

# Chautauqua County Workforce Investment/Development Board

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**Policy Name:** Work Experience/Stipend – WIOA Youth Policy  
**Effective Date:** 2020 10 26 (revised 2021 06 24)

**I. Purpose**

This policy provides guidance on paid and unpaid work experience for the youth program under Title I of the Workforce Innovation and Opportunity Act (WIOA). This guidance is to be conveyed to subrecipients and other entities that provide WIOA youth activities and services.

**II. Background**

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.

**III. Definitions/Requirements**

Work experience is one of the fourteen (14) required program elements that must be made available to all registered youth and should be offered throughout the participant’s enrollment. It is a planned, structured learning activity that takes place in a workplace setting for a limited period of time (up to 16 weeks for up to 29 hours per week – the Executive Director may authorize an exception to the 16 week time limit based on participant need as justified in the Individual Service Strategy) and has an academic and occupational education component. Work experience may be paid or unpaid. Paid work experiences are limited to 2 per enrollment. If successful at the first work experience, no additional work experiences will be given. If unsuccessful at the first work experience, only one additional opportunity will be given.

The primary intent of work experience is to help the youth understand proper workplace behavior and what is necessary in order to attain and retain employment. Work experiences should help youth acquire the personal attributes, knowledge, and skills needed to obtain a job and advance in employment. Work experience can serve as a stepping stone to unsubsidized employment and is an important step in the process of developing a career pathway for youth. All work experiences should expose youth to realistic working conditions and tasks as much as possible.

Work experience must be based on identified needs of the individual youth. The use of work experience must be based on an objective assessment and identified on the youth’s Individual Service Strategy (ISS).

Work experience may be conducted in the private-for profit, private non-profit and public sectors. Although a business, public agency or non-profit (hereafter collectively referred to as “work experience provider”) may also receive some benefit from work experience in the form of work being done or recruiting a potential new employee, the primary goal of work experience is to benefit the participant.

Per section 129 (c) (4) of the WIOA, not less than 20% of the youth program funds shall be used to provide youth participants with paid and unpaid work experiences.

Allowable work experience expenditures include the following:

- Wages/stipends paid for participation in a work experience;

- Staff time working to identify and develop a work experience opportunity, including staff time spent working with employers to identify and develop the work experience;
- Staff time working with employers to ensure a successful work experience, including staff time spent managing the work experience;
- Staff time spent evaluating the work experience;
- Participant work experience orientation sessions;
- Employer work experience orientation sessions;
- Classroom training or the required academic education component directly related to the work experience;
- Incentive payments directly tied to the completion of work experience; and
- Employability skills/job readiness training to prepare youth for a work experience.

Supportive Services are a separate program element and cannot be counted toward the work experience expenditure requirement even if supportive services assist the youth in participating in the work experience.

#### **IV. Wages for Work Experience**

WIOA customers placed on regular payroll for paid work experiences are compensated according to current New York State minimum wage standards.

#### **V. Stipends for Work Experience**

Stipends can be offered in lieu of wages or offered concurrently for classroom training that complements a work experience. A stipend is usually a set amount given for participation and completion of an activity. This compensation can be given out in equal payments over a defined period of time.

Stipends cannot exceed current New York State minimum wage standards. Payment of partial stipends may be made to participants that fail to complete a portion of their work experience activity. However, the participant's case file must contain documentation (at minimum a case note) regarding the reason for failure to complete and the period of time or activities that were completed.

Minimal acceptable documentation includes:

- Attendance records;
- Certificate of completion;
- Case notes verifying the completion and date of completion; or,
- Time records or time sheets

In addition, staff shall describe the activity and the goal to be achieved that will result in a stipend being paid, within the Individual Service Strategy (ISS). In addition, information on the stipend payment structure (e.g. Lump sum or multiple payments) also shall be included in the case file.

According to IRS publications, stipends are considered miscellaneous compensation and are taxable.

#### **VI. Participant Eligibility/Staff Documentation Requirements**

All work experience participants must meet WIOA program eligibility requirements, be enrolled in the respective WIOA program, and have received an assessment resulting in the development of an Individual Service Strategy (ISS) that documents the participant's need and benefit from work experience. In addition to need and benefit, staff must clearly document the location of the work experience and whether it is paid or unpaid.

The Executive Director may authorize an exception to this policy based on participant need as justified in the Individual Service Strategy.