

**Northern Illinois Workforce Alliance**

**Policy Title: Needs Related Payments**

**Reference Number 2016-400-07**

**Approved: June 2, 2009**

**Effective: 06/07/2016**

**Status: Active**

**Modifications: Updated**

**Purpose:**

To ensure the appropriate use of Needs Related Payments as an allowable supportive service for WIOA Adult and Dislocated Worker program participants.

**References:**

**Proposed regulation § 680.930 – What are needs –related payments?**

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 WIOA section 134(d)(3).

**Proposed regulation § 680.940 – What are the eligibility requirements for adults to receive needs-related payments?**

Adults must:

- a. Be unemployed,
- b. Not qualify for, or have ceased qualifying for, unemployment compensations; and
- c. Be enrolled in a program of training services under WIOA section 134(c)(3).

**Proposed regulation § 680.950 – What are the eligibility requirements for dislocated workers to receive needs-related payments?**

To receive needs related payments, a dislocated worker must:

- a. Be unemployed, and;
  1. Have ceased to qualify for unemployment compensations or trade readjustment allowance under TAA; and
  2. Be enrolled in a program of training services under WIOA section 134(c)(3) by the end of the 13<sup>th</sup> 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 8<sup>th</sup> week after the worker is informed that a short-term layoff will exceed 6 months; or
  3. Be unemployed and did not qualify for unemployment compensation or trade readjustment assistance under TAA and be enrolled in a program of training services under WIOA sec 134 (c)(3).

**Proposed regulation § 680.960 – May needs-related payments be paid while a participant is waiting to start training classes?**

Yes, payments may be provided if the participant has been accepted in a training program that will begin within 30 calendar days. The Governor may authorize local areas to extend the 30 day period to address appropriate circumstances.

**Proposed regulation § 680.970 –How is the level of needs-related payments determined?**

- a. The payment level for adults must be established by the Local Board.
- b. For dislocated workers, payments must not exceed the greater of either of the following levels:
  1. For participants who were eligible for unemployment compensation as a result of the qualifying dislocation, the payment may not exceed the applicable weekly level of the unemployment compensation benefit; or
  2. For participants who did not qualify for unemployment compensations as a result of the qualifying layoff, 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. (WIOA sec. 134(d)(3)(C).)

Applicable State Policy: **WIA Policy Letter No. 07-PL-35** – issued August 29, 2007

**Background:**

Needs-Related Payments provide financial assistance for the purpose of enabling adults and dislocated worker program participants to participate in training services.

**Definition:**

**LLSIL – Lower Living Standard Income Level Guidelines. The Department of Labor’s Employment and Training Administration annually determines the LLSIL defined as one who qualifies under various criteria, including an individual who received income for a six-month period that does not exceed the higher of the poverty line or 70 percent of the lower living standard income level. The updated amounts are updated annually.**

**Responsible Party:**

One Stop center program directors and staff responsible for WIOA funded programs must verify and document eligibility for Needs-Related Payments for Adults and Dislocated Worker program participants.

**Policy/Procedures:**

- **Participant Eligibility**

Adult Eligibility:

- a. Be unemployed,
- b. Not qualify for , or have ceased qualifying for, unemployment compensation; **and**
- c. Be enrolled in a program of training services under WIOA section 134(c)(3).
- d. **Current family income, includes all sources (UI, TRA, SSI, SSDI, etc), does not exceed 100% of the LLSIL.**
- e. **Complete a Financial Needs Assessment to determine Needs Related Payment need.**
- f. **Student must maintain satisfactory progress of a C average or above.**

Dislocated Worker Eligibility:

- a. Be unemployed, and
  1. Have ceased to qualify for Unemployment Insurance (UI) compensation or trade readjustment allowance under TAA; **and**
  2. Be enrolled in a program of training services under WIOA section 134(c)(3) by the end of the 13<sup>th</sup> 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 8<sup>th</sup> week after the worker is informed that a short-term layoff will exceed 6 months.
- OR
- b. Be unemployed, and
  1. Did not qualify for unemployment compensation or trade readjustment assistance under TAA; **and**
  2. Be enrolled in a program of training services under WIOA section 134(c)(3) by the end of the 13<sup>th</sup> 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 8<sup>th</sup> week after the worker is informed that a short-term layoff will exceed 6 months.
  - c. Customer cannot be receiving UI, State Training Benefits, On-the-Job Training, TRA, or Relocation Allowances.
  - d. **Current family income, includes all sources, (UI, TRA, SSI, SSDI, etc), does not exceed 100% of the LLSIL.**

- e. **Complete a Financial Needs Assessment to determine Needs Related Payment need.**
- f. **Student must maintain satisfactory progress of a C average or above.**

If these eligibility requirements are met, individuals may be awarded needs related payments from WIOA funding prior to the start date of training classes for the purpose of enabling them to participate in program of employment and training services that begin within thirty (30) calendar days. At that point or sooner, as appropriate, all participants must be enrolled in *Training Services* in ***IWDS*** .

#### **Payment Determination**

- a. The level of needs-related payments made to Adults may not exceed the equivalent weekly amount of the LWA's annual 100% LLSIL for a family of one.
- b. The level of needs-related payments made to Dislocated Workers shall not exceed the greater of:
  - 1. The applicable weekly level of Unemployment Insurance compensation (for participants who were eligible for unemployment insurance as a result of a qualifying dislocations); or
  - 2. If the worker did not qualify for unemployment insurance compensation, the weekly payment may not exceed the poverty level for an equivalent period.
- c. The week payment level must be adjusted to reflect changes in total family income. Monthly, or more often if necessary, verifications of income and training will be required to maintain eligibility. Eligibility may be re-determined at any time based on the verifications.

#### **Administration and Oversight**

- a. A copy of any UI entitlement decision or confirmation of UI benefits being exhausted will be maintained in each customer file.
- b. A copy of the requests for training classes for each period of training (quarter, semester, block, class, etc.) will be maintained in each customer file. A copy of the customers Individual Training Account (ITA) will be used as documentation.
- c. Verification of enrollment/registration, participation, grades, and completion of training classes (confirmation from Registrar's office and course instructor) will be maintained in each customer file. A copy of each class schedule and grades will be maintained in each customer files and will be used documentation. Monthly verifications of attendance and training progress will be reviewed.
- d. Each customer determined eligible and receiving Needs Related Payments (NRPs) will have signed a copy of this policy as a testament to his/her understanding of the requirements and instruction.
- e. All eligibility will be documented and maintained in the customer file.
- f. A comprehensive reporting system of all NRPs will be maintained and quarterly internal monitoring will be administered.
- g. A Needs Related Payments Analysis form and Weekly Verification of Income & Training forms will be completed and maintained in the customer file.

#### **Fraud**

- a. All cases of fraud or suspected fraud will be forwarded to the appropriate legal authorities for prosecution per WIA Policy Letter No. 06-PL-28.
- b. In the event of fraudulent activity, all payments to the fraudulent party will cease and all funds paid will be recovered.
- c. To prevent fraudulent payment activity LWA staff will:
  - 1. Perform a cross check with UI to ensure that participants are not receiving UI, TRA, and State Training Benefits while receiving NRPs. Staff will also ensure that participants are not enrolled and participating in On-the-Job Training (OJT) while receiving NRPs.
  - 2. All training participation will be verified before payments are authorized.

3. Fraud will be immediately reported and investigated. The collection process from appropriate sources will be initiated immediately as applicable.
- d. NRPs have been classified as non-taxable income by the Internal Revenue Service (IRS).

**Attachments:** *Needs Related Payments Analysis Form* and Instructions

*Needs Related Payments Weekly Verification of Income & Training* and Instructions

[The forms are in WORD and are fill-in forms. Download them from WIA Policy Letter No. 07-PL-35. Go to [http://www.illinoisworknet.com/vos\\_portal/WIA\\_Works/en/Home/policyMakers/Policies.](http://www.illinoisworknet.com/vos_portal/WIA_Works/en/Home/policyMakers/Policies.)]

**Action Required:**

This information should be disseminated to Northern Illinois Workforce Alliance WIOA One-Stop Operator and all WIOA program directors/staff and partner agencies. Ensure that procedures for approving and paying for Needs-Related Payments are fully in compliance with this policy.

**Inquiries:**

Questions regarding this policy should be directed to Northern Illinois Workforce Alliance Executive Director

**Effective Date:**

Immediately

[Download fill-in form in WIA  
Policy Letter 07-PL-35.]

## Needs Related Payments Analysis Form

### Participant Information

1. Name:				
	Last	First	M.I.	
2. Home Address				
	Street Address (Include Apartment Number)			
	City	State	Zip Code	
3. Phone Number(s)				
	( ) -	( ) -		
	Home	Mobile		

### Needs Analysis

**Please Note that a "No" answer to Question A would disqualify you for NRPs.**

4. Question A	Are you unemployed or have you received notification of layoff?	Yes <input type="checkbox"/>	<input type="checkbox"/> No
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**Please Note that a "Yes" answer to Question B would disqualify you for NRPs.**

5. Question B	Do you qualify for Unemployment Insurance (UI) benefits, additional State UI benefits (Training Benefits) or Trade Readjustment Allowance (TRA) benefits?	Yes <input type="checkbox"/>	<input type="checkbox"/> No
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**Please Note that a "No" answer to Question C would disqualify you for NRPs.**

6. Question C	Have you ceased to qualify for Unemployment Insurance (UI) benefits, additional State UI benefits (Training Benefits) or Trade Readjustment Allowance (TRA) benefits?	Yes <input type="checkbox"/>	<input type="checkbox"/> No
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7. Additional Comments:

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8. Based upon the responses to questions A-C, is the participant eligible to receive NRPs?	Yes <input type="checkbox"/>	<input type="checkbox"/> No
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9. 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: Pell grants, severance pay, other family income (spouse's income).	Yes <input type="checkbox"/>	<input type="checkbox"/> No
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10. Will "other resources" meet your need to support you while attending school full-time?	Yes <input type="checkbox"/>	<input type="checkbox"/> No
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11. All of the answers and information are true and complete to the best of my knowledge. I have read, understand, and agree to comply with the policies for Needs Related Payments.

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
Participant Signature Date

#### 12. To Be Completed By LWIA Case Manager

I have reviewed these policies with the participant, have determined their eligibility to receive Needs Related Payments, and have explained the procedures for collecting Needs Related Payments.

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
Case Manager Signature Date

## Analysis Form Instructions

*[Download fill-in form in WIA Policy Letter 07-PL-35.]*

### Participant Information

1. Name Enter the name of the person who is requesting Needs Related Payments (NRP).
2. Home Address Enter the home address of the participant. Include the street address (including apartment number if applicable), city, state, and zip code.
3. Phone Number(s) Enter the home phone number for the participant. Also, enter a cellular telephone number if the participant wants an alternate method of contact.

### Needs Analysis

4. Question A Check "Yes" or "No" to indicate whether the participant is currently unemployed or has received notification of layoff from their current employer.  
**Note:** A "No" answer to this question would disqualify the participant from NRPs.
5. Question B Check "Yes" or "No" to indicate whether the participant currently qualifies for Unemployment Insurance (UI) benefits, additional State UI benefits (training benefits), or Trade Readjustment Allowances (TRA) benefits.  
**Note:** A "Yes" answer to this question would disqualify the participant from NRPs.
6. Question C Check "Yes" or "No" to indicate whether the participant has ceased to qualify for Unemployment Insurance (UI) benefits, additional State UI benefits (training benefits), or Trade Readjustment Allowances (TRA) benefits.  
**Note:** A "No" answer to this question would disqualify the participant from NRPs.
7. Additional Comments Enter any additional comments you feel could be beneficial to determining a person's eligibility for Needs Related Payments. Information might include the employer for whom the person has received a layoff notice and the anticipated date of layoff.
8. Eligibility Determination Check "Yes" or "No" to indicate whether the person qualifies for Needs Related Payments based on the answers to Questions A, B, and C.
9. Consideration of "Other Resources" Check "Yes" or "No" to indicate whether the person has considered the availability of all "other resources" to help successfully participate in a full-time training program. Other resources might include, but are not limited to, Pell grants, severance pay, other family income, etc.
10. "Other Resources" Check "Yes" or "No" to indicate whether any of the other resources considered in Question 8 above would meet the need to support the participant while attending school full-time.
11. Participant Signature The person requesting the NRPs must acknowledge they have entered (or assisted in the entering) all information on this form to the best of their knowledge and that they have read, understand, and agree to comply with the policies for Needs Related Payments. Once they agree to all information, they must sign this form and enter the date of their signature.
12. LWIA Case Manager Signature The LWIA case manager having oversight of this particular analysis must acknowledge that they have reviewed all NRP policies with the participant, have determined their eligibility to receive NRPs, and have explained the procedures for collecting NRPs. Upon acknowledgment of this information, the LWIA Case Manager must sign this form and enter the date of their signature

## Needs Related Payments Weekly Verification of Income & Training

*[Download fill-in form in WIA Policy Letter 07-PL-35.]*

### Participant Information

1. Name:	Last	First	M.I.
2. Home Address:	Street Address (Include Apartment Number)		
	City	State	Zip Code
3. Phone Number(s):	(    ) -	(    ) -	
	Home	Mobile	

### Needs Related Payment Information

4. Needs-Related Payment Amount: \$    /week	5. Training Week Beginning/Ending:    /    / to    /    /
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### Individual Assessment Questions:

6. Did you claim, or intend to claim any type of unemployment benefits for the training week?	<input type="checkbox"/> Yes \$ _____	<input type="checkbox"/> No
7. Did you receive any payments for full-time-work, part-time work, work experience, or work study for the training week?	<input type="checkbox"/> Yes \$ _____	<input type="checkbox"/> No
8. Did you receive TAA or Trade Readjustment Allowance payments for the training week?	<input type="checkbox"/> Yes \$ _____	<input type="checkbox"/> No
9. Were you enrolled in or receiving paid job training for the training week?	<input type="checkbox"/> Yes \$ _____	<input type="checkbox"/> No
10. Did you maintain full-time hours as defined by the training institute?	<input type="checkbox"/> Yes	<input type="checkbox"/> No, explain:
	<input type="checkbox"/> Yes	<input type="checkbox"/> No, explain:
12. Additional Comments:		

13. All of the answers and information are true and complete to the best of my knowledge. I have read, understand, and agree to comply with the policies for Needs Related Payments.

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
Participant Signature Date

### 14. To Be Completed By LWIA Case Manager

I have reviewed these policies with the participant, have determined their eligibility to receive Needs Related Payments, and have explained the procedures for collecting Needs Related Payments.

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
Case Manager Signature Date

## Needs Related Payments

### Weekly Verification of Income & Training Instructions

*[Download fill-in form in WIA Policy Letter 07-PL-35.]*

#### Participant Information

1. Name Enter the name of the person who is requesting Needs Related Payments (NRP).
2. Home Address Enter the home address of the participant. Include the street address (including apartment number if applicable), city, state, and zip code.
3. Phone Number(s) Enter the home phone number for the participant. Also, enter a cellular telephone number if the participant wants an alternate method of contact.

#### Needs Related Payment Information

4. Needs Related Payment Amount Enter the agreed upon NRP weekly payment amount.
5. Training Week Enter the beginning and ending dates of the week being verified.

#### Verification of Income and Training

6. Claim of Unemployment Benefits Check "Yes" or "No" to indicate whether the participant claimed or intends to claim any type of unemployment benefits for the training week being verified. If "Yes" has been checked, enter the amount of such benefits received or anticipated to be received.
7. Payments for Work Check "Yes" or "No" to indicate whether the participant received any payments for full-time or part-time work, work experience, or work study for the training week being verified. If "Yes" has been checked, enter the amount of such benefits received or anticipated to be received.
8. TAA or TRA Payments Check "Yes" or "No" to indicate whether the participant received any TAA or TRA payments for the training week being verified. If "Yes" has been checked, enter the amount of such benefits received or anticipated to be received.
9. Job Training Payments Check "Yes" or "No" to indicate whether the participant was enrolled in job training or received any job training payments for the training week being verified. If "Yes" has been checked, enter the amount of such benefits received or anticipated to be received.
10. Maintain Full-Time Status Check "Yes" or "No" to indicate whether the participant has maintained full-time status as defined by the training institute. If "No" is checked, provide a brief explanation as to why they did not successfully maintain full-time status.
12. Additional Comments Enter any additional comments you feel could be beneficial in verifying the participant has in fact complied with the policies related to receiving Needs Related Payments.
13. Participant Signature The person requesting the NRPs must acknowledge they have entered (or assisted in the entering) all information on this form to the best of their knowledge and that they have read, understand, and agree to comply with the policies for Needs Related Payments. Once they agree to all information, they must sign this form and enter the date of their signature.
14. LWIA Case Manager the LWIA case manager having oversight of this particular analysis must acknowledge that they have reviewed all NRP policies with the participant, have determined their eligibility to receive NRPs, and have explained the procedures for collecting NRPs. Upon acknowledgment of this information, the LWIA Case Manager must sign this form and enter the date of their signature.