

**WIOA Region #5 (South Central and Southwest)
Policy Letter #4-2017**

Effective Date: September 13, 2017

Last Updated:

Purpose: This policy establishes a policy for serving individuals that are underemployed.

Background: The Workforce Investment and Opportunity Act (WIOA) allows enrollment of employed adults and dislocated workers who are not earning a self-sufficient wage. Underemployed individuals may be served using WIOA Adult and Dislocated Worker funds.

An underemployed individual may include:

- Individuals employed less than full-time who are seeking full-time employment;
- Individuals who are employed in a position that is inadequate with respect to their skills and training;
- Individuals who are employed who meet the definition of a low-income individual in WIOA sec. 3(36);
- Individuals who are employed, but whose current job's earnings are not sufficient compared to earnings from previous employment.

Policy/Procedure

WIOA program staff may enroll employed adults and dislocated workers when:

- 1) An applicant's current family wage/income does not provide for self-sufficiency as defined by the local Workforce Development Board (see below); OR, an applicant is employed in a position that is inadequate with respect to their skills and training, as documented in the case file; AND,
- 2) WIOA program staff determines that WIOA services may assist the applicant in obtaining/progressing to a self-sufficient wage and/or a position that is adequate with respect to their skills and training.

Definition of Self-Sufficiency:

Employed Adults: Defined as family wages/income before deductions (gross wages) that total 200% or more of the OMB Poverty Guidelines in the six months previous to application for WIOA Adult funded services.*

Employed Dislocated Workers: Defined as employment that provides the worker with a wage that is equal to or greater than 80% of his or her wage at the time of dislocation. If the applicant, after being dislocated, took a job for income maintenance, whether a permanent, temporary or as a stop-gap job, the 80% rule still applies.

Employment that does not provide a self-sufficient wage is considered to be stop-gap as it is reasonable to expect that the dislocated worker will leave for a job that provides a self-sufficient wage or opportunity to advance to a self-sufficient wage upon finding a job that requires their training and experience.

*The self-sufficiency definition for employed adults is developed based on the MJSP definition of low income worker, which is defined as 200% of the Federal Poverty Guidelines.