

**WDA 16**

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**Policy Letter 10-2015**

**Policy: Needs Related Payments for National Dislocated Worker Grant funds**

**PURPOSE**

The purpose of this policy is to provide guidance on Needs Related Payments (NRPs) to be provided to eligible dislocated workers. This policy applies to all eligible individuals served with National Dislocated Worker Grant funds, if approved in the grant, by the local areas.

1. **WORKFORCE DEVELOPMENT BOARD APPROVAL**

Motion 06-2016 approved on February 29, 2016.

1. **POLICY CANCELLATION**

Policy Letter 02-2004 approved July 29, 2004

1. **POLICY LETTER IMPLEMENTATION**

NRPs provide financial assistance to participants for the purpose of enabling individuals to participate in training programs, and are one of the supportive services authorized by section 134 (d)(3) of WIOA. Federal regulations require that payments must be based on financial need.

1. **Eligibility for Needs-Related Payments**

Receiving NRPs is not an entitlement for eligible participants.

Eligibility is based upon the family's financial need, as well as the participant's enrollment into training and ineligibility for Unemployment Compensation (UC) and Trade Readjustment Allowance (TRA) assistance. This two-part determination is described below.

Part 1 – Financial Need

1. Individuals must have a three-month family income of less than 100% of the lower living standard income level (LLSIL).
2. Determination of financial need may be determined up to 90 days prior to the start of training. This initial determination of eligibility is based on family income from the prior three (3) months.

AND

Part 2 – Training and UC/TRA Status

1. Be unemployed, and:
2. Have ceased to qualify for UC or TRA; and
3. Be enrolled in a program of training services under WIOA 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 six (6) months.

If, due to the lack of funds in the State or local area at the time of a dislocation, unemployed individuals served by a project are not able to meet the 13th or 8th week deadline for enrollment in training, as set forth in section 134 (d)(3)(B) of WIOA, (no NDWG received) then such individuals may be eligible for needs-related payments if they are enrolled in training by the end of **the 6th week** following the date of the funds award.

1. Be unemployed and did not qualify for UC or TRA

If the participant is not initially eligible and his or her financial situation changes during the course of training, eligibility may be re-determined throughout the course of participation. However, the **timeframe requirements** for beginning training (if applicable) and the family income requirements must be met in order to begin issuing NRPs.

If these eligibility requirements are met, individuals may be awarded NRPs from WIOA funding prior to the start date of training classes for the purpose of enabling the individual to participate in employment and training services that begin within thirty (30) calendar days. NRP will be dependent on the availability of WIOA funds in the county(s).

Note: Verification demonstrating proof of UC payments, amounts paid, and the fact that the participant is no longer receiving benefits, all need to be part of the participant's file.

1. **Level of Payments and Conditions**

The level of NRPs for participants may not exceed the following

1. For participants who were eligible for unemployment compensation (UC) as a result of the qualifying dislocation, and who are no longer receiving benefits, the weekly payment may not exceed the applicable weekly level of the unemployment compensation benefits; or
2. For participants who did not qualify for unemployment compensation as a result of the qualifying layoff, the weekly payment will be equal to 100% poverty level based on family size and income for an equivalent period.
3. **Participant Training Requirements**

Weekly payments may begin on the Monday after both eligibility and training enrollment criteria have been met.

If the participant has been accepted into a training program that will begin within 30 calendar days of the determination of NRP eligibility, payments may be awarded prior to the start date of the training classes for the purpose of enabling the participant to enroll in the program. All training participants must be enrolled and attending full-time training as defined by the school, and maintain a minimum grade point average (GPA) of 2.0 to continue receiving NRPs.

When a participant has a break in training of less than 30 business days (not counting weekends or holidays), the participant is still eligible for NRPs and will receive the weekly NRP. If the break in training is greater than 30 business days, the participant will not receive the NRPs for that period until the participant's training program begins.

In the event that training is delayed, NRPs may be paid while a participant is waiting to start training classes provided the participant has been accepted in a training program that will begin within 30 calendar days.

In the event the participants' circumstances prevent them from beginning training, or the training is further delayed (over 30 days), the case manager must make the participant aware of the need to disclose this information to avoid disallowed costs. The provider must also inform the case manager of delays to their training program.

NRP funds may be used only during the period in which an individual participates in WIOA training.

**NRPs must be immediately terminated for any participant who fails to meet one of these training requirements.**

1. **Training Services**

Program training services are a structured regimen leading to recognized post-secondary credentials, industry-recognized credentials, employment, and measurable skill gains toward credentials or employment.

Types of training may include:

* Occupational skills training, including training for nontraditional employment;
* Programs that combine workplace training with related instruction, which may include cooperative education programs;
* Training programs operated by the private sector;
* Skills upgrading and retraining;
* Entrepreneurial training;
* Job readiness skills;
* Adult education and literacy activities provided in combination with any other training service listed above; and
* Customized training with a commitment by an employer or group of employers to employ an individual upon successful completion of the training.

1. **Continuing Eligibility to Receive NRPs**

Participants receiving NRPs must re-qualify for these benefits during the period of the training program **every ninety days** from the date of the original determination. This re-determination shall be based on the **family income** for the previous ninety day period. Any income from NRPs will not be included. The total revised family income so determined shall continue to be annualized to determine the participant's current eligibility for NRPs. Where the revised family income exceeds the 100% LLSIL, the eligible participants shall not be eligible for NRPs. Where the revised family income does not exceed the 100% LLSIL, the eligible participant shall continue to receive NRPs. NRPs are not allowable for participants receiving UC, TRA, OJT, and relocation assistance.

1. **Excludable Income for determination and re-qualification of NRPs**

The following items are excludable income when determining NRPs or determining re-qualification of NRPs.

1. Unemployment Compensation
2. Child support payments, including foster care payments and adoption subsidies.
3. Cash payments under a Federal State, or local income based public assistance program such as:
   1. Ohio Works First (OWF) cash payments
   2. Prevention, Retention and Contingency (PRC)
   3. Disability Assistance
   4. Refugee Cash assistance.
4. Old age and survivors insurance benefits received under Title II of the Social Security Act.
5. Supplemental Security Income (SSI) from SSA.
6. Needs Based scholarship assistance, and financial assistance under Title IV of the Higher Education Act. (i.e. Pell Grants, Federal Supplemental Educational Opportunity Grants and Federal Work Study, Stanford and Perkins loans like any other kind of loan are debt and not income.
7. Pay and allowances received under U.S.C Titles 37 and 38, pay and allowances received while serving on active military duty, compensation for service connected disability, compensation for service connected death, vocational rehabilitation, education assistance, and active duty pay for reservists called to active military duty..
8. Capital gains.
9. Any assets drawn down as withdrawals from a bank, sale of property, a house or a car.
10. Tax refunds, gifts, loans, lump sum inheritances, onetime insurance payments, or compensation for injury.
11. Non-cash benefits such as employer paid fringe benefits, food or housing received in lieu of wages, Medicare, Medicaid, Food Stamps, school meals, fuel or other housing assistance.
12. Wages earned by WIOA participants while in WIOA programs (except OJT participants).

**END**