



COMMONWEALTH OF VIRGINIA  
VIRGINIA COMMUNITY COLLEGE SYSTEM

**WORKFORCE INNOVATION AND OPPORTUNITY ACT**

**The Virginia Community College System  
VIRGINIA WORKFORCE LETTER (VWL) No. 16-04**

**TO:** Local Workforce Development Boards

**FROM:** George Taratsas  
Administrator, Federal Workforce Programs

**SUBJECT:** LWDA Performance Goals Negotiations Process for PY 2016 and PY 2017

**EFFECTIVE DATE:** November 4, 2016

**PURPOSE:**

To inform Local Workforce Development Areas (LWDAs) of the guidelines for negotiating the Workforce Innovation and Opportunity Act (WIOA) Title I performance levels for Program Years (PY) 2016 and 2017.

**REFERENCES:**

- WIOA Section 116, Performance Accountability Section
- WIOA Section 503, Transition Provisions
- Government Performance and Results Act (GPRA) of 1993 (Public Law 103-62, 107 Stat.285)
- Performance and Accountability Under Title I of the WIOA (20 CFR Part 677)
- Training and Employment Guidance Letter 26-15, Negotiating Performance Goals for the Workforce Innovation and Opportunity Act (WIOA) Title I Programs and the Wagner-Peyser Employment Services as amended by Title III, for Program Year (PY) 2016 and PY 2017
- Virginia Board of Workforce Development (VBWD) Policy 200-01, Designation of Local Workforce Development Boards
- Virginia Board of Workforce Development (VBWD) Policy 200-03, Duties of Local Workforce Development Board

- Virginia Workforce Letter 16-01, Change 1, Requirements for Workforce Innovation and Opportunity Act (WIOA) Local Workforce Development Area Plans

#### REVISION HISTORY:

Not Applicable

#### DEFINITIONS:

- **Negotiated levels of performance** – are the levels of performance for each of the primary indicators for each core program, agreed to by the State and the Local Workforce Development Board. These levels must be incorporated into the Local Workforce Development Area Plan.
- **Actual results** – are the results reported by the State for each primary indicator for each core program, broken down by Local Workforce Development Area.
- **Adjusted levels of performance** – are the negotiated levels of performance, after being revised at the end of the program year using the statistical adjustment model. The statistical adjustment model is run to account for actual economic conditions and characteristics of participants served.
- **Baseline indicators** – are performance measures that will not be included in the LWDA's performance reporting. The selection of primary indicators for the designation as a baseline indicator is made based on the likelihood of a State/local area having adequate data on which to make a reasonable determination of an expected level of performance and such a designation across core programs.

#### BACKGROUND:

Section 116 of the Workforce Innovation and Opportunity Act (WIOA) specifies the core metrics that the Local Workforce Development Boards (LWDBs) and the state will be measured against. The following Indicators of Performance are part of the performance accountability system under WIOA:

- The percentage of program participants who are in unsubsidized employment during the 2<sup>nd</sup> quarter after exit from the program (Adult and Dislocated Workers). Youth – participants in education, or training or employment in the 2<sup>nd</sup> quarter after exit.
- The percentage of program participants who are in unsubsidized employment during the 4<sup>th</sup> quarter after exit from the program (Adult and Dislocated Workers). Youth – participants in education, or training or employment in the 4<sup>th</sup> quarter after exit.
- The median earnings of program participants who are in unsubsidized employment in the 2<sup>nd</sup> quarter after exit from the program (Adult, Dislocated Workers, Youth).
- The percentage of program participants who attain a recognized postsecondary credential, or a secondary school diploma or its recognized equivalent, during program participation or within one year after exit from the program (Adult, Dislocated Workers, Youth).

- 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 toward a credential or employment (Adult, Dislocated Worker, Youth).
- Effectiveness of the core programs in serving employers.

For Program Years 2016 and 2017, the following measures **will not** be included in the local negotiations process:

- Median Earnings 2<sup>nd</sup> Quarter after Exit – Youth
- Measurable Skills Gains – Adult, Dislocated Workers, and Youth
- Effectiveness in Serving Employers – Adult, Dislocated Workers, and Youth

WIOA Section 116 (c) requires the State to negotiate performance levels for the three core programs (Adult, Dislocated Workers and Youth) with the LWDBs. Section 116 (c) also requires that a Statistical Adjustment Methodology be used in the performance negotiations process between the State and the LWDBs.

The performance levels will be negotiated for Program Years 2016 and 2017. See Attachment B for the Time Periods of Reporting Performance Information on the WIOA Annual Report that will be covered for the PY16 and PY17 performance. No sanctions will be imposed for the first two years of WIOA performance (PY16 and PY17).

**GUIDANCE:**

- A. The Virginia Community College System (VCCS) has completed negotiations with the U.S. Department of Labor’s Employment and Training Administration (DOL-ETA) Regional Office. The State’s final performance levels negotiated with the U.S. DOL-ETA are included in this letter as Attachment A. As a next step, the State is required to negotiate performance levels with the Local Workforce Development Boards. The following is the performance negotiation process that the VCCS will use with the LWDBs:
  - a. The VCCS Coordinator of WIOA Performance and Reporting will provide the LWDBs with their proposed performance goals, which will be the same as the State’s performance goals in Attachment A.
  - b. The LWDB will receive a Local Area Tool (created by the U.S. DOL-ETA) that is pre-populated with LWDA data that will serve as a basis for the performance negotiation process. The Local Area Tool (LAT) is an excel spreadsheet that provides the output of the WIOA mandated Statistical Adjustment Methodology to be used for the performance negotiation process.
    - i. Each LWDB will receive an email from the VCCS Coordinator of WIOA Performance and Reporting that will contain the LAT and instructions on how to use the LAT.
  - c. If the LWDB agrees with the proposed performance levels, they shall submit via email their acceptance of the proposed performance goals by 3:00 p.m., November 18, 2016.
  - d. If the local area does not accept the VCCS proposed performance levels, the local area must provide alternative levels with a justification for the local proposed levels in a letter to the VCCS by 3:00 p.m., November 18, 2016. The justification should include the following:

- i. The local economic conditions that are impacting the local areas' ability to meet the VCCS proposed levels.
  - ii. Demographics of participants being served by the local area, that are not represented in the Statistical Adjustment Methodology and describe the extent to which these characteristics impact local performance.
  - iii. The extent to which the locally proposed numbers assist the local area in meeting the goals established under the Government Performance and Results Act (GPRA).
  - iv. Any additional information that the local area develops that will support their case for not accepting the VCCS proposed performance levels.
  - v. The locally proposed levels and justifications will be reviewed and a negotiation process will occur if necessary.
- e. The Administrator of Federal Workforce Programs will issue each LWDB a letter indicating the acceptance of their negotiated performance levels. The LWDB shall include the negotiated performance levels in their WIOA LWDA plans, see VWL 16-01, Change 1, Requirements of WIOA LWDA Plans.

The following are key dates in the Performance Negotiation Process:

**Performance Negotiation Process Key Dates**

<b>Date</b>	<b>Event</b>
November 7, 2016	Issue PY16 and PY17 Performance Goals Negotiation Process VWL
November 7, 2016	Distribute the Local Area Tool and additional performance information to each LWDB.
November 9, 2016, 3:00 p.m.	Performance Goals Negotiation Process Conference Call
November 18, 2016, 3:00 p.m.	Deadline to submit acceptance/non-acceptance of Proposed Performance Goals
November 21, 2016-December 1, 2016	LWDB Non-Acceptance: Review of LWDA Proposed Performance Goals
December 2, 2016	Performance Goals Negotiation Process Finalized: Acceptance letter emailed to the LWDBs

**ACTION REQUIRED:**

The VCCS Coordinator of WIOA Performance and Reporting will provide each LWDB the following by November 7, 2016:

- Proposed performance goal levels
- The Local Area Tool
- Historical performance (PY 2010 to PY 2015)
- GPRA Performance PY 2010 to PY 2015 (Government Performance and Reporting Act of 1993 and the GPRA Modernization Act of 2010)

LWDBs must submit in writing an acceptance or non-acceptance of the proposed performance goals by 3 p.m., November 18, 2016. An email indicating acceptance or non-acceptance must be sent to [wioa@vccs.edu](mailto:wioa@vccs.edu) and the subject line should state "PY16 and PY17 WIOA Performance Goals." The VCCS will email the LWDB within two business days acknowledging receipt of their acceptance or non-acceptance letter. If the LWDB does not accept the proposed performance goals, see Guidance, Section A.d. of this VWL for additional information to include in the non-acceptance letter.

**INQUIRIES:**

Submit inquiries regarding this guidance to the VCCS Office of Workforce Development Services:

Administrator, Federal Workforce Programs  
Workforce Development Services  
Virginia Community College System  
Arboretum III  
300 Arboretum Place, Suite 200  
Richmond, VA 23236  
Telephone: (804) 819-5387  
Fax: (804) 786-8430  
Email: [wioa@vccs.edu](mailto:wioa@vccs.edu)

## Attachment A

### Virginia Negotiated Performance Levels under the Workforce Innovation and Opportunity Act Program Years 2016 and 2017

<b>WIOA Performance Levels Negotiated with Region 2 U.S. Department of Labor</b>	
<b>Performance Indicator</b>	<b>Negotiated Level</b>
<b>ADULT</b>	
Employment Rate 2 <sup>nd</sup> Quarter after Exit	77%
Employment Rate 4 <sup>th</sup> Quarter after Exit	85%
Median Earnings 2 <sup>nd</sup> Quarter after Exit	\$5,500
Credential Attainment within 4 Quarters after Exit	61%
Measureable Skills Gain	<b>Baseline</b>
Effectiveness of Core Programs Serving Employers	<b>Baseline</b>
<b>DISLOCATED WORKERS</b>	
Employment Rate 2 <sup>nd</sup> Quarter after Exit	83%
Employment Rate 4 <sup>th</sup> Quarter after Exit	85%
Median Earnings 2 <sup>nd</sup> Quarter after Exit	\$7,600
Credential Attainment within 4 Quarters after Exit	64%
Measureable Skills Gain	<b>Baseline</b>
Effectiveness of Core Programs Serving Employers	<b>Baseline</b>
<b>YOUTH</b>	
Employment Rate 2 <sup>nd</sup> Quarter after Exit	63%
Employment Rate 4 <sup>th</sup> Quarter after Exit	60%
Median Earnings 2 <sup>nd</sup> Quarter after Exit	<b>Baseline</b>
Credential Attainment within 4 Quarters after Exit	68%
Measureable Skills Gain	<b>Baseline</b>
Effectiveness of Core Programs Serving Employers	<b>Baseline</b>

## Attachment B

### WIOA PERIODS FOR REPORTING OUTCOMES

#### Time Periods for Reporting Performance Information on the WIOA Annual Report Program Year 2016 (PY 2016) Annual Report

<b>Report Due Date:</b>		<b>October 1, 2017</b>
Number Served (Reportable Individual)		7/1/2016 to 6/30/2017
Number Exited (Reportable Individual)		7/1/2016 to 3/31/2017
Funds Expended		7/1/2016 to 6/30/2017
Number Served (Participants)		7/1/2016 to 6/30/2017
Number Exited (Participants)		7/1/2016 to 3/31/2017
Employment Rate Second Quarter after Exit		Data Not Available
Employment Rate Fourth Quarter after Exit		Data Not Available
Median Earnings Second Quarter after Exit		Data Not Available
Credential Attainment Rate		Data Not Available
Measurable Skill Gains		7/1/2016 to 6/30/2017
Effectiveness in Serving Employers		Data Not Available
Veterans Priority of Service		7/1/2016 to 6/30/2017

#### Program Year 2017 (PY 2017) Annual Report

<b>Report Due Date:</b>		<b>October 1, 2018</b>
Number Served (Reportable Individual)		7/1/2017 to 6/30/2018
Number Exited (Reportable Individual)		4/1/2017 to 3/31/2018
Funds Expended		7/1/2017 to 6/30/2018
Number Served (Participants)		7/1/2017 to 6/30/2018
Number Exited (Participants)		4/1/2017 to 3/31/2018
Employment Rate Second Quarter after Exit		7/1/2016 to 6/30/2017

Employment Rate Fourth Quarter after Exit	7/1/2016 to 12/31/2016
Median Earnings Second Quarter after Exit	7/1/2016 to 6/30/2017
Credential Attainment Rate	7/1/2016 to 12/31/2016
Measurable Skill Gains	7/1/2017 to 6/30/2018
Effectiveness in Serving Employers	7/1/2016 to 6/30/2017
Veterans Priority of Service	7/1/2017 to 6/30/2018

**Program Year 2018 (PY 2018) Annual Report**

<b>Report Due Date:</b>	<b>October 1, 2019</b>
Number Served (Reportable Individual)	7/1/2018 to 6/30/2019
Number Exited (Reportable Individual)	4/1/2018 to 3/31/2019
Funds Expended	7/1/2018 to 6/30/2019
Number Served (Participants)	7/1/2018 to 6/30/2019
Number Exited (Participants)	4/1/2018 to 3/31/2019
Employment Rate Second Quarter after Exit	7/1/2017 to 6/30/2018
Employment Rate Fourth Quarter after Exit	1/1/2017 to 12/31/2017
Median Earnings Second Quarter after Exit	7/1/2017 to 3/30/2018
Credential Attainment Rate	1/1/2017 to 12/31/2017
Measurable Skill Gains	7/1/2018 to 6/30/2019
Effectiveness in Serving Employers	7/1/2017 to 6/30/2018
Veterans Priority of Service	7/1/2018 to 6/30/2019



**Program Year 2019 (PY 2019) Annual Report**

**Report Due Date:**

**October 1, 2020**

Number Served (Reportable Individual)	7/1/2019 to 6/30/2020
Number Exited (Reportable Individual)	4/1/2019 to 3/31/2020
Funds Expended	7/1/2019 to 6/30/2020
Number Served (Participants)	7/1/2019 to 6/30/2020
Number Exited (Participants)	4/1/2019 to 3/31/2020
Employment Rate Second Quarter after Exit	7/1/2018 to 3/17/2019
Employment Rate Fourth Quarter after Exit	1/1/2018 to 12/31/2018
Median Earnings Second Quarter after Exit	7/1/2018 to 6/30/2019
Credential Attainment Rate	1/1/2018 to 12/31/2018
Measurable Skill Gains	7/1/2019 to 6/30/2020
Effectiveness in Serving Employers	4/1/2018 to 3/31/2019
Veterans Priority of Service	7/1/2019 to 6/30/2020

**Note:**

Periods highlighted in yellow indicate when a full year of information will be available.

Periods that do not have a date indicate that no report can be generated for that outcome during that time frame.