

**WDA 16**

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**Policy Letter 06-2015**

**Policy: Self-Sufficiency for Out of School Youth, Adult, and Dislocated Worker**

**PURPOSE**

To establish the criteria for Self Sufficiency for Adult, Dislocated and Out of School Youth in accordance with section 134 (b)(3)(A)(i)(I) of WIOA.

1. **WORKFORCE DEVELOPMENT BOARD APPROVAL**

Motion 28-2015 approved on August 28, 2015.

Technical language revisions Motion 44-2019 December 6, 2019 ***(in bold and italic).***

1. **POLICY CANCELLATION**

Policy Letter 03-2004 approved July 29, 2004

1. **BACKGROUND**

Pursuant to section 134 (b)(3)(A)(i)(I) of WIOA, for adults and dislocated workers to receive training services, they must be in need of such service to obtain or retain employment that allows for economic self-sufficiency. The local areas must determine criteria for self-sufficiency. At a minimum, self-sufficiency may mean employment that pays at least the lower living standard income as defined in section 3(36)(B) of WIOA or that pays comparable to or higher than wages from previous employment.

**IV. DEFINITIONS:**

1. Self-Sufficiency:
* Employed Adult: An employed adult whose individual income exceeds 200% of the poverty level for a family of one is considered to be self-sufficient and is not eligible for training services.
* Employed Dislocated Worker: A dislocated worker employed in non-interim or non-temporary employment whose individual income exceeds 200% of the poverty level for a family of one or is comparable to or higher than wages from previous employment is considered to be self-sufficient and not eligible for training services.
1. Family Self-Sufficiency: Family Self-Sufficiency is the use of the combination of family members' incomes to determine whether or not the participant has the means to fund ***ITA*** training. Adults (employed and unemployed) and all out-of-school youth who have a family income that exceeds 200% of the poverty level are not eligible for ITA funded training.
2. ***Unemployed Adults and Dislocated Workers are not considered Self Sufficient.***

**V. REQUIREMENTS**

A. Adult

 1. Self Sufficiency for Adults:

 Determination of self-sufficiency and eligibility for training services must be determined for adults based on the definition of self-sufficiency stated on page 1.

 2. Additional Requirements for Adult-Funded ITAs:

a. As part of the determination of the appropriateness for training services, the local area must review "family self-sufficiency" for participants seeking a WIOA adult-funded ITA. WIOA adult-funded may only be approved for those who have been determined to be below a 200% of the poverty level. This requirement is intended to ensure that adult participants seeking adult-funded ITAs are those whose families lack or have limited ability to pay for training and supportive services needed in order to obtain or retain employment.

b.WIOA eligible adults who are over the local standard for "family self-sufficiency" are not eligible for adult-funded ITAs. Other WIOA services may be provided, as appropriate. They may also be served using other WIOA funds, if eligible.

c. Extenuating Circumstances for WIOA Adult-Funded ITAs:

If a family income exceeds the "family self-sufficiency" standard, a participant may still receive an adult-funded ITA if extenuating circumstances exist. When evaluating extenuating circumstances, the costs related to the economic hardship must be the responsibility of that person or for his or her legal dependent, spouse, or parent. Those costs must be ongoing and expected to cause a financial hardship for the duration of the ITA.

Economic hardships include, but are not limited to:

* The portion of medical procedure or prescription medication costs that are not covered by insurance and are ongoing and determined to be medically essential;
* Health insurance premium payments that are not paid for by private or public sources
* Payments on past due or back mortgage, rent, or essential services (e.g., electric, water, natural gas, propane, and other utility arrearages) that accumulated because of involuntary unemployment or underemployment
* Ongoing payments to a nursing home, home health care provider, elder care provider, or assisted living provider
* Payments toward debt that accumulated as a result of a natural disaster, severe illness, or disability.

Extenuating circumstances do not include normal rent, mortgage, utility, court ordered child support, court-ordered spousal support, automobile, fuel, grocery, credit card, or "pay-day loan," payments.

Exceptions may be approved on a case by case basis for individuals whose family incomes exceeds the family self-sufficiency standard. Documentation explaining the extenuating circumstances must be maintained in the participant file, along with the signature approval of the local WDB Fiscal Agent and WDB Director or designee.

 B. Out of School Youth/Young Adults

 Family Self-Sufficiency Determination

 For an out-of-school youth to access ITA funded training,

 his/her family income must be below 200% of the poverty

 level based on family size.

Additionally, all young adults, ages 18-24, who are seeking WIOA adult-funded ITAs, must also be screened for dependency status. Refer to WDA-16 Policy letter 07-15, Determination of Dependent Status, for guidance on determining dependency status. If an adult, ages 18-24, is determined to be dependent, "family self-sufficiency" would include the income(s) of all family members, including the young adult's parent(s). If determined not to be a dependent then family self-sufficiency would be determined as a family of one.

C. Dislocated Workers:

1. For working dislocated workers, determination of self-sufficiency status requires a two- step assessment of the worker’s employment:

 a. Determine if the employment is “interim employment.”

b. If the employment is not “interim,” determine if the wage is at least 200% of the poverty level or if the hourly wage is comparable to or higher than wages from previous employment.

It should be noted that workers who have received notice of layoff, but have not yet been laid off and who do not have any other sources of employment are not subject to review of self-sufficiency.

 2. Interim Employment for Dislocated Workers

a. Typically, employment is considered to be interim if the salary is below the salary of the dislocated worker’s primary occupation and/or if the dislocated worker is working under the skill level of his or her customary occupation. There may be circumstances where interim employment does provide a sufficient wage temporarily but is not considered permanent employment that leads to self-sufficiency (e.g., working through a temporary agency). The determination about whether or not a dislocated worker’s employment is interim employment must be made on a case by case basis and take into consideration dislocated worker’s personal, family, financial, and employment situation.

b. A dislocated worker who is in interim employment is not considered to be self-sufficient even if the hourly wage exceeds the lower living standard income or if the hourly wage is comparable to or higher than the wages from previous employment.

c. If a dislocated worker has interim employment, this participant is considered to be unemployed at participation and information should be entered into the Ohio Workforce Case Management System (OWCMS) as such.

3. Wage Standard for Non-Interim Employment for Dislocated Workers:

 a. Employed dislocated workers whose wages are over 200% of the poverty level or **comparable or higher than the wages from previous employment** are considered to be “self-sufficient,” unless the employment is considered to be “interim employment.” Dislocated workers who are determined to be “self-sufficient” may receive career services only.

  **END**