

# Texas Workforce Commission

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200 Constitution Avenue NW  
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## **RE: Comments on the Proposed Workforce Innovation and Opportunity Act - Common Performance Reporting Information Collection Request**

Staff of the Texas Workforce Commission (TWC) appreciate the opportunity to comment on the Workforce Innovation and Opportunity Act (WIOA) proposed Information Collection Request (ICR), published by the U.S. Departments of Labor (DOL) and Education (ED)—collectively, “the Departments.” TWC provides these comments in response to the WIOA Common Performance Reporting ICR (OMB Control 1205-0526), issued on January 19, 2017.

TWC, in partnership with its 28 Local Workforce Development Boards and its Adult Education and Literacy grantees, currently operates WIOA Titles I, II, and III and will soon operate Title IV Vocational Rehabilitation services, in addition to a wide variety of federally and state-funded workforce programs.

The WIOA vision of an integrated workforce system has been a reality in Texas for nearly two decades. TWC has extensive experience using integrated common measures across both state and federal programs and in using measures to foster innovation and help transform its’ system. Building from experience with integrated reporting of Common Measures, as well as piloting and redevelopment of the Workforce Investment Streamlined Performance Report (WISPR), TWC had a number of concerns and recommendations regarding the initial publication of the reporting ICR in July 2015, which we submitted in September 2015 and then again in May 2016. We now offer comments in response to this third reporting ICR proposal as provided in the attached document.

Thank you again for the opportunity to comment on this proposal. If you have any questions about these comments, please contact Adam Leonard at [adam.leonard@twc.state.tx.us](mailto:adam.leonard@twc.state.tx.us) or (512) 936-5866.

Sincerely,



Larry Temple  
Executive Director  
Enclosure

## Comments

### Introduction

TWC staff offer the following points of discussion and recommendations regarding the latest draft Joint Performance Accountability Information Collections Request (JPA-ICR) issued on January 19, 2017 with comments due March 20, 2017. Our comments primarily focus on issues related to the Credential Attainment and Measureable Skills Gains measures (data collected and the way numerators and denominators are calculated) but we have several observations about other areas of the JPA-ICR.

### ETP Annual Report Changes

We generally agree that the new proposed data elements will serve the purpose of consumer education but have several concerns:

- 1) Smaller providers, particularly smaller career/proprietary schools may have difficulty understanding items like CIP and O\*NET SOC Codes and contact hours.
- 2) Consumer Education is enhanced by having out-of-pocket costs for Non-WIOA Participants. TWC actually made that recommendation when the JPA-ICR was first issued in 2015. However, the reality is there is not always one out-of-pocket cost. In Texas, most community colleges have "in district" and "out of district" cost models. Those who live in the community colleges' taxing district pay the "in district rate" while those who live outside the district pay a higher "out of district rate". We're not aware if a similar practice exists in other states but we recommend providing in district and out of district cost fields.
- 3) We have a CIP-O\*NET SOC code crosswalk that we use for analysis and it shows a large number of CIP codes associated with more than 3 SOC codes. What basis do you expect Providers use to select 3 to report? Would it be possible to just report as many as applicable? After all, the proposal is to have one field to list Reciprocal Agreements with other states.
- 4) Eight (8) digit O\*NET SOC codes may be too detailed for many providers to use and for prospective students (i.e. the consumers) to easily understand. Moving to 6 digit O\*NET SOC codes would simplify reporting for providers and enhance understandability for prospective students.
- 5) Regarding Reciprocal Agreements, isn't that really state-level information and not program-by-program? If so, doesn't it make sense to track that at the state level rather than the provider level?
- 6) We do not support adding Average Earnings in Quarter 2 and Quarter 4 to the data reported. WIOA moved from a focus on Average Earnings to Median Earnings. ETPs are required to report Median Earnings in Quarter 2 for all students and WIOA Participants under WIOA §116. Requiring ETPs to report both Median and Average Earnings and to present that information to consumers will not serve the needs of consumers or providers well. If DOL believes that it is imperative to provide earnings in the 4<sup>th</sup> quarter information to consumers, even though the statute does not require it, it would be better to make it median earnings to make it consistent with the required earnings data that will already be displayed as required by §116.

- 1 7) Lastly, the JPA-ICR states that small entities will not be significantly impacted. We  
2 believe that there are many ETPs that are small businesses who will certainly be  
3 impacted by the requirements.

#### 4 **Report Narrative**

5 We offer the following thoughts regarding the proposed Narrative Report:

- 6 1) We support the proposal to limit the narrative to 25 pages.
- 7 2) We don't understand the intent in limiting the report to Titles I and III but yet requiring  
8 other core partner programs to participate in its development. Please clarify this in the  
9 next publication of the JPA-ICR for a 30 day comment period to allow us to better  
10 evaluate the proposal.

#### 11 **State and Local Report Template Calculations**

12 TWC staff commented extensively on the original JPA-ICR proposals in 2015 and 2016 and  
13 continue to have concerns over many of the measure calculations. The State and Local  
14 Report Templates are used to report WIOA performance outcomes but the key is that they  
15 exist as part of a Performance Accountability System. Regardless of whether the numbers  
16 "look good" or not, ultimately what matters is to have a system which measures system  
17 performance and holds states and local boards accountable if they are unable to achieve  
18 expectations.

19 Effective measures are those that are aligned with the intent of the system and the needs of  
20 those it serves. While it may not be possible to build a perfect set of measures that account  
21 for each potential scenario, it is possible to improve what was approved in the June 2016  
22 version of the JPA-ICR. Given that failing to meet performance expectations can result in  
23 monetary sanctions or worse, it is imperative that the measures provide those responsible for  
24 services and achievement a reasonable opportunity to achieve the intended result. It is from  
25 that perspective that we offer comments on 3 measures.

- 26 • Credential Rate – The currently approved Credential Rate denominator specifications  
27 include anybody in secondary or post-secondary level education, including training. In  
28 Title II, where the intent of the program is generally to provide a credential, that makes  
29 sense. Likewise, it makes sense in Title IV where it is common for Participants to  
30 remain in the program for extended periods while finishing such education. However, it  
31 is very problematic in those instances of Title I where the system may not be paying for  
32 any training or education but the Participant happened to be in post-secondary  
33 education or training during the Period of Participation (POP).

34 The issue arises with Title I Worker Participants who may be pursuing post-secondary  
35 education part-time while working full-time and who come to the system solely for job  
36 search assistance. In this situation, they are not seeking training or assistance in  
37 pursuing their education but rather are only seeking job search assistance. It is not  
38 reasonable to put these Participants in the Credential Rate denominator, when the  
39 services they receive are in no way connected to their education and when they might  
40 be well over a year away from achieving a recognized credential (and thus have no  
41 chance to be in the numerator). TWC has run data on this scenario and found that it is  
42 very common.

43 Remember, Accountability is primarily a question of system intent and whether we are  
44 meeting the needs of the Participants. The law allows Participants to receive only

career services under Title I and in the common scenario described above, the need of the Participant is job search assistance. If the system meets that need (i.e., helps them find a job), the system would be portrayed as having not met a need that the Participant did not seek assistance with (i.e. education).

There are a number of different ways to address this issue but we recommend adopting one of the following two approaches:

1) The easiest method is to add a third option to PIRL elements 1332: "Record 2 if the Participant was in post-secondary education during program participation but the Participant's pursuit of this education was not being supported by the program." Then make a similar addition to PIRL element 1401: "Record 2 if the Participant was in Secondary Education but the Participant's pursuit of this education was not being supported by the program."

2) A second method would be to modify PIRL elements 1303, 1310, and 1315 to include types of education such as "12 = Secondary Education supported by the program" and "13 = Post-Secondary Education supported by the program" and then modifying the Credential Rate denominator as follows:

Count of UNIQUE RECORDS Where (Funding Stream) and DATE OF PROGRAM ENTRY is not null and DATE OF EXIT is within the report period and ((TYPE OF TRAINING #1 or TYPE OF TRAINING #2 or TYPE OF TRAINING #3) = (02 or 03 or 04 or 06 or 07 or 08 or 09 or 10 or 12 or 13)) or (Participated in POSTSECONDARY Education During Program Participation = 1) or (ENROLLED IN SECONDARY EDUCATION PROGRAM = 1) and OTHER REASON FOR EXIT is (00 or 07))

Both options would keep the Participant out of the denominator if their education was not directly supported by the program while preserving the useful information about the Participant's education status so that it could be considered in the statistical models.

- Measurable Skills Gains – Measurable Skills Gain continues to be a highly problematic measure from a Performance Accountability perspective. The issue described above relating to people coming to the system solely for job search assistance but who happen to be in education not supported by the system, is also an issue with Measurable Skills Gain (MSG). Fortunately, the issue can be similarly addressed by modifying the MSG denominator specifications to either:

1) Exclude Elements 1331 and 1401 where the value = 2 (in education but not education supported by the system if the Departments go with Option 1 recommended above on the Credential Rate); or

2) Only use elements 1303, 1310, and 1315 (since they will now track secondary and post-secondary education supported by the system if the Departments go with Option 2 recommended above on the Credential Rate).

A second issue with the MSG Denominator is that often Participants will complete their training/education and continue to receive career services. This is particularly the case for those Participants who were unemployed while in education/training or who gained significantly more valuable skills that should enable them to obtain better employment. If a Participant completes their education or training in the late spring and continues to receive career services past the end of the Program Year (PY), the Participant will be included in the MSG denominator in the year that they completed their education/

1 training (as they should be) AND will again be included in the next PY Denominator  
2 even though they were not in education/training in the new PY. This is because the  
3 denominator specification does not contain a reference to completion of  
4 education/training, which would allow it to exclude those who were in  
5 education/training during their POP but not during the 2<sup>nd</sup> PY when only career services  
6 are needed. Having a Denominator that includes Participants who have no opportunity  
7 to be in the numerator undermines Performance Accountability and could have  
8 unintended impacts on service delivery.

9 The Departments should modify the Joint PIRL to include a variable related to  
10 completion of education/training during the POP and modify the MSG Denominator  
11 specification to include this. This could be done as follows:

- 12 1) Add "Date of Completion of Education/Training" defined as the date that the  
13 Participant has concluded participating in any education or training supported by the  
14 program; and then
- 15 2) Modify the Denominator Specification to read as follows:  
16 Count of UNIQUE RECORDS Where (Funding Stream) and ((DATE OF PROGRAM  
17 ENTRY is not null) and (DATE OF Program Entry <= end of report period) and (DATE  
18 OF EXIT is null or within the report period) and (DATE ENROLLED DURING  
19 PROGRAM PARTICIPATION IN AN EDUCATION OR TRAINING PROGRAM LEADING TO  
20 A RECOGNIZED POSTSECONDARY CREDENTIAL OR EMPLOYMENT (WIOA) in not  
21 null) and DATE OF COMPLETION OF EDUCATION/TRAINING" is null or within the  
22 report period and (OTHER REASON FOR EXIT = (00 or 07)

23 However, beyond the Denominator issues with MSG, there are MSG Numerator issues  
24 that need to be addressed.

- 25 1) MSG Type 3 (Transcript/Report Card) provides that a part-time student can only be  
26 considered to have achieved a Type 3 gain by successfully completing 12 hours over  
27 2 consecutive semesters. However, if the Participant began participation in the  
28 spring, it is not possible to achieve a Type 3 gain by the end of the PY. As  
29 discussed, the purpose of a Performance Accountability system is to set  
30 expectations and determine if those expectations are met. Including people in the  
31 Denominator who have no opportunity to be in the Numerator undermines the  
32 effectiveness of the measure. Those who improperly delay enrollment until the  
33 beginning of the next PY would appear to have better results than those who better  
34 serve their Participants by getting them into appropriate training as soon as it is  
35 available. To address this, MSG Type 3 should be adjusted to be 12 hours across  
36 two semesters during the Program Year OR 6 hours during the PY if entry into the  
37 training/education program was in the 2<sup>nd</sup> half of the PY.
- 38 2) MSG Type 2 (Achievement of Secondary Credential or its Equivalent) needs to be  
39 broadened to include other Recognized Credentials. Achievement of a Recognized  
40 Credential within the PY should always, always be considered a success even if none  
41 of the other MSG types apply. For example, if the Participant was only 3 hours from  
42 completing an Associate's degree and the system helped them achieve it during the  
43 spring semester (i.e. before the end of the PY in June), that should be considered an  
44 MSG. It should not be possible to count as successful in the Credential Rate  
45 measure and yet not count as successful in MSG, since MSG is supposed to be an

interim measure of progress towards the ultimate result (i.e., the Recognized Credential). If the intent is that achievement of a Training Milestone (MSG Type 5) is intended to address this situation, then it is not clear why MSG Type 2 would be needed since achievement of Secondary Credential or its Equivalent would also clearly also be a milestone. Even if that is the intent, we don't support addressing the achievement of a non-secondary diploma/equivalent through the MSG Type 5 because it would not apply to AEFLA Title II participants who are in integrated AEFLA and occupational skills training and who achieve a Recognized Credential other than the secondary diploma/equivalent.

This leads to a broader issue of misalignment in MSG as it relates to Title II, which limits the types of gains that it recognizes to Type 1 (Educational Functioning Level Gain) and Type 2 (Achievement of Secondary Credential or its Equivalent). While we certainly agree that the vast majority of the time, gains achieved by Title II Participants will be of the Type 1 and Type 2 variety, we note that WIOA allows for other AEFLA activities, such as workplace AEL which may be a shorter-term and more focused activity – one that does not use an assessment system that is compatible with the EFL gain type.

Again, it is not reasonable to include a Participant in the Denominator by virtue of participating in an allowable activity consistent with the intent of the program (in fact supported by the program), if the activity has no way of resulting in a recognized gain. The solution is simple: the JPA-ICR MSG specifications must be equally applied to all programs.

If a training/education activity is allowable under Titles I, II, and IV, its outcomes must be reported the same way for each program. Outcomes should be calculated at the Participant level and then aggregated by program. In the integrated system that WIOA provides for, the program that pays for the service should not dictate whether an outcome (even an interim outcome like MSG) is considered successful in the Common Performance Indicators provided for under WIOA §116.

The law creates two exceptions to Common Performance Indicators:

- 1) It considers Youth enrolled in education Post Exit to be successful outcomes; and
- 2) It excludes Title III-only Participants from the Credential Rate and MSG outcomes.

If Congress had intended MSG to apply differently based on funding source, they clearly showed that they knew how to make that happen by virtue of creating the Wagner-Peyser exclusions and Titles I Youth alternate measures.

- Effectiveness Serving Employers – The Departments are implementing these measures as “system measures” that cross the programs. While that is understandable at the system level, it is unclear how this will work at the local level, since these measures will eventually be used in evaluating local Board performance and they are only responsible for Title I performance under WIOA §116. The Departments need to clarify how they envision reporting this data at the local level. Will it include services provided by Titles II and IV? If so, how do the Departments plan to ensure that a local Board is not subject to sanction because of lack of performance from Title II or IV partners, should that unfortunate situation arise?