



# Locally Defined Economic Self Sufficiency Policy

Approval Date: June 6, 2025

## **Purpose**

The Workforce Innovation and Opportunity Act (WIOA) is designed to provide employment and training opportunities to those who can benefit from, and who need such opportunities. In order for WIOA enrolled adults and dislocated workers to receive training services, Local Workforce Development Boards (WDB's) must determine that such service will lead to economic self-sufficiency or wages comparable to or higher than wages from previous employment. Greater Cleveland Works is required to determine the criteria for economic self-sufficiency.

## **Locally Defined Economic "Self- Sufficiency"**

Self-sufficiency shall be taken into account to determine whether an adult is eligible for training services and if the training services will lead the adult to self-sufficient employment. Greater Cleveland Works defines self-sufficiency as earning at or above 225% of the Lower Living Standard Income Level (LLSIL).

## **"Self-Sufficiency" for Dislocated Worker Funded Training**

Dislocated Workers, as defined by WIOA, who are unemployed and in need of skills training are not required to meet any financial eligibility test.

For working dislocated workers, the determination of economic self-sufficiency requires a two-step assessment of the worker's employment:

- a. Determine if the employment is "interim employment."
- b. If the employment is not "interim," determine if the wage is at least the locally defined level of "self-sufficiency" or if the hourly wage is comparable to or higher than wages from previous employment.

## Interim Employment for Dislocated Workers

Typically, employment is considered interim if the salary is below the salary of the dislocated worker's primary occupation and/or if the dislocated worker is working below the skill level of his or her previous occupation. A dislocated worker who is in interim employment is not considered to be self-sufficient even if the hourly wage exceeds the "self-sufficiency" annual income or if the wages are comparable to or higher than the wages from previous employment.

Employed dislocated workers whose wages are over the locally defined economic "self-sufficiency" standard or comparable to or higher than the wages from previous employment are considered economically "self-sufficient," unless the employment is considered "interim employment."

Dislocated workers who are determined to be economically "self-sufficient" may receive career services only.

## **"Family Self-Sufficiency" for WIOA Adult Funded Training**

Self-sufficiency for Adult funded training includes the income of all members of the family. Family is defined by WIOA Section 101(15). As part of the determination of an adult's eligibility for training, Greater Cleveland Works must review "family self-sufficiency." WIOA adults "family self-sufficiency" must be below the **225%** of the LLSIL in order for training to be provided. This requirement is intended to ensure that adult customers seeking adult-funded training, are those whose families lack or have limited ability to pay for the training and supportive services needed to obtain or retain employment.



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WIOA adults who earn income over the local standard for "family self-sufficiency" are not eligible for adult-funded training. Other WIOA services may be provided, as appropriate. All income from the family, as defined in WIOA Section 101(25)(A) and (B), must be considered when calculating eligibility for Adult funded training.

## **Young Adult "Self-Sufficiency" for WIOA Adult Funded Training**

All young adults, ages 18-24, who are seeking WIOA adult-funded training, must also be screened for dependency status. Young adults are considered to be dependents if they are age 18-24 and their parent(s) or guardian(s) provide more than 50% of the young adult's support. Support as it relates to dependents include financial assistance from parent(s) or guardian(s) to help pay for food, clothing, shelter, utilities, education, medical and dental care, recreation, transportation, government-provided cash public assistance and food assistance, and any other living expenses. Family, as defined by WIOA Section 101(15) is two or more persons related by blood, marriage, or decree of court, who are living in a single residence, and are included in one or more of the following categories:

- A husband, wife, and dependent children
- A parent(s) or guardian(s) and dependent children
- A husband and wife

If an adult, aged 18-24, is determined to be a dependent, "family self-sufficiency" would be applied and include the income(s) of all family members, including the young adult's parent(s).

Any applicant under age 25 meeting any of the following categories is considered independent and would follow the Adult "self-sufficiency" Policy guidelines:

- Married (if separated but not divorced, applicant is legally married)
- Has children that receive more than half of their support from the applicant
- Has dependents other than a spouse or children who live with the applicant and receive more than half of their support from the applicant
- Lives in own residence or in a residence without financial or other support from parent(s) or guardian(s)
- Is on active duty in the U.S. Armed Forces for purposes other than training
- A veteran of the U.S. Armed Forces

## **Extenuating Circumstances for WIOA Adult-Funded Training**

If a WIOA eligible adult's family income exceeds the "family self-sufficiency" standard, adult-funded training may be approved if extenuating circumstances exist. When evaluating extenuating circumstances, the costs related to the economic hardship must be the responsibility of either that person or that of his or her legal dependent, spouse, or parent. Those costs must be ongoing and expected to cause a financial hardship for the duration of the training.

Economic hardships include, but are not limited to:

- a. The portion of medical procedure or prescription medication costs that are not covered by insurance and are ongoing and determined to be medically essential;
- b. Health insurance premium payments that are not paid for by private or public sources;



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- c. Payments on past due or back mortgage, rent, or essential services (e.g., electric, water, natural gas, propane, and other utility arrearages) that accumulated because of involuntary unemployment or underemployment;
- d. Court-ordered child support or spousal payments;
- e. Ongoing payments to a nursing home, home health care provider, elder care provider, or assisted living provider; or
- f. Payments toward debt that accumulated due to a natural disaster, severe illness, or disability.

Per ODJFS policy letter WIOA 15-09.1, extenuating circumstances do not include normal rent, mortgage, utility, automobile, fuel, grocery, credit card, or "pay-day loan" payments.

Exceptions may be approved on a case-by-case basis for individuals whose family income exceeds the family "self-sufficiency" standard. Documentation explaining the extenuating circumstances must be maintained in the participant file, along with the signature approval of the local WDB Fiscal Agent and Greater Cleveland Works CEO or designee..