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Workforce Innovation and Opportunity Act Title I Performance Assessment

WORKFORCE SYSTEM POLICY

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Purpose of the Policy

This policy establishes procedures for local workforce development boards, or LWDBs, to negotiate and reach agreement with the commonwealth on Local Workforce Development Area, or LWDA, levels of performance for the primary indicators of performance for Title I. Also included is an explanation of the criteria to be used in assessing performance.

Scope

This policy applies to Local Workforce Development Boards.

Related Policies

- Pennsylvania's Workforce System of Record
- Sanctions – Initial Implementation of the Workforce Innovation and Opportunity Act (Change 1)

Definitions

Commonwealth Workforce Development System, or CWDS, is the sole data-management and reporting system of record used for all data collection and reporting related to all WIOA Title I and III, Wagner-Peyser Act and Trade Adjustment Assistance, or TAA, activity in Pennsylvania.

Credential Attainment Rate is the percentage of participants enrolled in an education or training program (excluding those in on-the-job training and customized training) who attained an industry recognized postsecondary credential, or certificate of completion of an apprenticeship, or certificate approved by the commonwealth of Pennsylvania, or a secondary school diploma/recognized equivalent within a year after exit from common measures. A participant who has attained a secondary school diploma or its recognized equivalent is included in the percentage of participants who have attained a secondary school diploma or its recognized equivalent only if the participant also is employed or is enrolled in an education or training program leading to a postsecondary credential approved by the commonwealth of Pennsylvania within one year after exit from common measures.

Exit from Common Measures occurs when a participant, enrolled in a single or concurrently in multiple partner programs, has not received services from any DOL-administered program in which the participant is enrolled, for at least 90 days, and no future services are planned. A system of record business rule is applied, and the participant is exited from all enrollments.

Fourth-Quarter Employment Rate is the percentage of program participants who are in unsubsidized employment during the fourth quarter after exit from common measures. *Note that for Title I youth, the indicator is the percentage of participants in education or training activities, or in unsubsidized employment during the fourth quarter after exit.*

Median Earnings are the statistical median earnings of program participants who are in unsubsidized employment during the second quarter after exit from common measures.

Measurable Skill Gains Rate is the percentage of program participants who, during a program year, are in an education or training program that leads to a recognized postsecondary credential or employment and who are achieving measurable skill gains towards such a credential or employment. Measurable skill gains are defined as documented academic, technical, occupational or other forms of progress toward a postsecondary credential or employment.

Pennsylvania CareerLink®/PA CareerLink® is the registered, trademarked name of Pennsylvania’s one-stop workforce development service-delivery system, including each one-stop and public-facing aspects of the online job matching system used by individuals, job seekers, employers, program partners and providers, training providers and other stakeholders.

Pennsylvania Department of Labor & Industry, or L&I, is legally designated by the governor to serve as the state workforce agency.

Second-Quarter Employment Rate is the percentage of program participants who are in unsubsidized employment during the second quarter after exit from common measures. *Note: for Title I youth, the indicator is the percentage of participants in education or training activities, or in unsubsidized employment during the second quarter after exit.*

Procedures

WIOA Primary Indicators of Performance: LWDBs are held to five primary indicators of performance established by WIOA for the Title I Adult, Dislocated Worker, and Youth programs. Table 1 identifies each indicator and the programs it applies to.

Table 1. WIOA Title I Primary Indicators of Performance

	Adult/Dislocated Worker	Youth	
Second Quarter Employment Rate	X	X	
Fourth Quarter Employment Rate	X	X	
Median Earnings	X	X	
Credential Attainment	X	X	
Measurable Skill Gains	X	X	

Trade Act Adjustment program

Determining Successful Local Area Performance

Step 1: Negotiation of Performance Goals

Performance goals are established biannually at the state and local levels through a negotiation process. The state level negotiations begin in the spring and must be completed by June 30th. The local level negotiations begin upon completion of the state level negotiations and must be completed by September 30.

The negotiation process includes four types of performance goals:

- Expected levels of performance – requested levels of performance for each of the WIOA primary indicators of performance are established at the local level by the LWDBs. They act as the starting point of the negotiations.
- Estimated levels of performance – levels of performance derived from the local statistical adjustment model using historical trends of performance, participant characteristics and economic conditions.
- Negotiated levels of performance – performance goals that are agreed upon by the parties involved in the negotiation process.
- Adjusted levels of performance – Level of performance determined by adjusting the negotiated level of performance using the statistical adjustment model to account for circumstances at the end of the program year that could not be anticipated during the negotiation process.

Negotiation Process

A. Local area request

At the beginning of each negotiation cycle, L&I will provide LWDBs with the estimated levels of performance. These estimates are provided as a guide for LWDBs to develop expected levels of performance. Each LWDB must review this information and respond to L&I with its proposed goals and a narrative justification of the level for each indicator within a reasonable timeframe.

B. Evaluation Criteria

Upon receipt, L&I will review the expected levels of performance and justification submitted by the LWDB. The review shall focus on the extent to which the following factors have been addressed:

- How the proposed levels compare to the adjusted performance levels of other LWDBs.
- The extent to which the proposed levels promote continuous improvement.
- The anticipated effect on performance of factors other than anticipated economic changes and variations to the characteristics of participants.
- The extent to which the proposed levels assist the commonwealth in meeting its negotiated levels of performance.

C. Reaching Agreement

L&I will then coordinate with the LWDB to negotiate an agreement, which may be done in writing or via a call. Upon reaching an agreement, L&I will send an official communication to the LWDB confirming the negotiated levels of performance and publish the negotiated levels of performance on the L&I's website. LWDBs shall publish the negotiated levels of performance in the board's approved, published workforce development plan.

Step 2: Deriving adjusted levels of performance

Following the conclusion of the program year, the statistical adjustment model provided at the beginning of the negotiation process is updated with data on the actual economic conditions experienced in the local area and the characteristics of the participants served during the program year. The model produces a revised estimated level of performance for the given program year. The difference between the initial estimated level of performance and the revised estimated level of performance is then applied to the negotiated level of performance, resulting in the adjusted levels of performance.

Step 3: Assessment of Performance

LWDBs will be evaluated annually based on three criteria as applied to the WIOA Title I Adult, Dislocated Worker, and Youth programs administered locally. The evaluation will commence after certification of the annual performance data on October 1 as required in Training and Employment Guidance Letter 3-17. Results of this evaluation will be distributed to LWDBs upon completion.

These criteria, listed below, mirror the criteria by which state performance will be evaluated.

- Individual indicator score – the actual outcomes for each of the primary indicators of performance are compared to the adjusted levels of performance within each program.
- Overall program score – the actual outcomes of each indicator within a core program across all indicators are compared to the adjusted levels of performance for that indicator. The percentages are then averaged, resulting in the overall program score for each core Title I program.).
- Overall indicator score – the individual indicator score for each of the primary indicators of performance across all core Title I programs are averaged to calculate the state indicator score. Note that the individual indicator score must be calculated first.

Until all indicators have at least two years of complete data, the overall indicator score and overall program score will be based on a comparison of the actual results achieved to the adjusted level of performance for those indicators that have at least two years of complete data.

Methodology & Performance Thresholds

Assessment of local level performance will mirror the methodology used by US DOL to assess state-level performance as laid out in Training and Employment Guidance Letter 11-19. Assessment will be based on all three scores: individual indicator score, overall program score and overall indicator score.

A local area's performance is considered unsatisfactory when any of the following occur:

- Any of the individual indicator scores fall below 50 percent for the Program Year, or PY
- Any overall program score falls below 90 percent for the PY
- Any overall indicator score falls below 90 percent for the PY

If local performance is determined to be unsatisfactory, the state will respond in accordance with L&I's sanction policy.

Note that local performance affects state performance; therefore, unsatisfactory local performance may lead to fiscal sanctions at the state level.

Workforce Innovation and Opportunity Act Performance Assessment

Information specific to performance reporting and assessment for PY 2020 and PY 2021 is included in Attachment A which accompanies this policy.

Action

Local workforce development boards must:

- Ensure all PA CareerLink® staff (state and business partners) understand the primary indicators of performance, local levels of performance and the operational procedures to achieve the levels of performance.
- Negotiate local primary indicators of performance.

Resources

Attachment A – WIOA Core Program Performance Accountability Assessment for Program Years 2020 and 2021

Attachment B – Public Comment and Responses

Supporting Information

The following is a list of references used in the development of this policy, and may provide additional information for implementation:

- WIOA sections 116, 20 CFR 677.190, 677.200, and 677.220 issued Aug. 19, 2016. Primary Indicators of Performance and State Indicators of Performance for Core Programs, Joint Rule for Unified and Combined State Plans, Performance Accountability, and the One-Stop System Joint Provisions, Final Rule. Vol. 81, No. 161 Part V.
- TEGL No. 10-16 Change 1 (Aug. 23, 2017) Performance Accountability Guidance for Workforce Innovation and Opportunity Act (WIOA) Title I, Title II, Title III, and Title IV Core Programs
- TEGL No. 9-17 (Feb. 16, 2018) Negotiating Performance Goals for the Workforce Innovation and Opportunity Act (WIOA) Title I Programs and the Wagner-Peyser Employment Service as amended by Title III of WIOA, for PY 2018 and PY 2019.
- WSP No. 184-02 (C1) Sanctions – Initial Implementation of the Workforce Innovation and Opportunity Act (Change 1)
- TEN 14-21 Workforce Innovation & Opportunity Act (WIOA) Core Program Performance Accountability Assessment for Program Years (PYs) 2020 and 2021

Publication

To support the Pennsylvania Workforce Development Board's November 2019 recommendation related to data transparency and continuous improvement of the workforce development system, L&I and the PA WDB will develop an online dashboard to allow public access to WIOA performance data by LWDB.

Public Comment

This policy was originally published for public review and comment in 2020 and, after recent revision, again on Aug. 1, 2022 through August 15, 2022. Refer to Attachment B to review those comments and responses.

Summary of Changes

To respond to the release of TEN 14-21 on October 27, 2021, Attachment A was drafted to summarize the performance reporting requirements for PY 2020 and PY 2021.