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**GST MICHIGAN WORKS! POLICY 18-13, change 1**

**TO:** Chief Executive of Subrecipients and Agency Staff

**FROM:** Jody Kerbyson, CEO

**SUBJECT:** STEP into work program stipend payments

**EFFECTIVE:** June 1, 2020

**BACKGROUND:** Participants involved in the STEP into work program often find it difficult to successfully complete their training without the funds to take care of personal situations and transportation costs. Therefore, GST Michigan Works will offer a training stipend for youth enrolled in the STEP into work program to increase successful completion of the Work Readiness training.

**POLICY:** GST Michigan Works! and Service Providers will allow training stipends to be paid to eligible STEP into work participants who are actively involved and attending the Work Readiness Training.

GST Michigan Works will implement the following requirements to training stipends.

1. Training stipends are allowed up to \$40.00 per day. Stipend amounts maybe reduced and/or adjusted for special participation circumstances.
2. A stipend may only be paid upon receipt of verified attendance. Stipends will be paid on an hourly basis based on actual hours of participation.
3. Training stipends will be paid out of STEP into work funding to all enrolled participants.
4. The use of training stipends must be pre-approved by GST Michigan Works! CEO or designee.

**Action:** Agencies shall take the appropriate actions necessary to implement the directives of this policy issuance. Agency officials shall ensure the information contained in this policy is disseminated to staff when specific projects include the use of training stipends through allowable funding.

**Inquiries:** Questions regarding this policy issuance should be directed to Angela Libkie, at 810-233-5974 Ext. 102.

**SIGNED:**

  
\_\_\_\_\_  
Jody Kerbyson, CEO

6/1/20  
\_\_\_\_\_  
Date

**GST Michigan Works!  
STEP into work program  
Training Stipend Acknowledgement**

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Name of Applicant \_\_\_\_\_

Training Program \_\_\_\_\_

**I acknowledge that GST Michigan Works! has provided the following information as it applies to training stipends while participating in training.**

- I understand I may receive a training stipend for participating in the Work Readiness training and will need to turn in weekly/biweekly verification of attendance.
  
- I understand that the training stipend will be paid at a rate of \$5 an hour, not to exceed \$40 a day, or \$200 a week.
  
- I understand that I will be required to fill out a W-9 with the appropriate information while participating in training. This information will be on file in the event a 1099 must be issued to the participant.
  
- I understand that if I receive \$600.00 in training stipends, I will be issued a 1099 at the end of the year and that income must be included for yearly tax filing.

\_\_\_\_\_  
Signature of Applicant

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
Date