, the Vendor Form and I-9 documents are forwarded to the PacMtn fiscal department for final review and entry into the PacMtn accounting system.
- QA documents enrollment in ETO, which counts as the participant's first qualifying activity.

Step 4: Program Administrator Final Approval & Ongoing Payment Processing

Responsibility: PacMtn Program Administrator

1. Review Submissions & Verify Compliance

The Program Administrator conducts a final review of the participant's enrollment and eligibility in ETO, ensuring:

- The determination of allowability is documented, confirming the participant meets all program and financial compliance requirements.
- All necessary corrections have been verified and documented in the state MIS and ETO.
- Supporting documentation is present, including:
 - Any missing documentation flagged by the ESD Monitoring Unit that was previously unverified.
 - Case notes or compliance memos outlining corrective actions taken and confirmation that all issues have been resolved.
 - A signed approval form or digital confirmation from the QA team verifying compliance.
- Monthly progress has been documented in ETO and reviewed for compliance.

The Program Administrator then approves or denies the submission based on compliance:

- If approved, the participant is authorized for incentive payment processing.
- If denied, the participant is notified with the reason for denial and instructions on corrective actions, if applicable.

2. Authorize Payment

If the participant's eligibility is approved:

- The Program Administrator authorizes the first monthly incentive payment by:
 - Approving the participant's final eligibility status in ETO.
 - Submitting the payment request to Accounting for processing.
 - Logging a final approval note in ETO, which includes:
 - Confirmation of compliance review.
 - Details of corrections made (if applicable).
 - Reference to supporting documentation validating eligibility.
- QA signs off on the final payment approval report and forwards it to Accounting for payment processing.

- If new Vendor Forms are required, they are submitted to the Finance Department along with the list of approved participants eligible for monthly incentive payments.

3. Payment Processing & Compliance Tracking

- The Finance Team processes the first payment, following standard financial procedures, and logs the transaction in the financial system.
- A confirmation email is sent to relevant program staff, confirming that the participant's first incentive payment has been successfully processed and is in compliance with all program requirements.
- **Record-Keeping & Audits:**
 - Maintain records of approved and denied applications for auditing purposes.
 - Track all payments in the ETO system.
 - Conduct periodic audits to ensure compliance with program policies and financial regulations.

Step 5: Ongoing Monitoring & Reassessment

Responsibility: Case Manager & Program Administrator

1. Monthly Check-Ins

- a. Participants must meet with their case manager monthly to confirm engagement in qualifying activities.
- b. If a participant fails to engage for two consecutive months, their incentive may be paused or terminated.

2. Quarterly Reassessments

- a. Every three months, case managers will reevaluate participant eligibility to ensure continued compliance.

3. Fraud Prevention & Random Audits

- a. Random audits will be conducted to verify participant records and ensure compliance.
- b. Any misrepresentation or fraudulent activity will result in immediate disqualification and potential repayment of funds.