

U.S. Department of Education

# 2020 New State Directors Training

## The Basics of AEFLA Grants Management

December 7-15, 2020





# LEVELS OF PERFORMANCE

*Purpose and Process*

Karla Ver Bryck Block and Jay LeMaster  
December 10, 2020

## Polling Q

How involved were you in the PY 2020 and 2021 negotiations conducted this past spring?

1. I conducted the negotiations.
2. I was somewhat involved.
3. I watched from the sidelines but didn't have a formal role.
4. Ummm? What negotiations?



## Polling Q

In your current role, what are you expected to do for the negotiations that will take place in spring 2022?

1. I will be conducting the negotiations.
2. I will be preparing the data to use in the negotiations.
3. I will watch from the sidelines.
4. What? We have to do this again in spring 2022?

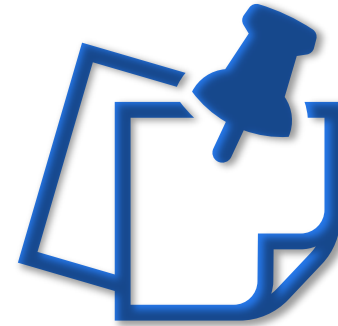
# Learning Objectives

- ✓ Why and when States must submit **expected** levels of performance.
- ✓ How States must reach agreement for **negotiated** levels of performance.
- ✓ The four factors for negotiation.
- ✓ How the levels of performance are **adjusted** at the end of the year and what variables are included in the statistical adjustment model.
- ✓ The impact of failing to meet the levels of performance.



# OCTAE Negotiations and Sanctions Guidance

- Joint guidance was issued on February 2, 2020
  - Issued by the core programs
- [OCTAE Program Memorandum 20-2](#)
- Includes definitions to clarify the various terms used in establishing levels of performance
- Provides an overview of the process, the use of the statistical adjustment model, and the factors
- Explains the sanctions provision
- Provides examples, process flow chart, resources



**Please stamp the correct term defined below:**

Levels of performance proposed by the state in the state plan

**Expected levels of  
Performance**

**Negotiated levels  
of Performance**

**Adjusted levels of  
Performance**

**Actual levels of  
Performance**

**Please stamp the correct term defined below:**

**Levels of performance that are mutually agreed to by the state and Department for each respective program**

**Expected levels of  
Performance**

**Negotiated levels  
of Performance**

**Adjusted levels of  
Performance**

**Actual levels of  
Performance**



**Please stamp the correct term defined below:**

**Levels of performance determined by adjusting the negotiated levels of performance at the end of the program year**

**Expected levels of  
Performance**

**Negotiated levels  
of Performance**

**Adjusted levels of  
Performance**

**Actual levels of  
Performance**

**Please stamp the correct term defined below:**

**The outcome reported by a state on the Statewide Performance Report**

**Expected levels of  
Performance**

**Negotiated levels  
of Performance**

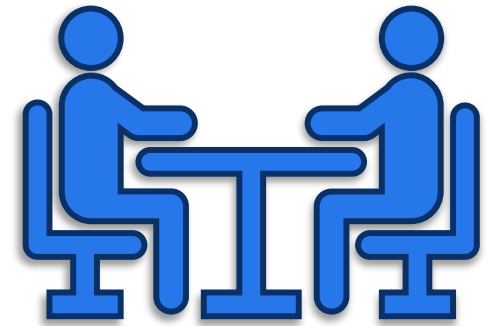
**Adjusted levels of  
Performance**

**Actual levels of  
Performance**

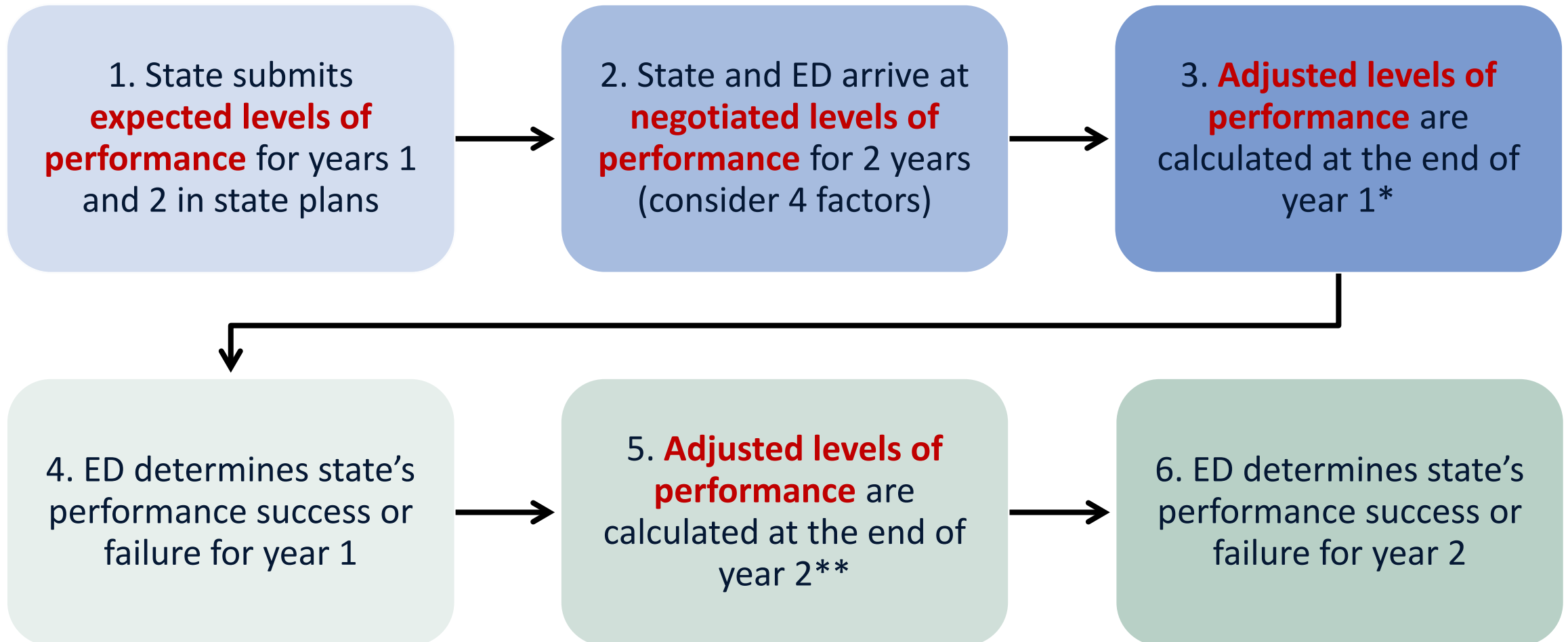
# Group Activity

If you participated in the performance negotiations process this past spring, please share your thoughts in the chat box.

1. What do you think worked well?
2. What would you do differently next time?
3. What would you recommend to someone participating in the negotiations process for the first time?



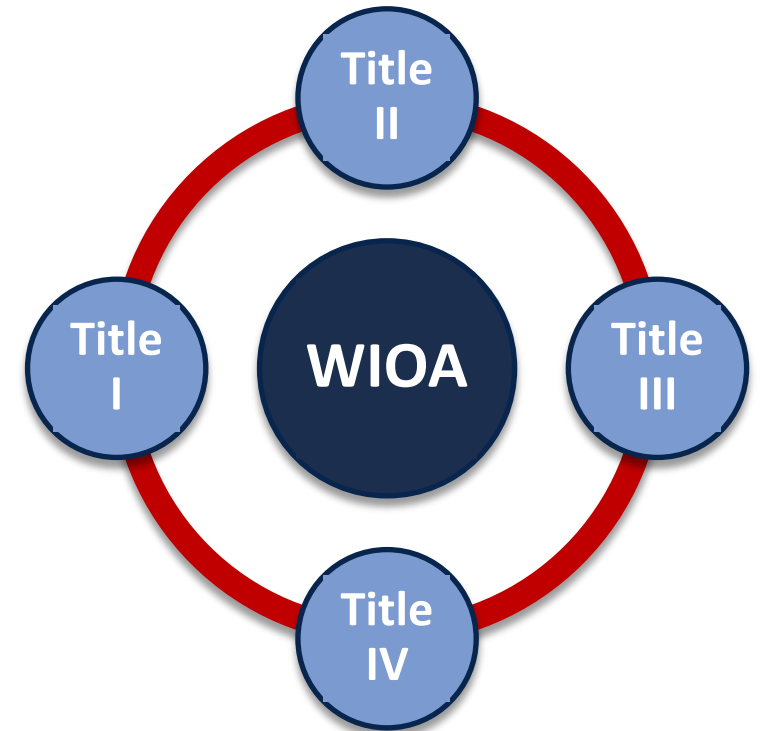
# Negotiations/Performance Process Flow Chart



*\*model is re-run on PY1 data, \*\*model is re-run on PY2 data*

# Which WIOA Programs Must Submit Expected Performance Levels?

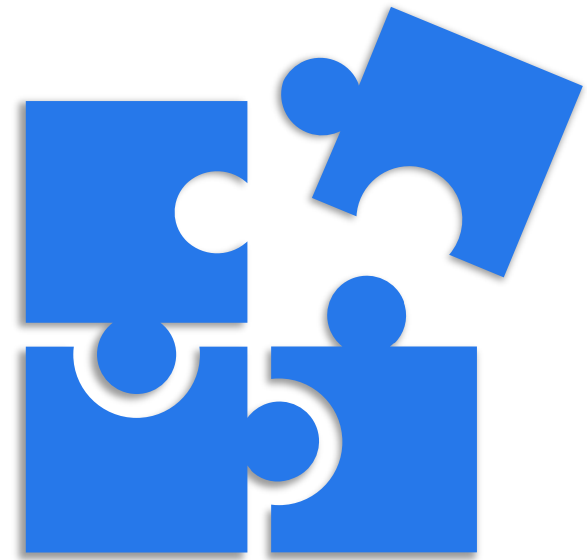
- Title I
  - Youth
  - Adult
  - Dislocated Worker
- ***Title II Adult Education and Family Literacy***
- Title III Wagner-Peyser
- *Title IV Vocational Rehabilitation*



# How are Negotiated Performance Levels Established?

States must reach agreement with the Secretaries of Education and Labor based on the following **four** 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 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 are required to demonstrate how its levels help federal office meet its GPRA targets.

**Government  
Performance  
and Results  
Act of 1993**



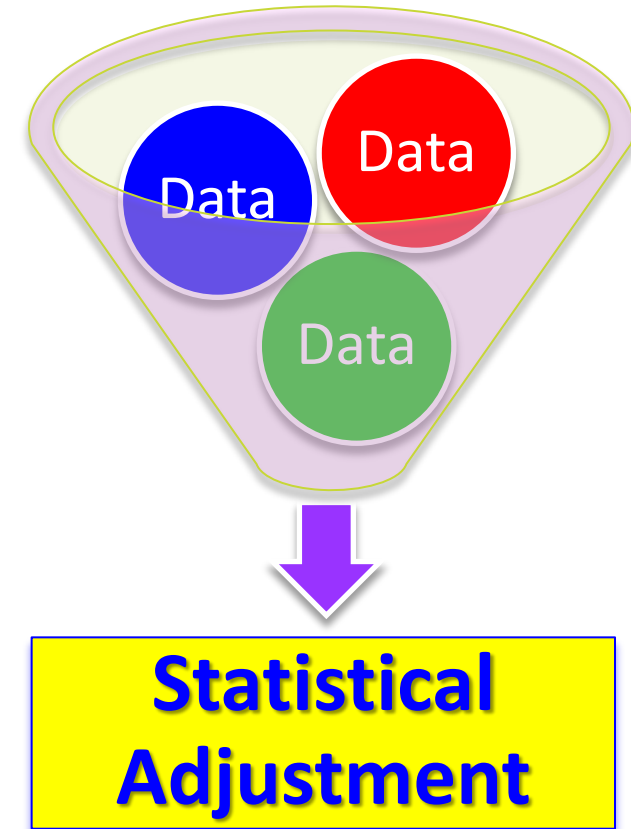
# Negotiations Workbook to Assist States in Setting Expected Levels

Negotiations												
			PY 2020					PY 2021				
Indicator of Performance	PY 2018 Outcome	PY 2018 National Average	GPRA Target	Statistical Adjustment Model Estimate	Expected Level of Performance	Negotiated Target %	Negotiated Target Number	GPRA Target	Statistical Adjustment Model Estimate	Expected Level of Performance	Negotiated Target %	Negotiated Target Number
<b>Employment Rate (Q2)</b>	42.59%	<b>27.53%</b>	28.50%	42.7%		<b>0.0%</b>	<b>0</b>	29.00%	42.7%		<b>0.0%</b>	<b>0</b>
<b>Employment Rate (Q4)</b>	41.62%	<b>26.08%</b>	27.00%	-----		<b>0.0%</b>	<b>0</b>	27.50%	-----		<b>0.0%</b>	<b>0</b>
<b>Median Earnings</b>	\$3,479	<b>\$4,392</b>	-----	\$3,450		<b>\$0</b>	<b>N/A</b>	-----	\$3,450		<b>\$0</b>	<b>N/A</b>
<b>Credential Rate</b>	19.61%	<b>24.91%</b>	27.00%	-----		<b>0.0%</b>	<b>0</b>	28.00%	-----		<b>0.0%</b>	<b>0</b>
						<div style="display: flex; justify-content: space-between;"> <span>Expected Levels of Performance are proposed by the state</span> <span>Area Coordinators will Enter the Final Negotiated Target here after negotiations with the state have concluded.</span> </div>						



# What is the WIOA Statistical 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.
- The model produces an estimate of performance that is used as a factor in the negotiation process.
- The model is applied again at end of program year using actual economic conditions and participant characteristics to re-estimate performance levels. The negotiated levels are adjusted to reflect the revised estimate.
- [Guidance](#) was issued February 6, 2020.

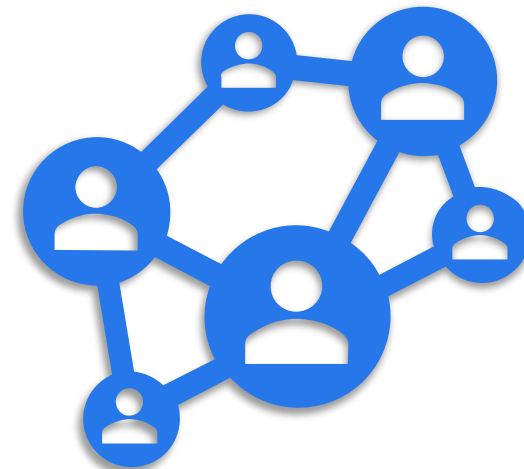


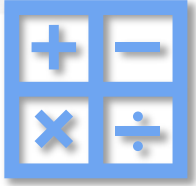
# Statistical Adjustment Model Elements

**Differences among States in actual economic conditions**, including but not limited to unemployment rates and job losses or gains in particular industries; and

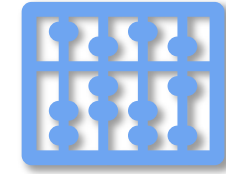
**The characteristics of participants**, including but not limited to:

- Indicators of poor work history;
- Lack of work experience;
- Lack of educational or occupational skills attainment;
- Dislocation from high-wage and high-benefit employment;
- Low levels of literacy;
- Low levels of English proficiency;
- Disability status;
- Homelessness;
- Ex-offender status; and
- Welfare dependency.





## How is State Performance Determined?



Primary Indicator	Title I Adult	Title I Dislocated Worker	Title I Youth	Title II AEFLA	Title III Wagner- Peyser	Title IV Vocational Rehabilita- tion	Overall State Indicator Score
Employment 2nd Quarter	90.0%	99.6%	87.4%	75.3%	72.8%	114.9%	89.9%
Employment 4th Quarter	87.4%						
Median Earnings	111.8%						
Credential Attainment	130.1%					N/A	
Measurable Skill Gains	84.1%					N/A	
Effectiveness in Serving Employers	*	*	*	*	*	*	
Overall State Program Score	100.6%						

\* Effectiveness in Serving Employers performance indicator is currently being piloted and will be established in subsequent guidance.

# Implementation of Performance Determination by Title and Indicator

Title	Indicators of Performance	First Program Year for which Performance Success or Failure Can Be Determined
Title I	<ul style="list-style-type: none"> <li>▪ Employment 2<sup>nd</sup> Quarter after Exit*</li> <li>▪ Median Earnings 2<sup>nd</sup> Quarter after Exit</li> <li>▪ Measurable Skill Gains</li> </ul>	PY 2020
Title I	<ul style="list-style-type: none"> <li>▪ Employment 4<sup>th</sup> Quarter after Exit*</li> <li>▪ Credential Attainment</li> </ul>	PY 2022
Title II	<ul style="list-style-type: none"> <li>▪ Employment 2<sup>nd</sup> Quarter after Exit</li> <li>▪ Median Earnings 2<sup>nd</sup> Quarter after Exit</li> <li>▪ Measurable Skill Gains</li> </ul>	PY 2020 (Reported October 1, 2021)
Title II	<ul style="list-style-type: none"> <li>▪ Employment 4<sup>th</sup> Quarter after Exit</li> <li>▪ Credential Attainment</li> </ul>	PY 2022 (Reported October 1, 2023)
Title III	<ul style="list-style-type: none"> <li>▪ Employment 2<sup>nd</sup> Quarter after Exit</li> <li>▪ Median Earnings 2<sup>nd</sup> Quarter after Exit</li> </ul>	PY 2020
Title III	<ul style="list-style-type: none"> <li>▪ Employment 4<sup>th</sup> Quarter after Exit</li> </ul>	PY 2022
Title IV	<ul style="list-style-type: none"> <li>▪ Measurable Skill Gains</li> </ul>	PY 2020
Title IV	<ul style="list-style-type: none"> <li>▪ Employment 2<sup>nd</sup> Quarter after Exit</li> <li>▪ Median Earnings 2<sup>nd</sup> Quarter after Exit</li> <li>▪ Employment 4<sup>th</sup> Quarter after Exit</li> <li>▪ Credential Attainment</li> </ul>	PY 2022

# 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 of Governor's Reserve under title I



# 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.



# What is a Sanction under section 116 of WIOA?

Governor's discretionary funds provided under section 128(a) of WIOA will be reduced by five percent of the maximum available allotment in the immediately succeeding program year.



# When is a State Subject to Sanctions?

1. **Failure to submit** an annual performance report:
  - **by the due date** (unless an extension is granted) or
  - **that is complete.**
2. **Failure to achieve** adjusted levels of performance in **two consecutive program years.**





**Knowledge Check:** Which of the situations below are defined in regulation as “exceptional circumstances” under which sanctions will not be applied for failure to submit an annual performance report? **Stamp** all that apply.

Natural Disasters

Change in State Agency

Unexpected Personnel Transitions

New Data System Procurement

Unexpected Technology Issues

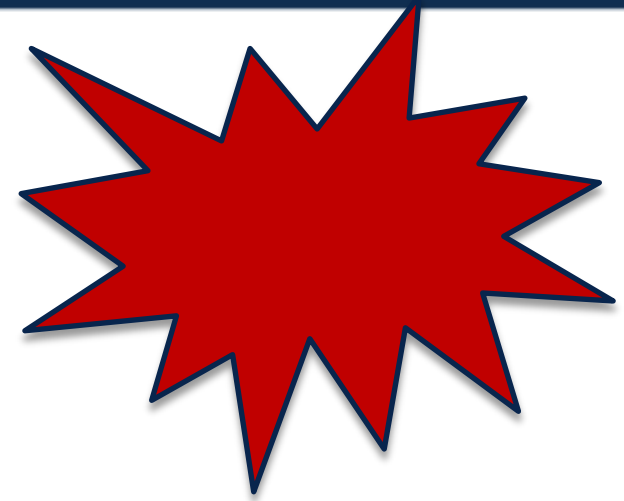


# Take Aways

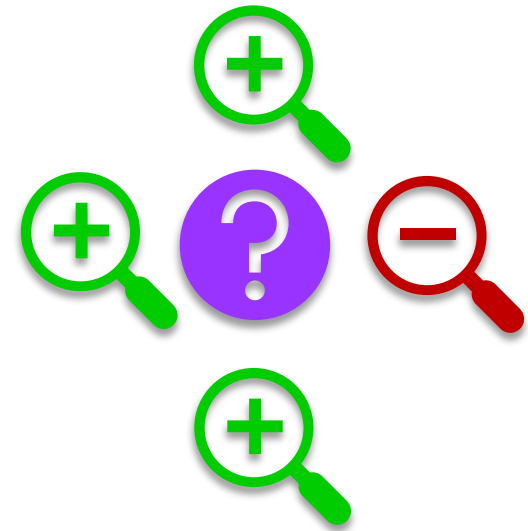


- ✓ States must submit **expected** levels of performance for two years in the State Plan and again, two years later, during the state plan modification process.
- ✓ The **negotiated** levels of performance are established for all WIOA programs using the four factors required in the statute.
- ✓ Statistical adjustment will be applied to negotiated targets at the end of the program year to establish **adjusted** levels of performance.
- ✓ Sanctions are applied for failure to **report on time** (unless an extension is granted) or to **submit a complete report**, or failure to **achieve adjusted levels of performance**.

## Which of the following statements is false? Type your number selection in the chat.



1. All WIOA core programs are required to negotiate performance levels based on the same factors.
2. It is OK to submit a late report, if I request and receive an extension.
3. Performance failure occurs, if an individual indicator score falls below 50 percent.
4. I can add additional State factors to the required factors during the performance negotiation process.





# Questions?

# Technical Assistance Contacts

**Karla Ver Bryck Block, Branch Chief**  
202-245-6836, [Karla.Verbryckblock@ed.gov](mailto:Karla.Verbryckblock@ed.gov)

## Area Coordinators

- Chuennee Boston, Area I, 202-245-6733, [Chunnee.Boston@ed.gov](mailto:Chunnee.Boston@ed.gov)
- Stephanie Washington, Area II, 202-245-6952, [Stephanie.Washington@ed.gov](mailto:Stephanie.Washington@ed.gov)
- Sharon Harrington, Area III, 202-245-7709, [Sharon.Harrington@ed.gov](mailto:Sharon.Harrington@ed.gov)
- Kathy Killian, Area IV, 202-245-6147, [Kathy.Killian@ed.gov](mailto:Kathy.Killian@ed.gov)

## Management Program Analyst

**Kenneth Kalman, 202-245-7529, [Kenneth.Kalman@ed.gov](mailto:Kenneth.Kalman@ed.gov)**

