



Date: June 23, 2005

To: Workforce Development Board Directors
Job Service Directors

From: Connie Colussy, Director 
Bureau of Workforce Programs

Subject: **Workforce Investment Act (WIA) Policy Update 05-03 Common Measures Performance Policy Implementation in Program Year 2005**

Purpose

On April 15, 2005, the U.S. Department of Labor (U.S. DOL), Employment and Training Administration (ETA) published Training and Employment Guidance Letter (TEGL) 28-03: Common Measures Policy. This policy update discusses those changes that will occur on July 1, 2005 and will affect performance measure reporting for all participants beginning with Program Year 2005 (PY05).

Legislative/Regulatory References

- **WIA of 1998, Federal Regulations, Subpart A, Section 666:** State Measures of Performance
- **US DOL TEGL 7-99:** Core and Customer Satisfaction Performance Measures for the Workforce Investment System
- **US DOL TEGL 28-04:** Common Measures Policy

Background

The Common Measures Policy (TEGL 28-04) rescinds and replaces the common measures policy outlined in TEGL 15-03. Under the WIA, U.S. DOL, ETA has authority to administer job training and employment programs. This includes provisions requiring performance reporting from States and grantees.

The common measures are an integral part of ETA's performance accountability system. The U.S. DOL is implementing common measures in an effort to give programs the ability to describe, using common definitions and program requirements, the core purposes of the workforce system - how many people found jobs; how many people retained jobs, and whether their earnings increase.

The workforce investment system is also being transformed to a demand-driven system with strategic investments in workforce solutions that result in more individuals being trained for high-skill jobs in high-growth, high-demand industries. The performance accountability system, with common performance measures at its core, needs to be aligned with the specific demand-driven strategies identified both at the state and local levels.

Common measures are tied closely to WIA reauthorization, which has not occurred at this time. U.S. DOL ETA has stated its intent, in TEGL 28-04, to minimize the reporting burden on states and local areas by ensuring that statutory performance measures are consistent with the common measures. Thus, the common measures will be partially implemented, to the extent possible, under the current WIA requirements. The measures apply to WIA Title 1, WIA Title 3 and Trade Adjustment Act (TAA) programs.

This proposed policy addresses those common measures that will be implemented on July 1, 2005. Full implementation of the U.S. DOL Common Measures policy will be delayed until WIA reauthorization has occurred.

Policy

The Wisconsin Division of Workforce Solutions (DWS) will continue to report the 17 existing WIA Title 1 performance measures as required under the Act, subject to the following required changes as required under TEGL 28-04. DWS will also begin collecting and reporting the three All-Youth measures to establish a baseline for negotiations in Program Year 2006. TAA will begin reporting common measures on October 1, 2005, which is the beginning of the TAA program year. Wagner-Peyser (Title 3) will begin reporting common measures beginning July 1, 2005, in lieu of the existing labor exchange performance measures. Due to the application of new features for the labor exchange function, such as the concept of program exit, PY2005 will serve as a baseline year to capture information under the Federal common measures policy that will aid in negotiations in subsequent program years.

The performance measures affected by U.S. DOL TEGL 28-04 for each funding source are listed below.

Wagner Peyser - Effective July 1, 2005 (Adults and Veterans, age 18 and older)

1. **Entered Employment Rate:** The measure counts the number of adults who entered employment in the first quarter after exit.
2. **Employment Retention Rate:** All adults who exit WIA Title 3 on or after July 1, 2005 must be employed in the first quarter after exit to be included in this measure. They must then retain employment in both the second (2nd) and third (3rd) quarters after exit to be counted as a positive outcome in this measure.
3. **Earnings Increase:** The measure counts the number of adults who entered employment in the first quarter after exit and who retained employment in the third quarter after exit, and compares their pre-program and post-program earnings.

Trade Adjustment Act - Effective October 1, 2005 (Adults)

1. **Entered Employment Rate:** The measure counts the number of adults who entered employment in the first quarter after exit.
2. **Employment Retention Rate:** All adults who exit TAA on or after October 1, 2005 must be employed in the first quarter after exit to be included in this measure. They must then retain employment in both the second (2nd) and third (3rd) quarters after exit to be counted as a positive outcome in this measure.
3. **Earnings Increase:** The measure counts the number of adults who entered employment in the first quarter after exit and who retained employment in the third quarter after exit, and compares their pre-program and post-program earnings.

WIA Title 1 (Adults, Dislocated Workers, Older and Younger Youth)

Adult Measures

1. Entered Employment Rate: No change is required. The measure counts the number of adults who entered employment in the first quarter after exit.
2. Employment Retention Rate: This measure changes in PY05. All adults who exit WIA Title 1 on or after July 1, 2005 must be employed in the first quarter after exit to be included in this measure. They must then retain employment in both the second (2nd) and third (3rd) quarters after exit to be counted as a positive outcome in this measure.
3. 6 Months Earnings Change: No change is required. The measure counts the number of adults who entered employment in the first quarter after exit and who retained employment in the third quarter after exit, and compares their pre-program and post-program earnings.
4. Employment and Credential Attainment Rate: No change is required. The measure counts the number of adults who received training services, entered employment in the first (1st) quarter after exit, and earned a credential by the end of the third (3rd) quarter after exit. The current credential policy (WIA Policy Update 04-13) will continue to apply to this measure.

Dislocated Worker Measures

1. Entered Employment Rate: No change is required. The measure counts the number of dislocated workers who entered employment in the first quarter after exit. The definition of "unemployed", as it applies to dislocated workers, remains the same.
2. Employment Retention Rate: This measure changes in PY05. All dislocated workers who exit WIA Title 1 on or after July 1, 2005 must be employed in the first quarter after exit to be included in this measure. They must retain employment in both the second (2nd) and third (3rd) quarters after exit to be counted as a positive outcome in this measure.
3. 6 Months Earnings Change: This measure changes from an earnings replacement rate to an earnings change measure in PY05. The measure is computed the same way the Adult 6 Months Earnings Change measure is calculated.
4. Employment and Credential Attainment Rate: No change is required. The measure counts the number of dislocated workers who received training services, entered employment in the first (1st) quarter after exit, and earned a credential by the end of the third (3rd) quarter after exit. The current credential policy (WIA Policy Update 04-13) will continue to apply to this measure.

Older Youth Measures (Age 19 - 21)

1. Entered Employment Rate: No change required. The measure counts the number of older youth who entered employment in the first quarter after exit.
2. Employment Retention Rate: No change required. The measure counts the number of older youth who entered employment in the first quarter after exit and retained employment in the third quarter after exit.
3. 6 Months Earnings Change: No change is required. The measure counts the number of older youth who entered employment in the first quarter after exit and who retained employment in the third quarter after exit, and compares their pre-program and post-program earnings.

4. **Credential Attainment Rate:** No change is required. The measure counts the number of older youth who are employed, in post-secondary education, or advanced training in the first quarter after exit; and received a credential by the end of the third (3rd) quarter after exit. The current credential policy (WIA Policy Update 04-13) will continue to apply to this measure.

Younger Youth Measures (Age 14 - 18)

1. **Skill Attainment Rate:** No change required. The measure counts the number of basic skills, work readiness and occupational skills goals attained by younger youth. A maximum of 3 goals per program year is counted.
2. **Diploma or Equivalent Attainment Rate:** No change required. The measure counts the number of youth who earned a high school diploma, or its equivalent, by the end of the first quarter after exit.
3. **Retention Rate:** No change required. The measure counts the number of younger youth who are in post-secondary education, advanced training, employment, military service, or a qualified apprenticeship in the third quarter after exit.

All-Youth Measures (Age 14 - 21)

U.S. DOL requires states to begin reporting performance outcomes for the youth common measures (All-Youth Measures) in PY05 to establish the baseline from which PY06 performance measure negotiations will begin. The measures are:

1. **Placement in Employment or Education:** The measure counts the number of youth who are in employment; the military; post-secondary education; and/or advanced training or occupational skills training in the first quarter after exit. The measure includes youth who remain in secondary school at exit. This measure also includes carry-ins from PY04.
2. **Attainment of a Degree or Certificate:** The measure counts the number of youth who attain a diploma, GED or certificate by the end of the third quarter after exit. The measure includes youth who remain in secondary school at exit. This measure also includes carry-ins from PY04.
3. **Literacy and Numeracy Gains:** The measure counts the number of youth who increase one or more educational functioning levels during a year of participation in the program. The measure counts only out-of-school youth who are basic skills deficient at the time of participation. Testing instruments are prescribed in Attachment D of TEGL 28-04. Alternative testing tools must be submitted by the DWS to the U.S. DOL for Federal review and approval. This measure applies only to youth who enter WIA Title 1 programs on or after July 1, 2005. Staff are not required to go back and test out-of-school, basic skills deficient youth who were already participants prior to July 1, 2005.

Definition Changes

Effective July 1, 2005, there are changes to a number of definitions that affect the point in time that an individual gets counted in a performance measure.

1. **Date of Participation:** Participation begins when the individual has been found eligible and receives the first staff-assisted service funded by the program. Staff-assisted services are labeled as such in ASSET and are defined in current U.S. DOL TEGL 7-99, which still applies where appropriate. Once a case manager enters an actual start date for this staff-assisted service, the individual becomes a "participant" and will be counted in applicable performance measures.

Changing actual start dates for services, once entered in ASSET, will not be permitted without compelling justification from the case manager and program staff. Case managers must not enter actual start dates for services until they are certain the individual has begun receiving the service(s).

2. **Participant:** An individual who is determined eligible to participate in the program and receives a staff-assisted service funded by the program in a physical location (e.g., a One-Stop career center). Individuals who receive only self- or informational services are not participants and will not be counted in the performance measures. A youth who participates in Design Framework activities, but receives no other services is not a participant and will not be counted in the performance measures.
3. **Program Exit:** TEGL 28-04 states that "program exit means a participant does not receive a service funded by the program or funded by a partner program for 90 consecutive calendar days and is not scheduled for future services." This language combines the "hard" and "soft" exits described in TEGL 7-99. Case managers will still be permitted to exit a participant when services are ended. The soft exit functionality that is currently in place in ASSET, as it applies to WIA Title 1, will be applied to WIA Title 3 and TAA. Case managers must review the soft exit warning lists and update services as necessary to prevent soft exits if they are still providing services other than self- or informational services.
4. **Planned Gap in Service:** A planned gap in service must be fully documented and may be reported to prevent a soft exit if the gap is greater than 90 days and occurs because of one of the following circumstances:
 - Delay before the beginning of training.
 - Health/medical condition or providing care for a family member with a health/medical condition.
 - Temporary move from the area that prevents the individual from participating in services.
5. **Exclusions from Performance Measures:** The "common exclusions" definition has been expanded and redefined. Any participant who exits on or after July 1, 2005 and is found to be in one of the circumstances listed below at exit or during the three quarters after exit, will be excluded from all performance measures. This includes exclusion from measures in which the participant may have had a positive outcome prior to the exclusionary condition occurring. The allowable exclusions are:
 - **Institutionalized:** The participant is residing in an institution or facility providing 24-hour support, such as a prison or hospital, and is expected to remain in that institution for at least 90 days. Individuals with disabilities (as defined in 29 CFR 37.4) residing in institutions, nursing homes or other residential environments cannot be excluded under this reason. This reason does not apply to the Responsible Reintegration of Youthful Offenders program.
 - **Health/Medical or Family Care:** The participant is receiving medical treatment or providing care to a family member that precludes entry into unsubsidized employment or continued participation in the program. This does not include temporary conditions or situations expected to last for less than 90 days.
 - **Deceased:** Self-explanatory.
 - **Reservists Called to Active Duty:** The participant is a reservist who is called to active duty for at least 90 days.
 - **Relocated to a Mandated Residential Program:** For youth participants only, the participant is in the foster care system or any other mandated residential program and has moved from the area as part of such a program.

Grantees and local boards must fully document any reason that excludes the participant from common measures calculations.

6. **Diploma:** Any credential that the state education agency accepts as equivalent to a high school diploma.
7. **Certificate (youth common measure only):** A certificate is awarded in recognition of an individual's attainment of measurable technical or occupational skills necessary to gain employment within an occupation. These technical or occupational skills are based on standards developed and endorsed by employers. Certificates awarded by workforce investment boards or awarded in recognition of the attainment of only generic pre-employment or work readiness skills are not included in this definition. A certificate is awarded in recognition of an individual's attainment of technical or occupational skills by:
 - Any service provider listed on the DWD Eligible Training Provider List.
 - A state educational agency, or a state agency responsible for administering vocational and technical education within a state. (*In Wisconsin, this is the Department of Public Instruction or the WI Vocational and Technical Adult Education system.*)
 - An institution of higher education described in Section 102 of the Higher Education Act (20 USC 1002) that is qualified to participate in the student financial assistance programs authorized by Title IV of that Act. This includes community colleges, proprietary schools, and all other institutions of higher education that are eligible to participate in Federal student financial aid programs.
 - A professional, industry or employer organization (e.g., National Institute for Automotive Service Excellence certification, National Institute for Metalworking Skills, Inc., Machining Level I credential) or a product manufacturer or developer (e.g., Microsoft Certified Database Administrator, Certified Novell Engineer, Sun Certified Java Programmer) using a valid and reliable assessment of an individual's knowledge, skills and abilities.
 - A registered apprenticeship program.
 - A public regulatory agency, upon an individual's fulfillment of educational, work experience, or skill requirements that are legally necessary for an individual to use an occupation or professional title or to practice an occupation or profession (e.g., FAA aviation mechanic certification, state certified asbestos inspector).
 - A program that has been approved by the Department of Veterans Affairs to offer education and training to veterans and other eligible persons under provisions of the *Montgomery GI Bill*.
 - Office of Job Corps.
 - Institutions of higher education which are formally controlled, or have been formally sanctioned, or chartered, by the governing body of an Indian tribe or tribes.
8. **Education Gain (youth literacy and numeracy measure):** At post-test, the participant completes or advances one or more educational functioning levels from the starting level measured on entry into the program (pre-test). TEGL 28-04 includes discussions on the testing standards and assessing youth with disabilities. Additional guidance on these topics will be issued in DWS Youth Program policy.

ASSET Reporting

The changes that must be made to ASSET are minimal for WIA Title 1 and TAA, with the exception of the youth pre- and post-testing requirements for basic skills deficient, out-of-school youth. Most of the changes will involve adding or removing categories to dropdown menus.

Specific directions for reporting will be provided in the Performance Measure Technical Assistance Guides and the Performance Measure Map. These guides will be available in either draft or final form on or shortly before July 1, 2005.

The screens for reporting the All-Youth Literacy and Numeracy Gain measure likely will not be available on July 1, 2005. It will be available by August 1 at the very latest. Case managers should retain the test information, including the test that was used, the raw scores, and the testing date for entry into ASSET, once the screens are available. Additional instruction will be provided when the ASSET screens are revised and uploaded into the reporting system.

Action Required

This policy addresses the highlights associated with common measures transition and implementation and is effective on July 1, 2005. Questions about this policy should be submitted to Nancy Bryan at the address above, or you can e-mail them to her at nancy.bryan@dwd.state.wi.us.