

**The Workforce Innovation and
Opportunity Act
Ref. H.R. 803**

**5301 North 36th Court
Hollywood, Florida 33021**

danielsrj@aol.com

Purpose

- To increase access and opportunities for jobs, education, training and support for individuals especially those with barriers to employment
- To align workforce, education, and economic development systems to result in a comprehensive, accessible, and quality workforce system
- To improve the quality and relevance of workforce, education, and economic development efforts so workers will get skills and credentials to get good wages and meet employer needs
- To promote improvement in the structure and delivery of services through the workforce system to better address the employment and skill needs of workers, jobseekers, and employers.

PURPOSE

- To increase
 - The prosperity of workers and employers
 - The economic growth of communities
 - The global competitiveness of the United States.
- To provide workforce activities
 - Through state and local workforce systems that increase
 - Employment, retention, and earnings
 - Attainment of postsecondary credentials
 - Economic self-sufficiency
 - That improve the quality of the workforce, reduce welfare, meet the skill requirements of employers,
 - Enhance the productivity and competitiveness of the Nation.

DEFINITIONS

PAY-FOR-PERFORMANCE CONTRACT STRATEGY

- A procurement strategy for training services
 - Described § 134(c)(3)
 - Activities described in §129(c)(2)
- A fixed price contract specifying the price to be paid a service provider
 - Local / national community-based organization
 - Intermediary
 - Community college,
 - Other training provider, eligible under §122 or 124

PAY-FOR-PERFORMANCE CONTRACT STRATEGY

- The fee / price is based on
 - Achievement of specified levels of performance described in §116(b)(2)(A)
 - Within a defined period of time
 - For target populations including those with barriers as determined by the local board
 - The fee may include bonus payments to the service provider to expand capacity to provide effective training

PAY-FOR-PERFORMANCE CONTRACT STRATEGY

- The contracts must include:
 - A strategy for independently validating the achievement of the performance
 - A description of how the State or local area will reallocate funds not paid to a provider because they did not achieve the contracted performance
- Funds used to carry out pay-for-performance contract strategies by local areas shall remain available until expended § 189(g)(4)

RECOGNIZED POSTSECONDARY CREDENTIAL

- A credential consisting of
 - An industry recognized certificate or certification
 - A certificate of completion of an apprenticeship
 - A license recognized by the State or Federal Government
 - An associate or baccalaureate degree.

**IDENTIFICATION OF
ELIGIBLE PROVIDERS OF
TRAINING SERVICES
SEC. 122**

THE CORE PARTNERS

The Core Partners

- Workforce Adult, Dislocated and Youth
- Adult Education and Family Literacy
- Vocational Rehabilitation
- Wagner Peyser

ELIGIBLE TRAINING PROVIDERS **SEC. 122**

- The Governor, after consulting with the State board, shall establish criteria, information requirements, and procedures for the eligibility of training providers
- Providers must be
 - An institution of higher education providing a program that leads to a recognized postsecondary credential
 - Registered apprenticeship
 - Public or private providers including joint labor-management organizations,
 - Providers of adult education and literacy activities in combination with occupational skills training.

GOVERNOR CRITERIA

- Provider's performance
 - Performance accountability measures
 - Performance outcomes determined by the governor subject to
 - The characteristics of the population served
 - Relevant economic conditions and
 - Employment and earnings outcomes for students in general
- Access to training statewide, and through the use of technology.
- Information reported to State agencies with respect to Federal and State programs involving training services, other than the program carried out under this subtitle, including one-stop partner programs
- The degree to which the training programs relate to in-demand jobs
- Compliance with State licensing requirements
- Providers use of industry-recognized certificates or certifications

GOVERNOR CRITERIA

- Programs leading to recognized postsecondary credentials
- Quality of the training
- Providers ability to train individuals who are employed and individuals with barriers to employment.
- Factors as the Governor deems appropriate to ensure—
 - Accountability of the providers;
 - One-stops meet the needs of employers and participants
 - Informed customer choice
- Collection of information to demonstrate compliance with the criteria is not unduly burdensome or costly to providers.

STATE INFORMATION REQUIREMENTS

- Training providers must submit accurate, and timely information to the State with respect to participants receiving training including
 - Information on the performance of the provider with respect to the performance measures for such participants taking into consideration the characteristics of the population served and relevant economic conditions
 - information specifying the % of participants with training related placements
 - Recognized postsecondary credentials received by participants;
 - Participant tuition and fees
 - Information on participants program completion rate

LOCAL CRITERIA AND INFORMATION REQUIREMENTS

- Local boards can
 - Establish criteria and information requirements in addition to the state criteria
 - Require higher levels of performance than required by the state in determining the eligibility of training providers to receive funds

INITIAL ELIGIBILITY CRITERIA

■ Initial eligibility

- Good for only 1 fiscal year for a particular program.
- Providers who were not eligible providers of training services under WIA
- Required Information
 - Providers must provide verifiable program-specific performance information based on criteria established by the State supporting their ability to serve participants
 - whether the provider is in a partnership with business;
 - Factors indicating high quality training services
 - Alignment of the training with in-demand occupations
- The information is to be used by local boards to determine eligibility

INITIAL ELIGIBILITY AND RENEWALS

- A provider that receives initial eligibility shall be subject to the requirements for application and renewal in the future
- Application procedures.
 - information on provider performance with respect to the performance measures considering
 - the characteristics of the population served
 - relevant economic conditions)
 - information specifying the percentage of such participants who entered unsubsidized employment
 - Training related placements
 - Appeal procedure for denial or termination with an opportunity for a hearing and a time frame
- Applications must be reviewed / renewed every 2 years

THE STATEWIDE LIST

- List of eligible providers must
 - Identify the recognized postsecondary credential offered
 - Give information by local areas
 - Include performance information
 - Information required by the Governor
- The participant information is confidential and requires prior written consent of the parent or student to be released
- The Governor has to provide an opportunity for interested members of the public to make recommendations and submit comments regarding the criteria, information requirements, procedures, and list.

ENFORCEMENT

- If a provider supplies inaccurate information their eligibility to receive funds shall be terminated for at least 2 years.
- If a provider substantially violate any requirement under this title the eligibility the provider to receive funds shall be terminated for at least 2 years.
- If a training provider's eligibility is terminated they shall be liable to repay funds received/tuition
- Termination and repayment supplement, they do not supplant, civil and criminal remedies available

OTHER PROVIDER PROVISIONS

- On-the-job training, customized training, incumbent worker training, are exempt from eligible provider requirements
- One-stop operators are to collect performance information on OJT, customized training, incumbent worker training, internships, paid / unpaid work experience, and transitional Employment providers
 - Governor may use the information to determine whether the providers meet performance criteria
 - Information re performing providers is to be disseminated through the one-stop.

IMPLEMENTATION OF PERFORMANCE

- Implementation of performance criteria must be within 12 months of WIOA enactment
- If Governors want early implementation they may establish transition procedures under which providers eligible under WIA may continue to be eligible until December 31, 2015, or until such earlier date as the Governor determines to be appropriate.

PERFORMANCE

- Performance applies to the Core Programs
 - WIOA Adult Dislocated Worker and Youth
 - Adult education and literacy activities
 - Wagner- Peyser Act - employment services
 - Vocational Rehabilitation

THE PERFORMANCE MEASURES-CORE ADULT AND DW

- PLACEMENT: The % of participants in unsubsidized employment in the **second quarter** after exit from the program
- RETENTION: The % of participants in unsubsidized employment during the **fourth quarter** after exit from the program
- WAGE: The median earnings of participants in unsubsidized employment **the second quarter** after exit
- The % of participants who obtain a postsecondary credential, or a HS school diploma or GED during participation or within 1 year after exit who ALSO are placed or go into post secondary training
- The % of participants in an education or training program leading to a postsecondary credential or employment and who are achieving measurable skill gains toward such a credential or employment; and
- The indicators of effectiveness in serving employers developed by the Secretaries of Labor and Education

YOUTH PERFORMANCE MEASURES

- PLACEMENT: the % of participants in education, training or jobs, during the 2nd quarter after exit
- RETENTION: the % of participants in education, training or jobs, the 4th quarter after exit; and
- WAGE: The median earnings of participants in unsubsidized employment the 2nd quarter after exit
- The % of participants obtaining a postsecondary credential, or a HS diploma /GED in the program or within 1 year after exit who ALSO are placed or go into post secondary training
- The % of participants in education or training for a postsecondary credential or employment and who are achieving measurable skill gain
- Effectiveness in serving employers developed by the Secretaries of Labor and Education

3 Differences for Youth

- The time period for measurement in WIOA is the second quarter after exit instead of the first quarter after exit.
- The placement rate under WIA only allowed post-secondary education to be reported, under WIOA, any education, including secondary and post-secondary, is reported.
- The placement measure under WIA excluded youth who were enrolled in post-secondary education, employed, or in the military at the time of participation; WIOA's indicators do not make these exclusions.

The Employer Measure

- Under WIA – employer satisfaction
- Common Measures
 - Placement
 - Retention
 - Wage
- Subset of Wagner Peyser measures
 - The number of Job Postings / Job Orders
 - Reemployment services for unemployed workers
 - Staff assisted services - job search
 - Matching assistance

STATE PERFORMANCE YEARS 1 AND 2

- The State shall reach agreement with the Secretary of Labor and Education on levels of performance for each indicator
- The levels agreed to shall be considered to be the State adjusted levels of performance for the State for program years 1 and 2
- They shall be incorporated into the State plan prior to the approval of such plan.

STATE PERFORMANCE YEARS 3 AND 4

- The State and Secretaries of Labor, and Education, shall agree on levels of performance taking into account the factors below:
 - How state compare to other states
 - Using a statistical model established by the secretaries based on
 - Differences in economic conditions and unemployment rates
 - The characteristics of participants in programs
 - The extent to which the levels promote continuous improvement by the state and ensure optimal return on the investment of federal funds;
 - Take into account the extent to which the levels assist the state in meeting the goals set for the CORE programs by the US DOL and US DED

Revisions

- The Secretary of Labor and Education in accordance with a statistical model they developed can revise the State performance to reflect
 - Actual economic conditions
 - Characteristics of participants

LOCAL PERFORMANCE

- The same measures as state performance
- The level shall be negotiated by the governor, local board and electeds
- Adjustments
 - Expected economic conditions
 - Expected participant characteristics
 - Using the statistical adjustment model developed by the feds
 - Actual economic conditions
 - Actual characteristics of the populations served

STATE PERFORMANCE REPORT REQUIREMENTS

- The levels of performance achieved for
 - Each measure for each core program
 - Each measure for each core program with respect to individuals with barriers to employment by sub-population, and by race, ethnicity, sex, and age;
- The total # of participants served by each Core program
- The # of participants who received career and training services, during the most recent and the preceding program years, and the amount of funds spent on each type of service;
- The # of participants who exited from career and training services, during the most recent program year and the preceding program years

STATE REQUIRED PERFORMANCE REPORTS

- The average cost per participant who received career and training services, respectively, during the most recent program year and the 3 preceding program years;
- The % of participants who received training services and obtained training related jobs
- The # of participants with barriers to employment served by each core programs by each subpopulation
- The # of participants enrolled in more than 1 core programs
- The % of the state's annual allotment spent on administrative costs;
- Where local areas are implementing pay-for-performance contract strategies
 - Service providers performance as compared with contract required performance
 - An evaluation of the design of the programs and performance
 - Where possible, employers and participant satisfaction
- Other information that comparisons states to other states

LOCAL AREA PERFORMANCE REPORTS

- The same information required of States for each core program
- The amount spent by the local area on administrative costs;
- Other information that allows for comparison of local areas with other local areas

ELIGIBLE TRAINING REPORTS

- With respect to each program of study
 - The levels of performance achieved with respect to the State of local measures
 - The total number of exiters from programs of study
 - The total # of participants who received training by funding, by the type of entity providing the training, during the most recent program year and the 3 preceding program years;
 - The average cost per participant for those who received training by the type of entity that provided the training, during the most recent program year and the 3 preceding program years; and
 - The # of individuals with barriers to employment served by each funding stream and by each subpopulation and by race, ethnicity, sex, and age.

STATE SANCTIONS FOR FAILING PERFORMANCE

- Year 1 – technical assistance from the Secretary of Labor and Education including assistance developing a performance improvement plan.
- Year 2 (except in exceptional circumstances)
 - If the state fails to submit a report there will be 5% reduction in funds
 - Until the Secretary of Labor or Education, as determines that the State meets adjusted levels of performance and has submitted reports for the appropriate program years.

LOCAL AREA FAILURE TO MEET PERFORMANCE

- Year 1 and 2 - technical assistance
- Year 3 the Governor must take corrective action
 - Development of a reorganization plan
 - The appointment and certification of a new local board
 - Prohibit the use of providers and one-stop partners identified as poor performers
 - Such other actions as the governor determines appropriate.