



# OC Community Resources

November 24, 2021

DYLAN WRIGHT  
DIRECTOR  
OC COMMUNITY RESOURCES

CYMANTHA ATKINSON  
ASSISTANT DIRECTOR  
OC COMMUNITY RESOURCES

JULIE LYONS  
DIRECTOR  
ADMINISTRATIVE SERVICES

ANDI BERNARD  
DIRECTOR  
OC ANIMAL CARE

JULIA BIDWELL  
DIRECTOR  
OC HOUSING & COMMUNITY  
DEVELOPMENT

RENEE RAMIREZ  
DIRECTOR  
OC COMMUNITY SERVICES

TOM STARNES  
DIRECTOR  
OC PARKS

JULIE QUILLMAN  
COUNTY LIBRARIAN  
OC PUBLIC LIBRARIES

**To:** WIOA and Other Subrecipients of the Orange County  
Workforce Development Area

**From:** Carma Lacy  
Director of Workforce Development

**Subject:** Stipend Policy  
Information Notice No. 21-OCWDB-13  
Supersedes Information Notice No. 15-OCWDB-05

---

---

## PURPOSE

This policy provides guidelines to Service Providers for the distribution of stipends plan to WIOA program participants.

## REFERENCES

- Workforce Innovation and Opportunity Act (WIOA) Public Law 113-128, Section 129
- USDOL, Training and Employment Guidance Letter (TEGL) 21-16, *Third WIOA Title I Youth Program Guidance* (March 2, 2017)

## EFFECTIVE DATE

This policy is effective immediately upon issuance.

## BACKGROUND

WIOA allows the payment of stipends to youth who achieve established and measurable goals as a result of program participation. Stipends are expected to reward youth for attainment of WIOA performance outcomes and/or key benchmarks toward those outcomes and encourage youth to remain in activities throughout program duration. Since WIOA Youth programs are driven by performance outcomes, stipends encouraging successful program completion are beneficial to youth, WIOA Youth Service Providers, and the local region.

## POLICY AND PROCEDURES

Service Providers shall use the guidelines provided herein when awarding stipends to youth participants. Stipends may be allowed for participants enrolled in County-approved WIOA Earn & Learn Programs. Providing stipends is an option for each Service Provider and is not required. Service Providers are strongly encouraged to be strategic when providing stipends to youth to ensure the best utilization of stipends based upon budget constraints.



WORKFORCE & ECONOMIC  
DEVELOPMENT DIVISION  
1300 SOUTH GRAND  
BLDG. B, FIRST FLOOR  
SANTA ANA, CA 92705  
PHONE: 714.480.6500  
FAX: 714.834-7132

A stipend is a fixed regular small payment made to a WIOA youth and special grant/initiative participants during his/her Earn & Learn enrollment to encourage participation in the activity (seat/participation time payments). Stipends are allowed only when there is no employee-employer relationship.

Online Earn & Learn programs are allowable as long as participation/seat time can be verified. A participant may not be awarded a stipend if already in paid activities including, work experience, OJT, and internships.

### **Guidelines**

1. Stipends are limited in hours and rates; WIOA Earn & Learn programs must **not exceed thirty (30) hours per week** and must **not exceed \$450.00 per week**;
2. Stipends may not exceed \$15.00/hour.
3. All Earn & Learn programs are based on schedules determined and approved by the County;
4. All stipend payments must be relevant to the results of the objective assessment of each participant's ISP;
5. All stipend details must be recorded in the participant's Stipend Log, including activity attended, participant's actual time in the activity, the funding source used, the issuing case manager's signature, and the participant's acknowledgement of receipt;
6. Appropriate activity code for stipends shall be entered in CalJOBS<sup>SM</sup>, updated during the participation in the program, and closed on the actual end date of the service;
7. Participant records (ISP/Case Notes/Stipend Log) and financial records pertaining to stipend payments must be made available for review by local, state, and federal monitors and must meet financial management standards in WIOA including enough information to provide:
  - A comparison of actual expenditures with the budgeted amounts of each contract.
  - Support for accounting records to ensure proper charging of costs and cost allocation.

### **Payment of Stipends**

Payment must be based on actual (seat) time of participant in the activity as documented in attendance records. Stipend payments are based on terms approved by the County to include, date, time, stipend rates, location and training provided for each Earn & Learn program.

Stipend payment are to be paid at a minimum of every two weeks using a consistent system for all program participants.

Though stipends are not considered payroll and income tax is not to be withheld by the Service Provider, they are considered miscellaneous compensation for the participant and count as taxable income for the participant. Stipends are not considered income for WIOA eligibility purposes. Stipend payments must be in compliance with cost principles in 2 CFR part 200.

### **Documentation**

Attendance in the activity must be documented and maintained in the participant's file. The attendance records must be signed by the participant and verified by the appropriate staff before payment can be made. Attendance records must be kept for each Earn and Learn program.

Case file documentation includes:

1. Attendance records

2. ISPs and case notes
3. Stipend Log

**ACTION**

Bring this policy to the attention of all staff and relevant parties.

**INQUIRIES**

If you have any questions regarding this policy, please contact your Contract Administrator at 714-480-6500.

**ATTACHMENTS**

Attachment I: Stipend Log



### WIOA YOUTH STIPEND LOG

Name: \_\_\_\_\_

Date	Amount Paid	Hours Attended	Activity	Funding Source	Youth Signature	Case Manager Signature