

# AGENDA

April 12, 2016

## ARKANSAS WORKFORCE DEVELOPMENT BOARD PROGRAM AND PERFORMANCE EVALUATION COMMITTEE MEETING

10:00 A.M.

Call to Order..... Scott Bull, PPE Committee Chair

Chairman’s Comments..... Scott Bull, PPE Committee Chair

### Agenda Item 1 - ACTION

Minutes of the January 19, 2016 Committee Meeting

### Agenda Item 2 - ACTION

Performance Accountability Policy Revision..... Tammy Dragon, Program ADWS Operations Manager

### Agenda Item 3 - INFORMATION & COMMITTEE DISCUSSION

WIOA Monitoring Update..... Tanya Plunkett, ADWS Director of Internal Audit  
and Financial Monitoring

### Agenda Item 4 - INFORMATION & COMMITTEE DISCUSSION

Evaluation of the Arkansas Workforce System..... Tammy Dragon, ADWS Program Operations Manager

### Agenda Item 5 - COMMITTEE DISCUSSION

Performance Dashboards..... Tammy Dragon, ADWS Program Operations Manager

Announcements

Adjournment

### NEXT MEETING DATES

July 12, 2016	10:00 a.m.	Committees	Little Rock
	1:00 p.m.	Full Board Meeting	Little Rock
October 11, 2016	10:00 a.m.	Committees	Little Rock
	1:00 p.m.	Full Board Meeting	Little Rock

Embassy Suites  
11301 Financial Centre Parkway  
Little Rock, Arkansas



**For Consideration of the  
Arkansas Workforce Development Board  
Program and Performance Evaluation Committee**

**April 12, 2016**

**AGENDA ITEM 1 – ACTION:** Minutes of January 19, 2016 Committee Meeting

**RECOMMENDATION:** It is recommended that the Program and Performance Evaluation Committee approve the minutes of the January 19, 2016 committee meeting.

**INFORMATION/RATIONALE:** Minutes of the meeting are attached.

UNOFFICIAL

**MINUTES**

**ARKANSAS WORKFORCE DEVELOPMENT BOARD  
Program & Performance Evaluation Committee  
January 19, 2016**

A meeting of the Program & Performance Evaluation Committee of the Arkansas Workforce Development Board (AWDB) was held on January 19, 2016, beginning at 10:07 a.m., via teleconference. Chair Scott Bull presided with the following members present: Mr. Jeff Griffin, Mr. Alan Hughes, Ms. Holley Little, Mr. Alan McClain, Mr. Brett Powell, Mr. Kelley Sharp, and Mr. Gary Sams. Ms. Abby Houseworth and Mr. Bart Langley were unable to participate. AWDB Chair Charlie Clark was also in attendance.

Recognizing that a quorum is present, Chair Bull called the meeting to order and began by thanking the members for being present.

Agenda Item 1 – ACTION – Minutes of the November 20, 2015 Committee Meeting:

Chair Bull proceeded to page two, Agenda Item 1, asking if there were any additions or corrections to the minutes. Mr. Kelley Sharp noted a misspelling of his first name in the motion to adjourn from the November meeting. **A motion to accept the minutes, with correction, was made by Mr. Alan Hughes, seconded by Mr. Gary Sams, and the motion carried unanimously.**

Agenda Item 2 – ACTION – WIOA Performance Goals for Core programs: Chair Bull stated that the Workforce Opportunity and Investment Act (WIOA) ensures that Federal investments in employment and training programs are accountable to job seekers, employers, customers, and tax payers. He stated that WIOA establishes common performance measures across four core programs and also requires other programs authorized by the Act to report on the same indicators. In addition, WIOA requires the establishment of primary indicators on credential attainment and skills gains and on the effectiveness of services to employers. He further stated that it is the responsibility of this committee to develop and update the comprehensive state performance accountability measures, including state adjusted levels of performance, to assess the effectiveness of the core programs in the state. He asked that Ms. Tammy Dragon, ADWS – Program Operations Manager, review and answer any questions regarding the material beginning on page seven of the agenda packet. Ms. Dragon provided an overview and answered questions from the committee members. Following discussion, **a motion to accept the recommended performance goals for core programs was made by Ms. Holley Little, seconded by Mr. Alan McClain, and carried unanimously.**

Agenda Item 3 – INFORMATION & COMMITTEE DISCUSSION – Talent Supply & Demand

Dashboard Toolkit: Chair Bull directed the member's attention to page eight of the agenda and asked that Ms. Dragon review and facilitate discussion on the *Talent Supply*

*and Demand Dashboard Toolkit* provided by the *National Governor's Association Talent Pipeline Policy Academy*. Ms. Dragon reviewed the material presented and answered questions of the committee. The committee discussed costs associated with maintaining data both in-house and through an outside source. Chair Bull recognized Mr. Mike Kennedy, ADWS – Division Chief, who explained that we have an agreement in place with an inter-governmental agency already, the Arkansas Research Center, that could process and maintain the data for us. There was further discussion regarding the bid process if the committee decided to use a different entity. The committee consensus is to use the Arkansas Research Center. Chair Bull stated that once everything is in place for the dashboard the committee would like to see audit/monitoring reports for local areas monitored during the time between quarterly board meetings, as well as, be provided with updated dashboard data and best practices noted during local area monitoring.

Announcements: Chair Bull announced that the Arkansas Workforce Development Board is scheduled to meet today at 1:00 p.m. He informed the committee that the next regular quarterly meeting of the Arkansas Workforce Development Board is scheduled for April 12, 2016, with a location to be provided by staff at a later date.

Adjourn: Chair Bull adjourned the meeting at 12:22 p.m., on **a motion made by Mr. Kelley Sharp, seconded by Ms. Holley Little, and carried unanimously.**

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Mr. Scott Bull, Program & Performance  
Evaluation Committee, Chair

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Daryl Bassett, Director  
Department of Workforce Services

*Minutes recorded by Kim Kight  
Department of Workforce Services Staff*

**For Consideration of the  
Arkansas Workforce Development Board  
Program and Performance Evaluation Committee**

**April 12, 2016**

**AGENDA ITEM 2 – ACTION:** Performance Accountability Policy - Amendment

**RECOMMENDATION:** It is recommended that the Program and Performance Evaluation Committee approve the amended Performances Accountability Policy.

**INFORMATION/RATIONALE:** Each State submitting a Unified or Combined Plan is required to comply with specific assurances. The performance accountability policy previously approved in October 2015 has been revised to add Section XI, which outlines how the costs of data collection and performance reporting will be shared among core program partners.

Additionally, three corrections have been made on page two of the policy to the WIOA Youth Performance Measures to bring the definitions in agreement with the federal WIOA law.



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Policy Number: WIOA-2015-7

Effective Date: October 13, 2015

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**Preliminary Policy - ARKANSAS PERFORMANCE ACCOUNTABILITY POLICY**

- I. **Purpose:** The purpose of this policy is to establish a comprehensive performance accountability system. The provisions of this policy are intended to hold the Arkansas Workforce Development Board (AWDB) and Local Workforce Development Boards (LWDB) accountable for the results obtained by their workforce development programs and systems. The policy is also intended to assess the effectiveness of workforce development activities and promote continuous improvement.
  
- II. **General Information:** This policy is written in accordance with the guidelines in the Workforce Innovation and Opportunity Act (WIOA or the ACT), WIOA Regulations, and Arkansas Act 907 of 2015.

All States submitting either a Unified or Combined State WIOA Plan must propose expected levels of performance for each primary indicator of performance for the adult, dislocated worker, and youth programs under Title I of WIOA, the Adult Education and Family Literacy Act (AEFLA) program under Title II of WIOA, the Wagner-Peyser Act under Title III of WIOA, and the Vocational Rehabilitation Program as amended by WIOA (§677.155(a)).

- III. **WIOA Performance Structure:** The Act identifies, in specific titles, and focuses on four “core” programs (§677.155(a)). These are:

- Title I: WIOA Adult, WIOA Dislocated Worker, and WIOA Youth Programs
- Title II: Adult Education and Family Literacy
- Title III: Wagner-Peyser
- Title IV: Vocational Rehabilitation

- IV. **WIOA Performance Measures**

In accordance with §677.155(a)(1)(i-vi), the primary indicators for performance are:

### **WIOA Adult & Dislocated Worker Performance Measures**

- **Employment Rate** – Percentage of participants in unsubsidized employment in the second quarter after exit (Q2 post-exit).
- **Employment Retention** – Percentage of participants in unsubsidized employment in the fourth quarter after exit (Q4 post-exit).
- **Median Earnings** – Median earnings of participants in the second quarter after exit (Median earnings Q2 after exit).
- **Credential Rate** – Percentage of participants with post-secondary credential attainment or high school diploma or GED during participation in the program or within one (1) year after exit.
- **Measurable Skills Gain** – Percentage of participants who, during the PY, are in education or training programs that lead to recognized post-secondary credential or employment, and who achieve measureable skills gain (documented academic, technical, occupational or other forms of progress, toward the credential or employment).

In accordance with §677.155(d)(1-6), the primary indicators for the youth program under Title I of WIOA are:

### **WIOA Youth Performance Measures**

- **Placement in Employ/Train/Ed** – Percentage of participants who are in education ~~and or~~ training **activities**, or in unsubsidized employment, during the second quarter after exit (Q2 post-exit).
- **Placement in Employ/Train/Ed** – Percentage of participants who are in education ~~and or~~ training **activities**, or in unsubsidized employment, during the fourth quarter after exit (Q4 post-exit).
- **Median Earnings** - Median earnings of participants ~~in~~ **who are in unsubsidized employment during** the second quarter after exit **from the program** (Median earnings Q2 after exit).
- **Credential Rate** - Percentage of participants with post-secondary credential attainment or high school diploma or GED during participation in the program or within one (1) year after exit.
- **Measurable Skills Gain** - Percentage of participants who, during the PY, are in education or training programs that lead to recognized post-secondary credential or employment, and who achieve measureable skill gain (documented academic, technical, occupational or other forms of progress, toward the credential or employment).

In accordance with §677.155(a)(1)(vi), there is a new primary indicator for the effectiveness in serving employers under Title I of WIOA, which is:

## **WIOA Employer Measures**

### (1) Employer Measure (TBD)

The Departments of Labor and Education are required to consult with stakeholders and receive public comment on proposed approaches to define this employer indicator.

In addition to the measures listed above, a state may identify in the State Plan additional performance accountability indicators.

Additionally, WIOA requires new data tracking and reporting requirements to identify the specific contributions of each partner in each performance metrics.

## **V. Performance Definitions**

### **Participant**

**Under WIOA**, the definition of “participant” establishes a common point of measurement at which an individual is meaningfully engaged in a core program. The term “participant” is defined as a reportable individual who has received staff-assisted services after satisfying all applicable programmatic requirements for the provision of services, such as eligibility determination (§677.150(a)).

**For the AEFLA program**, individuals who have been determined eligible and who have completed at least 12 contact hours in an adult education and literacy activity under AEFLA would be considered participants.

**For the Vocational Rehabilitation program**, individuals who have been determined eligible for services and who have an approved and signed Individual Plan for Employment (IPE) that outlines the services that the individual will receive would be considered participants.

The following individuals **do not** meet the definition of Participant:

- i. Individuals who have not completed at least 12 hours contact hours in the AEFLA program;
- ii. Individuals who only use the self-service system; and
- iii. Individuals who only receive information services or activities.

### **Reportable Individual**

Under WIOA, a “reportable individual” is defined as one who has taken action that

demonstrates intent to use program services and who meets specific reporting criteria of the core program (§677.150(b)). This criterion is:

- i. Individuals who provided identifying information;
- ii. Individuals who only use the self-service system; and
- iii. Individuals who only receive information services or activities.

### Exit

For the purposes of performance calculations in all core programs, except Vocational Rehabilitation, exit is the point after which an individual who has received services through any program meets specific criteria (§677.150(c)). This criterion is:

1. 90 days of no services has elapsed, and
2. No future services are planned

For the purposes of this definition, a participant's use self-service or the provision of information-only activities or follow-up services will not prevent a participant's exit.

**For the Vocational Rehabilitation program**, an individual would be determined to have exited the program on the date the individual's case is closed in accordance with the Vocational Rehabilitation program requirements.

Under Vocational Rehabilitation, those individuals who have achieved a supported employment outcome at a subminimum wage are excluded from the definition of "exit".

### Measurable Skills Gain Documentation

Documentation verifying progression during participation in an education or training program includes the following:

- (1) The achievement of at least one educational functioning level of a participant in an education program that provides instruction below the postsecondary level;
- (2) attainment of a high school diploma or its equivalent;
- (3) a transcript or report card for either secondary or post-secondary education for 1 academic year (or 24 credit hours) that shows a participant is achieving the State unit's policies for academic standards;
- (4) a satisfactory or better progress report, towards established milestones from an employer who is providing training (*e.g.*, completion of on-the-job training (OJT), completion of 1 year of an apprenticeship program);

- (5) the successful completion of an exam that is required for a particular occupation, progress in attaining technical or occupational skills as evidenced by trade-related benchmarks such as knowledge-based exams; and
- (6) measurable observable performance that is based on industry standards.

These definitions are critical for determining who is subject to performance calculations.

## **VI. Negotiating Levels of Performance:**

### **State**

For each State submitting a WIOA State plan, there must be expected levels of performance for each of the corresponding primary indicators of performance for the programs listed in Section III, for the first two years of the State Plan period.

States are required to submit expected levels of performance for the third and fourth program year before the third program year.

The State must reach agreement regarding levels of performance with the U.S. Secretaries of Labor and Education, based upon the following factors:

1. How the levels of performance compare with other States;
2. The application of an objective statistical model established by the Secretaries of Education and Labor;
3. How the levels of performance promote continuous improvement and ensures optimal return on investment of Federal funds; and
4. The extent to which the levels of performance assist the State in meeting the established performance goals set by the Secretaries of Education and Labor.

### **Local**

For each local area, the local board, the chief elected official, and the Governor shall negotiate and reach agreement on local levels of performance based on the State adjusted levels of performance.

In negotiating the local levels of performance, adjustments for expected economic conditions and the expected characteristics of participants to be served in the local area shall be made. In addition, the negotiated local levels of performance applicable to a program year shall be revised to reflect actual conditions using the statistical adjustment model.

## VII. Measuring Performance Using Wage Records:

In accordance with §677.175, states must use quarterly wage record information in measuring the progress on State adjusted levels of performance for the primary indicators. The use of social security numbers from participants and such other information as is necessary to measure the progress of those participants through quarterly wage record information is authorized.

## VIII. Assessing Performance:

### State

Three criteria will be used to assess the State's performance at the end of a PY. These are:

- a) An overall State program score,
- b) An overall State indicator score, and
- c) Individual indicator scores.

### Overall State Program Score

The average score based the percent of the State's adjusted goal achieved on each of the six primary indicators for a core program.

### Overall State Indicator Score

The average score of the percent of the State's adjusted goal achieved across core programs on each of the six primary indicators.

### Individual Indicator Score

The percent of the State's adjusted goal achieved on any single primary indicator for each of the six core programs.

Table 1 below illustrates the manner in which the State will be assessed using the overall State program score and the overall State indicator score. A failing average program score for any core program, a failing average indicator score for any indicator across programs, or a failing score on any individual indicator for each of the core programs would be a performance failure under WIOA.

**Table I. State Program Score and State Indicator Scores**

Indicator/Program	Title II Adult Education	Title IV Rehabilitation Services	Title I WIOA Adults	Title I WIOA Dislocated Workers	Title I Youth	Title III Wagner - Peyser	Average Indicator Scores
Employment 2 <sup>nd</sup> Quarter After Exit	50% min.	50% min.	50% min.	50% min.	50% min.	50% min.	State Indicator #1
Employment 4 <sup>th</sup> Quarter After Exit	50% min	50% min	50% min	50% min	50% min	50% min	State Indicator #2
Median Earnings 2 <sup>nd</sup> Quarter After Exit	50% min	50% min	50% min	50% min	50% min	50% min	State Indicator #3
Credential Attainment Rate	50% min	50% min	50% min	50% min	50% min	N/A	State Indicator #4
Measureable Skill Gains	50% min	50% min	50% min	50% min	50% min	N/A	State Indicator #5
Effectiveness in Serving Employers	50% min	50% min	50% min	50% min	50% min	50% min	State Indicator #6
Average Program Score	Title II – Adult Education Indicator Average #7	Title IV – Rehabilitation Services Indicator Average #8	Title I – Adults Indicator Average #9	Title I – WIOA DLW Indicator Average #10	Title I – Youth Indicator Average #11	Title III – Wagner – Peyser Indicator Average #12	

As the table indicates, there are a total of 12 scores on which the State will be assessed for the overall State indicator score and overall State program score.

The first six scores will be the average of the core programs’ percent achieved against their adjusted goals, while the second six scores are the average of the core programs’ percent achieved against their adjusted goals.

Employment Services provided under the Wagner-Peyser Program are exempt from indicators four and five. Consequently, the State’s Employment Services program will be assessed using the total average scores for indicators one, two, three, and six only.

**Local**

Each local workforce development area in the State under Title I of WIOA is subject to the same primary indicators of performance for the core programs for WIOA Title I that apply to the State (§677.205).

Under §677.220 (a), the State must establish the threshold for a local area to meet levels of performance prior to negotiating local area adjusted levels of performance.

The State must annually make local area performance reports available to the public using the federally-approved template. These performance reports must provide information on the actual achieved performance levels for the local area based on quarterly wage records consistent with the requirements for States under §677.175.

## **IX. Performance Failure Sanctions:**

### **State**

In §677.190, WIOA establishes two thresholds for performance failure. The first threshold is at 90 percent for each of the overall State program scores and overall State indicator scores. The second threshold is at 50 percent for individual indicator scores.

For the State, a performance failure occurs when:

- a) Any overall State program score or overall state indicator falls below 90% for any program year; or
- b) Any State individual indicator fall below 50% for any program year.

State sanctions for performance failure will be applied to the State if, for two (2) consecutive years, the State fails to meet 90% of the overall State program score, 90% of the overall State indicator score, or 50% on any individual indicator score for the same program or indicator.

If the State fails to meet adjusted levels of performance for any year, technical assistance will be provided, including assistance in the development of a performance improvement plan provided by the Secretary of Labor or Secretary of Education.

If the State fails to meet adjusted levels of performance for a second consecutive year, the Secretary of Labor and the Secretary of Education will reduce the Governor's Reserve Allotment by 5% of the maximum available amount for the immediately succeeding program year.

### **State Performance Improvement Plan Requirement**

In all instances where a state performance improvement plan is required by the Secretaries of Labor and Education, the specific program(s) identified as failing to meet their adjusted levels of performance will provide to the Arkansas Workforce Development Board a Performance Improvement Plan (PIP).

This plan must be submitted using a PIP template approved by the Arkansas Workforce Development Board and must include the following:

(2) A detailed analysis of the program's performance problems that is based upon an extensive assessment of the following:

- program reports
- program policies
- program participant documentation
- program processes
- program staffing patterns

(3) The results of the assessments in these areas will be provided in a report including comprehensive recommendation for problem resolutions, corrective actions with corresponding milestones, quarterly performance report analysis and new performance-enhancing service delivery strategies.

### **Local**

If a local area fails to meet the levels of performance for the primary indicators of performance in the adult, dislocated worker, and youth programs authorized under WIOA Title I in any program year, technical assistance must be provided by the Governor or, upon the Governor's request, by the Secretary of Labor.

The technical assistance may include:

- a) Assistance in the development of a performance improvement plan;
- b) The development of a modified local or regional plan; or
- c) Other actions designed to assist the local area in improving performance.

If a local area fails to meet the levels of performance for the primary indicators of performance for the adult, dislocated worker, and youth programs authorized under WIOA Title I for a third consecutive year, the Governor must take corrective actions.

The corrective actions must include the development of a reorganization plan under which the Governor:

- 1. Requires the appointment and certification of a new Local Board;
- 2. Prohibits the use of eligible providers and one-stop partners that have been identified as achieving poor levels of performance; or
- 3. Takes such other significant actions as the Governor determines are appropriate.

A local board and chief elected official for a local area that is subject to a reorganization plan, as referenced above, may appeal to the Governor to rescind or revise the reorganization plan not later than 30 days after receiving notice of the reorganization plan. The Governor must make a final decision within 30 days after receipt of the appeal.

The Local Board and chief elected official may appeal the final decision of the Governor to the Secretary of Labor not later than 30 days after receiving the decision from the Governor. Any appeal of the Governor's final decision must be:

1. Appealed jointly by the Local Board and chief elected official to the Secretary of Labor; and
2. Must be submitted by certified mail, return receipt requested, to the Secretary, U.S. Department of Labor, 200 Constitution Ave. NW. Washington, DC 20210, Attention: ASET. A copy of the appeal must be simultaneously provided to the Governor.
3. Upon receipt of the joint appeal from the Local Board and chief elected official, the Secretary must make a final decision within 30 days. In making this determination the Secretary may consider any comments submitted by the Governor in response to the appeals.
4. The decision by the Governor to impose a reorganization plan becomes effective at the time it is issued and remains effective unless the Secretary of Labor rescinds or revises the reorganization plan under WIOA Sec. 116(g)(2)(B)(ii).

## **X. Impact of Performance Failure on LWDA Risk Assessment**

In accordance with the State's Risk Assessment Policy, local areas that fail to meet their negotiated levels of performance may experience an increase in their risk assessment rating.

Local Areas that are placed in "High Risk Grantee" status may be unable to draw WIOA Title I funds until such time that this status is addressed in a satisfactory manner and the High Risk designation is removed.

## **XI. Funding of Performance Accountability System**

Each core partner shall be responsible for the costs associated with data collection and compilation for performance accountability within their respective programs.

**For Consideration of the  
Arkansas Workforce Development Board  
Program and Performance Evaluation Committee**

**April 12, 2016**

**AGENDA ITEM 3 – INFORMATION:** WIOA Fiscal Monitoring Update

**INFORMATION/RATIONALE:** At the January 19, 2016 meeting of the committee, members expressed a desire to receive quarterly updates on Local Workforce Development Area fiscal monitoring through the state.

**For Consideration of the  
Arkansas Workforce Development Board  
Program and Performance Evaluation Committee**

**April 12, 2016**

**AGENDA ITEM 4 – INFORMATION:** Evaluation of the Arkansas Workforce System

**INFORMATION/RATIONALE:** The federal Workforce Innovation and Opportunity Act requires states to conduct evaluations of their workforce investment activities. Arkansas Annotated Code § 15-4-3706 expands this responsibility to the “review of statewide policies, of statewide programs, and of recommendations on actions that should be taken by the state to align state workforce development programs in a manner that supports a comprehensive and streamlined workforce development system, including the review and provision of comments on the state workforce development plan”.

Furthermore, the bylaws of the Arkansas Workforce Development Board assign this responsibility to the Program and Performance Evaluation Committee.

Staff will make a presentation on the requirements for evaluation under WIOA and seek input from committee members to develop a scope of work for selection of a qualified vendor to assist the committee in performing an independent evaluation.

**For Consideration of the  
Arkansas Workforce Development Board  
Program and Performance Evaluation Committee**

**April 12, 2016**

**AGENDA ITEM 5 – INFORMATION:** Performance Dashboards

**INFORMATION/RATIONALE:** Staff has presented several resources at previous meetings regarding performance dashboards. Committee members will discuss their review of these materials and brainstorm data elements that would be beneficial for the committee to receive each month on the core and non-core programs included in the State WIOA plan.