



Operational Policy NO. OP – 430 Change 3

Subject: Self Sufficiency

Effective Date: PY23 – 10/30/2023

PURPOSE:

To establish a policy for WIOA Self-Sufficiency Wage Standards for grant recipients when determining eligibility for participants in need of Individualized Career Services and/or Training Services under the Workforce Innovation and Opportunity Act (WIOA).

To allow WCCNM Administrative Support staff to update this Policy annually to reflect the updated NMDWS annual Self-Sufficiency Wage Standard rate without requiring WCCNM Board approval. If Policy content changes made are other than the NMDWS Self-Sufficiency Wage Standard, WCCNM Board approval is required.

PY 2023 SELF-SUFFICIENCY WAGE STANDARDS – EFFECTIVE: July 3, 2023

Workforce Connection of Central New Mexico	\$56.51/Hour
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Self Sufficiency calculations were derived utilizing MIT Living Wage Calculations

REFERENCE(S):

- Workforce Innovation and Opportunity Act (WIOA) §134(a)(3)(A)(xii) and §133(b)(2)(B)

NMDWS Workforce Guidance Letter: State WIOA Self-Sufficiency Wage, July 3, 2023.

BACKGROUND:

The term “self-sufficiency” as defined in the Workforce Innovation and Opportunity Act (WIOA), only applies in the context of establishing eligibility for employed adults and employed dislocated workers to receive Individualized Career Services and/or Training Services. A determination that an employed adult or dislocated worker is in need of these services to obtain or retain employment that leads to self-sufficiency, is one of the criteria for the receipt of such services.

Each year the NMDWS updates the Regional Self-Sufficiency Wage Standards. The NMDWS utilizes MIT Living Wage Calculations to derive the hourly rate an individual residing in New Mexico’s Central Region needs to earn to be defined as making a self-sufficient wage. The State Technical Assistance and Guidance Letters (STAG) state that an employed individual may receive Individualized Career Services and/or Training

Services if it is determined that such service is needed “in order to obtain or retain employment that leads to economic self-sufficiency.”

NMDWS STAG states that LWDB’s will “...provide Individualized Career Services and/or Training Services that leads to economic self-sufficiency or wages comparable to or higher than wages from previous employment to leading to the Self-Sufficiency Wage Standard.” WCCNM’s Service Providers fulfill this requirement with every dislocated and employed adult requiring WIOA-funded services to retain their current jobs and/or to advance in their chosen career pathways.

According to the following most current income statistics for New Mexico from the US Census Bureau, in 2021 inflation adjusted dollars and from the American Community Survey 2021 5-year estimates:

- Median Household Income: \$54,020.
- Average Household Income: \$74,363.
- Per Capita Income: \$29,624.
- 4.9% of Households in New Mexico are High Income Households that make over \$200,000 a year.

According to the U.S. Bureau of Labor Statistics, workers in the Albuquerque, NM Metropolitan Statistical Area had an average (mean) hourly wage of \$25.63 (\$53,310.00/year) in May 2021. Based on the average annual income of \$53,310.00, individuals working in the Central Region make \geq 45% less than the NMDWS Self-Sufficiency Wage Standard of \$117,541.00/year.

Additionally, over ~15% of the Central Region population is at or below the poverty line and among the many more underserved populations with barriers to training and employment served by the WCCNM. These demographics represents the WCCNM’s priority populations—whose wages are less than even the average wage of \$25.63.

Historically, incumbent workers are lower-level or frontline staff earning under the average wage and in need of training to retain their current positions or to advance in their chosen career pathway leading to economic self-sufficiency.

WCCNM SELF-SUFFICIENCY WAGE DEFINITION (Living Wage):

As determined by the current Lower Living Standard Income Level (LLSIL) calculations, the WCCNM Living Wage is the minimum amount of income required for a household to meet its basic expenses, without public or private assistance.

WCCNM determines the eligibility of an employed worker using the most current LLSIL. If an individual worker’s current pay rate is at or below 125% of the LLSIL, or up to \$56.61/hour, whichever is greater, a determination shall be made that the individual does not meet the definition of “Employment Leading to Economic Self-Sufficiency”.

WCCNM's Self-Sufficiency Wage definition as it applies to a currently employed worker who is applying for WIOA Individualized Career Services and/or Training Services includes the following:

- An individual who is employed in a full-time job (employment that provides compensation for at least 32 hours each week) at a pay rate at or above the designated NMDWS self-sufficiency wage shall be considered to have achieved employment that allows for self-sufficiency. Therefore, the individual shall be considered to be self-sufficient, and a determination shall be made that Individualized Career Services and/or Training Services are not required.
- If the individual's current job does not meet the definition of "Employment leading to economic self-sufficiency," Individualized Career Services and/or Training Services may be offered as determined appropriate.

EXCEPTION: If the individual is an eligible Dislocated Worker, "self-sufficiency" shall be defined as full-time employment at a rate of pay equal to or greater than the pre-layoff wage rate— even if the pre-layoff wage was greater than the designated self-sufficiency wage.

POLICY:

The State Administrative Entity is responsible for reviewing and updating the self-sufficiency standard for each local area using a living wage model or comparable data that draws upon geographically specific expenditures that incorporates the income need of individuals, families and sub-state geographical considerations. This information is then applied by WCCNM when determining eligibility for employed individuals to determine if they meet Self-Sufficiency Wage Standards before approving Individualized Career Services and/or Training Services. The self-sufficiency wage is included in the annual WCCNM grant agreements and may be updated as needed.

WIOA ELIGIBILITY: Based on the WCCNM definitions above, and except as provided in clause (ii), funds allocated to a local area for adults under paragraph (2)(A) or (3), as appropriate, of section 133(b), and funds allocated to the local area for dislocated workers under section 133(b)(2)(B), shall be used to provide training services to adults and dislocated workers, respectively, who, after an interview, evaluation, or assessment, and career planning, have been determined by a one-stop operator or one-stop partner, as appropriate, to

- (aa) be unlikely or unable to obtain or retain employment, that leads to economic self-sufficiency or wages comparable to or higher than wages from previous employment, through the career services described in paragraph (2)(A)(xii);

(bb) be in need of training services to obtain or retain employment that leads to economic self-sufficiency or wages comparable to or higher than wages from previous employment; and

(cc) have the skills and qualifications to successfully participate in the selected program of training services; and

who select programs of training services that are directly linked to the employment opportunities in the local area or the planning region, or in another area to which the adults or dislocated workers are willing to commute or relocate; and

who meet the requirements of subparagraph (B); and who are determined to be eligible in accordance with the priority system in effect under subparagraph (E).

Requirement for Documenting “Self-Sufficiency”:

1. Information about the customer’s current hourly wage must be recorded in the “Work History” portion of the State’s management information system (WCOS), including each of the following elements:
 - Job Title
 - Employer Name
 - Dates of Employment: From / To (Month, Year)
 - Wage
 - Wage Type (Hourly, Annual, Other)
 - Hours per Week

2. Acceptable verification sources include:
 - Copy of a recent paycheck or paystub
 - Employer letter or other document describing the customer’s current wage
 - Self-Attestation (method of last resort)

APPLICABILITY:

WIOA Adult/Dislocated Worker and Youth Provider

INQUIRIES:

WIOA Manager 505-724-3658

This Policy has received approval by the Workforce Connection of Central New Mexico Board and rescinds any policy previously in effect.



WCCNM Board Chair