

# POLICY

## NEEDS RELATED PAYMENTS

### 1) **Background**

WIOA Section 134 (c)(2) 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 Worker 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.

### 2) **Objectives**

This policy will provide the eligibility, payment determination, administration and oversight, and fraud prevention requirements related to Needs Related Payments in Will County.

### 3) **Recommendations**

Needs Related Payments will be made available to customers when all requests for Career Scholarships have been met.

#### **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 long-term training plans.

- A. Adult Eligibility: to be eligible for NRPs, an Adult must:
  - 1. Be unemployed;
  - 2. Not qualify for Unemployment Insurance compensation (UI); and,
  - 3. Be enrolled in a program of training services under WIOA, section 134 (c)(2)
- B. Dislocated Worker Eligibility: be eligible for NRPs, a Dislocated Worker must:
  - 1. Be unemployed and
    - a) 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,
    - b) Be enrolled in a program of training services under WIOA section 134 (c)(2) 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

2. Be unemployed and
  - a) 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
  - b) Be enrolled in a program of training services under WIOA section 134 (c) (2) 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.
- C. If these eligibility requirements are met, individuals may be awarded NRPs from 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.
- D. The Illinois Department of Commerce's Bureau of Workforce Development (BoWD) may authorize local areas to extend the thirty-day grace period to address appropriate circumstances.

### **Payment Determination**

- A. The level of NRPs made to Adults may not exceed the equivalent weekly amount of the LWIA's annual 100% LLSIL for a family of one.
- B. The level of NRPs made to Dislocated Workers shall not exceed the greater of:
  1. The applicable weekly level of UI compensation (for participants who were eligible for UI as a result of a qualifying dislocation); or,
  2. If the worker did not qualify for UI compensation, the weekly payment may not exceed the poverty level for an equivalent period. 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].

### **Administration and Oversight**

- A. A Needs Related Payments Analysis Form and Weekly Verification of Income and Training Form will be required of every customer.

- B. Documentation of receipt of payment with customer signature shall be maintained.
- C. The following documentation will be obtained on each eligible NRP recipient:
  - 1. A copy of a UI entitlement decision or confirmation of UI benefits being exhausted;
  - 2. A copy of request for training classes for each period of training (quarter, semester, block, class, etc.);
  - 3. Verification of enrollment/registration, participation, grades, and completion of training classes (confirmation from Registrar's office and course instructor);
  - 4. A signature by the participant attesting to his/her understanding of NRP requirements and instructions;
  - 5. All eligibility determinations must be documented; and
  - 6. A comprehensive reporting system of all NRPs.

#### **Fraud Prevention**

- A. To prevent fraudulent payment activity the LWIA must:
  - 1. Perform a cross check with UI to ensure that participants are not receiving UI, State Training Benefits, TRA, and NRPs at the same time;
  - 2. Verify training participation before payments are authorized; and,
  - 3. Report fraud when discovered to begin the collection process from appropriate sources.
- B. In the event of the discovery of fraudulent activity, all payments to the fraudulent party will cease and all funds paid will be recovered.
- C. All cases of fraud or suspected fraud will be forwarded to the appropriate legal authorities for prosecution per WIOA Policy Letter No. 06-PL-28.
- D. NRPs have been classified as non-taxable income by the Internal Revenue Service (IRS).

#### **4) Assessment**

On a quarterly basis the following information will be provided to the Strategic Issues and Trends Committee:

- A. Number of customers seeking Needs Related Payments
- B. Number of customers receiving Needs Related Payments
- C. Total dollars expended on Needs Related Payments
- D. Average quarterly value of Needs Related Payments per customer

Approval: March 23, 2009  
Motion: Paul Swanstrom  
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Approval: February 8, 2016  
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Abstain: John Greuling