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Performance-Based Stipend Policy**

**Template 12: Illinois Works Performance-Based Stipend Policy**

The Illinois Works Pre-Apprenticeship Program seeks to eliminate economic barriers commonly associated with an individual’s inability to invest in skills training and work readiness. To mitigate these barriers, Illinois Works requires the use of stipend payments for all pre-apprenticeship program participants.  
  
A stipend is a fixed regular small payment made to pre-apprenticeship individuals to encourage the participation in certain activities. Performance-based stipends should be based on attendance, academic performance, and participants reaching program milestones. Payments may be used to reward pre-apprentices who complete incremental benchmarks in their program and provide needs-based payments for costs associated with attending the pre-apprenticeship program. **The stipend is not a wage**; it is intended to cover incidental costs incurred while attending the pre-apprenticeship training program.

Stipends may be paid based on actual hours of attendance. Attendance in the activity must be documented as the basis of stipend payments. Stipends may be paid to participants for their successful participation in education or training services (except such allowances may not be provided to participants in paid activities including, work, and internships). Performance-based stipends paid based on attendance and academic performance should not exceed $13 per training hour. Justification of need does not need to be documented in the participant’s file since it is not need-based, and it is given to all participants. These payments should be paid on a weekly or biweekly basis based on performance measures established in the grantee’s policy.

Although, participants are given the opportunity to make-up hours to reach required attendance per module, grantees are not required to offer a stipend for these hours. It is at the discretion of the grantee to pay stipends once make-up hours are completed, but any stipends for make-up hours must be tracked strictly to ensure compliance with financial reporting.

*This document was created based in part on a sample from San Diego Workforce. (2020). Incentive & Stipend Draft – Subject to Change. San Diego Workforce Partnership. https://workforce.org/wp-content/uploads/2020/10/Attachment-Incentive-and-Stipend-Policy-Draft.pdf*