

**SOUTHWESTERN AREA  
WORKFORCE DEVELOPMENT BOARD**

**Incentive  
Policy 18-13.2**

**Effective Date**

August 14, 2025

**Applicability**

WIOA Youth participants.

**Purpose**

Incentives are a way to encourage workforce participants' participation or to reward participants for achieving specific elements with work experience, education, or training indicated in the participant's employment plan.

**Background**

Participant incentive programs have been proven to motivate participants, leading to enhanced skills that can benefit their future employment and educational pursuits.

**Action**

This policy authorizes the Administrative Entity or Fiscal Agent to establish and issue participant incentives through programs that are permitted under WIOA. Service providers must add the incentives they intend to issue to their contracts each year.

**Incentives**

The purpose of incentive awards is to reward participants who accomplish a goal that the service provider helped set. Example: Attainment of Degree or Certificate, Work Readiness Skills Attainment, Placement and Retention in Employment or Education, or Skill Gains, but not limited to. The incentive must be tied to a specific achievement. It must be tied to training and education, work readiness skills, and/or an occupational skills attainment goal as identified in the IEP. Such achievements must be documented in America's Job Center (NMJobs). Incentives cannot be given for any political affiliation. 20 CFR 681.640 states that Federal funds may not be spent on entertainment costs. Incentives may not include entertainment, such as movie or sporting event tickets or gift cards to movie theaters or other venues whose sole purpose is entertainment.

If the youth has exited and is in follow-up status, they are still eligible to receive incentives.

**A. Attainment of a Degree or Certificate for a high school diploma or GED incentive: Up to \$300.00 Maximum**

The participant must not possess this degree prior to enrollment; documentation will include a copy of the high school diploma, GED, or official transcripts verifying completion of a diploma or GED.

For the recognized credential incentive, the participant must not have possessed the credential prior to youth program enrollment; documentation will include a copy of the certificate, degree, or official transcripts.

**B. Work Readiness Skill Attainment: Up to \$100.00 Maximum**

Documentation will include test scores indicating the level of increase in Reading, Language, or Math; a copy of work readiness pre- and post-test scores; and a transcript showing completed courses for one year or a minimum of two semesters related to reading, language, or math skills. The documentation must indicate the progression of score levels in one of the three levels.

**C. Placement in Employment or Education: Up to \$100.00 Maximum**

Entered Employment: The participant must secure employment within six months of enrollment in the program. A copy of employment information, which may include a check stub or a letter of employment, is to be stored in the participant's online file. Placement in Employment, including Military: The participant must enlist during WIOA youth program participation or have already enlisted before participating in the youth program. Appropriate documentation includes a copy of the participant's military records in their online file.

Enrolled in Post-Secondary Education or Training: The participant must be enrolled in or enroll in education during WIOA youth program participation. Appropriate documentation includes a copy of training records or school transcripts.

**D. Financial Literacy and Community Service Incentives: Up to \$100.00 Maximum**

The participant must complete the Financial Literacy training and obtain a certificate of completion. A copy of the certificate must be in the participant's online file.

**E. Community Service: Up to \$100.00 Maximum**

The participant must complete the Community Service hours and obtain a letter of completion from the organization. A copy of the letter must be in the participant's online file.

NOTE: Incentives may be awarded once per category, per program year, and per participant. Participants may qualify for several categories per program year.

**F. Payment to Participants**

Depending on the program/funding source, participants may receive their monetary incentives directly from the Board's service provider or through the Board's fiscal agent. These would be separate payments aside from payroll. An Incentive Request and Approval Form must be completed and documented in NMWCOS to authorize the incentive payments.

Service providers are responsible for overall tracking and reporting participant incentives as specified in their subgrants or contracts.

**Inquiries**

Questions related to this policy should be directed to the Administrative Entity at (575) 744-4857.

**Attested**

This policy was reviewed and approved by the SAWDB on August 14, 2025.

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SAWDB Chair