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Subject:	Universal Stipend Payments
Policy Number:	ADWDB-XX-2025
Replaces:	ADWDB-04-2020
Implementation Date:	Pending Board Approval
Distribution:	Arapahoe/Douglas Works! Workforce Center Leadership and Employees

ALL FEBRUARY 2025 REVISIONS ARE HIGHLIGHTED IN YELLOW

The Arapahoe/Douglas Workforce Board (ADWB) has designated Arapahoe/Douglas Works! as the provider of Career Services for WIOA Title I: Adult, Dislocated Worker and Young Adult programs, Title III: Wagner-Peyser, and Temporary Assistance for Needy Families (TANF).

CITATIONS/REFERENCES

- Workforce Innovation and Opportunity Act, P.L. 113-128 – July 22, 2014
- 20 CFR, part 680, 681, and 683
- TEGL 12-09, Joint Guidance for States Seeking to Implement Subsidized Work-Based Training Programs for Unemployed Workers
- TEGL 19-16, Guidance on Services provided through the Adult and Dislocated Worker Programs under the Workforce Innovation and Opportunity Act (WIOA) and the Wagner-Peyser Act Employment Service (ES), as amended by title III of WIOA, and for Implementation of the WIOA Final Rules
- TEGL 21-16: Third WIOA Title I Youth Formula Program Guidance
- PGL WIOA-2017-12, Change 2: WIOA Title I Youth Incentive Payments
- PGL WIOA-2018-02, **Change 3: Work Experience**
- PGL WIOA-2016-08, Change 1: On-the-Job Training
- Colorado Department of Labor and Employment: Division of Labor Standards and Statistics

PURPOSE

To provide comprehensive guidance that ensures compliance with the Workforce Innovation and Opportunity Act (WIOA) and other grant requirements for the provision of stipend payments.

BACKGROUND

A stipend is an allowable payment for participation in activities such as work experience, occupational skills training, or classroom activities. Stipends can be offered in lieu of wages or offered concurrently for the classroom training that complements a work experience. A stipend is usually a set amount given for participation/completion of an activity. This compensation can be given out in equal payments over a defined period of time, for example a stipend may be provided instead of an hourly pay rate for attendance or participation in an activity. The case file must contain documentation of the activity to be completed or the goal that must be achieved to result in a stipend.

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Arapahoe/Douglas Works will follow this general guidance on the provision of stipends, however each grant, program, and/or funding provision may be subject to additional requirements on the provision of stipends, to include their allowability.

POLICY/ACTION

Stipends

Stipend payments are allowable and must be reasonable, approved by the local workforce board through written policy, and included in the customer's Individual Service Strategy or Individualized Employment Plan. Stipends are forward thinking payments made to support participation in specific, targeted activities.

Customers are eligible for and may receive stipends in-lieu of wages for participation in the following activities:

- Unpaid Work Experiences (internships)
- Unpaid Work-Based Learning (on-the-job training/learning)
- Training funded by the customer or other sources that are not Colorado workforce centers (classroom training)
- Post-secondary Education

~~Stipends are treated like wages regarding local caps.~~ Stipends for work-based learning activities are included in the WIOA Youth 20% Work Experience requirement. Consideration must be given for customers who are receiving benefits whose eligibility may be affected by the receipt of stipends.

The case file must contain documentation of the activity to be completed or the goal that must be achieved to result in a stipend. This must be documented in the customer's Individual Service Strategy or Individualized Employment Plan. Payment of partial stipends may be made to participants who fail to complete a portion of their work experience activity. However, the participant's case file must contain documentation (at least a case note) regarding the reason for failure to complete and the period of time or activities that were completed.

Customer's experiencing a delay or pause in their activities may receive stipends for participation in Career Service activities during the delay or pause. For example, a work experience that has paused due to Spring Break, or a snow closure, during which the customer will not be paid may receive a stipend for participation in Career Service activities during the pause. The Career Service activities resulting in a stipend must be defined in the customer's Individual Service Strategy or Individualized Employment Plan and must be completed prior to issuance of a stipend.

Acceptable documentation for stipends must be tracked through Connecting Colorado, local financial management systems, and the case file. Some examples of acceptable documentation might include:

- Attendance records
- Certificate of Completion
- Case notes verifying the completion and date of completion
- Time records or time sheets
- Progress reports signed by customer and an activity provider representative

Expenditure Caps

Stipend payments are capped at \$6,000 per customer. Stipend payments do not count towards other caps.

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Customers may receive a maximum of \$500 per month in stipend payments. Stipend payments may only be provided for activities shorter than 12 months, or during the last 12 months of any activity that is longer than 12 months. Customers may not receive both supportive services and stipend payments supporting the same activity within the same month. ~~or expenditure limits.~~

Calculations

Allowances or stipends must not exceed Colorado minimum wage. Stipends count as taxable income for income tax and public benefits purposes. As of January 1, 2025, Colorado minimum wage is \$14.81 per hour.

Stipends start at \$500 per month for customers engaged in full or part-time qualifying activities. Documented participation in 20 days or more of the activity qualifies for the full \$500 allowance. Stipends are pro-rated to \$25 per day for participation of less than 20 days per month. Customers may engage in Career Services activities during breaks to count as days of active participation. Career Services activities include but are not limited to hiring events, workshops, and career-related webinars. Make-up activity must occur within the same week (Monday to Sunday). Holidays or weather-related closures where the workforce center is also closed are payable days for stipends.

Only the Arapahoe/Douglas Works! Division Manager and/or the Workforce Center Administrator(s) may grant exceptions to provisions within this policy.

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