PY 2021 LOWCOUNTRY WORKFORCE INSTRUCTION NUMBER 18

TO: Lowcountry Workforce Innovation and Opportunity Act Contractors/Service Providers/Sub-recipients/One-Stops
FROM: MICHAEL V. BUTLER

Lowcountry Workforce Development Director

ISSUE DATE: May 25, 2022
REVISED: November 9, 2023, Effective July 1, 2023

EFFECTIVE DATE: Immediately
SUBJECT: YOUTH WORK EXPERIENCE

EXPIRATION DATE: Indefinite

I. Purpose
To provide policy direction for the implementation of Work Experiences for WIOA eligible Youth in the Lowcountry Workforce Development Area.

II. Background
20 CFR § 681.590 prioritizes work experience and requires that local youth programs expend not less than 20 percent of the funds allocated to them to provide youth with paid and unpaid work experiences.

States and local areas must ensure that each local area spends at least 20 percent of local youth funds on work experience. Please see TEGL 21-16 section 7, program element three for the types of activities that count toward the work experience expenditure requirement and the revised addition of Supportive Services for Work Experience in TEGL 09-22.

States, local areas, and sub-recipients must have internal controls in place to ensure that staff and participant time spent on other allowable work experience activities are adequately documented and accounted for in order to permit the preparation of reliable and accurate financial statements and
federal reports (2 CFR § 200.62, 200.302, 200.403). A link to various state tools collected by ETA for tracking work experience expenditures is in the resource section of the Training and Employment Notice (TEN) 22-19.

Work experience for Youth participants is defined at 20 CFR 681.600 which states that work experiences are designed to enable youth to gain exposure to the working world and its requirements.

20 CFR § 681.600(a) states that work experiences are a planned, structured learning experience that takes place in a workplace for a limited period of time. A work experience provides youth with opportunities for career exploration and skill development.

Work experience is required to take place in the workplace, which ideally means on a work site where youth are in a work setting interacting with other workers in the specific industry and occupation.

Paid and unpaid work experiences for Youth participants must include academic and occupational education that aligns with their Career Pathways as a component.

Work experience may be provided in the private for-profit, non-profit, or public sectors and may include the following types:
- Summer employment opportunities, and other employment opportunities available throughout the school year;
- Pre-apprenticeship programs
- Internships and job shadowing; and
- On-the-job training opportunities (Provided by Lowcountry Business Services Team, Procedures outlined in the Lowcountry OJT Policy)

WIOA prioritizes work experiences with the requirement that local areas must spend a minimum of twenty (20) percent of local area funds on WIOA Youth work experiences. WIOA Youth program funds spent on paid and unpaid work experiences, including front line staff wages and costs must be tracked and reported monthly as part of the local WIOA Youth financial reporting. Allowable expenditures include:
- Wages/stipends paid for participation in a work experience;
- Staff time working to identify and develop a work experience opportunity, including staff time spent working with employers to identify and develop the work experience;
- Staff time working with employers ensure a successful work experience, including staff time spent managing the work experience;
- Staff time spent evaluating the work experience;
- Participant work experience orientation sessions;
- Employer work experience orientation sessions;
- Classroom training or the required academic education component directly related to the Work Experience;
• Incentive payments directly tied to the completion of work experience; and
• Employability skills/job readiness training to prepare youth for work experience.
• Supportive services that enable WIOA participants to participate in work experience.

The Lowcountry has established that the wages/stipend paid for participation in a work experience must comprise a minimum of 60% of the total of work based learning expenditures. 60% must be direct payment to youth work based learning participant costs and no more than 40% of total work based learning expenditure may be non-participant, front line staff costs. Participant and Non-Participant costs must be tracked and reported separately. All Participant costs must be tracked, documented, and reported in SCWOS using the Advanced Individual Funding Tracking (AIFT) module.

III. Definitions
Stipend - A stipend allows an individual to perform work, usually with the intention of learning and experiencing the world of work. Stipends provide the individual with financial support to enable them to engage in the learning experience. Payments are fixed and not dependent on services or scope of work. Recipients of stipends are usually student workers, interns, and apprentices and there is no employer/employee relationship. Stipends are awards and not wages and are not taxed as such. No Social Security or Medicare taxes are withheld; however, stipends may or may not be taxable.

Wages – compensation for work performed where an employer/employee relationship exists. Fair Labor standards apply. Worker’s comp and applicable fringe benefits apply. Considered taxable income.

Summer Employment Opportunities and other employment opportunities available throughout the school year - employment opportunities that provide subsidized wages for youth at selected employers during the summer and throughout the school year. These experiences extend learning to include job readiness and provides supports for youth who participate. These employment opportunities provide valuable work experience and increase skill development which increases future opportunities for youth. In some instances, the youth are placed in a worksite where a trainee/mentor relationship exists rather than employee/employer.

Pre-apprenticeship programs - Pre-apprenticeship is a program or set of services designed to prepare individuals to enter and succeed in a Registered Apprenticeship program. A pre-apprenticeship program, by definition, has a documented partnership with at least one Registered Apprenticeship program. Pre-apprenticeship is designed to prepare individuals to enter and succeed in an Apprenticeship program. These programs promote a diverse and skilled workforce and prepare participants to meet the basic qualifications for entry into an apprenticeship, through:
• An approved training curriculum based on industry standards,
• Educational and pre-vocational services,
• Hands-on training in a simulated lab experience or through volunteer opportunities, and
• Assistance in applying to Apprenticeship programs.
• Pre-apprenticeship programs involve formal partnerships with at least one Apprenticeship program sponsor.
For more information on pre-apprenticeship programs, please refer to Training and Employment Notice 13-12.

Internships - a short-term job that may be paid or unpaid, that provides youth experience in a real workplace. Internships can be at a company, a store, a school, a government office, or a nonprofit. Internships often focus on entry-level general work experience and may include mentorship. Internships may lead to academic credits. In some instances, the internship placement is based on a trainee/mentor relationship rather than employee/employer.

Job shadowing - the experience of following a person in their job for a few hours, a day, or a few days. Job shadowing may occur virtually or through industry/employer videos designed to show the day to day responsibilities of an occupation for the purposes of career exploration and the world of work.

On-the-Job Training (OJT) - Training by an employer that is provided to a paid participant while engaged in productive work in a job that:
- Provides knowledge or skills essential to the full and adequate performance of the job;
- Provides reimbursement to the employer of a percent of the wage rate of the participant for the extraordinary costs of providing the training and additional supervision related to the training; and
- Is limited in duration as appropriate to the occupation for which the participant is being trained, considering the content of the training, the prior work experience of the participant, and the service strategy of the participant, as appropriate.

WIOA youth may qualify for OJT. Lowcountry Council of Governments (LCOG) Business Service (IBST) staff are responsible for all OJT. The Contractor/Sub-Recipient must use SCWOS to promptly refer (see State Instruction Letter 20-14) all individuals who have an Individual Service Strategy (ISS) Plan that identifies OJT as an appropriate services to LCOG ISBST staff.

Work experiences (WEX) include a worksite agreement between the WIOA Youth service provider, employer, and participant. Stipends or wages are paid directly to the participant except in the OJT program where the employer is reimbursed, Labor standards apply in any WEX where an employee/employer relationship exists, as defined by the Fair Labor Standards Act. General liability and Worker’s Compensation are provided by either the WIOA Youth program or the employer, depending on the employer/employee relationship. When the WIOA Youth program fully subsidizes wages, the program is responsible for general liability and worker’s compensation.
IV. Instructions:

- WEX must provide a planned and structured academic and occupational learning experience that will contribute to the achievement of the participant’s Career Pathway as documented on the Individual Service Strategy.
- Academic and occupational education is a required component that may occur inside or outside the work site and may be provided on a concurrent or sequential basis based upon the participant’s Individual Service Strategy.
- WEX agreements must be signed by all parties prior to the start of the WEX.
- Payments must not be made prior to the start date of the contract, after the end date of the contract, or in excess of the contract amount.
- WEX should focus on assisting individuals to establish a work history, demonstrate success in the workplace, and/or develop the skills that lead to entry into and retention in unsubsidized employment.
- Participants and worksites must be given an orientation.
- Youth must be provided unpaid meal breaks.
- Youth must not exceed 6 hours a day and 30 hours a week at the worksite.
- Detailed daily timesheets must be maintained each day with time in and time out and include break time:
  - Time of Start/Arrival
  - Time of Start for break
  - End of End for break
  - Time of End/Departure
- Detailed timesheets must be signed by the participant, the worksite supervisor, and contractor including an affirmation the time sheets are true and accurate and an acknowledgement of receipt of federal funds.
- The subrecipient/contractor is required to develop process, procedures, forms, manuals, etc. to implement an effective and compliant WEX program service activity.
- The subrecipient/contractor is required to provide ongoing training and support to their staff regarding WEX.

PARTICIPANT ELIGIBILITY:

All WEX participants must meet WIOA youth program eligibility requirements, be enrolled into the WIOA Youth program, and have received an assessment resulting in the development of an Individual Service Strategy (ISS) that documents the participant’s Career Pathway and the need for a WEX. There must be a clear link from the Career Pathway occupational goal to the worksite position.

Individuals who have received funding through an ITA or other WIOA funded training are also eligible for WEX. Funding for training and WEX are separate and WEX is not included in the calculation of WIOA Training Lifetime Limits.
Participants must be prepared in advance for the Work Experience. This must include work readiness, soft skills acquisition and removal or mitigation of barriers to success, such as transportation, child care, etc. to improve successful completion of the Work Experience activity. Preparation for WEX is not limited to the required activities listed above, preparation may include any other applicable service needed to ensure successful completion of the WEX and as identified through assessment, case management and on the ISS.

**EMPLOYER ELIGIBILITY:**
The WEX Employer:
- Must be a legal business/entity in accordance to all federal, state, and local laws;
- Must be an Employer approved by the SC Department of Employment and Workforce in SCWOS (Recruiting/Enabled status) throughout the term of the WEX;
- Must not use WEX to supplant hiring of employees;
- Every employer of employees subject to the Fair Labor Standards Act's minimum wage provisions must post, and keep posted, a notice explaining the Act in a conspicuous place in all of their establishments so as to permit employees to readily read it;
- Must have safe and healthy working conditions with no previously reported health and safety violations that have been reported but have not been corrected;
- Does not illegally discriminate in training or hiring practices because of race, color, sex, national origin, religion, physical or mental disability, political beliefs or affiliations or age;
- Must be in compliance with WIOA Sec. 188(a)(2)
  - Shall not terminate the employment of any of their current employees or otherwise reduce its workforce either fully or partially (such as reduction in hours or benefits) with the intention of filling the vacancy with a WEX participant or as the result of having a WEX participant 20 CFR 683.270;
  - Shall not allow the WEX activity to result in the infringement of promotional opportunities of their current employees 20 CFR 683.270;
  - Shall not allow the participant to be involved in the construction, operation or maintenance of any part of any facility that is used, or to be used, for religious instruction or as a place for religious worship, WIOA Sec. 188(a)(3);
  - The employer must not currently be involved in a labor dispute or have workers currently in a layoff status, 20 CFR 680.840.

**DURATIONS AND FUNDING LIMITS:**
When determining the duration of a WEX activity, the following must be considered:
- Objectives of the WEX;
- Length of time necessary for the participant to learn the skills identified in the ISS;
- The employer having sufficient quantity of meaningful work activities for the participant;
- WEX is subject to a maximum of $4,000 per individual participant.
- Participants enrolled in a paid WEX shall not be compensated at a rate that is higher than the employer’s entry-level wage for an equivalent position.
Participants shall be paid only for time worked during the WEX as documented on the participant’s time sheet. WEX participants are not authorized to work overtime and shall not be compensated for:

- Sick leave;
- Vacation; Lunch breaks; Closures; or
- Holidays recognized by the service provider or employer as a “paid holiday”

When applicable, stipends may be paid daily, weekly or monthly and must be less than or equal to the rate of pay for an equivalent position. Stipends rather than wages may be paid when a trainee/mentor relationship exists.

OUTREACH GOALS FOR PARTICIPANTS and EMPLOYERS:

- The subrecipient/contractor will set participation goals based on funding availability.
  - The goals must be provided to LCOG within 30 days of the start of each Program Year or as modified during the Program Year
- The subrecipient/contractor must develop a variety of worksites to align with the Youth Career Pathway; there must be a clear link from the occupational goal identified in the participant’s ISS to the Work Experience.

MONITORING PROCEDURES:
The subrecipient/contractor establish monitoring procedures and schedules. The subrecipient/contractor must monitor each Work Experience Contract at least once during the term of the individual participant’s WEX to ensure compliance with federal, state and local rules, regulation and policy. Documentation of the monitoring shall be maintained in the participant file (Documents) in SCWOS.

Exceptions to all policies may be approved by the Lowcountry Workforce Development Director

References.

- Workforce Innovation and Opportunity Act, Pub. L. 113-128
- Training and Employment Guidance Letter (TEGL) No. 21-16: Third Workforce
- Innovation and Opportunity Act (WIOA) Title I Youth Formula Program Guidance
- Training and Employment Guidance Letter (TEGL) No. 38-15: Second Title 1 WIOA
- Youth Program Transition Guidance
- Training and Employment Guidance Letter (TEGL) No. 23-19 Change 1: Guidance
- for Validating Required Performance Data Submitted by Grant Recipients of U.S.
- Department of Labor (DOL) Workforce Programs
- Training and Employment Guidance Letter (TEGL) No. 09-22: Workforce Innovation and Opportunity Act Title I Youth Formula Program Guidance