To: Local Workforce Development Board Executive Directors Commission Executive Offices Integrated Service Area Managers

From: Courtney Arbour, Director, Workforce Development Division

Subject: Workforce Innovation and Opportunity Act Performance Outcomes: Measurable Skill Gains—Update

PURPOSE:
The purpose of this WD Letter is to provide Local Workforce Development Boards (Boards) with information and guidance on Workforce Innovation and Opportunity Act (WIOA) Performance Outcomes, specifically Measurable Skill Gains (MSGs) for WIOA core programs and the Trade Adjustment Assistance (TAA) program. This WD Letter and its attachment:

- define MSGs as they relate to WIOA and TAA performance accountability;
- describe how to document progress for MSGs; and
- provide guidance on new The Workforce Information System of Texas (TWIST) data fields related to MSGs.

RESCISSIONS:
WD Letter 09-19

BACKGROUND:
WIOA §116 establishes performance accountability indicators and performance reporting requirements to assess the effectiveness of states and local workforce development areas in achieving positive outcomes for individuals served by the workforce development system’s six core programs. MSGs measure the outcomes of WIOA program participants in education or training programs that lead to a recognized postsecondary credential or employment or a secondary diploma or equivalent. Specifically, the MSG indicator is used to measure the interim progress of participants who are enrolled in education or training services during a program year.

The reauthorization of the TAA program through the Trade Adjustment Assistance Reauthorization Act (TAARA) of 2015, Title IV of the Trade Preferences Extension Act
of 2015 (Pub. L. No. 114-27), aligns many of the same performance accountability indicators for the TAA program by specifying many of the same performance indicators as specified for WIOA core programs (19 USC 2311(j)(2)(A)(i)). Therefore, the TAA program is aligned with the requirements and definitions in this guidance.

Requirements related to the implementation and operation of the performance accountability system are described under WIOA §116, including implementing joint regulations in 20 CFR Part 677 (and reprinted in 34 CFR Parts 361 and 463). Training and Employment Guidance Letter (TEGL) No. 10-16, Change 1, titled “Performance Accountability Guidance for Workforce Innovation and Opportunity Act (WIOA) Title I, Title II, Title III, and Title IV Core Programs,” issued by the US Department of Labor (DOL), provides guidance on these federal regulations and the reporting instructions in the ETA 9172 Participant Individual Record Layout (PIRL) form and the ETA 9169 WIOA Statewide Report Template and Report Specifications form.

PROCEDURES:

No Local Flexibility (NLF): This rating indicates that Boards must comply with the federal and state laws, rules, policies, and required procedures set forth in this WD Letter and have no local flexibility in determining whether and/or how to comply. All information with an NLF rating is indicated by “must” or “shall.”

Local Flexibility (LF): This rating indicates that Boards have local flexibility in determining whether and/or how to implement guidance or recommended practices set forth in this WD Letter. All information with an LF rating is indicated by “may” or “recommend.”

NLF:
Boards must ensure that Workforce Solutions Office staff, in accordance with this WD Letter and its attachments:

- records in TWIST all MSGs that participants achieve during a program year in which they were education or training participants, even those MSGs that occur after the education or training ends (or even after exit), as long as the MSG is achieved before the end of the program year; and
- includes appropriate documentation in TWIST Counselor Notes and case files.

NLF:
Boards must be aware that all participants in education or training programs that lead to recognized postsecondary credentials or employment or a secondary diploma or equivalent are counted in the denominator for that program year, unless the participant qualifies for an exclusion. This includes participants who exit during a program year as well as those who continue to receive services. Training or education programs are defined by each core program. The following participants are included in the denominator for this measure:

- **Title I Adult and Dislocated Worker**—all participants in Title I Adult or Dislocated Worker–funded training, including work-based training and training leading to secondary school equivalency. Individuals who are enrolled in an education program at the Date of Participation or during participation but have no other training or are not being funded by the program for the education or for services to support the education are not included in this category.
• **Title I Youth**—All in-school youth. Out-of-school youth are included only if one of the following applies during participation in the Youth program:
  - Occupational-skills training program element
  - Secondary education
  - Postsecondary education
  - Title II–funded adult education concurrent with the Youth program
  - YouthBuild program participation concurrent with the Youth program
  - Job Corps program participation concurrent with the Youth program

• **Title II Adult Education and Family Literacy Act**—all participants

• **Title IV Vocational Rehabilitation**—all participants enrolled in education programs or training that leads to secondary or recognized postsecondary credentials or employment, identified by their Individualized Employment Plan.

• **Trade Adjustment Assistance**—all individuals who received benefits under TAA (including Trade Readjustment Allowances benefits) and who, during a year while receiving such benefits, are in an education or training program that leads to a recognized postsecondary credential or employment.

**NLF:** Boards must be aware that participants are included in the MSG numerator for any program year in which both of the following occurred during that program year:
  - The participant was in education or training.
  - The participant achieved an MSG.

If an MSG is achieved after exit, the participant is still included in the MSG numerator for that program year if the education or training, exit, and MSG all occurred during that same program year.

**NLF:** Boards must be aware that MSGs for participants who are coenrolled in both Title I WIOA programs and Title II Adult Education and Literacy (AEL) activities may be earned by both the Board and the AEL grant recipient. However, the education or training activity and the MSG must be entered into both TWIST and TEAMS.

**NLF:** Boards must be aware of and ensure the following:
  - An MSG is a measure of the documented progress (academic, technical, occupational, or other) that a participant in a training or education program makes toward obtaining a recognized postsecondary credential, secondary diploma or equivalent, or reaching employment-related performance indicators.
  - An MSG measures interim progress. Therefore, it is different from other WIOA measures in that it is not an exit-based measure. Since is not exit-based, each unique period of participation (POP) triggers inclusion in the performance calculation. Participants who continue to receive services as well as those who exited during the reporting period are included in the measure.
  - An MSG may be counted as soon as it is earned at any point during a program year. Because MSGs are a progress measure, once an MSG is earned, it is a positive gain that cannot be unearned by further performance during the program year. Although only the most recent MSG is used for performance outcomes, Boards must ensure that Workforce Solutions Office staff records all MSGs achieved during a program year to
ensure that a full accounting of gains is reported to DOL, Congress, and other stakeholders.

**NLF:** Boards must identify the appropriate method of demonstrating an MSG for each participant when working with the participant on the education or training plan. The five categories of MSGs are as follows:

- Educational Functioning Level (EFL) gain
- Attainment of secondary school diploma or its recognized equivalent
- Report card or transcript showing satisfactory progress
- Training milestone through a satisfactory or better progress report
- Skills progression through successful passage of an exam

**NLF:** Boards must be aware that:

- the Common Measures Youth Literacy-Numeracy Gains measure is no longer active; and
- while EFL gains are primarily demonstrated through pretesting and posttesting, posttesting is not required for Youth program participants.

**NLF:** When pretesting and posttesting are used to demonstrate EFL gains, Boards must use the following National Reporting System (NRS)–approved tests that have also been approved by TWC’s AEL program. These NRS-approved tests and their scoring systems are included in *Test Benchmarks for NRS Educational Functioning Levels*, available at [https://nrsweb.org/training-ta/tta-tools/assessment](https://nrsweb.org/training-ta/tta-tools/assessment):

- Adult Basic Education
  - TABE 11/12
  - CASAS Reading GOALS
  - CASAS Math GOALS
- English as a Second Language
  - CASAS Life & Work Reading
  - CASAS Life & Work Listening
  - BEST Plus 2.0
  - BEST Literacy
  - TABE CLAS-E

**LF:** Boards may contact the local AEL program for information on bulk purchase orders of NRS-approved tests for use in AEL and Board programs, as well as information on test administration training opportunities that may be available. Boards may find contact information for the local AEL program by searching for the grant recipient on the AEL provider directory search page at [https://tcall.tamu.edu/search.aspx](https://tcall.tamu.edu/search.aspx).

**NLF:** Boards must be aware that MSG requirements for the Adult Education and Literacy (AEL) program, including data reporting requirements specific to AEL, can be found in the AEL Assessment Guide, the AEL Guide, and AEL Letter 01-18, Change 1, issued September 7, 2018, and entitled “Educational Outcomes for Adult Education and Literacy—Update,” and subsequent issuances. Boards that are also AEL grant recipients
must adhere to all AEL policy and guidance for the AEL program when reporting performance for the AEL program.

**LF:** For additional information on NRS-approved tests, including test publishers, see the Texas Adult Education and Literacy Assessment Guide at [https://twc.texas.gov/files/partners/texas-ael-assessment-guide-twc.pdf](https://twc.texas.gov/files/partners/texas-ael-assessment-guide-twc.pdf).

**NLF:** Boards must ensure that appropriate staff follows the guidance provided in Attachment 1 to this WD Letter on the types of MSGs, on documentation requirements, and on correct TWIST data entry.

**LF:** Boards may retroactively enter MSGs into TWIST for participants in education or training at any time starting July 1, 2017.

**INQUIRIES:**
Send inquiries regarding this WD Letter to wfpolicy.clarifications@twc.state.tx.us.

**ATTACHMENTS:**
Attachment 1: Types and Documentation of Measurable Skill Gains
Attachment 2: Revisions to WD Letter 09-19, Shown in Track Changes

**REFERENCES:**
Workforce Innovation and Opportunity Act of 2014, §116, Performance Accountability System
Adult Education and Family Literacy Act
20 CFR Part 677 (and reprinted in 34 CFR Parts 361 and 463)
US Department of Labor Employment and Training Administration, Training and Employment Guidance Letter No. 10-16, Change 1, issued August 23, 2017, and titled “Performance Accountability Guidance for Workforce Innovation and Opportunity Act (WIOA) Title I, Title II, Title III, and Title IV Core Programs”
WorkforceGPS—Measurable Skill Gains E-Learning Module
TWIST Release 6.3—WIOA Implementation Changes to Performance Outcomes
AEL Letter 01-18, Change 1, issued September 7, 2018, and titled “Educational Outcomes for Adult Education and Literacy—Update”
Texas Adult Education and Literacy Assessment Guide