

June 17, 2016

DIRECTIVE: JOB CORPS INFORMATION NOTICE NO. 15-41

TO: ALL JOB CORPS NATIONAL OFFICE STAFF
 ALL JOB CORPS REGIONAL DIRECTORS
 ALL JOB CORPS CENTER DIRECTORS
 ALL JOB CORPS CENTER OPERATORS
 ALL NATIONAL TRAINING AND SUPPORT CONTRACTORS
 ALL OUTREACH, ADMISSIONS, AND CTS CONTRACTORS

FROM: LENITA JACOBS-SIMMONS
 National Director
 Office of Job Corps

SUBJECT: Notice of Proposed Changes and Field Comment Period for the Policy and Requirements Handbook Chapter 5, Appendix 501: Program Year (PY) 2016 Performance Management System

1. Purpose. To provide advanced notice of the key changes to the PRH Appendix 501 (Job Corps' Performance Management System) for PY 2016, allow for a review and comment period by the Job Corps community on the proposed changes, and inform the field of the development of a new Workforce Innovation and Opportunity Act (WIOA) Reporting System to communicate program outcomes to the Office of Management and Budget (OMB), Congress, and other interested parties.
2. Background. Job Corps' Performance Management System, as outlined in the PRH Appendix 501, is an integral component of how the Job Corps program is administered. It provides useful and relevant feedback on performance and encourages continuous improvement in those areas which have been identified as program priorities. Additionally, the Performance Management System serves as an instrument to meet Federal and legislative accountability requirements, assess centers' and agencies' accomplishments, and serve students more effectively.

To be positioned to report on the new WIOA performance requirements beginning in PY 2016, Job Corps has made substantial changes to its data collection and reporting systems. These changes have necessitated some corresponding changes to the Outcome Measurement Systems (OMS).

As with past program years, the Office of Job Corps assembled an OMS workgroup to review the current system, assess whether it aligns with legislative reporting requirements, and determine where changes are necessary to improve performance and better support program priorities. After four Webinars and conference calls, the workgroup recommended changes to (1) primarily align the OMS with WIOA performance measures by redefining the measures for long-term placement; (2) minimally increase goals to drive higher performance; and (3) update OMS components and related policies. The National Director reviewed these recommendations and finalized the changes for the PY 2016 Performance Management System.

3. Explanation of Major Proposed Changes.

A. WIOA Reporting System

WIOA stipulates that all youth training programs, including Job Corps, use six primary performance measures to evaluate performance. The six primary measures are:

- Measure 1: Employment or Education/Training Rate (Quarter 2 After Exit)
- Measure 2: Employment or Education/Training Rate (Quarter 4 After Exit)
- Measure 3: Median Earnings (Quarter 2 After Exit)
- Measure 4: Credential Attainment Rate
- Measure 5: Measurable Skill Gains Rate
- Measure 6: Effectiveness in Serving Employers Rate

These new WIOA measures required the development of new data collection mechanisms and new performance reports. An overview of each of these is presented below.

- (I) ***New Data Collection Mechanisms:*** New systems have been developed and existing systems refined to collect additional data necessary for reporting WIOA measures. These include: adding a new module to Center Information System (CIS) to capture Career Preparation Program (CPP) completions; improving the High School Diploma (HSD) and High School Equivalency (HSE) data entry screens; and expanding the data collected for students entering a Continuing Education Program (CEP) (under development). The most significant change, however, is the redesign of the post-placement surveys (13-week re-verification and the 6- and 12-month follow up surveys for graduates) with two new surveys. These new surveys will re-verify initial placements and capture placement outcomes in Quarter 2 and Quarter 4 after exit for a broader group of students.

The new surveys will collect employment/education/training and earnings outcomes for “committed” participants (defined as those who complete their CPP or stay more than 60 calendar days in Job Corps). These surveys will capture achievements during their second quarter (Quarter 2) and fourth quarter (Quarter 4) after exit from Job Corps. This broader pool of students includes not only graduates and former enrollees, but also students who meet the definition of “committed” and separate for a Level 1 Zero Tolerance (ZT) infraction.

The Quarter 2 and Quarter 4 survey data will be used to report on five of the six new WIOA measures (Measures 1, 2, 3, 4, and 6). Measure 5, Measurable Skills Gains Rate, will report in-program accomplishments captured solely through CIS for the group of students served during the period (i.e., those students who were active and/or who separated during the period).

The transition to the new WIOA Quarter 2 and Quarter 4 surveys will take effect July 1, 2016. The last 13-week re-verification and follow-up surveys will be administered June 30, 2016, and the new Quarter 2 and Quarter 4 surveys will begin July 1, 2016.

Discontinuing the follow-up surveys has implications for both measures and OMS policies, as discussed in Sections B and C.

- (2) ***New WIOA Performance Reports:*** Job Corps is creating new reports, separate from the existing OMS reports, to relay WIOA outcomes beginning in PY 2016. The WIOA Program Performance Report (PPR) and new Performance Management Reports (PMRs) adhere to the format used by other adult- and youth-training programs administered by the Department of Labor and the Department of Education. These reports will contain the combined results of data collected through the new WIOA Quarter 2 and Quarter 4 surveys, and CIS. They will also be used to report on the six primary WIOA performance measures and additional measures identified in the legislation.

Job Corps will begin collecting data through the new reporting system in PY 2016, but will not set targets for the new measures until sufficient annual baseline data on the new measures has been collected, and any inconsistencies in the new data collection have been resolved. In the meantime, Job Corps has aligned the PY 2016 OMS reports with WIOA performance requirements. Until the new WIOA performance system has been fully implemented, stabilized, and targets have been set, Job Corps will continue to use OMS reports for decision making on contract and option-year awards, past effectiveness scores, incentive fees, performance assessments, and Performance Improvement Plan (PIP) graduation evaluations.

B. OMS Measures, Goals and Weights

For PY 2016, the long term placement measures on the Center, CTS and CTT OMS Report Cards have been significantly altered. Specifically, the 4-, 6-, and 12-month placement and earnings measures are replaced with four new measures of placement and earnings results at Quarter 2 and Quarter 4 after exit that more closely align with WIOA. These changes are necessary not only to support the new WIOA placement measures, but also because data to report 6- and 12-month post-placement outcomes will no longer be available. The new WIOA Quarter 2 and Quarter 4 surveys will provide the information necessary to report on the four new long-term placement measures. However, while the surveys will collect placement and earnings outcomes for all students who are “committed” to the program, the pools for the OMS long-term placement measures are restricted to graduates and former enrollees.

No changes have been made to the performance measures, and minimal increases have been made to the goals for the on-center and short-term placement measures in the Center, CTS and CTT OMS Report Cards. Changes on the Outreach and Admissions Report Card are minor and focus on a goal increase for a single measure. No changes have been made to the weighting schemes of the four report cards.

For PY 2016, the OMS Workgroup continued its approved approach of increasing performance goals to achieve a more normalized performance distribution. The list below details the goal changes made for PY 2016 by measure and report card. All 6-month and 12-month follow up placement measures have been removed from these report cards for PY 2016, and are therefore

not included below. Instead, the new Quarter 2 and Quarter 4 placement and earnings measures are listed.

1. **Career Technical Training (CTT) Primary Industry-Recognized Credential Attainment Rate** (*Center and CTT Report Cards*): The goal increased from 65 percent to 82 percent.
2. **CTT Industry-Recognized Credential II Attainment Rate** (*CTT Report Card*): The goal increased from 80 percent to 90percent.
3. **Graduate Initial Placement Rate** (*Center, OA and CTS Report Cards*): The goal increased from 90 percent to 92 percent.
4. **Graduate Average Hourly Wage at Placement Rate** (*Center and CTS Report Cards*): The national goal increased from \$10.50 per hour to \$11.00 per hour.
5. **CTT Completer Average Hourly Wage at Placement Rate** (*CTT Report Card*): The national goal increased from \$10.60 per hour to \$11.20 per hour.
6. **CTT Completer JTM Average Wage** (*CTT Report Card*): The national goal increased from \$11.00 per hour to \$11.60 per hour.
7. **Graduate and Former Enrollee Placement in Quarter 2** (*Center and CTS Report Cards*): The goal for this new measure is 85%.
8. **CTT Completer Placement Rate in Quarter 2** (*CTT Report Card*): The goal for this new measure is 88 percent.
9. **Graduate and Former Enrollee Average Earnings in Quarter 2** (*Center and CTS Report Cards*): The national goal for this new measure is \$5,000.
10. **CTT Completer Average Earnings in Quarter 2** (*CTT Report Card*): The national goal for this new measure is \$5,300.
11. **Graduate and Former Enrollee Placement in Quarter 4** (*Center and CTS Report Cards*): The goal for this new measure is 85 percent.
12. **CTT Completer Placement Rate in Quarter 4** (*CTT Report Card*): The goal for this new measure is 88 percent.
13. **Graduate Average Earnings in Quarter 4** (*Center and CTS Report Cards*): The national goal for this new measure is \$5,500.
14. **CTT Completer Average Earnings in Quarter 4** (*CTT Report Card*): The national goal for this new measure is \$5,600.

C. OMS Components and Related Policies

Several OMS components and related policies have been updated or revised for PY 2016.

- a. **Calculation of Model-Based Goals for Quarter 2 and Quarter 4 Earnings Measures:** Information from the Quarter 2 and Quarter 4 surveys will not be available to develop models for the two new long-term placement average earnings goals (Graduate and Former Enrollee Average Earnings in Quarter 2 and Graduate Average Earnings in Quarter 4) in the Center, CTS, and CTT report cards. The model-based goals for these measures will therefore be calculated by applying the percentage adjustments used in PY 2015 for the 6-month and 12-month weekly earnings measures to the national PY 2016 goals of the Quarter 2 and Quarter 4 average earnings measures.

- b. ***Appeals of Quarter 2 and Quarter 4 Earnings Measures Model-Based Goals:*** Since there is no historic or new survey data available to develop models for the two new long-term placement average earnings measures, appeals of the model-based goals for these two measures will not be processed or granted in PY 2016.
- c. ***Zero Tolerance (ZT) for Purposes of Exclusion in OMS Pools:*** For PY 2016, a new category of Level 1 ZTs has been incorporated in the exclusion criteria for OMS pools. Specifically students who separate in less than 30 days under the new mandatory separation code of 5.3c (alcohol abuse or alcohol possession, consumption or distribution while on center or under center supervision) are excluded from the OMS pools.
- d. ***Performance Improvement Plan (PIP):*** Pending departmental clearance and beginning in PY 2016, Job Corps will implement a new PIP System as a major performance accountability and management tool to enhance all centers' ability to produce outcomes at or above the expected levels of performance established by the program. Using PY 2015 end-of-year OMS data, Job Corps will begin to place centers performing at the lowest level on a PIP.
- e. ***Advanced Training (AT) Transfer Policy:*** The AT Transfer Policy has been updated to replace references to the 6- and 12-month follow up placement and earnings measures with the new Quarter 2 and Quarter 4 placement and earnings measures.
- f. ***Career Transition Service (CTS) Transfer Policy:*** The CTS Transfer Policy has been revised for PY 2016. The two key changes to the policy are as follows:
 - 1. Use a 90-day window (as opposed to a 60-day window) as the basis of determining whether the transfer of a graduate from one CTS provider to another occurred within the allowable timeframe so that the receiving provider is responsible for the placement and wage/earnings measures. This change aligns the CTS transfer policy for graduates with that of former enrollees and provides more time for the receiving provider in light of the increase in the graduates' placement window from 9 to 12 months.
 - 2. Use the date of separation as the basis for determining the allowable timeframe (as opposed to the initial placement date) for crediting of the new long-term placement measures.

Under this revised policy, responsibility for the placement measures for graduates and former enrollees is assigned as follows:

- 1. The transfer must occur with 90 or more calendar days remaining in the student's placement window for the receiving provider to be responsible for the short-term placement and wage measures (as applicable);
- 2. The transfer must occur within 90 calendar days of the student's date of separation for the receiving CTS provider to be accountable for the Quarter 2 measures; and,

3. The transfer must occur within 270 calendar days of the student's date of separation for the receiving CTS provider to be accountable for the Quarter 4 measures.
- g. **Minimum Productivity Rule (MPR):** As of PY 2016, the MPR is eliminated. A new system for measuring CTT program efficiency and efficacy will be designed to better reflect the desired outcomes and balance between participant pools and graduate placements.
- h. **Appeals of Placement and Earnings Outcomes Reported from Post-Enrollment Surveys:** Between July 1, 2016 and September 30, 2016, the Office of Job Corps will continue to accept appeals for the 6- and 12-month follow-up placement and earnings outcomes based on surveys completed as of June 30, 2016. Beginning October 1, 2016, Job Corps will only accept and process appeals for outcomes reported from the Quarter 2 and Quarter 4 surveys.

For PY 2016, appeals will be accepted for outcomes reported from the surveys for the following two measures: the Graduate and Former Enrollee Placement Rate in Quarter 2 after Exit, and the Graduate and Former Enrollee Placement Rate in Quarter 4 after Exit. Appeals will not be considered for the earnings outcomes reported from the Quarter 2 and Quarter 4 surveys during this program year because the appeals process must be more extensively redesigned to consider the documentation necessary to validate students' earnings over the entire quarter.

D. Timeframe for Release of Performance Reports

Due to the major changes in the post-program survey instruments and the extensive programming required to calculate the four new long-term placement measures, the first OMS reports will be released in September 2016.

Additionally, production of the PY 2016 model-based goals for the HSD/HSE and Combination HSD/HSE/CTT measures has been affected by the delays in releasing the OMS Factor Verification Survey which collects information that is integral in the development of the models. However, the model-based goals for these two measures will be available to be incorporated in the release of the first PY 2016 OMS report covering the period July 1 to July 31, 2016. The model-based goals for the remaining applicable measures will be included with the June 30th release of the PRH, Appendix 501.

4. Action. **Comments are due Wednesday, June 22, 2016 by 4:00 p.m. Eastern.**

Addressees are to ensure that this Information Notice is distributed to all appropriate staff for review and comments are provided by the specified due date.

5. Inquiries. Comments or questions concerning the proposed changes to the PRH, Appendix 501 for PY 2016 should be emailed to Shao Zhang at zhang.shao@dol.gov.