



Local Policies – Administration and Governance

Incentive Payment – Board Staff

Effective Date

7/8/2024 (Finance and Executive)

Purpose

The purpose of this policy is to establish guidelines and procedures for the provision of incentive payments to the Northeast Iowa Workforce Development Board staff members in accordance with Uniform Guidance under 2 CFR 200.430. This policy aims to recognize and reward exceptional performance, thereby enhancing overall organizational effectiveness and employee satisfaction.

Scope/Background

The Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) under 2 CFR 200.430 provides the framework for compensation, including incentive payments, for employees whose salaries are charged to federal awards. Incentive payments must be based on documented performance measures and must be consistent with the terms and conditions of the federal award. This policy ensures compliance with these regulations while promoting high standards of performance among the Northeast Iowa Workforce Development Board staff.

Policy

The Northeast Iowa LWDB is committed to recognizing and rewarding exceptional Board staff performance that contributes to the achievement of organizational goals and WIOA program objectives. Incentive payments shall be awarded to eligible Board staff members based on predefined performance criteria, ensuring fairness, transparency, and compliance with federal regulations.

Eligibility:

All Northeast Iowa LWDA Board staff members employed by the nonprofit organization and contributing directly to WIOA program goals are eligible for incentive payments, provided they meet the established performance criteria. This ensures that all eligible staff members who actively contribute to the Northeast Iowa Workforce Development Board's mission and objectives have the opportunity to be considered for incentive payments based on their performance excellence.

Performance Criteria:

Incentive payments are contingent upon meeting or exceeding specific performance criteria established by the Northeast Iowa Workforce Development Board. These criteria include, but are not limited to:



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- **Compliance and Risk Management:** Staff must ensure adherence to all regulatory requirements and organizational policies, contributing to risk mitigation and the maintenance of high compliance standards.
- **Customer Service Excellence:** Staff must consistently provide exceptional service to program participants, partners, and other stakeholders, demonstrating responsiveness, empathy, and professionalism.
- **Leadership and Initiative:** Staff must show strong leadership qualities, take initiative in their roles, and effectively lead projects or teams to successful outcomes.
- **Innovation and Improvement:** Staff must demonstrate innovative approaches to problem-solving and contribute to continuous improvement initiatives within the organization.
- **Job Knowledge and Skills:** Staff must demonstrate a high level of job knowledge and proficiency in the skills required for their position, ensuring they stay updated with the latest industry trends and best practices.
- **Problem Solving and Quality of Work:** Staff must exhibit excellent problem-solving abilities, producing high-quality work that meets or exceeds organizational standards and contributes to the achievement of the Northeast Iowa LWDB's goals.
- **Collaboration and Teamwork:** Staff must exhibit a high level of collaboration, teamwork, and contribution to a positive work environment.
- **Communication with Stakeholders and Partners:** Staff must maintain effective communication with stakeholders, board members, partners, colleagues, ensuring clarity, transparency, and satisfaction in all interactions.

Approval Process:

The approval process for incentive payments involves multiple steps to ensure transparency, fairness, and compliance with federal regulations.

1. **Establishment of Criteria:** The Northeast Iowa Executive Committee will establish clear and measurable performance criteria aligned with WIOA objectives. These criteria will be communicated to all staff members to ensure understanding and alignment with organizational goals.
2. **Performance Evaluation:** Performance evaluations will be conducted to assess staff achievements against the established performance criteria. Board staff performance will be evaluated annually. The Executive Director will be reviewed/evaluated by the NEIWDB Chair. As part of the evaluation process, a survey will be sent to Northeast Iowa LWDB Members, CEOs and Core Partners. Other board staff members who directly report to the Executive Director will be reviewed/evaluated by the NEIWDB Executive Director. The Executive Director will forward evaluations to the NEIWDB Chair for further review.



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3. Recommendation: The NEIWDB Chairperson may recommend eligible Board staff members for incentive payments based on their performance evaluations to the Executive Committee.
4. Review and Approval: The NEIWDB Executive Committee will review the recommendations and approve incentive payments, ensuring adherence to budgetary constraints and compliance with 2 CFR 200.430 and with this policy.
5. Documentation: All decisions and justifications for incentive payments will be thoroughly documented and maintained for audit purposes.

Incentive Payment Structure:

- Incentive payments will be monetary and awarded either a lump sum or a percentage of the annual salary, depending on the discretion of the Northeast Iowa LWDB and in accordance with budgetary constraints.
- The availability of funds for incentive payments will be considered on a case-by-case basis, taking into consideration the financial situation and priorities of the Northeast Iowa Workforce Development Board (NEIWDB).
- Payments will be distributed when circumstances warrant, contingent upon the completion of the performance evaluation process and approval by the NEIWDB Executive Committee. This ensures that incentive payments are aligned with organizational goals and budgetary consideration.

Documentation:

The Northeast Iowa Workforce Development Board recognizes the importance of maintaining accurate and comprehensive documentation to support the implementation of the incentive payment policy and demonstrate compliance with federal regulations and organizational procedures. The documentation requirements include the following:

- Detailed records will be maintained of performance evaluations conducted for each board staff member, documenting the assessment of performance against established criteria, feedback provided, survey results, and any recommendations for incentive payments.
- Board staff members who have been recommended for incentive payments will have proper written documentation outlining the basis for the recommendation, including specific achievements, contributions, and alignment with performance criteria.
- The Northeast Iowa Board Chair, and Executive Director will maintain records for all reviews and approvals related to incentive payments, including meeting minutes, decision summaries, and any additional documentation supporting the approval process.
- The Fiscal Agent will maintain all supporting documentation for payment processing purposes.



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- The Northeast Iowa LWDB Executive Committee will ensure that incentive payments are reasonable, necessary, and consistently applied according to the organization's established policies.
- Documentation will be maintained for audit purposes and to ensure transparency and accountability. This documentation will be forwarded to the Employer of Record.
- The Northeast Iowa LWDB budget will have a specific line item outlining the incentive payment awarded directly to board staff members.

Compliance and Monitoring:

To ensure compliance with 2 CFR 200.430 and this policy, the Northeast Iowa LWDB will:

- Regularly review and update the incentive payment policy as needed to assess its effectiveness, relevance, and alignment with federal regulations and organizational objectives. Updates will be made as necessary to reflect changes in legislation, best practices, or organizational needs.
- Conduct periodic audits of incentive payment processes and documentation to verify compliance with federal regulations and internal policies. These audits will encompass a comprehensive review of all relevant procedures, records, and transactions to ensure accuracy, transparency, and integrity in the incentive payment process.

Conflict of Interest:

- Incentive payments must not create any actual or perceived conflict of interest.
- Board staff involved in the evaluation and approval process must recuse themselves from decisions where a conflict of interest may arise.

Procedures

Policy Review and Amendment:

This policy will be reviewed as needed by the NEIWDB Executive Committee and amended as necessary to ensure continued compliance with WIOA, 2 CFR 200.430, and any other applicable regulations.

Effective Date:

This policy is effective as of July 8, 2024 and applies to all incentive payments awarded from this date forward.

Attachment A: NEIWDB – Board Staff Incentive Payment Approval



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Attachment A:

NEIWDB – Board Staff Incentive Payment Approval

I, _____ Board Chair Name _____, hereby approve the incentive payments for the following NEIWDB staff members:

Name:	Title:	Amount:

This performance incentive payment has been recommended based on performance criteria established in accordance with the Northeast Iowa LWDB Incentive Payment Policy. I confirm that the recommendation aligns with the Northeast Iowa LWDB's objectives and is consistent with available funds.

The performance incentive for the above individuals was approved by the Executive Committee meeting on _____. A copy of the draft minutes of the approval is attached.

Board Chair's Signature:	Date:

By signing above, the Board Chair acknowledges their approval of the incentive payment for the specified Northeast Iowa LWDB staff member(s). This form will be kept on file as part of the documentation for the incentive payment approval process. Other justifying documentation will be on file as well.