



Levels of Performance:

Purpose and Process

Objectives

- To understand why and when States must submit **expected** levels of performance
- To understand how States must reach agreement for **negotiated** levels of performance
- To understand the factors for negotiation
- To understand the how the levels of performance are **adjusted** at the end of the year and what variables are included in the statistical adjustment model
- To understand the impact of failing to meet the levels of performance

Process Overview

Why - WIOA requires States to submit **expected** levels of performance in their State Plan.

Who - The six core programs must submit **expected** levels of performance into Appendix I of the State Plan.

When - New **expected** levels of performance will be submitted in Spring 2018 for PY 2018-19 and PY 2019-20 as part of the State Plan modification process.

States will negotiate with their respective federal agency to reach agreement on the **negotiated** levels of performance. Final approval for AEFLA occurs at the approval of the State Plan.

Which Programs Must Submit Performance Levels?

- (I) the youth program (title I)
- (II) the adult program (title I)
- (III) the dislocated worker program (title I)
- ***(IV) the program of adult education and literacy activities (AEFLA) (title II)***
- (V) the employment services program (title III), and
- *(VI) the vocational rehabilitation program (title IV)*

How are Negotiated Levels Established?

States must reach agreement with the Secretaries of Labor and Education based on the following factors:

1. How the levels compare to other states
2. Application of *Statistical Adjustment Model*
3. How levels promote continuous improvement
4. Extent to which the levels assist State in meeting GPRA targets

What is an Adjustment Model?

- Objective statistical process to adjust levels of performance for differences in individual State economic conditions and characteristics of participants served in a core program
- Adjustment is applied during negotiation of levels as one of four factors
- Adjustment is applied again at end of program year to adjust according to actual economic conditions and participant characteristics
- Guidance will be issued

Statistical Adjustment Model Elements

- **Differences among States in actual economic conditions**, including but not limited to unemployment rates and job losses or gains in particular industries; and
- **The characteristics of participants**, including but not limited to:
 - (i) Indicators of poor work history;
 - (ii) Lack of work experience;
 - (iii) Lack of educational or occupational skills attainment;
 - (iv) Dislocation from high-wage and high-benefit employment;
 - (v) Low levels of literacy;
 - (vi) Low levels of English proficiency;
 - (vii) Disability status;
 - (viii) Homelessness;
 - (ix) Ex-offender status; and
 - (x) Welfare dependency.

Statistical Adjustment Model Use

- We are required to apply the model in reaching the negotiated levels (in State Plan submission).
- We are required to apply the model again based on the actual element data at the end of the year to reach the "adjusted" level of performance.

What is the Government Performance and Results Act of 1993 (GPRA)?

- Used to improve congressional decision making by providing more objective information on achieving statutory objectives, and on the relative effectiveness and efficiency of Federal programs and spending
- Each federal core program establishes GPRA targets based on WIOA performance indicators
- States required to demonstrate how its levels help federal office meet its GPRA targets

Levels of Performance Negotiation

2018-19 and 2019-20

- States submit **expected** levels of performance
- States and OCTAE reach **negotiated** levels of performance based on three factors
- States receive their **accepted** levels of performance based on approval of State Plan

Future

- States submit **expected** levels of performance
- States and OCTAE reach **negotiated** levels of performance based on four factors
- States receive their **accepted** levels of performance based on approval of State Plan

When is a State Subject to Sanctions?

1. Failure to submit an annual performance report
 - By the date established as timely submission; or
 - By failing to submit a complete report
2. Failure to achieve adjusted levels of performance

What is Failure to Achieve?

- (1) Any overall State program score or overall State indicator score falls below 90 percent for the program year; or
- (2) Any of the State's individual indicator scores fall below 50 percent for the program year.

How State Performance is Determined

Indicator/Program	Title II Adult Education	Title IV Rehabilitative Services	Title I Adults	Title I Dislocated Workers	Title I Youth	Title III Wagner - Peyser	Average Indicator Score
Employment 2nd Quarter After Exit							1
Employment 4th Quarter After Exit							2
Median Earning 2nd Quarter after Exit							3
Credential Attainment Rate							4
Measurable Skill Gains							5
Effectiveness in Serving Employers							6
Average Program Score	7	8	9	10	11	12	[-]

Sanctions Based on Failure to Achieve

- First year failure to achieve – technical assistance and development of performance improvement plan
- Second year failure to achieve – reduction Governors Reserve under title I

Take Aways

- States must submit **expected** levels for two years in the State Plan
- **Negotiated** levels are established using four factors required in statute
- Statistical adjustment will be applied to negotiated targets the end of year to establish **adjusted** levels
- Sanctions are applied for failure to report on time or to submit a complete report, or failure to achieve

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