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I. APPLICABILITY/SCOPE

This policy applies to all Workforce Innovation and Opportunity Act (WIOA) Title I-B subrecipients and sub-awardees delivering workforce development Adult, Dislocated Worker, and Youth programs and services.

II. PURPOSE

This policy elaborates on the performance accountability requirements for WIOA Title I-B programs.

III. BACKGROUND

WIOA establishes performance accountability indicators and performance reporting requirements to assess the effectiveness of state and local workforce development areas in achieving positive outcomes for individuals served by the workforce development system's six core programs. The six core programs are the Adult, Dislocated Worker, and Youth programs authorized under WIOA Title I; the Adult Education and Family Literacy Act program, authorized under WIOA Title II; the Employment Service program authorized under the Wagner-Peyser Act as amended under WIOA Title III; and the Vocational Rehabilitation program authorized by the Rehabilitation Act as amended by WIOA Title IV. This policy applies to the outcomes of participants in the Title I-B Adult, Youth, and Dislocated Worker programs.

Expected levels of performance for each performance indicator are negotiated with the Arizona Department of Economic Security for each program year. The negotiations include a review of suggested levels of performance based on an objective statistical model and a discussion of circumstances not accounted for in the model that also considers the extent to which the levels promote continuous improvement.

IV. DEFINITIONS

Arizona Job Connection (AJC) – is a database used to collect and report on the participation cycle of eligible Adults, Youth and Dislocated Workers who receive WIOA funded services administered by the Arizona Department of Economic Security.

Exit – is the last date of service for a Participant.

Participant - an eligible applicant who has received at least one participation service on or after the date the applicant was determined eligible.


Unsubsidized Employment – employment in the private sector or public sector for which the employer does not receive a subsidy from public funds to offset all or a part of the wages and costs of employing an individual.

V. POLICY

A. INDICATORS OF PERFORMANCE:

There are six primary indicators of performance, including one that pertains to the provision of services to employers. Only five measures are applicable to WIOA participants which are covered in this policy.

1. **Employment Rate – 2nd Quarter After Exit:** the percentage of participants who are in unsubsidized employment during the second quarter after exit from the program.

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For Title I-B Youth, the indicator is the percentage of participants in education or training activities or in unsubsidized employment during the second quarter after exit.

- 2. Employment Rate – 4th Quarter After Exit:** the percentage of participants who are in unsubsidized employment during the fourth quarter after exit from the program.
For Title I-B Youth, the indicator is the percentage of participants in education or training activities or in unsubsidized employment during the fourth quarter after exit.
- 3. Median Earnings – 2nd Quarter after Exit:** the median earnings of participants who are in unsubsidized employment during the second quarter after exit from the program.

The following participants are not included in this measure:

- Participants that have exited and are not employed in the 2nd quarter after exit
- Participants that have exited the program and for whom earnings are not yet available
- Participants who have exited and have \$0 income


- 4. Credential Attainment:** the percentage of participants enrolled in an education or training program (excluding participants in On-the-Job Training [OJT] and customized training) who attain a recognized postsecondary credential; or a secondary school diploma; or its recognized equivalent, during participation in or within four quarters after exit from the program.

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 within four quarters after exit or is enrolled in an education or training program leading to a recognized postsecondary credential within 365 days of exit from the program.

It is important to note that OJT and customized training are excluded from the credential attainment performance indicator. However, the Department of Labor’s Employment and Training Administration (ETA) encourages Title I-B to consider OJT and customized training programs that do result in a credential.

For details on the types of credentials and their applicability, please refer to [DES/WIOA Policy - Section 512, Credentials](#)


- 5. Measurable Skill Gains (MSG):** 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 (defined as documented academic, technical, occupational, or other forms of progress) towards such a credential or employment. The MSG measure is not exit-based but a real-time measure.

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For the WIOA Title I-B Adult and Dislocated Worker, the MSG performance indicator includes adult and dislocated workers who are in a training and education program, including work-based training such as OJT and Registered Apprenticeships.

For the WIOA Title I-B Youth program, only youth who are in the occupational skills training program element, or who get reconnected to secondary education, postsecondary education, adult education, YouthBuild and Job Corps are included in the MSG performance indicator. Depending on the type of education or training program, documented progress is defined as one of the following:

- a. Educational Functioning Level (EFL) - documented achievement of at least one educational functioning level of a participant who is receiving instruction below the postsecondary education level. EFL may be measured by the following:
 - i. A basic skills pre- and post-test which demonstrates an advancement of an educational level; the pre- and post-test must be completed using the same assessment tool. The only allowable tests and documentation for determining EFL are:
 - a) TABE 11/12 (Forms 11 and 12 are approved for use on paper and through a computer-based delivery format). Expires 9/7/20204
 - b) CASAS Math Goal Series (Forms 900, 913, 914, 917, and 918). Expires 3/7/20200; and
 - c) CASAS Reading Goals Series, 901 – 908. Expires 2/5/20205
 - ii. Participants attending an adult high school program and are awarded credits or units toward a secondary school diploma or its recognized equivalent; and adult diploma, also known as an adult high school diploma, is awarded to students who complete the classes they did not take while in high school. Acceptable documentation:
 - a) Copy of an official transcript or a report card from the educational provider; or
 - b) A letter from the educational provider.
 - iii. Participants who exit the program below the postsecondary level and enroll in postsecondary education or training during the same program year.
- b. Secondary School Diploma - documented attainment of a secondary school diploma or its recognized equivalent. Acceptable documentation:
 - i. Copy of high school diploma ~~or high school equivalency diploma~~; or
 - ii. Copy of a high school equivalency (HSE) diploma through one of the following:
 - a) the GED Pathway;
 - b) the College Credit Pathway; or
 - c) the HSE PLUS Career Readiness Pathway.

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- c. Secondary or Postsecondary Transcript or Report Card – is documentation of a Secondary or Postsecondary transcript or report card for a sufficient number of credit hours showing the participant is meeting Arizona’s unit academic standards.

Acceptable Secondary Education documentation:

- i. Copy of an official secondary school transcript or report card showing for one semester that the participant is in good academic standing with passing grades of D- or above in all classes.


Acceptable Postsecondary Education documentation:

- i. Copy of an official postsecondary transcript or report card demonstrating the credit levels were achieved and the participant was in good academic standing based on enrollment status.
 - a) *Full-time Student* – completion of a minimum of 12 credit hours per semester; or
 - b) *Part-time Student* – completion of a minimum of 12 credit hours over the course of two ~~consecutive~~ semesters (or equivalent) ~~during a 12-month period~~; and
 - c) Meet academic standards of D- or above in all classes.

If a postsecondary student completed 6 hours in the spring semester and 6 or more hours in the fall semester and those ~~consecutive~~ semesters crossed program years, they would not count as a skill gain in the first program year, but they would count as a skill gain in the second program year.

- d. Training Milestone – a report or an evaluation from an employer or training provider, which shows the participant’s substantive skill development and satisfactory progress towards an established training milestone. This includes participants enrolled in OJT, Registered Apprenticeships, customized training, incumbent worker training, and employer led training when the worker is enrolled in WIOA career services. It also includes certain Eligible Training Provider Training (ETPL) programs. Acceptable documentation:

- i. Documented progress report from an employer or ETPL provider identifying the participant’s acquired job skills; or that the individual has acquired new skills, or steps to completing an OJT or course syllabus;
- i. Documentation of successful completion of an OJT;
- ii. A progress report that marks successful completion of one year (or any established timeframe) of a registered apprenticeship;
- iii. Contract or evaluation from employer or training provider documenting a skill gain; or
- iv. Increases in pay resulting from newly acquired skills or increased performance, as documented by a report from an employer.

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- e. Skills Progression - This MSG type measures skills progression through the participant’s passage of an examination that: (i) is required for a particular occupation or (ii) shows progress in attaining technical or occupational skills. Acceptable documentation:
- v. Passing scores in a related instruction exam (registered apprenticeship program);
 - vi. Certificate that shows passage of an employer-required knowledge-based exam;
 - vii. Passing score in a training program’s unit test; or
 - viii. Copy of a credential that is earned after the passage of an exam:
 - A nursing assistant certificate (certified nursing assistant)
 - A commercial driver’s license

A participant may have more than one MSG per program year, although only one MSG per participant is reported. At least one MSG is required for all program years that the participant receives an education or training service. Participants are included in the MSG indicator regardless of how long they have participated in the program in the program year. Staff must not delay enrollment or services to participants until a new program year if the program determines that there is insufficient time to attain the measurable skill gain by the end of the program year. The appropriate MSG is recorded in AJC.


For additional information on the types of MSGs and the documentation necessary to validate them, please refer to the [DES/WIOA Training Services Policy, Sections 513-516](#).

B. SUPPLEMENTAL WAGE DATA AND INFORMATION

WIOA requires states to use quarterly wage records, consistent with state law, to measure their progress on satisfying State and local performance accountability indicators. However, quarterly Unemployment Insurance (UI) wage records will not result in a match in all circumstances. The need for supplemental wage data may not be apparent until no match is found in UI records or in federal or military employment, which becomes available on a time-lagged basis. However, if staff knows or predicts that UI wages will not be available for participants, it is not necessary to wait for quarterly wage data to become available.


1. **Supplemental wage data** may be used when:
 - a. The participant has not provided his/her social security number;
 - b. UI wage records are not available for the participant (such as federal or military employees);
 - or
 - c. The participant is self-employed
2. **Supplemental wage data** is used to:
 - a. Verify employment in the 2nd and 4th quarters; and
 - b. Verify median earnings in the 2nd quarter

The same method of wage collection must be used to verify employment and wage information in the same calendar quarter. For example, if supplemental wage data is used to determine median wage

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information in the second quarter after exit, then the same supplemental wage information must be used to determine employment status in the second quarter after exit.

3. **Supplemental wage data** must be entered:
 - a. Using the [WIOA Wage Conversion Chart](#) to convert hourly/weekly/bimonthly/monthly/annual wages into quarterly wages and is intended to be used in a comma separated values file, such as Microsoft Excel; and
 - b. As soon as possible after the second and fourth full quarters after Exit.
4. Following is the **supplemental wage information** that must be entered into the AJC system on the *WIOA Add Supplemental Wage – After Exit* page:
 - a. Employed Quarter (0,1,2,3,4 or 5);
 - b. O*NET-SOC code, for the occupation in which the participant is employed;
 - c. North American Classification System (NAICS) Code – for the industry in which the participant is employed. The NAICS code must be 6 digits long;
 - d. The employer’s Federal Employment Identification Number (FEIN);
 - e. Employer’s Name, City, and State;
 - f. Supplemental source; and
 - g. Accurate total earnings for the specific quarter.
5. Recording only accurate wage information is important.
 - a. Missing or incomplete data points will be counted as negative when levels of performance for indicator(s) are calculated.
 - b. If the participant did not earn any wages during a quarter, wages must not be entered in the *Total Earning for the Quarter* box in the AJC system. For example, if an individual is on leave and did not earn any wages during the second or fourth quarter, the individual is considered unemployed for the performance indicator, even if the individual is attached to an employer.
 - c. Minimal wages, such as one dollar, must not be added to the *Total Earnings for the Quarter* box to show that the individual was employed, as this will negatively impact the median earnings performance calculation.
6. Acceptable forms of **supplemental wage data** include:
 - a. Tax documents, payroll records, and employer records such as:
 - Copies of quarterly tax payment forms to the Internal Revenue Service, such as a Form 941 (Employer’s Quarterly Tax Return);
 - Copies of paystubs (minimum of 2 paystubs); or
 - Signed letter or other information from an employer on letterhead, attesting to an individual’s employment status and earnings
 - b. Other **supplemental wage** records:
 - Follow-up survey (self-reported) from program participants;
 - Income earned from commission in sales or similar positions;
 - Detailed case notes verified by an employer and signed by the Title I-B staff;

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- Automatic database systems or data matching with partner programs when a Data Sharing Agreement exists;
- One-Stop operating systems’ administrative records, such as current records of eligibility programs with income-based eligibility such as Temporary Assistance for Needy Families (TANF), or Supplemental Nutrition Assistance Program (SNAP); or
- Self-employment worksheets signed and attested to by the program participant.

VI. POLICY MANAGEMENT REQUIREMENTS

Administrative revisions to the policy may be made by the Phoenix Business and Workforce Development (PBWD) Board Executive Director, with notice to the PBWD Board’s Executive Leadership Committee. All other substantive revisions will go to the PBWD Board’s Executive Leadership Committee for review and recommendation to the PBWD Board for approval.

VII. ADDITIONAL OR MISCELLANEOUS INFORMATION

[Measurable Skills Gain Guide](#)

[WIOA Wage Conversion Chart](#)