

# Northwest Workforce Development Council

## POLICY AND PROCEDURE DIRECTIVE

**EFFECTIVE DATE:** July 1, 2001

**SUBJECT:** Needs-Based (Related) Payments System

**REFERENCE #:** WIOA 01-09 (Rev. 2 July 1, 2016)

**Background:** Needs-based/Needs-related Payments (NBP) are allowable under the Workforce Innovation and Opportunity Act (WIOA) to enable an individual to participate in training activities. NBP provide resources to assist the individual in meeting their need for living expenses such as food and lodging. NBP is intended to be used in coordination with Pell grants, State Needs grants, Training Completion Assistance (from Worker Retraining funds), and other sources of support for classroom-based vocational and basic skills training.

### SYSTEM ELEMENTS

- 1) Needs-Based Payments are available to WIOA participants who meet the following requirements in (a) or (b) as follows:
  - a) Be unemployed, and:
    - i) Have ceased to qualify for unemployment compensation or trade readjustment allowance under TAA ; and
    - ii) Dislocated Workers must be enrolled in a program of training services under WIOA 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 not qualify for, or have exhausted unemployment compensation or trade readjustment assistance under TAA .
- 2) NBP recipients must participate in 20 or more hours per week (unless a written administrative waiver has been granted) of classroom or other occupational or educational skill training components that have a predetermined content, e.g., customized training, Vocational Exploration Program; and
- 3) NBP recipients must not have or be a member of a family that provides ongoing income and resources at or above the Needs-Based Payments level.
- 4) The amount that an individual may receive is \$1800 for one quarter (13 weeks) of school. Payments may start in the middle of one quarter and end in another but in no circumstance may the maximum amount paid to the individual exceed \$1800. Needs Based Payments will be paid every two weeks at a rate of \$277. The last and thirteenth week will be paid at a rate of \$138.

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5) Needs Based/Related Payments are available as funding permits.

6) Initial verification of the participants “included” and “excluded” income and the identification of other support resources will minimize fraud. See 1.2 below. Should fraudulently obtained payments occur, standard debt collection procedures through Small Claims Court will apply in accordance with any appropriate Federal, State and local statutes. Any alleged fraudulent activity identified or suspected while monitoring must be reported immediately to the Office of Inspector General as provided in 20 CFR 667.630.

7) Staff will submit necessary forms (*Needs Based Payment Request, Attendance Verification for Needs Based Payments, and Eligibility Determination for Needs Based Payments*) to program management staff for approval. Once approved, the documents are forwarded to Fiscal who will handle payments and accounting.

8) In order for a participant to be authorized to receive a NBP, staff must submit the Attendance Verification for Needs Based Payment on a bi-weekly basis to Fiscal. The completed form must be initialed by staff and signed by the participant and instructor. Additionally, all question on this form must be answered. The completed form will be processed for payment at the rate identified in NWC policy and mailed to the participant.

9) To verify an individual has exhausted Unemployment Insurance (UI), a copy of the UI entitlement decision or confirmation of UI benefits being exhausted should be obtained. A printout of the current WIA001 screen for the participant will also verify UI is exhausted.

### DETERMINATION OF FINANCIAL ELIGIBILITY FOR NEEDS-BASED PAYMENTS

1) Eligibility for Needs-Based Payments is determined at the same time the participant requests it.

Eligibility for Needs-Based Payments is, however, not the same as eligibility for WIOA. Eligibility is not based on a compilation of includable income over the six (6) months prior to application. Eligibility is established by determining that the applicant or participant will not have adequate **ongoing** resources or income from **all sources** to support him/her while in training without receiving Needs-Based Payments. This test of present and prospective resources establishes participant **need**.

Further, registered WIOA participants who do not qualify or have ceased to qualify for unemployment compensation may be provided Needs-Based (Related) Payments. To be eligible for such payments, an eligible WIOA participant who has ceased to qualify for unemployment compensation must be enrolled in a program of WIOA training services 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

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will exceed six (6) months.

All potential sources of income must be included in order to establish financial eligibility for Needs-Based Payments. A review must include both current and prospective family monthly income sources and other current and potential funding resources, e.g., TANF, Pell Grants, etc., and match these to the applicants' need.

If combined, these resources do not provide income at or above the monthly needs-based eligibility level in 1.2 below, the individual is eligible for needs-based payments.

- 2) The process for determining eligibility for Needs-Based Payments is as follows:
  - a) Identify all current/projected family income sources from all family members;
  - b) Compute monthly projected family income by adding all sources;
  - c) Be at or below 200% of the federal poverty guidelines:

Federal poverty income guidelines are adjusted yearly and may be accessed at:

<https://www.doleta.gov/lisilb/>

- 3) Applicants with family income in excess of these amounts are not eligible for Needs-Based Payments. Applicants receiving UI benefits are not eligible regardless of whether or not their grant benefit amount is less than the above amounts. Applicants with family income less than these amounts may be eligible for Needs-Based Payments.

- 4) Compare applicant needs with community resources, (e.g., Pell Grants, State Need Grants, Worker Retraining funds). Identify and explore all possibilities for securing income from these resources. Refer applicants to appropriate sources and document outcomes through a follow-up contact.

- 5) If other resources can provide immediate income, the applicant is ineligible for Needs-Based Payments.

- 6) If other resources require a waiting period to establish or review applicant eligibility, the applicant is eligible for Needs-Based Payments pending the outcome of this process. If other resources cannot supply sufficient support, the applicant is eligible for Needs-Based Payments.

- 7) In computing resources available to support the applicant during training, do not count resources utilized specifically for training-related expenses. Example:

When a participant in Institutional Training has a Pell Grant or student loan for \$700 for the school quarter, and is utilizing \$600 of it for tuition, books, school supplies, childcare during training or transportation to school, only \$100 would be considered for determining eligibility for NBP.

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When a program participant receives a Pell Grant award, that portion of the Pell Grant not being spent on direct educational expenses (Tuition, books, travel, etc.) must be considered as an income resource when computing eligibility for Needs-Based Payments. Although the Pell Grant award is usually made in lump sum amounts, it must be pro-rated over the school term it covers. The period of time that the Grant will cover living expenses will be determined by dividing the Pell Grant amount by the weekly Needs-Based Payment amount that the participant would receive. After this period, the participant could be re-certified eligible for Needs-Based Payments. Example:

A student receives a Pell Grant in the amount of \$1300 for the period September through December (17 weeks). The participant has one dependent and would normally receive \$96 per week in Needs-Based Payments. The Pell Grant, at the \$96/week rate, would cover thirteen and a half weeks of the 17-week period. Needs-Based Payments could be made for the remaining 3.5 weeks or until the next Grant check was received.

Any necessary documentation or work sheets or resources utilization should be attached to the Needs-Based Payments Eligibility Determination Form.

### **CONDITIONS**

- 1) The Attendance Verification for NBPs must be completed biweekly including the questions on the back regarding income which would affect the receipt of a Needs-Based Payment. An increase of income which results in an income level that exceeds the Needs-Based Guidelines will be cause for nonpayment for that period.
- 2) Participants who are initially ineligible for Needs-Based Payments may at any time (if family income is reduced) request a re-determination of the eligibility.
- 3) Any deviation from this policy due to special or undefined circumstances requires the written submission of a waiver request to the administrative entity.
- 4) Any time missed during a scheduled training day when the fault is not that of the training institution will result in the loss of the payment for the entire day.
- 5) Excess absenteeism of two (2) days per month or six (6) days per quarter may result in immediate termination or suspension from training support and Needs-Based Payments.
- 6) Needs-Based Payments will continue during school holidays and vacations except for summer recess.

### **Attachments**

- Eligibility Determination for Need Based Payments
- Needs Based Payment Request
- Attendance Verification for Needs Based Payments

## Eligibility Determination for Needs Based Payments

Applicant: \_\_\_\_\_ Date: \_\_\_\_\_

### 1. Training Support Analysis (to be completed by participant)

- a.) Are you unemployed or have you received notification of layoff? \_\_\_ Yes \_\_\_ No
- b.) Do you currently qualify for UI benefits? \_\_\_ Yes \_\_\_ No
- c.) Do you currently qualify for additional state or extended UI benefits? \_\_\_ Yes \_\_\_ No
- d.) Do you currently qualify for Trade Readjustment Allowances? \_\_\_ Yes \_\_\_ No
- e.) Are you receiving any other federal or state income support? \_\_\_ Yes \_\_\_ No
- f.) Have you considered all other resources available that will help you successfully participate in your full-time training program? \_\_\_ Yes \_\_\_ No
- g.) Do you need income support beyond these other resources in order to participate in training full-time? \_\_\_ Yes \_\_\_ No

### 2. All Current Applicant Identified Income Sources (current month)

Family Member/Relationship	Sources	Amount
Applicant _____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Number in Family _____	<b>TOTAL:</b>	_____

### 3. Resources for Referral

<i>Source</i>	<i>Referral Date</i>	<i>Comments / Outcomes</i>
TANF	_____	_____
Food Stamps	_____	_____
Financial Aid	_____	_____
Other (explain)	_____	_____

Needs Based Payments (NBP) are not intended to provide the entire amount of income support you may need to complete your training. These payments are made to help you while making satisfactory progress while attending school. NBPs are subject to your eligibility for the program and total funds available.

All answers and statements are true and complete to the best of my knowledge. I understand that providing untruthful or misleading answers are cause for denial of NBP. I understand that the income identified on this form provides the basis for determination of my eligibility for Needs Based Payments. I agree to report changes in this income as a condition of continued program participation. Other resources have been explored and no other resources are available. Any overpayments or fraud based on my false or misleading answers could result in my repayment of any NRPs provided.

\_\_\_Eligible, pending other resources

\_\_\_Ineligible, over income

\_\_\_Eligible, no other resources

\_\_\_Ineligible, other resources

\_\_\_\_\_  
*Applicant Signature*

\_\_\_\_\_  
*Date*

\_\_\_\_\_  
*Coordinator Signature*

\_\_\_\_\_  
*Date*

### **Income Guidelines**

Income Past One (1) Month (Federal Poverty Guideline)

Federal poverty income guidelines are adjusted yearly and may be accessed at:

<https://www.doleta.gov/lisilb/>

### **Waiver to Poverty Guideline**

The following extraordinary expenses or special circumstances have affected this customer's financial situation and at this time they are unable to cover the requested expense(s). Examples of extraordinary expenses include (but are not limited to) medical bills, car repairs, mortgage payments, and other expenses over and above regular recurring monthly expenses covered by identified income. Identify the expense, the amount, and date(s) incurred:

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\_\_\_\_\_  
Coordinator Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Administrative Approval

\_\_\_\_\_  
Date

# NEEDS BASED PAYMENT REQUEST

SOCIAL SECURITY NUMBER:

LAST NAME, FIRST NAME

COUNTY

START DATE (00/00/00):

COORDINATOR

FUNDING SOURCE

The maximum amount that an individual may receive is \$1800 for one quarter (13 weeks) of school. Payments may start in the middle of one quarter and end in another, but in no circumstance may the maximum amount paid to the individual exceed \$1800. Needs Based Payments will be paid every two weeks at a rate of **\$277**. The thirteenth (last) week will be paid at a rate of **\$138**. The participant will receive seven (7) checks. Six (6) at \$277 and one at \$138.

## Statement of Need:

\_\_\_\_\_  
Coordinator Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Administrative Approval

\_\_\_\_\_  
Date

**Directions:** Prior to a participant receiving Needs Based Payments, three forms need to be submitted to Fiscal. The **"NEEDS BASED PAYMENT REQUEST"**, an **"Eligibility Determination for Needs Based Payments"** and a copy of the **"Attendance Verification for Needs Based Payments"**. The participant who is going to receive Needs Based Payments should receive seven (7) copies of the "Attendance Verification for Needs Based Payments". These will be submitted bi-weekly to the coordinator for review and authorization for payment. Staff will also circle the payment number in the Staff Use area. Once completed the form is sent to Fiscal for payment.

# NEEDS BASED PAYMENT REQUEST

**NORTHWEST WORKFORCE COUNCIL  
Attendance Verification Needs Based Payments**

Name: \_\_\_\_\_  
 Address \_\_\_\_\_  
 City: \_\_\_\_\_ Zip: \_\_\_\_\_  
 Student Phone: 000-000-0000

Shaded Area for Staff Use  
 Payment # (circle one): 1 2 3 4 5 6 7

Coordinator: \_\_\_\_\_  
 Program: \_\_\_\_\_  
 Period Ending \_\_\_\_\_  
 month/day/year

Training Facility \_\_\_\_\_

Check if address has changed.

Write in the **number of authorized hours** spent in class.

	Saturday	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday
<b>Date</b>							
<b>Hours</b>							
<b>Date</b>							
<b>Hours</b>							

1. In the above two weeks, did you attend all of your scheduled classes? Yes  No
2. Did you make satisfactory progress in all classes?  
 (As defined in your signed Classroom Responsibilities) Yes  No
3. If you were on a scheduled break from training, provide dates of the break: \_\_\_\_\_
4. During the above two weeks, did you work? Yes  No   
 If Yes, number of hours worked: \_\_\_\_\_ Gross earnings: \$ \_\_\_\_\_
5. During the above two weeks, will you claim any Unemployment Insurance Benefits? Yes  No
6. Are you receiving income from any sources that were not available at the time of your application? Yes  No   
 If Yes, amount: \$ \_\_\_\_\_ Source of income: \_\_\_\_\_

**Please use this space to explain "No" answers to questions 1 and 2**

  
  
  

I certify the above answers are correct to the best of my knowledge. I understand that penalties are provided for willful misrepresentation made to obtain financial assistance for which I am not eligible.

Signature of Student: \_\_\_\_\_ Date: \_\_\_\_\_

**Training Facility Certification**

Information provided by the student in the above section regarding attendance and satisfactory progress appear complete and correct to the best of my knowledge.

Authorized Signature: \_\_\_\_\_ Date: \_\_\_\_\_

I have reviewed the  
 above for accuracy and  
 completeness

  
  

Coordinator Initials