



WIOA Performance Accountability

Journey into the Great Unknown



Since Last We Met . . .

- 2015 Workforce Forum
 - WIOA: What We Know, Don't Know, & Keeps Us Up at Night:
https://intra.twc.state.tx.us/intranet/plan/docs/dev_wioa_performance.zip
 - Big Changes, Even for Texas
 - Big Opportunities Too but Not Without Complications
- 2016 Workforce Forum
 - Still Know Some Stuff But . . .
 - Maybe We Didn't Know What We Thought We Knew
 - Maybe Changes will be Bigger than We Thought
 - Maybe Fewer Opportunities and More Complications
 - Likely Harder to Implement Than Expected



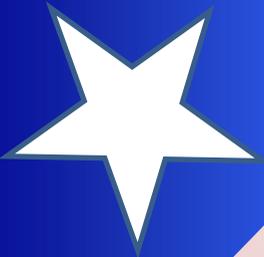
Regulations

- Draft Regulations Required by April 2015
- 5 Notices of Proposed Rule-Making Issued April 2015
 - Over 2400 Pages
- Nearly 2900 sets of comments submitted
 - TWC submitted 5 sets with 70+ pages of detailed comments
 - DARS also submitted comments
- Final Regulations Required by January 2016
- Final Regulations Issued . . . June 2016?



First Key Accountability Question

- Who is a Participant?
 - NPRM excluded Self-Service Only (SSO)
 - TWC argued to include all committed Job Seekers, even SSO
 - % SSO Increased nationally from 29.5% to 40.4% PY12-PY13
 - 29% of SSO in PY12 were Staff-Assisted in a prior Period of Participation (POP)
 - Younger People Tend to be SSO
- Why Important?
 - Accountability for Participant Outcomes
 - Required to collect ALL WIOA-defined Barriers to Employment
 - Displaced Homemaker, Low Income, Long Term Unemployed, Single Parents
 - Individuals who are Homeless, Ex-Offenders, Older, current/former Foster Youth, Basic Skills Deficient, MSFW, English Language Learners
 - Those with disabilities, within 2 years of exhausting lifetime TANF eligibility, or facing Substantial Cultural barriers
 - Certain minorities



2nd Key Accountability Question

- How does Exit Work?
 - NPRM proposed 90 Days without Staff-Assistance Vocational Rehabilitation Services (VR) File Closure
 - Self-Service would not Extend Participation
- Why Important?
 - Exit triggers most Accountability Measures
 - Common POPs?
 - WIOA envisions coordinated services across programs
 - Pre-WIOA TWC used Common POPs across most programs
 - All but Adult Education & Literacy (AEL)
 - TWC envisioned using Common POPs across Workforce, AEL, and VR
 - Doesn't matter which program provides first or last service
 - Exit for those in VR would not occur prior to file closure



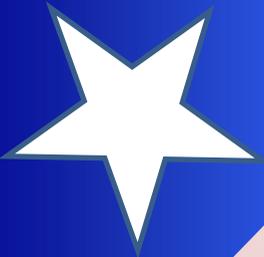
Joint Performance/Reporting Specs

- WIOA 116(d): The Secretaries shall develop a template for performance reports by July 2015
 - Requirement is for Joint Guidance/Specs/Reports
- DRAFT Joint Specs issued July 2015
 - List of Data Elements to be Captured/Reported
 - Program and Eligible Training Provider (ETP) Report Templates
 - Formulae for combining Elements to get Performance
- Specs Incomplete, contained inconsistencies/errors
- Draft out for 60 Day Comment Period
 - 112 sets of comments submitted
 - TWC submitted 49 pages of comments
- Next Steps
 - Comments Answered & 2nd Draft published for comment
 - Comments responded to and final specs issued



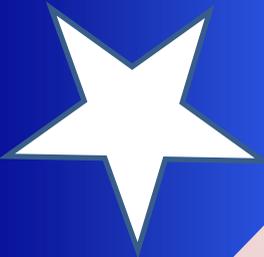
Department of Labor Specs

- Department of Labor (DOL) issued draft September 2015
 - LONGER List of Data Elements to be Captured/Reported
 - Joint Elements included by references
 - Quarterly Report Template
- Draft out for 60 Day Comment Period
 - 68 sets of comments submitted
 - TWC submitted 7 pages of comments
- Next Steps
 - Comments Answered & 2nd Draft published for comment
 - Comments responded to and final specs issued



Vocational Rehab & Adult Ed Specs

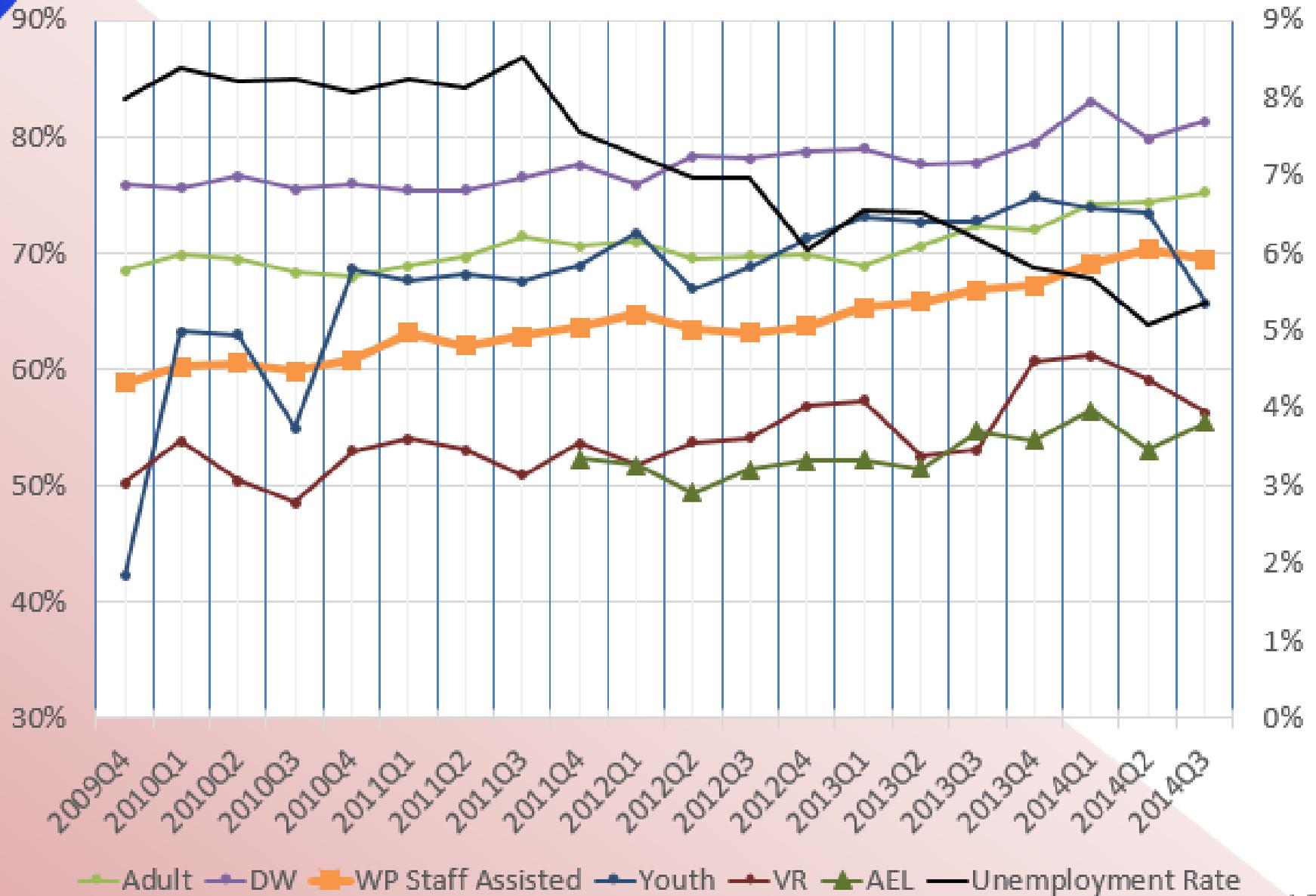
- Rehabilitation Services Administration (RSA)
 - Issued Draft Program Reporting Specs April 2015
 - Didn't Include any Joint Performance Elements
 - Next Steps
 - Comments Answered & 2nd Draft published for comment
 - Comments responded to and final specs issued
- Office of Career & Technical Adult Education (OCTAE)
 - Hasn't issued new Reporting Specs
 - Doesn't plan on capturing individual student records
 - Next Steps
 - No Idea – Some kind of guidance to come out but not sure if there will be opportunity to comment



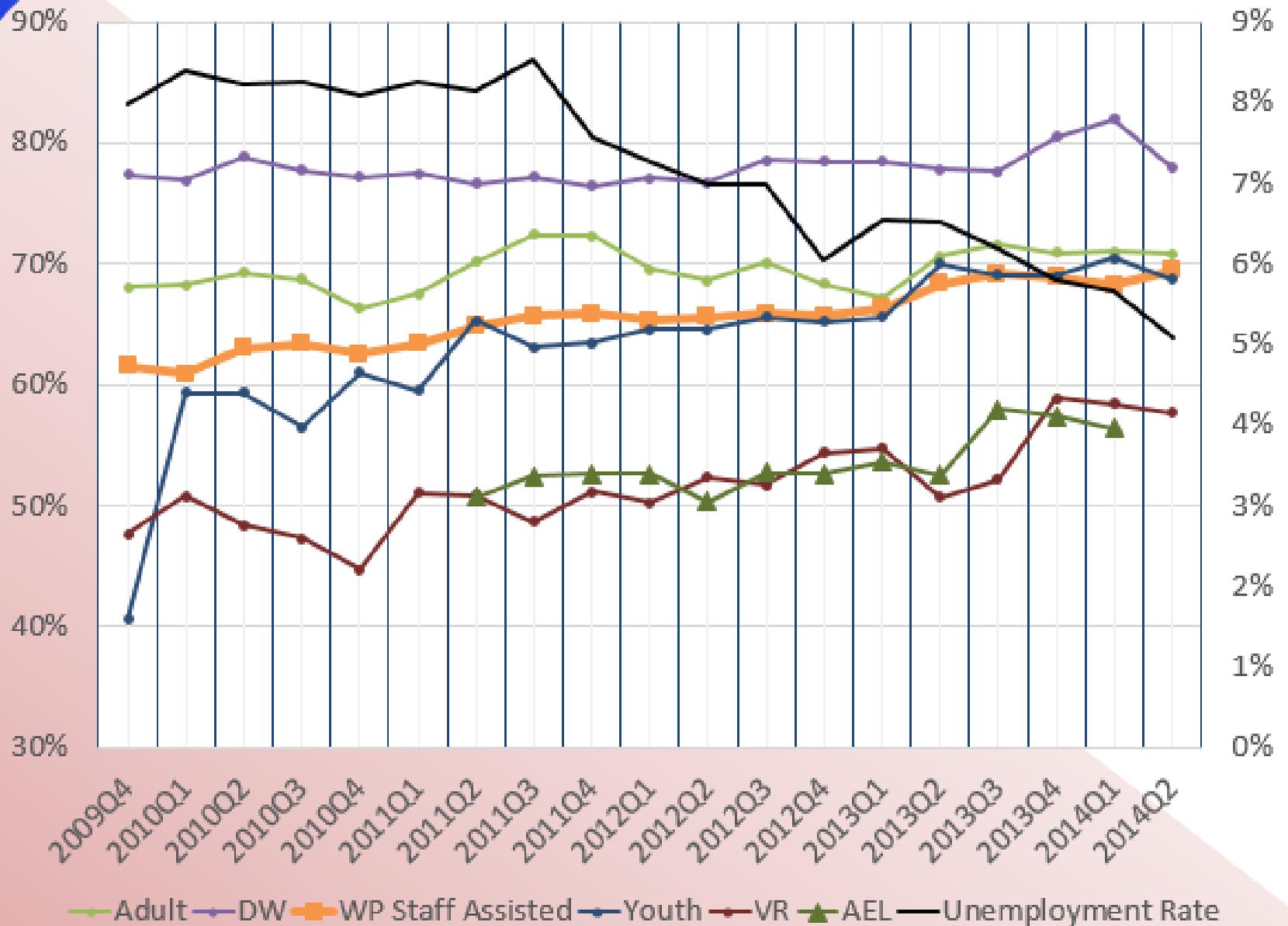
New WIOA Measures

- WIOA has New Common Measures
 - Employed 2nd Qtr Post-Exit (all Exiters)
 - Youth Also Counts Enrolled in Education
 - Employed 4th Qtr Post-Exit (all Exiters)
 - Youth Also Counts Enrolled in Education
 - Median Earnings 2nd Qtr Post-Exit
 - Credential within 1 Year
 - Measureable Skills Gain
 - “Effectiveness of Service To Employers”
- Missed Opportunity to Promote Career Pathways
 - Youths in Post-Secondary Education = Success
 - Non-Youths in Post-Secondary Education ≠ Success

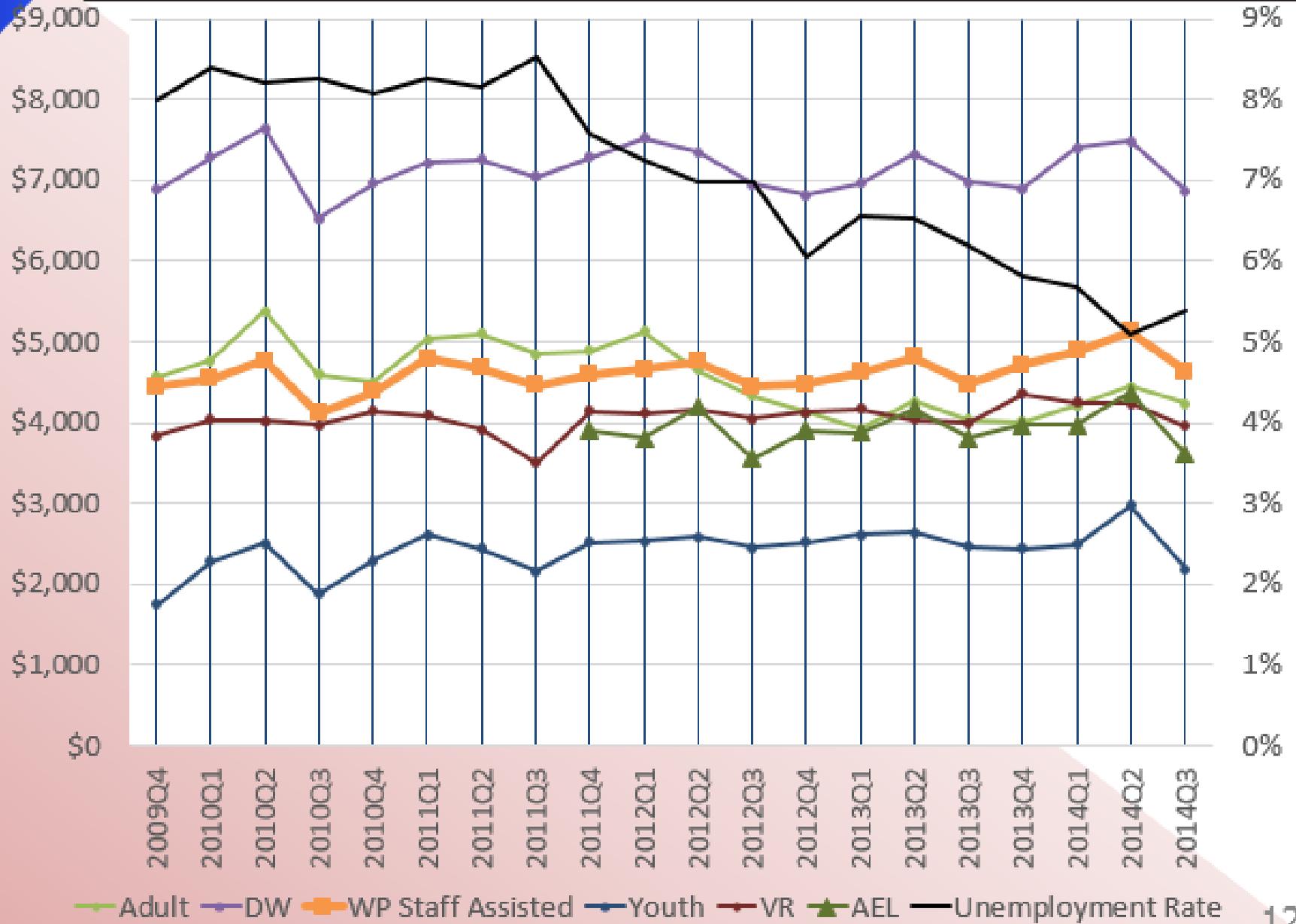
Employed Q2 Post-Exit



Employed Q4 Post-Exit



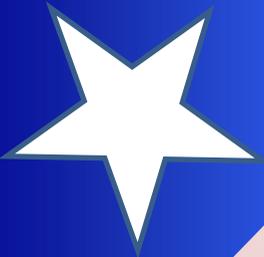
Median Earnings Q2 Post-Exit





Key WIOA Measure Questions

- Median Earnings in 2nd Qtr Post-Exit
 - Count ALL Exiters or just those Employed?
 - Pre-WIOA Average Earnings only included those who were Employed
 - Supplemental Records of Earnings?
 - Pre-WIOA only used UI Wages or Federal Employment Records
 - What about Self-Employed?
 - What about Data Integrity?
- Who is in the Credential Rate Denominator?
 - All those in Training?
 - Just those in Training Intended to Result in Recognized Credential?
- Effectiveness Serving Employers?
 - Several Ideas Floated, none really “Proposed”
 - To be Defined by 6/30/2016



Key WIOA Measure Questions (continued)

- How does Measureable Skills Gain Work?
 - Regulations proposed 6 Ways to achieve a Gain
 - How to measure for non-academic training?
 - When does a Person Go in the Denominator?

PY Quarter	# of New Participants	% with Gain
PY14Q1	33,761	60.87%
PY14Q2	13,387	47.64%
PY14Q3	20,983	49.62%
PY14Q4	9,606	35.20%



Key WIOA Measure Questions (continued)

- What are the Performance Periods for the New Measures?
 - Draft Regulations & Reporting Specs Silent
- Federal Measures appear to only apply to those served on or after 7/1/2016
 - What does that mean for those who Exit “this year” and would normally be reported “next year”?
 - Without WIOA, PY16 Entered Employment would include those Exiting 10/1/2015 to 9/30/2016
 - With WIOA, PY16 Employed Q2 Post Exit may be just 7/1/2016 to 9/30/2016
 - Is there accountability under old measures for those Exiting prior to 7/1/2016?
 - Maybe not under federal measures, but probably under state measures



State Common Measures

- TWC doesn't just report to DOL/RSA/OCTAE
 - Texas Workforce Investment Council (TWIC)
 - Texas Legislature / Governor / Legislative Budget Board
- TWIC Measures
 - Participants Served
 - Employed OR Enrolled in Education
 - 2nd Quarter Post-Exit (like WIOA)
 - 2nd – 4th Quarters Post-Exit (like the old Retention)
 - Credential Rate
 - TWC wants to include Self-Serve Only Job Seekers
- Legislature / Governor / LBB Measures
 - Unknown at this Point, but will Probably follow TWIC
 - May include others like Measureable Skills Gain



Implementation Dates?

- Federal Changes – 7/1/2016 (next year)
 - State Plan Guidance identified which measures would have targets in next 2 years
 - Others will be “benchmarked”
 - Title I (Adult/Dislocated Worker – DW/Youth) Benchmarks
 - Measureable Skills Gain and Effectiveness Serving Employers
 - Title II (AEL) Benchmarks
 - All but Measureable Skills Gains
 - Title III (Wagner-Peyser) Benchmarks
 - Effectiveness Serving Employers
 - Title IV (VR) Benchmarks
 - EVERYTHING
- TWIC Changes – Current Year
- Other State Changes – 2 Years from Now



Implementation

- What does this mean for Board, Grantee, and State Operated Programs?
 - Which Measures Get Contracted?
 - Federal? TWIC? Other State Measures?
- WIOA Requires Federal Common Measures to be contracted for Adult, DW, & Youth
 - If TWC is unable to get a Waiver, there will be at least 16 Board-contracted Federal Common Measures
 - 15 Job Seeker Measures
 - 1 or more Effectiveness Serving Employers measures reported across the funding streams



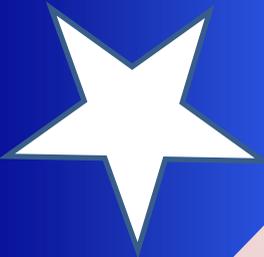
State Negotiations

- Negotiating Targets for 2 Years
 - 2nd year will likely focus on Improvement
- Negotiations Must Consider
 - Government Performance & Results Act National Targets
 - Targets of Other States
 - Continuous Improvement & Return on Investment (ROI)
 - ROI? How will that be measured?
 - Statistical Adjustment Model
 - Economic & Demographic Factors
- Data outside of Statistical Model?
- Automatic Target Adjustments at End of Year
 - Must reflect actual Economic Conditions & Participant Characteristics



Statistical Adjustment Models

- HUGE Challenges
- Historic DOL Models were limited
 - WIA Only
 - Unemployment Rate is only Economic Variable
- DOL has limited Wagner-Peyser Customer Data
- RSA has limited VR data (no wage records)
- OCTAE has NO AEL Customer Data (summary only)
- Limited/Lack of Data required “Benchmarking”
- DOL’s preliminary Model Work Promising



Local Board Negotiations

- Negotiations Must Consider
 - State Targets
 - Local Economic & Participant Characteristics via Statistical Adjustment Model
- Where's Continuous Improvement & ROI?
 - Not listed, but essentially included by proxy via consideration of State Targets (which include such consideration)
- Nothing about Negotiating Targets for 2 Years
- **Also Has Automatic Target Adjustments at End of Year**
 - Must reflect actual Economic Conditions & Participant Characteristics (Via the Statistical Model Only?)



Consequences of Failure

- State
 - TA & Performance Improvement Plan for 1st Year Failure
 - Reduction in Governor's Reserve for 2nd Year Failure
- Local Board
 - TA & Performance Improvement Plan
 - 3rd Year Failure requires Reorg Plan including:
 - Appointment/Certification of new Local Board
 - Prohibition of use of eligible providers and one-stop partners with poor performance
 - Other significant action as the Governor determines appropriate
- Proposed Definition of Failure is KEY
 - <50% of Target on single measure
 - <90% of Target on Average for all Measures in a Program
 - <90% of Target on Average for all Programs in a Measure



More Reporting

- Annual Report
 - Includes 4 Years of Data
 - Data broken out by all kinds of demographic groupings
 - Average Cost
 - By level of Service?
 - Reported at a Customer Level?
 - Administrative Cost Data – Including at Local Level
- ETP Annual Report
 - Much the same as above, but only includes 3 Employment Outcome & Credential Rate Measures
 - Reported for each Program of Study
 - Includes all students, not just those funded by WF system
 - Do they report to DOL? Do they report student data to us to calculate and report?



What We Learn over Next 3 Months

- Who is a WF Participant
- When Participants Exit
- Whether we can use Common Periods of Participation
- Whether Median Earnings will include all Exiters or whether Supplemental Records of Earnings will be allowable
- Who is in the Credential Rate Denominator
- Whether Measureable Skills Gain will provide a reasonable opportunity to achieve gain before reported
- What the Performance Periods Are
- How we will Reconcile State and Federal reporting differences
- Which Measures will be Formally Contracted for Boards & Grantees
- What Data will be Required to be Captured & Reported for Participants