



Pete Ricketts
Governor

STATE OF NEBRASKA

DEPARTMENT OF LABOR

John H. Albin, Commissioner

P.O. Box 94600 • Lincoln, NE 68509-4600

Phone: 402.471.9000 • dol.nebraska.gov

Workforce Innovation and Opportunity Act Issuance

September 14, 2016

TO Chief Elected Officials, Local Workforce Development Board Chairs, and Providers

SUBJECT Local Area Performance Goals for Program Years 2016 and 2017

NUMBER 16-02

PURPOSE To inform local areas of negotiated levels of performance for Program Years 2016 and 2017 for WIOA Title I (Adult, Dislocated Worker, and Youth) and Title III (Wagner-Peyser) programs

REFERENCE Workforce Innovation and Opportunity Act of 2014 (WIOA) Sec. 116; 20 CFR § 677.220; TEGL 26-15; U.S. Department of Labor Employment and Training Administration Region V Letter of Notification, August 12, 2016; Combined State Plan for Nebraska's Workforce System, July 1, 2016 through June 30, 2020

SUBSTANCE On July 28, 2016, the Commissioner of Labor, on behalf of the Governor, negotiated with the U.S. Department of Labor Employment and Training Administration Region V Office on expected levels of performance for Program Years 2016 and 2017 for WIOA Title I (Adult, Dislocated Worker, and Youth) and Title III (Wagner-Peyser) programs. The agreed upon levels of performance are detailed in Table 1.

Table 1. Negotiated Levels of Performance for WIOA Title I and Title III Programs

Performance Measures	PY16	PY17
Adults		
Employment Q2 after exit (Table 1 in Plan)	78.0%	78.0%
Employment Q4 after exit (Table 2 in Plan)	79.0%	79.0%
Median earnings Q2 after exit (Table 3 in Plan)	\$5,500.00	\$5,500.00
Credential Attainment Rate (Table 4 in Plan)	56.0%	56.0%
Dislocated Worker		
Employment Q2 after exit (Table 1 in Plan)	87.0%	87.0%
Employment Q4 after exit (Table 2 in Plan)	88.0%	88.0%
Median earnings Q2 after exit (Table 3 in Plan)	\$7,200.00	\$7,200.00
Credential Attainment Rate (Table 4 in Plan)	60.0%	60.0%

Performance Measures	PY16	PY17
Youth		
Employment Q2 after exit (Table 1 in Plan)	78.0%	78.0%
Employment Q4 after exit (Table 2 in Plan)	77.0%	77.0%
Median earnings Q2 after exit (Table 3 in Plan)	NA	NA
Credential Attainment Rate (Table 4 in Plan)	68.0%	68.0
Wagner-Peyser		
Employment Q2 after exit (Table 1 in Plan)	69.0%	69.0%
Employment Q4 after exit (Table 2 in Plan)	73.0%	73.0%
Median earnings Q2 after exit (Table 3 in Plan)	\$5,000.00	\$5,000.00
Credential Attainment Rate (Table 4 in Plan)	NA	NA

The negotiated levels of performance have been incorporated into the Combined State Plan for Nebraska's Workforce System.

The Nebraska Department of Labor (NDOL) recommends the same levels of performance for each local area as those detailed in Table 1.

Performance Failure by the Local Area¹

If a local area fails to meet the adjusted levels of performance agreed in any program year, technical assistance must be provided by NDOL or, upon the Governor's request, by the Secretary of Labor.

Failure to Meet Adjusted Levels of Performance

The threshold for failure to meet adjusted levels of performance² for a local area will be established after two (2) years of complete data on each indicator is available.³ During this two (2) year period, NDOL will provide technical assistance to each local area that does not meet the State's negotiated levels of performance for Program Years 2016 and 2017 (see Table 1). Technical assistance may include:

- assistance in the development of a performance improvement plan;
- the development of a modified local or regional plan; or
- other actions designed to assist the local area in improving performance.

Determination of financial sanctions for the State's performance failure will occur only after two (2) years of complete data are available for inclusion in the statistical adjustment model and after the model has been utilized to set targets for two (2) full program years.

¹ WIOA Sec. 116(g); 20 CFR § 677.220; TEGL 26-15

² 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. (See TEGL 26-15.)

³ 20 CFR § 677.220(a)(1)(ii)

Negotiating Local Area Performance Levels⁴

NDOL must work with local areas to establish performance goals for WIOA Title I programs. The local board, chief elected official (CEO), and NDOL must negotiate and reach agreement on local levels of performance:

- based on the State's negotiated levels of performance; and
- no later than September 30, 2016.

The local board, CEO, and NDOL must make adjustments for the expected economic conditions and expected characteristics of participants to be served in the local area using the statistical adjustment model developed at the Federal level as a tool.⁵

The local board and CEO should use negotiated levels of performance to drive continuous improvement and enhance customer satisfaction. In proposing local area performance levels for WIOA Title I, the local board and CEO should negotiate local area performance levels within the context of integrated service delivery, priority of service, local economic conditions, customers served, and workforce solutions that contribute to the economic competitiveness of the State and the local area.

Customers Served

NDOL will consider adjusting performance targets to accommodate a local area currently serving a significant number of individuals with barriers to employment who need higher levels of service to achieve a positive outcome and who are not accounted for in the statistical adjustment model.

A local area that has ongoing initiatives for serving categories of individuals with barriers to employment that are not included in the statistical adjustment model should include NEworks report data that supports this information in its local area performance level proposal.

The proposal must provide data to support adjustment of performance goals based on numbers of individuals currently being served who have barriers to employment. This data should show increasing numbers of individuals with barriers to employment in past program years. The local board and CEO must demonstrate that the individuals with barriers to employment will exit in the negotiated performance year, as well as how these individuals will quantitatively impact performance outcomes.

It is important to note that the regression model accounts for many, if not all, categories of individuals with barriers to employment. A local area serving a greater percentage of any omitted category must provide evidence that shows how outcomes will be impacted by serving that omitted category, citing academic or other studies that identify the quantitative impact.

⁴ TEGL 26-15

⁵ The Federal statistical adjustment model is available separately.

Continuous Improvement

Continuous improvement should be considered in all aspects of the negotiations process. Utilizing the statistical adjustment model provides a foundation upon which expected performance can be agreed.

Negotiation Process

If a local board and CEO wish to negotiate local area levels of performance that differ from those in Table 1, the local board and CEO must take the following steps:

1. After conducting an analysis of factors that may affect performance *and* prior to September 23, 2016, the local board must submit any proposed revisions to local area performance goals for Program Years 2016 and 2017.
2. The proposal must be submitted electronically to Joan Modrell, Director, Office of Employment and Training at joan.modrell@nebraska.gov on or before September 27, 2016 with a copy to ndol.wioa_policy@nebraska.gov.
3. This proposal must include the following:
 - a. proposed levels of performance for each performance measure for Program Years 2016 and 2017:
 - i. proposed performance levels must be stated to one tenth (1/10th) of one (1) percent (example: 80.7%);
 - b. the methodology used for developing proposed levels of performance, including a description of data sources, calculations, and additional environmental factors; and
 - c. a description of how the proposed target levels will promote continuous improvement in State performance.
4. The Commissioner of Labor, on behalf of the Governor, will review the local area proposal and work with the local area to set mutually agreed upon levels of performance and will take into consideration:
 - a. environmental factors addressed in the proposal by the local area, including current and future economic conditions;
 - b. the quality of the data presented in the local area proposal, including its relevance, source, the time period from which it is drawn, and whether the data are part of a trend or are anomalous;
 - c. whether each proposed performance goal is:

- i. appropriate in relation to the requirements of this issuance and Federal criteria;
- ii. appropriate in relation to the adequacy of any information the local board and CEO offer to substantiate each proposed level; and
- iii. reasonable to achieve the State's negotiated levels (see Table 1).

5. Following agreement on performance levels, the Commissioner of Labor will send a letter to the local area confirming the finalized performance levels. The letter will constitute a modification to the local area plan and serve to automatically incorporate the agreed upon performance goals into the local area plan.

Local Area Acceptance of the State's Negotiated Levels of Performance

If a local board and CEO accept the State's negotiated levels of performance detailed in Table 1, the local board and CEO must submit a signed letter of acceptance to Joan Modrell, Director, Office of Employment and Training at joan.modrell@nebraska.gov on or before September 30, 2016 with a copy to ndol.wioa_policy@nebraska.gov.

Failure to submit a signed letter of acceptance on or before September 30, 2016 constitutes the local board's and CEO's acceptance of the State's negotiated levels of performance.

ACTION Local Area officials are asked to share this information with the appropriate individuals. The Local Areas and contractors shall develop and administer programs to meet or exceed the performance measures established in this issuance.

CONTACT Nebraska Department of Labor
Office of Employment and Training
550 South 16th Street
PO Box 94600
Lincoln, Nebraska 68508
(402) 471-1932

ATTACHMENT A – ETA Region V Notification



John H. Albin
Commissioner/State WIOA Liaison

Attachment A
ETA Region V Notification

U.S. Department of Labor



Employment and Training Administration
REGION V

John C. Kluczynski Building
230 South Dearborn Street, 6th Floor
Chicago, IL 60604-1505

<http://www.doleta.gov/regions/reg05>

August 12, 2016

Mr. John Albin
Commissioner of Labor
Nebraska Department of Labor
P. O. Box 94600
550 S. 16th Street
Lincoln, Nebraska 68509-4600

Dear Mr. Albin:

Thank you for the submittal of the Program Years (PY) 2016 and 2017 expected levels of performance for the Workforce Development Activities under Title I of the Workforce Innovation and Opportunity Act (WIOA) and the Wagner Peyser Act, as amended under Title III of WIOA, and for the State's participation in the formal performance negotiations which took place on July 28, 2016.

This letter serves as official notification advising Nebraska of the agreed-upon PY 2016 and 2017 negotiated levels of performance. A copy of the negotiated performance levels is enclosed with this letter.

This official notice also constitutes a modification to the Combined State Plan. The State must ensure that the PY 2016 and 2017 negotiated levels of performance are included in the State's official copy of its Combined Plan. Any published copy of the Combined Plan on the State's Website must also include these negotiated levels of performance. ETA will incorporate these negotiated performance levels into the Regional and National Office copies of the Combined State Plan. Lastly, the State must enter these negotiated levels of performance into the State Plan Portal.

We look forward to working with you and your staff as Nebraska continues to implement its Combined Plan. If you have any questions, please contact me or Stacy O'Keefe, the Nebraska Federal Project Officer, at 312-596-5527 or okeefe.stacy@dol.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Christine Quinn". The signature is fluid and cursive, with a large initial "C" and a long horizontal stroke at the end.

Christine Quinn
Regional Administrator

Enclosure – PY 2016 and 2017 Negotiated Levels of Performance

cc: Joan Modrell, Executive Director

Workforce Development Activities (Title I of WIOA)
Wagner Peyser Act (as amended by Title III of WIOA)
 Negotiated Levels of Performance for PY 2016 and 2017

Nebraska

Workforce Development Activities

<u>Adult</u>	PY 2016	PY 2017
Employment Rate 2 nd Quarter after Exit	78.0%	78.0%
Employment Rate 4 th Quarter after Exit	79.0%	79.0%
Median Earnings 2 nd Quarter after Exit	\$5,500	\$5,500
Credential Attainment within 4 Quarters after Exit	56.0%	56.0%
 <u>Dislocated Worker</u>		
Employment Rate 2 nd Quarter after Exit	87.0%	87.0%
Employment Rate 4 th Quarter after Exit	88.0%	88.0%
Median Earnings 2 nd Quarter after Exit	\$7,200	\$7,200
Credential Attainment within 4 Quarters after Exit	60.0%	60.0%
 <u>Youth</u>		
Employment or Placement Rate 2 nd Quarter after Exit	78.0%	78.0%
Employment or Placement Rate 4 th Quarter after Exit	77.0%	77.0%
Credential Attainment within 4 Quarters after Exit	68.0%	68.0%

Wagner Peyser Act

<u>Wagner Peyser</u>		
Employment Rate 2 nd Quarter after Exit	69.0%	69.0%
Employment Rate 4 th Quarter after Exit	73.0%	73.0%
Median Earnings 2 nd Quarter after Exit	\$5,000	\$5,000