

Oklahoma Employment Security Commission



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Oklahoma Employment and Training Issuance # 09-2009 Final State Policy

TO: WIA Board Staff
WIA Grant Recipients

FROM: Richard J. Gilbertson, Director
Workforce Integrated Programs Division

DATE: May 13, 2009

SUBJECT: Needs-Related Payment Policy

PURPOSE: To update policy and provide clarification regarding the establishment of needs-related payments (NRPs), the requirements for the coordination with other funding sources, and the requirements for grant recipients to substantiate needs-related payments. This OETI was issued as an Interim Final State Policy on Needs-Related Payments for 30-day comment as a result of the American Recovery and Reinvestment Act of 2009. There were no comments received.

BACKGROUND: On May 18, 2000, OESC issued OETI #25-2000 "Oklahoma's Interim Final Policy on WIA Needs-Related Payments". This issuance described needs-related payments and the eligibility requirements for participants to receive financial assistance for the purpose of participating in training as authorized by WIA §134(e)(3).

Then on August 15, 2005 OESC issued OETI #14-2005 "Policy for Assessment and Individual Employment Planning." This policy established the minimum standards for local procedures related to participant supportive services as follows:

"Procedures must contain how supportive service needs are identified, including any assistive technology needs. A best practice use would include administering a checklist with the most common needs (e.g., Disabled, Transportation, financial problems, etc.) followed with a discussion of those checked. Each Workforce area may develop the list of needs used in their checklist."

WIA Section 134(e)(3) provides the local areas with the authority to make policy and administrative decisions to tailor services to meet the needs of the local community. Needs-Related Payments (NRPs) may be provided to an eligible Adult or Dislocated Workers to allow

such worker to participate in training when other funds are not available or have been exhausted. NRPs are not entitlements and must be necessary to the success of the participant's training plan and beyond the ability of the participant to pay.

In addition, guidance for Implementation of the Workforce Investment Act and Wagner-Peyser Act Funding in the American Recovery and Reinvestment Act of 2009 places emphasis on Serving Low-income, Displaced and Under-skilled Adults and Disconnected Youth. The Recovery Act contains several provisions designed to target services to these populations. Priority use of WIA Adult formula funds under the Recovery Act must be for services to recipients of public assistance and other low income individuals as described in WIA section 134(d)(4)(E). Furthermore, the law requires states to ensure that supportive services and needs-related payments described in WIA section 134(e)(2) and (3) are made available to support the employment and training needs of these priority populations. The provision of supportive services and needs-related payments should also be a focus for the Recovery Act Dislocated Worker formula funds.

OESC expects that with the availability of the Recovery Act funds – LWIBs will take advantage of these funds to provide the required supportive services and needs-related payments as described above. The Recovery Act specifically emphasizes the authority to use these funds for supportive and needs-related payments to ensure participants have the means to pay living expenses while receiving training. This should allow workers to pursue training of sufficient duration to acquire skills and credentials of value that will connect them to emerging jobs as the economy recovers.

MESSAGE: LWIBs must approve the use of NRPs and develop a written policy prior to local implementation that includes:

- Eligibility;
 - Payment determination;
 - Administration and oversight; and
 - Fraud.
1. Eligibility - NRPs are not intended to meet all needs of a worker enrolled in training and are limited to workers who need assistance to complete their training plans.
 - A. Adult Eligibility - To be eligible for NRPs, an Adult must:
 - Be unemployed;
 - Not qualify for Unemployment Insurance compensation (UI); and,
 - Be enrolled in a program of training services under WIA, section 134(d) (4).
 - B. Dislocated Worker Eligibility – To be eligible for NRPs, a Dislocated Worker must:
 - Be unemployed and have ceased to qualify for Unemployment Insurance compensation (UI) or Trade Readjustment Allowance under the Trade Adjustment Act (TAA) or North American Free Trade Agreement—Transitional Adjustment Assistance (NAFTA-TAA); **and**,

- Be enrolled in a program of training services under WIA section 134(d)(4) by the end of the 13th week after the most recent layoff that resulted in a determination of the worker's eligibility as a dislocated worker, or, if later, by the end of the 8th week after the worker is informed that a short-term layoff will exceed 6 months.

OR

- Be unemployed and did not qualify for Unemployment Insurance compensation (UI) or Trade Readjustment Allowance under the Trade Adjustment Act (TAA) or North American Free Trade Agreement—Transitional Adjustment Assistance (NAFTA-TAA); **and**
- Be enrolled in a program of training services under WIA section 134(d)(4) by the end of the 13th week after the most recent layoff that resulted in a determination of the worker's eligibility as a dislocated worker, or, if later, by the end of the 8th week after the worker is informed that a short-term layoff will exceed 6 months.

If these eligibility requirements are met, individuals may be awarded NRPs from WIA funding prior to the start date of training classes for the purpose of enabling them to participate in programs of employment and training services that begin within thirty (30) calendar days.

- C. Participants who meet any of the following criteria WILL NOT be eligible for NRPs:
- Become employed
 - Participants who are not making satisfactory progress in their training plan as defined by local
 - Enter an on-the-job training
 - Become eligible for UI benefits
 - Out-of-the- area job search, or
 - Trade readjustment allowances (i.e., on-the-job training, out-of-the-area job search allowances, or relocation allowances)

2. Payment Determination

- A. The level of NRPs made to Adults **may not exceed** the equivalent weekly amount of the HHS Poverty Guidelines published January 23, 2009 and transmitted to LWIBs through OETI #05-2009.
- B. The level of NRPs made to Dislocated Workers **may not exceed** the greater of:
- The applicable weekly level of UI compensation (for participants who were eligible for UI as a result of a qualifying dislocation); or,
 - If the worker did not qualify for UI compensation, the weekly payment **may not exceed** the poverty level for an equivalent period.
- C. The weekly payment level must be adjusted to reflect changes in total family income as determined by Local board policies.
- The poverty level for family size is established for the adult program and must be divided by 52 weeks to determine a weekly poverty level.

Example:

2009 HHS Poverty Guideline = \$10,830 = Family of one
\$10,830/52 Weeks = \$208
\$208 = Maximum Weekly Benefits

D. LWIBs are authorized to establish limits on the amounts and duration of funds provided. Such limits may include a maximum amount of funding and maximum length of time for NRPs to be available to participants. In establishing such limits, LWIBs are encouraged to offer necessary and reasonable NRPs (consistent with approved contract budgets and this issuance). Specific limitations on the amount and duration of NRPs should be reviewed frequently, taking into consideration the availability of program resources and the aggregate demand for NRPs in the area. While LWIBs are not required to pay the maximum amounts allowable – local procedures must document that the maximum weekly benefit is within the parameters as established above. It is recommended – but not required – that LWIBs set a maximum amount below or at the \$208 threshold.

- LWIBs should be aware that is not necessary to pay weekly benefits for the entire length of a participant’s training. A participant may only need such payments for a few weeks.
- LWIBs may establish a formula or sliding scale, based on the participant’s total family income.
- If the participant is enrolled in “Pell-Eligible” training, the total amount of WIA assistance provided to the participant is limited by the “cost of attendance” as calculated by the training provider. In accordance with Oklahoma Employment and Training Issuance #15-2008 - The Individual Training Account Policy,...

“All financial resources, excluding loans but including WIA funds (training, training-related, and supportive service funds) cannot exceed the total cost of attendance...”

OESC expects LWIBs to develop plans and strategies that target the use of WIA Adult formula funds on the services that most efficiently and effectively assist workers impacted by the current economy to obtain employment, with priority given to recipients of public assistance and other low-income individuals as described in WIA section 134(d)(4)(E). The Recovery Act recognizes that adults participating in training to advance or retool their skills will need supportive services and needs-related payments to remain and succeed in training. These strategies should include assisting adults to adapt their skills and career goals to the rapidly changing economy and employment options. LWIBs should make every effort to assess the skills, abilities, and career goals of adults and to help them map their skills against current and anticipated jobs.

OESC also encourages LWIBs to align their use of WIA Dislocated Worker formula funds with their spending strategies for other funding streams provided through the Recovery Act to ensure the most efficient and effective use of all funding. In particular, LWIBs should integrate their implementation of Dislocated Worker services with Reemployment Services and UI programs such that individuals have easy access to all programs, regardless of their point of entry into the system. Since significant Recovery Act investments are targeted to key industries such as construction, transportation,

healthcare and other industries with emerging “green” jobs that traditionally utilize or are expected to draw heavily upon registered apprenticeship, LWIBs are also encouraged to leverage new and existing registered apprenticeship programs and assets.

3. Administration and Oversight – Local policy must describe the documentation requirements on each NRP recipient. The minimum requirements necessary to validate the appropriate expenditure of NRPs are:
 - A. A copy of the voucher, purchase order, invoice, source documentation, receipts, etc. that will support the payment mechanism – Fiscal Agents should be able to use the same payment mechanisms they utilize to document other supportive service payments for NRPs;
 - B. A tracking document (e.g., spreadsheet, report, etc.) to ensure locally board established funding limits have not been exceeded;
 - C. A copy of a UI entitlement decision or confirmation of UI benefits being exhausted – One-Stop staff should contact their UI Field Operations staff in their local area for assistance. The Center Managers will post their schedules in each office. If you have any questions, please contact Cathy.Spencer@oesc.state.ok.us.
 - D. Verification of enrollment/registration, participation, grades, or completion of training classes (confirmation from Registrar’s office and course instructor);
 - E. A signature by the participant attesting to his/her understanding of NRP requirements and instructions; and,
 - F. NRPs must be documented as being received by participants (signatures) and documented in the participants’ files.

Each LWIB must document the formula and/or procedure for determining need and describe the formula and/or procedure in their local plan. Individual determination of needs-related payments must be based upon the results of continuing objective assessments (**See Attachment B**) and determinations based on local formulas. Dated copies of individual determinations are to be maintained at the local level for review by state and federal monitors. The provisions and amount of payments must be recorded in the individual case files and in OSL program notes.

4. Fraud - To prevent fraudulent payment activity LWIB procedures must require:
 - A. A cross check with UI to ensure that participants are not receiving UI, TRA, and NRPs at the same time. To verify the receipt of TRA payments, inquiries should be emailed to:

April Johnson, TRA/DUA Coordinator
OK Employment Security Commission
<mailto:april.johnson@oesc.state.ok.us>
 - B. Verification of training participation before payments are authorized; and,
 - C. The reporting of fraud when discovered to begin the collection process from appropriate sources.

ACTION REQUIRED: LWIBs should immediately establish policies and procedures and share this information with all appropriate staff.

INQUIRIES: Inquiries and technical assistance questions should be directed to jackie.young@oesc.state.ok.us

RESCISSIONS: This policy rescinds OETI #25-2000 issued May 18, 2000.

Attachment A - NRP Determination Form

Attachment B – NRP Weekly Verification of Income & Training

These attachments are provided for information purposes only. They may be modified at the LWIB's discretion.

Jy/jy

**Needs-Related Payment Determination Form
For
Adult and Dislocated Workers**

Customer's Name _____ Date _____

Address _____

County _____ Social Security Number _____

Eligibility Determination

Please note that a "no" answer to question 1 would disqualify you for needs-related payments (NRPs).

1. Are you unemployed or have you received notification of layoff?
Yes No

Please note that a "yes" answer to questions 2 through 4 would disqualify you for needs-related payments (NRPs).

2. Do you qualify for Unemployment Insurance Compensation (UI) benefits?
Yes No

3. Do you qualify for additional state UI benefits (e.g., Training Benefits)?
Yes No

4. **Do you qualify for Trade Readjustment Allowances (TRA)?**
Yes No

Please note that a "no" answer to questions 5 through 7 would disqualify you for needs-related payments (NRPs).

5. Have you ceased to qualify for UI benefits?
Yes No

6. Have you ceased to qualify for additional state UI benefits?
Yes No

7. Have you ceased to qualify for Trade Readjustment Allowances?
Yes No

Have you considered all "other resources" available that will help you successfully participate in your full-time training program? Examples of other resources include but are not limited to: Pell grants, severance pay, other family income (spouse's income).

8. Will "other resources" meet your need to support you while attending school full-time?

Yes No

9. Do you need income support beyond your "other resources" available in order to participate in training?

Yes No

Payment Level

Payment level is to be based upon the amount as determined by the Local Workforce Board's policy.

Payment of \$ _____ per week. Effective _____ thru _____.

NRPs are not intended to provide the entire amount of income support you may need to complete your training. If you are awarded NRPs, they will be based on this support analysis and the weekly level of needs-related payments will be determined by the local Workforce Development Board. These payments are made to help you while making satisfactory progress while attending school. Needs-related payments are subject to your eligibility for the program and are contingent upon the availability of funding.

All answers and statements are true and complete to the best of my knowledge. I understand that untruthful or misleading answers are cause for rejection of my determination or fraud of miss payment, which may require my repayment of any needs-related payments provided.

Staff Signature

Date

Customer Signature

Date

**Needs-Related Payments
Weekly Verification of Income and Training**

Participant Information

1. Name			
	Last	First	M.I.
2. Home Address			
	Street (Include Apt. No.)	State	Zip Code
3. Phone No.			
	Home	Mobile	Other

Needs-Related Payment Information

4. NRP Amount	\$	/week	5. Training Week Begin/End	To
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Individual Assessment Questions

6. Did you claim, or intend to claim any type of UI benefits for the Training Week?	<input type="checkbox"/> Yes \$	<input type="checkbox"/> No
7. Did you receive any payments for full-time work, part-time work, work experience, or work study for the training week?	<input type="checkbox"/> Yes \$	<input type="checkbox"/> No
8. Did you receive TAA or Trade Readjustment Allowance payments for the training week?	<input type="checkbox"/> Yes \$	<input type="checkbox"/> No
9. Were you enrolled in or receiving paid job training for the training week?	<input type="checkbox"/> Yes \$	<input type="checkbox"/> No
10. Did you maintain full-time hours as defined by the training institute?	<input type="checkbox"/> Yes	<input type="checkbox"/> No, Explain
11. Did you maintain satisfactory progress as defined by the training institute?	<input type="checkbox"/> Yes	<input type="checkbox"/> No, Explain
12. Additional Comments:		

13. All of the answers and information are true and complete to the best of my knowledge. I have read, understand, and agree to comply with the policies for Needs-Related payments.

Participant's Signature

Date

14. To be completed by Case Manager
I have reviewed these policies with the participant, have determined their eligibility to receive Needs-Related Payments, and have explained the procedures for collecting Needs-Related Payments.

Case Manager's Signature

Date