



# Workforce Issuance

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☒ **Policy**   ☐ **Information**

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**To:** MassHire Workforce Board Chairs  
MassHire Workforce Board Directors  
MassHire Career Center Directors  
MassHire Fiscal Officers  
MDCS Operations Managers

**cc:** WIOA State Partners

**From:** Diane Hurley, Acting Director  
MassHire Department of Career Services

**Date:** January 16, 2025

**Subject:** **WIOA Title I Youth Work Experience Expenditure Requirement**

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**Purpose:** To notify MassHire Workforce Boards, MassHire Career Center Operators, Fiscal Officers, Youth Service Providers, Youth Practitioners, and other Workforce Partners of a revision to the WIOA Title I youth work experience expenditure requirement.

**Revision:\*\*** Guidance related to employer unemployment insurance contributions and implications of the Paid Family Medical Leave Act (PFMLA) on WIOA fund work experiences.

**Background:** WIOA Section 129 (c)(4) prioritizes work experiences for WIOA eligible in-school and out-of-school youth. The expanded work experience focus under WIOA aims to improve the educational and employment outcomes for youth through quality work experiences that have an academic and occupational education component.

WIOA requires local workforce areas to spend a minimum of 20 percent of local area funds on work experiences.

### **Allowable Work Experience Expenditures**

Allowable program expenditures for the work experience include:

- Wages/stipends paid to youth in the work experience;
- Incentive payments directly tied to the completion of work experience;
- Employability skill/job readiness training to prepare youth for work experience;
- Staff time working to identify and develop a work experience opportunity, including staff time spent work with employers to identify and develop the work experience;
- Staff time working with employers to ensure a successful work experience, including staff time spent managing the work experience;
- Staff time spent evaluating the work experience;
- Participant work experience orientation sessions;
- Classroom training or the required academic component directly related to the work experience; and
- Orientations for employers.

**Policy:** Local areas shall ensure youth participants receive information on the full array of WIOA program service elements including work experience.

A minimum of 20 percent of non-administrative local area funds must be spent on work experiences for WIOA eligible in-school and/or out-of-school youth.

### **Work Experiences as Exempt Employment\*\***

In accordance with the Massachusetts Department of Unemployment Assistance (DUA) employers are not subject to Unemployment Insurance (UI) contributions for certain types of services that are excluded from DUA's definition of "employment." As stated in Massachusetts General Law Chapter 151A, section 6(u), services performed as part of a work-training program assisted or financed in whole or in part by any federal agency or an agency of a state subdivision are services not included in the term "employment."

WIOA-funded work experiences are considered work-training experiences and are not subject to UI contributions.

### **Paid Family Medical Leave\*\***

The Department of Family Medical Leave (DFML) is the state agency responsible for oversight of the Paid Family and Medical Leave (PFML) law (M.G.L. c. 175M) and generally follows M.G.L. c. 151A for determining what services are excluded from “employment.”

Consistent with M.G.L. c. 175M, section 1, and M.G.L. c. 151A, section 6(u), WIOA-funded work experiences are also excluded from the PFML law.

### **Reporting Work Experience Expenditures**

In accordance with 20 CFR §618.610, local youth programs must track program funds spent on paid and unpaid work experiences, including wages, mandated fringe benefits related to youth wages, and staff costs for the development and management of work experiences, and report such expenditures as part of the local WIOA youth financial reporting. The percentage of funds spent on work experience is calculated based on the total local area youth funds expended for work experience rather than calculated separately for in-school and out-of-school youth. Local area administrative costs are not subject to the 20 percent minimum work experience expenditure requirement.

Local area Fiscal Agents will report program funds spent on paid and unpaid work experiences on the Fiscal Status Report (FSR) line for “Work Experience Expenditure.”

### **Recording Work Experience in the Massachusetts One-Stop Employment System (MOSES)**

In order to ensure accurate recording of work experience activities in MOSES, Youth participants should be enrolled in activities/courses associated with one or more of the following activity categories;

- On-the-Job Training
- Workplace Training and Cooperative Education Programs
- Work Experience
- Work Experience/Summer (Youth)
- Subsidized/Transitional Employment
- Academic/Occupational Learning – Summer Youth
- Internship
- Job Shadow
- Pre-Apprenticeship

In order to associate an activity category with an activity/course, go to the Training Course maintenance screen in MOSES, select one or more of the activity categories, and move to the right side.

## Action

**Required:** Please share with managers, staff and partners as appropriate. Please ensure that Youth work experience is appropriately recorded in MOSES and accurately reported on the quarterly Fiscal Status Report (FSR).

**Effective:** Immediately

**References:** WIOA Section 129 (c)(4)  
WIOA Final Rules: 20 CFR §681.590 - §681.610  
Training and Employment Guidance Letter (TEGL) WIOA No. 21-16: Operating Guidance for the Workforce Innovation and Opportunity Act  
Department of Family Medical Leave: <https://www.mass.gov/info-details/whos-a-covered-individual-under-the-pfml-law>

**Inquiries:** Please email all questions to [PolicyQA@mass.gov](mailto:PolicyQA@mass.gov). Also, indicate issuance number and description.