



July 1, 2015

EASTERN CAROLINA LOCAL AREA ISSUANCE NO. 2015-03

SUBJECT: Needs-Related Payments Policy

PURPOSE: To transmit policies and guidelines regarding Needs-Related Payments and rescind Eastern Carolina Local Area Issuance No. 2004-08 dated March 11, 2005.

BACKGROUND: Needs-related payments provide financial assistance to participants for the purpose of enabling individuals to participate in training and are one of the supportive services authorized by the Workforce Innovation and Opportunity Act (WIOA).

According to Sec. 680.940 of the Workforce Innovation and Opportunity Act Regulations the eligibility requirements for **adults** to receive needs-related payments are as follows:

- (a) Must be unemployed,
- (b) Not qualify for, or have ceased qualifying for, unemployment compensation; and
- (c) Be enrolled in a training program

According to Sec. 680.950 of the Workforce Innovation and Opportunity Act Regulations the eligibility requirements for **dislocated workers** to receive needs-related payments are as follows:

- (a) Must be unemployed, and:
 - (1) Have ceased to qualify for unemployment compensation or trade readjustment allowance under Trade Adjustment Assistance (TAA); and
 - (2) Be enrolled in a program of training 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
- (b) Be unemployed and did not qualify for unemployment compensation or trade readjustment assistance under TAA.

Needs-Related payments are not wages and the participant is not an employee of the agency making the payments to the participant.

Needs-Related payments are not unemployment insurance benefits and at this time are not considered taxable income by the Internal Revenue Service.


- ACTION:**
1. The level of needs-related payments established is outlined on the attached policy. Sec. 680.970
 2. Workforce Innovation and Opportunity Act Service Providers are to comply with the attached Needs-Related Payment policy/guidelines and will utilize the attached forms.
 3. All Needs-Related Payment requests must be submitted to Tammy Childers, Executive Director, ECWDB, Inc. for prior approval.

**EFFECTIVE
DATE:** July 1, 2015

**EXPIRATION
DATE:** Indefinite

CONTACT: Tammy Childers, Executive Director

DISTRIBUTION: WIOA Adult and Dislocated Worker Service Providers



Tammy L. Childers
Executive Director

Attachments: Needs-Related Payment Policy and Forms

NEEDS-RELATED PAYMENT POLICY

Federal regulations provide that Needs-Related Payments may be provided to adults and dislocated workers who are unemployed and who cease to qualify for unemployment compensation. The purpose of these payments is to enable these individuals to participate in training programs under the WIOA. Needs-related payments are intended for participants who demonstrate a most in need status and have exhausted all other means of support.

I. Adult Needs-Related Payments Eligibility:

The Needs-Related Payment Policy for adults is designed to provide payments to participants based upon individual documented need to enable the participant to continue to participate in training. To be eligible to receive needs-related payments, an adult participant must have a documented need and meet the requirements at 680.940, as reflected on the Request for Needs-Related Payments Form. The maximum needs-related payment allowable for an adult participant is \$125 per week. In the event that the participant is not attending school five days a week, Needs-Related Payments will be pro-rated based on weekly attendance.

II. Dislocated Worker Needs-Related Payments Eligibility:

A dislocated worker who has ceased to qualify for unemployment compensation may be eligible to receive needs-related payments. According to WIOA regulations 680.950, a dislocated worker is eligible to receive Needs-Related payments if "a worker was enrolled in training services by the end of the thirteenth week after the most recent layoff that resulted in a determination of the worker's eligibility for employment and training activities or, if later, by the end of the eighth week after the worker is informed that a short term layoff will exceed six months."

The level of the needs-related payment made to a dislocated worker will be \$125 a week, or the weekly Unemployment Insurance amount, whichever is less. To be eligible to receive needs-related payments, the participant must have a documented need, as reflected on the Request for Needs-Related Payments Form. In the event that the participant is not attending school five days a week, the Needs-Related Payments will be pro-rated based on weekly attendance.

III. Adult/Dislocated Worker Needs-Related Payment Restrictions

Adult and dislocated worker participants who are seeking needs-related payments must **NOT** be:

1. employed;
2. enrolled in or receiving internship, college work study, work experience or on-the-job training;
3. receiving out-of-area job search/relocation allowance;
4. receiving unemployment compensation or trade readjustment assistance under TAA.

Needs-related payments are considered a training stipend or allowance and not an entitlement. Payments are cash payments made directly to participants based on documented need and within contract limitations. Individual need must be determined, documented, and paid at a rate not to exceed the above-specified limitations. WIOA service providers will ensure that the appropriate documentation of the need and amount of payment are the result of objective assessment and are documented in the participant's Individual Employment Plan (IEP). A participant will be eligible to receive weekly needs-related payments for up to 13 weeks for the period in which the participant has satisfactory training attendance as determined by the WIOA Service Provider.

IV. Procedures for Needs-Related Payments:

1. Compute family income from all sources for the previous full calendar month using the Personal Resource Worksheet. If the WIOA service provider determines that the last month's income does not accurately reflect the participant's needs, due to exceptional family circumstances, justification must be documented on the Personal Resource Worksheet showing the income calculation. This form must be signed and dated by both the participant and WIOA service provider staff. At the end of the 13 weeks, the participant may re-apply as warranted to certify the continued need.
2. WIOA Service Providers must complete the Training Support Analysis Form to verify that the participant:
 - A. Is enrolled in full-time non-wage paying vocational skills training and requires additional financial support in order to continue training.
 - B. Is making satisfactory progress in training.
 - C. Has exhausted all available resources including unemployment insurance.
3. Participants will complete a Request for Needs-Related Payments in order to process payments.
4. Participants must agree to satisfactorily participate in a financial literacy program, such as Money Smart or Consumer Credit Counseling to develop a realistic personal budget prior to receiving needs-related payments.
5. The needs-related payments will be authorized for no more than thirteen weeks.
6. When a participant has been approved for needs-related payments, they may continue to receive payment during regularly scheduled holidays and breaks as established in a published calendar of the participant's training institution. This does not include breaks between spring quarter/fall quarter or summer quarter/fall quarter.
7. During the training period, participant needs-related payments will be reduced for any unscheduled absences at a pro-rated amount based on the week of attendance.
8. Records of registration documents, weekly timesheets, and grade reports must be obtained and secured in the participant's case file to verify participation and authorize payment.

V. Procedures to Prevent Fraud and to Collect Fraudulently Obtained Payments:

1. A cross - check with unemployment insurance will be made to ensure that participants are not receiving unemployment insurance compensation, TRA and needs-related payments. Participants cannot receive UI, TRA and needs-related payments at the same time.
2. The WIOA Service Provider will verify training participation before payments are authorized.
3. In the event of fraud, all WIOA funds obtained from the date of the fraud will be subject to collection from appropriate sources and may result in disallowed costs.

VI. Documentation Required:

1. A copy of the completed Request for Needs-Related Payments and Verification of Training Form.
2. A copy of the Training Support Analysis Form.
3. A copy of the Needs-Related Payments Personal Resource Worksheet.

4. Weekly timesheets, training schedule and progress report to monitor participation requirements for attendance and academic progress.

Attachments:

Request for Needs-Related Payments and Verification of Training Form

Training Support Analysis Form

Needs-Related Payments Personal Resource Worksheet



**REQUEST FOR NEEDS-RELATED PAYMENTS
AND
VERIFICATION OF TRAINING**
{Please attach Training Schedule}

Participant Name {Last, First, MI}

Social Security Number

Street Address *{No PO Boxes, include Apartment Number if applicable}*

City

State

Zip Code

()

Phone Number

()

Alternate Phone Number

Curriculum/Course of Study

Current Training Quarter *{Start & End Dates}*

Reason for Request: *{attach additional sheets if necessary}*

Signature of Participant

Date

TRAINING SUPPORT ANALYSIS FORM
NEEDS-RELATED PAYMENTS {NRP}

Please note that a “no” response to question 1 disqualifies you for needs-related payments {NRPs}.

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

Please note that a “yes” response to questions 2 through 5 disqualifies you for needs-related payments {NRPs}.

2. Do you qualify for Unemployment Insurance Compensation (UI) benefits?
☐ Yes ☐ No
3. Do you qualify for and/or are you receiving any additional state UI benefits {e.g., Training Benefits}, Trade Readjustment Allowances (TRA) or Pell grant?
☐ Yes ☐ No
4. Are you currently participating in a work experience, On-the-Job (OJT) or work study?
☐ Yes ☐ No
5. Do you intend to claim any type of unemployment insurance benefits or receive any payments for work or vacation?
☐ Yes ☐ No

Please note that a “no” response to questions 6 through 8 disqualifies you for needs-related payments {NRPs}.

6. Have you ceased to qualify for Unemployment Insurance Compensation (UI) benefits?
☐ Yes ☐ No
7. Have you ceased to qualify for or receive additional state UI benefits, Trade Readjustment Allowances (TRA) or Pell grant?
☐ Yes ☐ No
8. Are you currently maintaining satisfactory progress in training? **Attach most recent grades**
☐ 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: severance pay, other family income (spouse’s income).

9. Will “other resources” meet your need to support you while attending training fulltime?
☐ Yes ☐ No
10. Do you need income support beyond your “other resources” available in order to participate in training?
☐ Yes ☐ No

If yes, explain: _____

Needs-Related Payments are not intended to provide the entire amount of income support you may need to complete your training. If you are awarded Needs-Related Payments, they will be based on this support analysis and the weekly level of Needs-Related Payments as determined by the Eastern Carolina Workforce Development Board, Inc. These payments are made to temporarily help you while making satisfactory progress during your participation in full-time training. Needs-Related Payments are subject to your eligibility for the program and funding availability.

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 ineligible payments, which may require my repayment of any Needs-Related Payments provided.

Participant Signature

Date

**NEEDS-RELATED PAYMENTS
PERSONAL RESOURCE WORKSHEET**

Participant Name: _____

Social Security #: _____

MONTHLY INCOME

Personal: _____

Spouse/Companion: _____

Other Family Members: _____

Child Support: _____

Social Security: _____

Alimony: _____

Retirement: _____

Supplemental Security Income (SSI): _____

Unemployment Insurance (UI): _____

Public Assistance: _____

Pell Grant: _____

Food Stamps: _____

WIOA/TRA Supportive Services (list): _____

Other Income (list): _____

TOTAL MONTHLY INCOME:

Total Monthly Income:

Less Total Monthly Expenses:

Net Income:

MONTHLY EXPENSES

Rent/Monthly Mortgage: _____

Electricity: _____

Heating: _____

Water/Garbage/Sewer: _____

Telephone: _____

Monthly Car Payment: _____

Child Care (not subsidized payment): _____

Monthly Medical Expense: _____

Monthly Credit Card Payments (list): _____

Monthly Loan Payment (list): _____

Food: _____

Clothing: _____

Gasoline: _____

Transportation (taxi): _____

Other Expenses (list): _____

TOTAL MONTHLY EXPENSES:

I certify that the above is true and accurate to the best of my knowledge. I further understand that any receipt of needs-related payments is contingent upon the availability of funds.

Participant Signature

Date

Case Manager Signature

Date