



## Adult Program Priority Guide<sup>1</sup>

The Workforce Innovation and Opportunity Act (WIOA)<sup>2</sup> section 134(c)(3)(E), [20 CFR 680.600\(a\)](#), and State [policy](#) require that priority for Adult program individualized career and training services be given to recipients of public assistance, other low-income individuals, and individuals who are basic skills deficient.

### Quick Links:

<a href="#">Adult Priority Groups</a>	<a href="#">Income Inclusion/Exclusion</a>
<a href="#">Documentation: Inclusion in the Priority Groups</a>	<a href="#">Calculating Income</a>
<a href="#">Definition of Family</a>	<a href="#">Income Calculation and Wage Conversion Tool</a>

### Adult Priority Groups

- I. **Recipients of public assistance:** individuals who receive public assistance. Under section 3(50) of WIOA, “public assistance” means Federal, State, or local government cash payments for which eligibility is determined by a needs or income test.

To establish inclusion in the “recipients of public assistance” priority group, individuals, on their own or as part of a [family](#), must receive, or have received in the past six months, benefits from any of the following programs:

- A. Temporary Assistance for Needy Families (also known as TANF)
- B. Supplemental Nutrition Assistance Program (SNAP)
- C. Supplemental Security Income (SSI)
- D. Refugee Cash Assistance (RCA)
- E. General Assistance (Local Government)

<sup>1</sup> This Adult Priority Guide consolidates exhibits 100.1, 100.2, and 100.3 referenced in [State policy](#).

<sup>2</sup> Workforce Innovation and Opportunity Act  
<https://www.govinfo.gov/content/pkg/PLAW-113publ128/pdf/PLAW-113publ128.pdf>

## Adult Program Priority Guide

- II. **Other low-income individuals:** those who meet the definition of low-income individual under section 3(36) of WIOA, other than the definition that relates to the receipt of public assistance described above. Other low-income individuals are those --
- A. In a [family](#) with total family income that does not exceed the higher of the [poverty line or 70 percent of the lower living standard income level \(LLSIL\)](#);
  - B. Experiencing homelessness, as described in section 3(36)(A)(iii) of WIOA;
  - C. Who receive or are eligible to receive free or reduced price lunch, as described in 3(36)(A)(iv) of WIOA;
  - D. Foster children on behalf of whom State or local government payments are made; or
  - E. Individuals with disability whose own income does not exceed the higher of the poverty line or 70 percent of the LLSIL, but whose family income is above the income threshold.
- III. **Individuals who are basic skills deficient<sup>3</sup>:**
- A. Youth who have English reading, writing, or computing skills at or below the 8th grade level on a generally accepted standardized test; or
  - B. Youth or adults unable to compute or solve problems, or read, write, or speak English, at a level necessary to function on the job, in the individual's family, or in society. Note: this is further defined at the local area level.
  - C. English-language learners<sup>4</sup>, defined in Section 3(21) of WIOA as eligible individuals who have limited ability in reading, writing, speaking, or comprehending the English language, and —
    - 1. Whose native language is a language other than English; or
    - 2. Who lives in a family or community environment where a language other than English is the dominant language.

### Documentation: Inclusion in the Priority Groups

Receipt of public assistance, low-income status, and being basic skills deficient must be validated using source documentation identified in Attachment II of [Training and Employment Guidance Letter \(TEGL\) 23-19, Change 2](#), or the State's [Data Validation Checklists](#).

<sup>3</sup> Section 3(5) of [WIOA](#) defines "basic skills deficient."

<sup>4</sup> Per [TEGL 19-16](#), individuals who are English-language learners meet the criteria for "basic skills deficient."

## Adult Program Priority Guide

### Definition of Family

Family is defined in [20 CFR 675.300](#) as two or more individuals 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 below:

- A. A married couple and dependent children;
- B. A single parent or guardian of dependent children; or
- C. A married couple.

### Income Inclusion/Exclusion<sup>5</sup>

To establish an individual's low-income status based on total family income (i.e., does not exceed the higher of the poverty line or 70 percent of the LLSIL), the following **must be counted as income**:

- Wages and salaries;
- Self-employment income;
- [Social Security \(Old-Age, Survivors, and Disability Insurance\)](#) benefits;
- Private and government retirement benefits;
- Military pension payments and benefits --
  - Authorized by Title 10 U.S. Code (such as those received by military retirees whether or not their retirement was based on disability)
  - Paid under [Chapter 15 of Title 38 U.S. Code](#);
- Interest, dividends, rental income, and other property income;
- Unemployment and workers' compensation; and
- Regular contributions for support (alimony and child support);
- Lump sum payments that are put into a savings account and are regularly withdrawn by the household for living expenses (the amount withdrawn is counted as income).

The following are **excluded**:

- Allowances, earnings, and payments to individuals participating in programs under Title I of WIOA;
- Any payment to volunteers under Title I (VISTA and others) and Title II (RSVP, foster grandparents, and others) of the Domestic Volunteer Service Act of 1973;
- Payments to volunteers under Section 8(b)(1)(B) of the Small Business Act (SCORE and ACE);

<sup>5</sup> Source: [Attachment I of TEGL 18-16, Change 2](#)

## Adult Program Priority Guide

- Payments and allowances to individuals participating in AmeriCorps to the extent excluded by the National and Community Service Act of 1990;
- Student financial assistance received under Title IV of the Higher Education Act of 1965, including the Pell Grant, Supplemental Education Opportunity Grant, State Student Incentive Grants, National Direct Student Loan, PLUS, College Work Study, and Byrd Honor Scholarship Programs, to the extent excluded by the Act;
- Payments received under the Carl D. Perkins Vocational Education Act, as amended by the Carl D. Perkins Vocational and Applied Technology Act Amendments of 1990, P.L. 101-392;
- Military service-related income --
  - Any amounts received as military pay or allowances by any person who served on active duty, and certain other specified benefits paid while on active duty or paid by the Department of Veterans Affairs (VA) for vocational rehabilitation, disability payments, or related VA-funded programs;
  - All pay and/or financial allowances earned while a veteran was on active duty;
  - Any financial benefits received by a covered person under the following Chapters of Title 38 of the U.S. Code:
    - 11. Compensation for service-connected disability or death;
    - 13. Dependency and indemnity compensation for service-connected deaths;
    - 30. All-volunteer force educational assistance program;
    - 31. Training and rehabilitation for veterans with service-connected disabilities;
    - 35. Survivors' and dependents' educational assistance;
    - 36. Administration of educational benefits;
  - Benefits received under Chapter 106 of Title 10 U.S. Code, Educational assistance for members of the selected reserve;
- Lump sum payments or large cash settlements (i.e., payments that are not received on a regular basis), including compensation for a loss that must be replaced (e.g., payment from an insurance company for fire damage to a house).

## Adult Program Priority Guide

### Examples of Methods for Calculating Income<sup>6</sup>

It is recommended that service providers use the net income to calculate an individual's family income, if it is available. However, if the net income is not available, service providers may use the gross income when calculating an individual's family income. All methods must be aligned with pertinent local area policies and procedures.

- Salary Method

- Use this method for individuals who have pay stubs or other source documentation covering the most recent six months of their family's wages.
- Use this method when there is little or no variation in the wages or salaries for any of the pay stubs submitted for income verification.
- To calculate an individual's annual income based on wages or salaries, first, multiply the pay listed on the paystub or source documentation by the number of pay periods in the six-month determination period. Next, multiply the result by two to determine the annual wages or salaries.

Example: Five pay stubs are provided indicating wages of \$772 each. The pay frequency is biweekly (13 times in six months).  $[(\$772 \times 13 = \$10,036) \times 2] = \$20,072$ .

- Average Pay Method

- Use this method for individuals who have six monthly bank statements or other source documentation which show variation in the individual's wages. These variations may result for several reasons, including overtime or work for a different employer.
- In circumstances where variation exists, service providers can determine an individual's average wages by adding the total wages and dividing the result by the number of monthly bank statements.

Example: an individual shows bank statements from the most recent 6 months. The bank statements for 6 months show the following monthly income \$770, \$290, \$490, \$490, \$490, and \$490. The total income for the individual for 6 months is \$3,020. To calculate the monthly average, divide the result by 6. Then to calculate the individual's annual income from wages, multiply the month average \$503 by 12 to calculate annual income  $(\$503 \times 12 = \$6,040)$ .

- Intermittent Work Method

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<sup>6</sup> Source: [Attachment I of TEGL 18-16, Change 2](#)

## Adult Program Priority Guide

- Use this method for individuals who have irregular income or are self-employed.
- In circumstances where the individual does not have steady work, the service provider should ask the individual to supply as many pay stubs, or other source documentation, as possible.
- To determine average wages, use the individual's income from the prior month. When using the Intermittent Work Method, the service provider should explain missing pay stubs, non-work periods, etc. and should use any information that an individual submits to calculate annual income.

## Adult Program Priority Guide

### Income Calculation and Wage Conversion Tool

Staff may use the [Income Calculation and Wage Conversion Tool](#) to calculate six-month and annual income to help establish low-income status.

The tool also may be used for quarterly wage conversion when determining median quarterly earnings in performance reporting.

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