



Hennepin-Carver Workforce Development Board

Hennepin-Carver Workforce Development Board

Action Request: 2025-5

Topic: Local Youth Support Services and Local Youth Incentives and Stipend Policies

Board Meeting Date: November 12, 2025

Item Description

Revised Local Youth Support Services and Local Youth Incentive and Stipend Policies that include references and policies related to the Youth at Work competitive grant program to allow for the local Youth Support Services Policy and Local Youth Incentive and Stipend Policy to govern support service, incentive, and stipend payments administered to eligible participants under the Youth at Work Competitive Grant Program.

Action Needed

A motion (and second) to approve the revised Local Youth Support Services Policy and Local Youth Incentives and Stipends Policy.

Background

Per the Department of Employment and Economic Development (DEED), local areas are required to have a local policy that governs access to support services and incentive and stipend payments for program participants. WDA 09 currently has a both a Local Youth Support Services Policy and Local Youth Incentives and Stipends Policy that govern support service, incentive, and stipend payments to eligible WIOA Youth and Minnesota Youth Program (MYP) eligible participants.

On June 30, 2025, Hennepin County was awarded funding by DEED through the state-funded Youth at Work Competitive Grant program. Per DEED Youth at Work program policies, the WDA must have local Support Services and Incentive and Stipend policies in place that govern support service, incentive, and stipend payments administered to eligible Youth at Work participants.

The Local Youth Support Services Policy and the Local Youth Incentives and Stipends Policies have been amended to include the governance of support services, incentive, and stipend payments made to eligible Youth at Work participants.

Beyond the addition of references to the Youth at Work program, there has been no substantive changes to the language within the policies and the amended language will not affect current support services, incentive, and stipend payments made to WIOA Youth and MYP eligible participants.

Support Services, incentive, and stipend payments must be administered following the parameters outlined in these policies by all WIOA Youth, Minnesota Youth Program, and Youth at Work service providers of the Hennepin-Carver WDA 09.

Staff Recommendation

Approve the revised Local Youth Support Services and Local Youth Incentives and Stipends Policy to include the governance of support services, incentive, and stipend payments made to eligible Youth at Work participants.

Attachments

Draft Policy: Local Youth Support Services Policy

Draft Policy: Local Youth Incentives and Stipend Policy



Policy: Local Youth Support Services

Effective Date: XX/XX/XXXX

Last Reviewed Date: 3/12/2025

Summary

The Workforce Innovation and Opportunity Act (WIOA) allows eligible program participants of WIOA Title I-B Youth to access supportive services that ensure resource and service coordination in the local area. Supportive services may be provided to participants that are unable to obtain similar or equivalent supportive services through other programs or resources; and supportive services may be provided at any point during a participant's time in the program, including during enrollment and follow-up services.

The Minnesota Youth Program does not require grantees to offer or provide supportive services to youth participants. However, it is generally a best practice to offer supportive services to youth participants to help ensure successful completion of programming. Per MN Statute 116L.561, Supportive services include items that are necessary for a youth to participate in the program, such as transportation, clothing, tools, childcare, housing/rental assistance, school-related expenses, etc. These expenses may be paid directly to the youth or to a third-party vendor, or may be provided through referral to another organization.

The Youth at Work Competitive Grant program does not require grantees to offer or provide support services to youth participants. However, it is generally a best practice to offer supportive services to youth participants to help ensure successful completion of programming. Per MN Statute 116L.562, Items that are necessary for a youth to participate in the program, such as transportation, clothing, tools, childcare, housing/rental assistance, school-related expenses, etc. These expenses may be paid directly to the youth or to a third-party vendor.

Relevant Laws, Rules, or Policies

Workforce Innovation and Opportunity Act (WIOA), §3(59) and 134(d)(2) and (3) 20 CFR 680 Subpart G 20 CFR 681 Subpart C §681.570
TEGL 19-16
DEED's Financial Assistance for Computer Hardware and Similar Technology Policy TEGL 09-22
TEN No. 12 - 21
MN Statute 116L.561
MN Statute 116L.562

Purpose

This policy outlines the allowable Support Services and funding limits for the **WIOA Youth, Minnesota Youth, and Youth at Work programs**. Individuals who are eligible for and are enrolled in the WIOA Youth, Minnesota Youth, and Youth at Work programs may be eligible to receive Support Services so long as they meet the criteria outlined in DEED's policies pertaining to allowable activities for each of the respective programs. This policy includes additional criteria that has been established by the Hennepin-Carver Workforce Development Area (WDA).

This policy also serves as guidance to govern the use of support service and/or training service dollars to fund purchases of computer hardware or similar technology (i.e. software purchases, repairs, etc.) for the Hennepin-Carver Workforce Area per the requirement in DEED's Financial Assistance for Computer Hardware and Similar Technology policy.

Additionally, this policy serves as guidance to govern the use of support service dollars to provide food for program participants for the Hennepin-Carver Workforce Area per the requirement in [DEED's WIOA Youth Policy Chapter 11: Program Elements](#) and in

accordance with [Office of Management and Budget’s Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards \(2 CFR 200.40\)](#).

This policy amends the prior policy issued by Hennepin-Carver WDA, titled “Policy: Local Youth Support Services” effective 5/8/2024.

Hennepin-Carver subgrantees’ internal Support Service policies may vary based on special circumstances. Any deviation from the standards established by this Local Policy must be submitted in writing and approved by the appropriate staff at Hennepin County prior to the policy being implemented.

Policy

An employment counselor must determine eligibility for support services when it is identified that a program participant requires additional assistance outside of career and training services in taking the necessary steps towards self-sufficiency. Eligibility and the need for support services must be documented in the Individual Employment Plan (IEP) or Individual Service Strategy (ISS) and signed by both the program participant & employment counselor prior to obligating support services.

Support Services are subject to the following conditions and must be documented in the participant record:

1. Employment counselors must coordinate with community resources to provide linkage to community services in the local area to ensure that any services that are available, are used before program funds. Program resources may not be used unless no other available resources can be secured and attempts to secure other available resources are documented in the case notes of the participant’s file.
2. If unable to obtain support services through other community resources providing such services, support services may only be provided when necessary to enable the individual to actively participate in career or training activities;
3. Delivery of support services must be documented in the participant case file/Workforce One record. Copies of receipts or expenditure back-up documentation must also be maintained in the participant file.
4. Support service transactions must also be included in the case note (the support service type, amount, participant needs identified, and expenditure rationale described) in Workforce One.
5. Support services should not be incurred, obligated or distributed until after the participant is enrolled and the participant and employment counselor have signed and dated the IEP (past due bills cannot be paid upon program enrollment);
6. Support services may be included in WIOA Youth follow-up services and must be coded as follow-up services post exit in Workforce One when provided as such.
7. Support service payments should be made directly to the vendor (i.e. car repair shop, property owner, utility company, bookstore, clothing store, etc.). On rare occasions, participants may be reimbursed if the expense is clearly tied back to the participant and valid documentation (i.e. receipt) is provided. It is best practice to encourage support service expenses to be pre-approved by service provider.
8. If there is uncertainty about whether a purchase can be made using support services funds, contact the Youth Program Manager with the **Hennepin County Department of Workforce Development**.
9. Support services are not an entitlement and may be offered at the discretion of the employment counselor and funding is subject to availability of funds and limited **up to** the following maximums per program year or to the discretion of the service provider(s) of the Hennepin-Carver WDA:

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|---|------------|
| Participants receiving Training and/or Work Experience services: | \$2,000.00 |
| Participants NOT receiving Training and/or Work Experience services: | \$1,500.00 |

Exceptions to these limits may be at the discretion of the service provider(s) of the Hennepin-Carver WDA on a case-by-case basis for participants who are most in need. To consider exceeding the limits, the participant’s specific exceptional needs and/or barriers must be identified in the IEP and case notes. Requests for exceptions must be submitted in writing by the employment counselor and are subject to review and approval by the supervisor of that agency. If, after supervisory review, there is any question about the provision of a particular request, the service provider will consult with the appropriate program staff at Hennepin County Workforce Development. If an exception to these limits is approved, it must be documented in the participant’s case notes.

TEGL 21- 16 stated that “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.” However, ETA’s policy on this issue has evolved. ETA recently determined that supportive services that enable WIOA participants to participate in training

can count toward training expenditures. Therefore, to be consistent with this policy, **supportive services that enable WIOA participants to participate in work experience can now count toward the work experience expenditure requirement.**

| Allowable Support Services | *Allowable Training Cost? | ** Allowable Work Experience cost? | Funding Limit Per Participant |
|---|---------------------------|------------------------------------|---|
| Books, Fees, and Supplies for Post-Secondary Students | Y | N | <p>Funding limits are to the discretion of the service provider(s) of the Hennepin-Carver WDA based on availability of funding and determined on a case-by-case basis and must supply an internal policy that references funding limits for each category. The total funding limits by Program Year cannot exceed the amounts set forth this policy- the only exception is the case-by-case determination of a participant’s exceptional need that has been clearly documented in the participant’s WorkforceOne record, as described above.</p> <p>Hennepin County maintains the right to require service providers to pay back funds that are determined unallowable per the law and policies referenced above and/or due to the lack of justification for an amount that exceeds the established funding limits set in this policy or the service providers’ internal policies.</p> <p>Bulk purchases of gift cards, cash cards, and/or gas cards (as support services) cannot be submitted for reimbursement requests at the time of purchase.</p> <p>Reimbursement requests must be made after the service (gift, cash or gas card) is provided to the individual participant.</p> |
| Child & Dependent Care | N | Y | |
| Transportation | N | Y | |
| Counseling – Personal, Financial & Legal | N | N | |
| Dental | N | N | |
| Drug & Alcohol Counseling | N | N | |
| Educational Testing | Y | N | |
| Employment and Training – Related Fees | Y | Y | |
| Emergency Financial Assistance | N | N | |
| Emergency Health Insurance | N | N | |
| Health Care | N | N | |
| Housing or Rental Assistance | N | N | |
| Out-of-Area Job Search | N | N | |
| Professional Membership | Y | N | |
| Reasonable Accommodations for Individuals with Disabilities | Y | Y | |
| Relocation | N | N | |
| Tools & Clothing | Y | Y | |
| Financial Assistance for Computer Hardware and Related Technology | Y | Y | <p>To qualify for financial assistance for computer hardware and related technology, a participant must meet the following requirements and the file must contain supporting documentation for the need:</p> <ol style="list-style-type: none"> 1) The participant must be enrolled in a training program that requires specific use of a computer/technology 2) The computer/technology should be required to complete training or successfully participate in the participant’s Work Experience. 3) There must be specific supporting documentation that the use of particular technology is needed to complete the training or Work Experience Activity. 4) Documentation should be from the school/training vendor or |

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| | | | <p>Employer/Site Supervisor evidencing the technology is required and how the student will use the technology</p> <ol style="list-style-type: none"> 5) There must be documentation that the participant does not own or have reasonable access to the technology required <ul style="list-style-type: none"> • This can be documented in writing by the participant stating that they do not have access to the technology required to meet training or Work Experience requirements. Not owning a computer is not sufficient basis alone as schools generally provide access to technology as well as libraries, CareerForce centers, etc. 6) Documentation should support evidence that the cost is the lowest, reasonable price that still meets the needs of the technology required (accessing refurbished technology is preferred if available). 7) All documentation should be submitted to designated service provider and stored in the participant file. 8) All computer/technology purchases must be submitted for agency supervisor review and approval prior to purchasing or obligation to purchase technology for the participant. 9) All computer/technology purchases as support service expenses must meet the conditions outlined in this policy as well as requirements 5-8 above. <p>Funding limit for computer hardware and related technology up to: \$750.00 per participant</p> |
| Food as a Support Service | N | N | <p>Training and Employment Guidance Letter 09-22 (TEGL 09-22) states that on a limited basis and in certain situations, food, at a reasonable cost, may be provided to WIOA Youth program participants as a supportive service. Food may be provided to WIOA youth participants when it will assist or enable the participant to participate in youth program activities and to reach their employment and training goals, thereby achieving the program’s overall performance goals. To qualify as a support services, the following requirements must be met and documented in the participant case file:</p> <ol style="list-style-type: none"> 1) Program should provide food directly to youth during a program activity. Sign-in attendance sheets, agendas, timecards should document that the food was provided during a program activity. 2) Support Service funds may not be used to purchase grocery or food gift cards or to provide food for any one other than the enrolled individual. 3) Original receipts or invoices for the food purchase must be included in the participant file. 4) Food may NOT be provided for celebrations, graduation ceremonies, or events. Food should only be provided to WIOA Youth participants to enable program participation. 5) There must be documentation that the participant does not have reasonable access to the food necessary to participate in program activities. This may be self-attested by the participant. <p>All documentation should be submitted to designated service provider and included in the participant’s case file/Workforce One Record.</p> <p>Food may be provided as a supportive service when program services occur over a mealtime or when program services are of a duration greater than three (3) hours. Organizations should adhere</p> |

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| | | | to the following limits on expenditures per meal per participant: |
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- **Breakfast \$10.00**
- **Lunch \$13.00**
- **Dinner \$19.00**

* To establish whether a service can be covered by training funds, the file must contain documentation that indicates the equipment, materials, tools, additional fees and/or exams are a necessity and are required in order for an individual to successfully complete the training correlated with said items.

** To establish whether a service can be covered by Work Experience funds, the file must contain documentation that indicates the equipment, materials, tools, transportation or childcare costs are a necessity and are required in order for an individual to successfully attend and complete their Work Experience.

Contact

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Policy: Local Youth Incentives and Stipend Policy

Effective Date: XX/XX/XXXX

Last Reviewed Date: 07/11/2023

Summary

The Workforce Innovation and Opportunity Act (WIOA) and Department of Employment and Economic Development (DEED) allows for payment of stipends and the provision of incentives to eligible Minnesota Youth Program (MYP), WIOA Youth, and Youth at Work participants. These services are intended to encourage and motivate participants to reach specific goals, earn competitive wages, and obtain positive outcomes outlined in their Individual Service Strategy (ISS).

Incentives and stipends are not intended as emergency assistance, but rather as a compliment to services provided and/or recognition of goal attainment outlined on the ISS. Participants in need of emergency assistance must be referred to appropriate resource/service providers.

Relevant Laws, Rules, or Policies

2 CFR Part 200

20 CFR 681 Subpart C §681.640

TEGL 21-16

TEGL 19-16

TEGL 8-15

DEED's Office of Youth Development Policies

MN Statute 116L.561

MN Statute 116L.562

Purpose

Local workforce areas must have written policies and procedures in place governing the use of incentives and stipends and must ensure that such payments follow federal regulations and state statutes. This policy provides guidance on the issuance of stipend and incentive payments for WIOA Youth, Minnesota Youth Program, and Youth at Work eligible participants.

Background

As described in Section 129 of WIOA, local elements and requirements include utilizing the WIOA Title I Youth Program funds for:

- Activities leading to the attainment of secondary school diploma or its recognized equivalent, or a recognized postsecondary credential;
- Preparation for postsecondary educational and training opportunities;
- Strong linkages between academic instruction and occupational education that lead to the attainment of recognized postsecondary credentials;
- Preparation for unsubsidized employment opportunities, in appropriate cases; and
- Effective connections to employers, including small employers, in in-demand industry sectors and occupations of the local and regional labor markets

Stipend and Incentive payments made to participants are different from payments made as a support service. Support service payments may only be made when they are necessary to enable an individual to participate in program activities (refer to Hennepin-Carver Local Support Services Policy). Stipend and Incentive payments, on the other hand, are designed to be used as a way of recognizing achievement and rewarding participation in program activity. Incentive payments must be tied to the goals of the specific program and outlined in writing before the commencement of the program that may provide incentive payments.

When providing stipends and incentives, service providers must be mindful of the requirements of the State and Federal funding sources and requirements as well as other Board policies. This policy does not mandate that stipends and incentives are paid but only establishes guidelines, minimum requirements, and procedures to be followed should the service provider decide to provide stipends and/or incentives.

Policy

Incentives:

Definition: An incentive is a payment to an eligible program participant for the successful completion of expected outcomes in the participant's ISS and core program activities. The incentive must be linked to an achievement and must be tied to training and education, work readiness skills, and/or an occupational skill as identified in their ISS. Such achievements must be documented in the participant's file as the basis for an incentive payment.

Service providers of Hennepin-Carver workforce area may use WIOA Youth, MYP, and Youth at Work funds for incentive payments to youth to recognize achievement of program milestones directly tied to work experience, education, or training. Program milestones may include but are not limited to:

- attaining a credential
- achieving a certain grade point average
- graduating from secondary school or an equivalent program
- completing a work experience
- entering unsubsidized employment
- being accepted into a post-secondary school
- showing improvements marked by testing

While incentive payments are allowable under WIOA Youth, MYP, and Youth at Work program policies, the Department of Labor does not allow incentive payments for activities such as recruitment, submitting eligibility documentation, or for just simply showing up for the program for WIOA participants. MYP and Youth at Work program policies do not prohibit or limit the use of funds for incentives for eligible youth participants. Incentives must be awarded following the parameters below:

- Incentives must be awarded equitably to eligible participants
- Incentives are awarded upon completion of activities that are tied to goals in each participant's ISS and service provider staff have the ability to determine when and if a participant receives incentives
- Incentives must be tracked in Workforce One (WF1) utilizing the Support Services section and a case note must be entered for each incentive awarded
- All incentives may be limited by program funding availability
- Typical incentives may include but are not limited to retail gift cards, gas cards
- Incentives may never be issued for entertainment establishments (i.e. movie or sporting event tickets, or gift cards to movie theaters or other venues whose sole purpose is entertainment); Cost Principles 2 CFR part 200

Incentives are not to exceed \$300 in a 12-month calendar year for a program participant. An exception to exceed this incentive limit can be considered under special circumstances to be determined by the service provider. The exception to exceed the \$300 limit must be documented in the participant's file via case notes.

Service providers of the Hennepin-Carver Workforce Development Area (WDA) have sole discretion of the amount payable for an incentive based on the achievement made while participating in programming. **Service providers of the Hennepin-Carver WDA must**

have a written internal policy that sets parameters and/or amounts for incentives and the types of achievements. The types of achievements made as well as the required file documentation can include, but are not limited to:

| Type of Achievement | File Documentation |
|--|---|
| Completion of GED test (incentive can be offered for each test completed) | Copy of official document showing passed test |
| Attainment of Diploma | Copy of diploma or transcript |
| Measurable skills gain | Measurable skills gained related to ISS |
| Securing permanent employment (30 hours/week for 90+ days) | Employment information (wage, start date, hours) AND a copy of hire letter or pay stub |
| Credential earned (during program enrollment or up to one year after exit) | Copy of credential (degree, certificate, license, etc.) |
| Employment retention – 2 nd and 4 th quarter after exit | Copy of pay stub or letter from employer |
| Individualized incentives | Service providers may award an incentive that is tied to an educational or work experience goal that is outlined in the ISS that is tailored to the individual needs of the youth and approved by program staff (i.e. attainment of driver's permit/license, perfect attendance). |

Stipends:

Definition: A stipend is a fixed payment made to an eligible program participant during program enrollment to encourage participation in and completion of certain education or training activities. Stipends may be paid to participants for their successful participation in education, career services, or training services. Stipends may be paid based on actual hours of attendance and attendance must be documented in the participant's file as the basis for a stipend payment.

Service providers of Hennepin-Carver workforce area may use WIOA Youth, MYP, and **Youth at Work** funds for stipend payments to eligible participants from direct services funding and contracted service providers have authority to determine a participant's eligibility to receive stipends. Program participants can obtain stipends through work readiness, leadership and professional skills development, training, and online learning activities following the parameters below:

- Education or training must be approved and included in the participant's ISS
- Stipends may be paid based on actual hours of attendance; Participants must document participation time, hours must be verified by the training provider or program counselor, and verification must be maintained in the participant's file
- Attendance records and/or evidence of completion must be submitted prior to a stipend being awarded
- Online learning and classroom attendance is allowable if participation time can be verified, and appropriate documentation is provided
- Stipends must be tracked in WF1 utilizing the Support Services section and a case note must be entered for each

stipend awarded

- Stipends may be paid weekly
- Stipends may not exceed the state's current hourly minimum wage

Stipends may be awarded for attendance or participation in:

- Short-term training programs (i.e., CNA, Computer Training)
- Work readiness training
- Completion of entrepreneurship training and developing a business plan
- Verifiable in-person workshops

Stipends are intended to encourage and motivate participants to reach goals and complete assignments as they relate to career exploration and learning skills needed for employment. Stipends are not an entitlement and are subject to availability of funds as well as contingent upon the individual's progress and follow-through. Stipends are considered taxable income to program participants and participants (and their parent/guardian) must be notified of Internal Revenue Services (IRS) implications.

Stipends may not be provided to participants in paid activities including work experience, on-the-job training, and internships. In emergency or unforeseen circumstances (i.e. health/medical, sudden change in stability or accessibility, called to active duty, institutionalized, other), partial payment of stipends may be made to participants that fail to complete a portion of their training/activity. The participant's case file must contain documentation (at a minimum, a case note) regarding the reason for failure to complete and the period of time or activities that were completed.

Contact

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