

ARKANSAS WORKFORCE INVESTMENT BOARD

Post Office Box 2981
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WORKFORCE INVESTMENT ISSUANCE NUMBER PY 03-26

Sandra Winston, Executive Director, AWIB

June 9, 2004

TO: LWIB Board Chairs, LWIB Staff Directors, WIA Title IB Program Operator Managers, Workforce Center Managers, AESD Area Operations Chiefs, AESD Employment Service Area Supervisors

SUBJECT: Proposed Eligible Training Provider Policy Changes

1. **Purpose:** To publish for comment proposed changes to the State's Eligible Training Provider Policy in reference to training provider performance standards.
2. **Background:** Section 122 of WIA requires that training providers submit verifiable program specific information on the outcomes of all individuals and WIA participants who have attended the training program when applying for annual re-certification. Section 122 also stipulates that the information submitted must meet minimum levels set by the State. Many training providers, especially State supported schools, have found it difficult to collect this data and meet the State minimum levels. In many instances, one poor WIA performer has disqualified a program because of the small number of WIA participants served by the program. In other instances, a provider has met or exceeded minimum State levels in all but one category and is disqualified.

References: Workforce Investment Act of 1998, Public Law 105-220, Sec. 122. 20 CFR Part 652 et al., Part 663, Subpart E-Eligible Training Providers.

3. **Information:** In order to maintain an adequate number of training providers and programs on the Eligible Training Provider List changes to the State minimum levels of performance required for subsequent eligibility determination are being proposed.

Please note: Eligible Training Provider applications are submitted and screened by the Arkansas Consumer Report System (ACRS). If the proposed policy is adopted, it is highly likely that Local Workforce Investment Board staff will be responsible for determining if the training provider has met the minimum levels of performance required.

4. **Action Required:** Please submit comments to Ron White, Program Operations Manager, at ron.white@aesd.arkansas.gov by July 7, 2004.
5. **For Additional Information:** Contact Ron White at (501) 682-3121 or Belinda Hodges (501) 682-3118.
6. **Attachments:** Proposed Eligible Training Provider Policy changes
7. **Expiration:** July 7, 2004.

PROPOSED ELIGIBLE TRAINING PROVIDER POLICY REGARDING STATE MINIMUM PERFORMANCE STANDARDS FOR TRAINING PROVIDERS

Proposed Change #1: Training providers will be required to meet or exceed State minimum levels for at least **two** of the **three** *All Participant* performance measures. The three *All Participant* performance measures are:

1. The program completion rate for all individuals participating in the applicable program conducted by the provider. (State minimum requirement - 19.5%)
2. The percentage of all individuals participating in the applicable program who obtain unsubsidized employment. (State minimum level requirement - 68%)
3. The wages at entry into employment for all individuals participating in the applicable program. (State minimum level requirement - \$6.59/hr)

Current Process: Training providers are required to meet or exceed State minimum levels for all three *All Participant* performance measures.

Proposed Change #2: Training providers will be required to meet or exceed State minimum levels for at least **two** of the **four** *WIA Participant* performance measures that are required for all programs. The four *WIA Participant* performance measures are:

1. The percentage of WIA participants who have completed the applicable program and who obtain unsubsidized employment. (State minimum requirement - 50%)
2. The retention rates in unsubsidized employment of WIA participants who have completed the applicable program, 6 months after the first day of their employment. (State minimum requirement - 70%)
3. The wages received by WIA participants who have completed the applicable program, 6 months after the first day of the employment involved. (State minimum requirement – \$6.59/hr)
4. The rate of attainment of academic degrees or equivalents, or attainment of other measures of skills of the WIA participant graduates of the applicable program. (State minimum requirement - 50%)

The following *WIA Participant* performance measures are not required for all programs. Training providers will be required to report their data where appropriate.

1. Where appropriate, the rate of licensure of the WIA participant graduates of the applicable program. (State minimum requirement - 80%)
2. Where appropriate, the rate of certification of the WIA participant graduates of the applicable program. (State minimum requirement - 70%)

Current Process: Training providers are required to meet or exceed State minimum levels for all four of the required *WIA Participant* performance measures. They are also required to meet or exceed State minimum levels for the licensure and certification measures if applicable to the program.

<i>Performance Measure</i>	<i>Calculation</i>	<i>State Minimum Level</i>
ALL PARTICIPANT PERFORMANCE MEASURES All programs must meet the State minimum levels for at least two of the three all participant performance measures.		
1. Completion Rate	The number of all participants who completed the program during the reporting period divided by the total number of all participants.	19.5%
2. Employment Rate	The number of all participants who obtained unsubsidized employment during the reporting period divided by the total number of all participants.	68%
3. Average Hourly Rate	Total the hourly placement wage of all participants that obtained unsubsidized employment during the reporting period and divide by the number of all participants who obtained unsubsidized employment.	\$6.59
WIA PARTICIPANT PERFORMANCE MEASURES All programs must meet the State minimum levels for at least two of the four required WIA participant performance measures.		
1. Completion/Employment Rate	The number of WIA participants who completed the program and who obtained unsubsidized employment divided by the total number of WIA participants.	50%
2. Six-Month Retention Rate	The number of WIA participants who were engaged in unsubsidized employment 6 months after their first day of employment divided by the total number of WIA participants.	70%
3. Six-Month Hourly Earnings	Total the hourly placement wage of WIA participants who have completed the applicable program, 6 months after the first day of their employment and divide by the number of these WIA participants.	\$6.59
4. Degree Rate <i>or</i> Other Skill Rate	The number of WIA participants who completed the program and received a degree divided by the number of WIA participants who were seeking that degree. The number of WIA participants who completed the program for which a certificate was given divided by the number of WIA participants seeking that certificate.	50%
<i>Where Appropriate-Not required for all programs</i> Licensee Rate	The number of WIA participants who completed the program and received a licensure divided by the number of WIA participants who completed the program for which a license was required for employment.	80%
<i>Where Appropriate-Not required for all programs</i> Certification Rate	The number of WIA participants who completed the program and received a certification divided by the number of WIA participants who completed the program for which a certification was required for employment.	70%