Capital Region Workforce Partnership (CRWP) Workforce Development Board (WDB) Workforce Innovation and Opportunity Act (WIOA) Service Policy #SP104

Youth Work Experience

References:

Workforce Innovation Opportunity Act (WIOA); Final Rules, U.S. Department of Labor, Employment and Training Administration, (20 CFR §681.610, §680.180, §680.190, §681.590, and §681.600).

Fact Sheet #13: Employment Relationship Under the Fair Labor Standards Act. U.S. Department of Labor (DOL), Employment Standards Administration, Wage and Hour Division.

Trainees. elaws - Fair Labor Standards Act Advisor. U.S. Department of Labor(DOL).

School-to-Work. <u>elaws – Fair Labor Standards Act Advisor</u>. U.S. Department of Labor (DOL).

Virginia Workforce Letter (VWL) #10-01, <u>Youth Work Experience</u>, March 31, 2010. Commonwealth of Virginia,

Revised:

December 15, 2017

Replaces:

Paid and Unpaid Work Experience #104

Purpose

To provide policy direction regarding the development, use, documentation, and tracking of Workforce Innovation Opportunity Act (WIOA) funds to make incentive payments for approved Work Experience opportunities (WEX) for eligible WIOA youth ages 14-24.

Definitions

Business is a legal organization, or economic system where goods and services are exchanged for one another or for money.

Employer is a legal entity that controls and directs workers under an express or implied contract of employment and pays (or is obligated to pay) him or her a salary or wages in compensation; or a person or legal organization that employs people.

"Work Experience Training" is planned, structured learning experience that takes place in a workplace for a specified limited period of time.

Background

The purpose of the WEX activity is to provide the WIOA eligible youth with opportunities for career exploration, academic and skill development and reinforcement of the work ethic.

The WEX must be designed to enable youth to gain exposure to the world of work and its requirements. Work Experiences should help youth acquire the personal attributes, knowledge, and skills needed to obtain a job and advance in employment in the career interest of choice.

The WEX must be with a legal business and/or employer that meets all basic requirements to operate in Virginia. The WEX Training may be paid or unpaid and may be in the private for-profit sector, the non-profit sector, or the public sector. WEX may be subsidized or unsubsidized. Under WIOA paid and unpaid work experiences must include academic and occupational education as a component of the work experience and can include a number of activities including summer employment, pre-apprenticeship, internships, job shadowing and on-the-job training (OJT). Note: This policy does not address the requirements and/or documentation for OJT.

The intent of WEX is not to benefit the employer, although the employer may, in fact, gain from the activities performed by the youth. WEX activities shall not reduce current employee's work hours, displace current employees or create a lay-off of current employees, impair existing contract or collective bargaining agreements, and/or infringe upon the promotional opportunities of current employees as defined in the Fair Labor Standards Act.

Policy

Workforce Development Board (WDB) works to ensure that as many customers as possible have an opportunity to participate in paid and unpaid work experiences that have academic and/or occupational component in an effort to provide exposure to careers, career pathways and exposure to the requirements and technical skills of the workplace.

WDB encourages the use of well-planned WEX to serve as a stepping stone into unsubsidized employment through the use of job shadowing, pre-apprenticeship, internships, summer employment and OJT.

Requirements

Work Experience Assessment and Training Plan

The service provider shall ensure that WEX training plan for the WIOA eligible participants is appropriate based on the participant's career interest of choice (when feasible), labor market research and comprehensive assessment and as documented in the Individual Service Strategy (ISS). The WEX Training Plan should be measureable and clearly indicate how this activity is going to help the customer move from the WEX to unsubsidized employment and/or training. Documentation of the need for work experience that is tied to and supported by academic and/or occupational education and the objectives of the work experience, WEX addendum must be kept in the participants file. It must also include periodic evaluation of the customer's participation and learning during the work experience, including information about any incentive payments made and the learning that took place. It is strongly encouraged that the WEX and its associated training components be directly tied to a credential and documented in the training plan. Program providers can use either O*net, SCANS and/or VERSO when developing the academic competencies to learn and be evaluated on the WEX. The WEX

Training Plan must also indicate that youth participants received financial literacy information to include but not limited to check cashing, budgeting incentive funds, and savings.

The duration of the work experience program should not exceed 520 hours in one program year, but can be increased with a strong written justification and approval by program director. The determination of the duration of the WEX should be based on the academic and/or occupational competencies the WIOA participant needs to develop or refine and must be specified in the WEX Training Plan. A WEX Training Plan allows service providers to monitor and evaluate the WEX and it serves as a baseline when establishing whether the needs of the WIOA participant and the employer's expectations of training and development have been met. Youth Service Providers shall use the participant handbook when using the youth program element of paid and unpaid work experience.

Development of Work Experience Sites

Vetting of Work Experience Sites-The service provider must make every effort to verify that participants are placed with business and/or employers that are legal able to operate in Virginia. The vetting process could include proof of a business license, registration with the Virginia State Corporation Commission, a regulatory body, etc.

Once an employer has been identified, there must be an initial safety observation and Worksite Agreement between the service provider and the employer that articulates the learning that is to take place (job description/work objective), the length of the WEX and the academic and/or occupational competencies to be obtained. The Worksite Agreement must be completed and signed prior to the start of the WEX. The WEX Agreement must also contain a list of tools, uniform and safety equipment. The service provider will use a standardized Worksite Agreement developed by the WDB with provider input. Additionally, the service provider must provide documentation that the employer and participant received formal WEX training and a copy of the handbook and corresponding attachments. The service provider will use the Work Site addendum and Employer/Participant Handbook and add its program attachments where applicable.

WIOA Funds and Payments

The service provider will strive to develop worksites and work experience opportunities in the WDB targeted sectors with the youth services provider paying incentive payments based on the terms outlined in the Worksite Agreement.

The relationship between the WIOA participant and the employer that provides the site for the WEX activity is not an employer-employee relationship as defined by the Fair Labor Standards Act. The formal relationship is between the WIOA program and the employer that volunteers to provide the site for the work experience activity for the WIOA program. During the period of a WIOA participant's enrollment in a paid work experience activity, the WIOA payments received are not subject to withholdings by the employer nor the WIOA program and are not to be considered wages, but incentives provided in accordance with attendance and full participation of the participant in achieving the competencies stipulated in the training plan. The payments are incentives for participation in a training activity, not compensation for services to an employer. The funds should not be considered for tax purposes on a 1099-MISC or W-2 as reflected in Virginia Workforce Letter (VWL) #10-01.

At the completion of a "Work Experience" activity the WIOA participant is not eligible for unemployment compensation. Neither the worksite nor the WIOA program should contribute any funds to the state's unemployment insurance fund because the participant is <u>not an employee</u>.

If incentives are paid using WIOA funds, WIOA customers will be paid incentives at not less than the minimum wage described by State or Federal Law. If incentives are paid by the hours associated with WEX it must be documented and validated by the participant and employer signature. The program must have documentation to verify that the participant received the incentive associated with such hours or work validated by the employer. If participant receive the incentive payment in the form of a check, CRWP strongly encourages program to ensure participants are not using check cashing services that utilize predatory lending practices.

Virginia Workforce Connection (System of Record)

Once a participant has started work experience the program provider must ensure the activity associated with such work experience training are recorded in the state's system of records. Participant progress on work experience shall be documented as a case note and where appropriate entered or extend into the system of record.

Tracking of Youth Work Experience Funds

Under WIOA youth service provider are required to track and report expenditures to the WBD for both paid and unpaid work experience. Program expenditures to be tracked are to include the youth incentive payments and staffing cost to develop and management work experience. Tracking reports of incentive payments and staff time should be submitted with monthly request for reimbursement.

Attachments: Required Guidance Documents

- I. Work Experience Agreement
- II. Work Site Addendum
- III. Supervisor Handbook
- IV. Participant Handbook

Signed By:

Director