



Policy Letter #26

TO: All Staff
FROM: Mid-Carolina Workforce Development Staff
SUBJECT: Needs Related Payment Policy

PURPOSE

To transmit policies and guidelines regarding Needs-Related Payments.

BACKGROUND

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 the Workforce Innovation and Opportunity Act (WIOA).

According to Sec. 680.940 of the Workforce Innovation and Opportunity Act Regulations the eligibility requirements for adults to receive needs related payments are as follows:

- A. Must be unemployed,
- B. Not qualify for, or have ceased qualifying for, unemployment compensation; and
- C. Be enrolled in a training program

According to Sec. 680.950 of the Workforce Innovation and Opportunity Act Regulations the eligibility requirements for Dislocated Workers to receive needs-related payments are as follows:

- A. Must be unemployed, and:
 1. Have ceased to qualify for unemployment compensation or trade readjustment allowance under Trade Adjustment Assistance (TAA); and
 2. Be enrolled in a program of training by the end of the 13th 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 8th week after the worker is informed that a short-term layoff will exceed 6 months; or
- B. Be unemployed and did not qualify for unemployment compensation or trade readjustment assistance under TAA.

Needs-Related payments are not wages and the participant is not an employee of the agency making the payments to the participant.

Needs-Related payments are not unemployment insurance benefits and currently are not considered taxable income by the Internal Revenue Service.

ACTION

1. The level of needs-related payments established is outlined on the attached policy. Sec. 680.970
2. Workforce Innovation and Opportunity Act Service Providers are to comply with the attached Needs-Related Payment policy/guidelines and will utilize the attached forms.
3. All Needs-Related Payment requests must be submitted to Justin Hembree, Director, MCWDB, for prior approval.

PROCEDURES

Federal regulations provide that needs-related payments may be provided to adults and Dislocated Workers who are unemployed and who cease to qualify for unemployment compensation. The purpose of these payments is to enable these individuals to participate in training programs under the WIOA. Needs-related payments are intended for participants who demonstrate a most in need status and have exhausted all other means of support.

I. Adult Needs-Related Payments Eligibility:

The Needs-Related Payment Policy for adults is designed to provide payments to participants based upon individual documented need to enable the participant to continue to participate in training. To be eligible to receive needs-related payments, an adult participant must have a documented need and meet the requirements at 680.940, as reflected on the Request for Needs-Related Payments Form. The maximum needs-related payment allowable for an adult participant is \$125 per week. In the event that the participant is not attending school five days a week, Needs-Related Payments will be pro-rated based on weekly attendance.

II. Dislocated Worker Needs-Related Payments Eligibility:

A Dislocated Worker who has ceased to qualify for unemployment compensation may be eligible to receive needs-related payments. According to WIOA regulations 680.950, a Dislocated Worker is eligible to receive needs-related payments if “a worker was enrolled in training services by the end of the thirteenth week after the most recent layoff that resulted in a determination of the worker’s eligibility for employment and training activities or, if later, by the end of the eighth week after the worker is informed that a short-term layoff will exceed six months.”

The level of the needs-related payment made to a Dislocated Worker will be \$125 a week, or the weekly unemployment insurance amount, whichever is less. To be eligible to receive needs-related payments, the participant must have a documented need, as reflected on the Request for Needs-Related Payments Form. If the participant is not attending school five days a week, the needs-related payments will be pro-rated based on weekly attendance.

III. Adult/Dislocated Worker Needs-Related Payment Restrictions Adult and Dislocated Worker participants who are seeking needs-related payments must NOT be:

1. Employed;
2. Enrolled in or receiving internship, college work study, work experience or on-the-job training;
3. Receiving out-of-area job search/relocation allowance;
4. Receiving unemployment compensation or trade readjustment assistance under TAA.

Needs-related payments are considered a training stipend or allowance and not an entitlement. Payments are made directly to participants based on documented need and within contract limitations. Individual needs must be determined, documented, and paid at a rate not to exceed the above-specified limitations. WIOA service providers will ensure that the appropriate documentation of the need and amount of payment are the result of objective assessment and are documented in the participant’s Individual Employment Plan (IEP). A participant will be eligible to receive weekly needs related payments for up to 13 weeks for the period in which the participant has satisfactory training attendance as determined by the WIOA Service Provider.

IV. Procedures for Needs-Related Payments:

1. Compute family income from all sources for the previous full calendar month using the Personal Resource Worksheet. If the WIOA service provider determines that the last month's income does not accurately reflect the participant's needs, due to exceptional family circumstances, justification must be documented on the Personal Resource Worksheet showing

the income calculation. This form must be signed and dated by both the participant and WIOA service provider staff. At the end of the 13 weeks, the participant may re-apply as warranted to certify the continued need.

2. WIOA Service Providers must complete the Training Support Analysis Form to verify that the participant:
 - A. Is enrolled in full-time non-wage paying vocational skills training and requires additional financial support in order to continue training.
 - B. Is making satisfactory progress in training.
 - C. Has exhausted all available resources including unemployment insurance.
3. Participants will complete a Request for Needs-Related Payments in order to process payments.
4. Participants must agree to satisfactorily participate in a financial literacy program, such as Money Smart or Consumer Credit Counseling to develop a realistic personal budget prior to receiving Needs-related payments.
5. The needs-related payments will be authorized for no more than thirteen weeks.
6. When a participant has been approved for needs-related payments, they may continue to receive payment during regularly scheduled holidays and breaks as established in a published calendar of the participant's training institution. This does not include breaks between spring semester/fall semester or summer semester/fall semester.
7. During the training period, participant needs-related payments will be reduced for any unscheduled absences at a pro-rated amount based on the week of attendance.
8. Records of registration documents, weekly timesheets, and grade reports must be obtained and secured in the participant's case file to verify participation and authorize payment.

V. Procedures to Prevent Fraud and to Collect Fraudulently Obtained Payments:

1. A cross - check with unemployment insurance will be made to ensure that participants are not receiving unemployment insurance compensation, TRA and needs-related payments. Participants cannot receive UI, TRA and needs-related payments at the same time.
2. The WIOA Service Provider will verify training participation before payments are authorized.
3. In the event of fraud, all WIOA funds obtained from the date of the fraud will be subject to collection from appropriate sources and may result in disallowed costs.

VI. Documentation Required:

1. A copy of the completed Request for Needs-Related Payments and Verification of Training Form.
2. A copy of the Training Support Analysis Form.
3. A copy of the Needs-Related Payments Personal Resource Worksheet.
4. MCWDB Needs-Related Payment Policy.
5. Weekly timesheets, training schedule and progress report to monitor participation requirements for attendance and academic progress.

ATTACHMENTS

Attachment A: Request for Needs-Related Payments and Verification of Training Form

Attachment B: Training Support Analysis Form

Attachment C: Needs-Related Payments Personal Resource Worksheet

CREATION DATE

December 2024

June 2025



Request for Needs-Related Payments and Verification of Training Form

Participant Name: _____ State ID: _____

Participant's Address: _____

_____ CITY STATE ZIP

Participant's Phone: _____

Curriculum/Course of Study: _____

Training Period *Start Date*: _____ *End Date*: _____

Reason for Request: (Attach additional sheets if necessary.)

Participant Name Participant Signature Date

MCWDB Staff Review & Approval

Attachment A: _____ Date _____

Attachment B: _____ Date _____

Attachment C: _____ Date _____

Revised 06/2025



Training Support Analysis Form

1. Are you unemployed or have you received notification of layoff? Yes No
2. Do you currently receive Unemployment Insurance (UI) benefits? Yes No
3. Do you currently receive Trade Adjustment Allowances (TAA) ? Yes No
4. Are you currently participating in a work experience, On-the-Job (OJT) or work study? Yes No
5. Do you intend to claim any type of unemployment insurance benefits or receive any payments for work or vacation? Yes No
6. Have you ceased to qualify for Unemployment Insurance Compensation (UI) benefits? Yes No
7. Have you ceased to qualify for or receive additional state UI benefits, Trade Readjustment Allowances (TRA) or Pell Grant? Yes No
8. Are you in good academic standing in the enrolled occupational skills training program (e.g., maintaining a 2.0 or better GPA)? Yes No
9. Will “other resources” meet your need to support you while attending training fulltime? Yes No
10. Do you need income support beyond these other resources in other to participate in training full time?
 Yes No
If yes, explain:

Needs-Related Payments are not intended to provide the entire amount of income support you may need to complete your training. If you are awarded Needs-Related Payments, they will be based on this support analysis and the weekly level of Needs-Related Payments as determined by the Mid-Carolina Workforce Development Board. These payments are made to temporarily help you while making satisfactory progress during your participation in full-time training. Needs-Related Payments are subject to your eligibility for the program and funding availability.

All answers and statements are true and complete to the best of my knowledge. I understand that untruthful or misleading answers are cause for rejection of my determination or fraud of ineligible payments, which may require my repayment of any Needs-Related Payments provided.

Participant Name
Participant Signature
Date



Needs-Related Payments Personal Resource Worksheet

MONTHLY INCOME		MONTHLY EXPENSES	
Personal		Rent/Mortgage	
Spouse/Partner		Electricity	
Other Family Members		Heating	
Child Support		Water/Garbage/Sewage	
Social Security		Telephone	
Maintenance/Alimony		Monthly Auto Payment	
Retirement		Daycare	
Supplemental Security Income		Medical Insurance/Medical Expenses	
Unemployment Insurance		Monthly Credit Card Payment (List Below)	
Public Assistance (TANF, Food Stamps, etc.)		Monthly Credit Card Payment (List Below)	
Pell Grant		Monthly Loan Payment (List Below)	
WIOA/TRA Supportive Services (List Below)		Monthly Loan Payment (List Below)	
WIOA/TRA Supportive Services (List Below)		Food	
WIOA/TRA Supportive Services (List Below)		Clothing	
Other Income (List Below)		Fuel	
Other Income (List Below)		Public Transportation	
Other Income (List Below)		Other	
TOTAL MONTHLY INCOME (A)		TOTAL MONTHLY EXPENSES (B)	

Total Monthly Income: _____
 Less Total Monthly Expenses: _____
 Net Income: _____

I certify that the above is true and accurate to the best of my knowledge. I further understand that any receipt of assistance is contingent upon the availability of funds.

_____ Participant Name	_____ Participant Signature	_____ Date
_____ Career Advisor Name	_____ Career Advisor Signature	_____ Date

