

Technical Assistance Guidance

TAG 35-2019

Issued Date: **August 13, 2019**

Subject: Sufficient Earnings/Self-sufficiency for Employed Individuals

Purpose

This TAG provides sub-recipients with a helpful tool to improve quality of service, effective management practices and ensure compliance with Federal, State and local regulations.

Background

WIOA Title I **work-based training**, such as on-the-job training and customized training, may be provided for employed individuals provided they meet eligibility requirements described below.

References

29 U.S.C. Sec. 3174 (C) (3), Public Law (P.L.) WIOA 113-128 Sec. 134, 20 CFR Parts 680 and 683, TEGL 16-16 One-Stop Operations Guidance for the American Job Center Network, TEGL 19-16 Services Provided Through the Adult and Dislocated Worker Programs Under Title I of WIOA, State Compliance Policy (SCP) 1.6, Workforce Connections' Policies ADW-030-01, ADW-030-02, ADW-030-05, GEN-050-08, and GEN-050-10

Guidance

Consistent with section 134(c)(3)(A) of WIOA and codified in 20 CFR §680.710, work-based training services may be provided to an employed individual when the **employee is not earning a self-sufficient wage, or wages comparable to, or higher than, wages from previous employment. Employment status is determined prior to the start of the work-based training service. This policy is not intended to establish eligibility for WIOA Title I services.**

Workforce Connections has established criteria for sufficient employment earnings as:

- Earnings that provide the individual without dependent(s) with an income before deductions that:
 - Is greater than \$13.08 per hour; **AND**
 - Annual income that is greater than \$27,199,
- OR**
- Earnings that provide an individual with dependent(s) with an income before deductions that:
 - Is greater than \$22.11 per hour; **AND**
 - Annual income that is greater than \$45,978,
- OR**
- Earnings that provide the individual an income which is at least 80% of the individual's income at any prior employment within the prior five-year period.

- **Exception: Alternate calculation of income and income limits may be authorized on a case-by-case basis with prior written approval by Workforce Connections.**

Work-Based Training Eligibility Criteria

This policy defines a self-sufficient income; however, to be eligible for work-based training documentation must document **only one** of the five criteria below:

1. Earnings that provide the individual without dependent(s) with an income before deductions that is less than, or equal to, \$13.08 per hour.
2. Earnings that provide the individual without dependent(s) with an annualized income that is less than \$27,199.
3. Earnings that provide the individual with dependent(s) with an income before deductions that is less than, or equal to, \$22.11 per hour.
4. Earnings that provide the individual with dependent(s) with an annualized income that is less than \$45,978.
5. Earnings that provide the individual an income which is not at least 80% of the individual's income at any prior employment within the prior five-year period.

Please note: Only income from current employment is to be used to calculate annualized income. No other income is includable. (Please refer to Scenario 4)

Required Documentation

Documentation must be dated within 30 days prior to the WC authorized signature date for the On-the-Job Obligation Form, or the date a work-based training contract is fully executed. Acceptable documentation includes the following:

- Family Size (required only for individual with dependents to meet criteria 3 and 4)
 - Rental/Lease Agreement
 - Social Service Records
 - Most Recent Tax Return
 - Self-attestation
- Hourly Rate/Annual Income
 - Paycheck stub(s) dated within 30 days prior to the WC authorized signature date for the On-the-Job Obligation Form, or the date a work-based training contract is fully executed.
 - Employment verification, clearly listing the hourly rate and hours worked per week, properly signed and dated by the employer

Scenario 1

A participant is currently employed where they earn \$15 per hour; however, was enrolled in the WIOA Title I program as “not employed.” This participant is a family of one (1). Payroll records indicate that the total household earnings for the past 12 months is \$31,200. An employer is interested in an on-the-job training.

This individual **is not currently eligible** to participate in work-based training activities unless an exception is requested by the Title I service provider and approved by Workforce Connections. This scenario does not meet any of the five Eligibility Criteria.

Scenario 2

A participant is currently employed where they earn \$20.00 per hour. This participant is a member of a family of three (3) and the individual has an opportunity for a promotion with their current employer but is lacking some of the skills required. The employer is interested in an on-the-job training.

This individual **would be eligible** to participate in work-based training services because the hourly wage is below \$22.11 per hour per Eligibility Criteria 3.

Scenario 3

A participant recently obtained employment where they earn \$16 per hour. They are a family size of one (1). During the initial assessment the participant reported that their hourly rate with a previous employer, where they worked two (2) years ago was \$22 per hour. The current employer has indicated that they are willing to promote this individual to a new position where they would earn \$19 per hour; however, additional training is required.

This individual **would be eligible** to participate in work-based training services because the **individual earns less than 80%** of their wages from previous employment per Eligibility Criteria 5.

Scenario 4

A participant recently obtained employment where they earn \$16 per hour and work 20 hours per week. They are a family size of one (1). The current employer has indicated that they are willing to promote this individual to a new position where they would earn \$20 per hour; however, additional training is required.

This individual would be eligible to participate in work-based training services because the annualized income is \$16,640 per Eligibility Criteria 2.

Annualized income = hourly rate multiplied by hours per week multiplied by 52

Example: \$16 x's 20 x's 52 = \$16,640.

Action

Please share this information with all WIOA Title I staff and other interested parties.

WC will continue to provide technical assistance to support the workforce system. For more information and/or updates, please contact your contract administrator at your earliest convenience.

Technical Assistance

Available upon request.