

**POLICIES AND PROCEDURES
For Implementation of
RECOVERY ACT FUNDS**

**LWIA #5 Kane County Department of Employment & Education
And
River Valley Workforce Investment Board**

TO:	WIA Title 1-B staff WIA Title1-B Sub-Recipients Recovery Act Staff & Sub-Recipients	SUBJECT AREA: Work Experience Wage Rates ARRA Summer Only	
FROM:	KCDEE Administration		
APPROVAL DATE:	Youth Council Approval June 2, 2009 RVWIB Approval June 17, 2009	EFFECTIVE DATE:	May 1, 2009

SUBJECT: WORK EXPERIENCE WAGE RATES - ARRA Summer Youth ONLY

REFERENCES:

DCEO Policy Letter No. 08-ARRA-0, Change 1 – WIA Youth Programs Funded Under the Recovery and Reinvestment Act of 2009.

PURPOSE: To establish the paid work experience wage rate(s) for use during the ARRA Summer Youth Work Experience Program ONLY. *NOTE: This policy does not change LWIA #5's approach to paying the Illinois minimum wage rates for work experience as defined and described in WIA law and for the legislated purpose of work experience in the WIA formula funded program.*

BACKGROUND

With the influx of Recovery Act youth funds, there is major emphasis being placed on the expeditious implementation of summer youth job opportunities and work experiences for WIA eligible youth. Under the DCEO Policy Letter referenced above, section VI. A. 1. j. 1) of the policy states: "Participants in a paid work experience must be provided a reasonable wage to the extent that it is consistent with that paid for similar work according to OMB Circular A-87 or A-122, whichever applies."

In order to address this objective in local policy, LWIA #5 has constructed a 3-tier wage rate system. Job/position requests from potential summer worksites will be categorized into one of the three tiers, based on their similarity to positions described in the IDES labor market information for occupations tables (OES-Occupational Employment Statistics)*. Based on an average of entry level wages for each category of positions, a wage rate has been established for each of the three (3) Tiers.

* Wage data source: <http://lmi.ides.state.il.us/>

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As KCDEE approves worksites and positions at worksites, KCDEE will assign the corresponding wage rate from the appropriate Tier to each position at that worksite. The Youth sub-recipient Providers who are assigned the worksites will be provided with the approved rate for each position and will pay the WIA eligible students performing a specific position at the appropriate assigned wage rate.

LWIA #5 believes this wage rate construct meets the general intent of the DCEO ARRA policy to pay students at the same level, without creating an undue burden on the WIA sub-recipient youth providers to manage an inordinate number of different pay rates for their students over the course of this short-term, intensive work experience and payroll periods.

POLICY:

Given the background information supplied above, below is the Tiered Wage Rate structure for implementation under the ARRA summer youth work experience program only:

Tier I jobs	\$8.00 per hour
Tier II jobs	\$9.00 per hour
Tier III jobs	\$10.00 per hour

APPROVAL PROCESS:

Any WIA youth sub-recipient program that is providing the wage payroll portion of the summer youth work experience program must implement the above tiered payment system. Youth sub-recipient staff will be provided with the rates assigned each work experience position at the worksites that have been assigned to their program. The Youth sub-recipient providers will provide the student case management and payment management for these worksites.

EFFECTIVE DATE:

May 1, 2009

EXPIRATION:

June 30, 2011.

* Wage data source: <http://lmi.ides.state.il.us/>