

JOB CORPS INFORMATION NOTICE NO. 21-07 **DIRECTIVE:**

TO: ALL JOB CORPS NATIONAL OFFICE STAFF

> ALL JOB CORPS REGIONAL OFFICE STAFF ALL JOB CORPS CENTER DIRECTORS ALL JOB CORPS CENTER OPERATORS

ALL NATIONAL TRAINING AND SUPPORT CONTRACTORS ALL OUTREACH, ADMISSIONS, AND CTS CONTRACTORS

RACHEL TORRES Rachel National Director FROM:

Date: 2022.02.09 Office of Job Corps Torres 14:22:56 -05'00'

SUBJECT: Policy Clarification on Job Corps' Outcome Measurement Systems (OMS)

and Performance-Based Fees for Eligible Contracts for PY 2020 and PY

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by Rachel Torres

2021

1. Purpose. This Information Notice serves to clarify Job Corps' policy for the Outcome Measurement System (OMS) and its use for calculating performance-based fees for eligible contracts for Program Years (PYs) 2020 and 2021.

2. Background. Job Corps' Performance Management System, as detailed in the Policy and Requirements Handbook (PRH), Appendix 501, serves to assess program effectiveness across multiple components of services and programs, and is guided by reporting requirements stipulated in the Workforce Innovation and Opportunity Act (WIOA). It provides feedback on performance and outcomes and encourages continuous improvement in areas identified as program priorities. Additionally, it serves as an instrument to meet Federal and statutory accountability and reporting requirements, assess centers' and contractors' accomplishments, and serve students more effectively. The performance management system is primarily comprised of four OMS Report Cards, each of which is designed to reflect results in a specific area of student services: Outreach and Admissions (OA), Center, Career Transition Services (CTS) and Career Technical Training (CTT). Together, these Report Cards represent a comprehensive picture of performance throughout all phases of students' Job Corps experience. Typically, the Office of Job Corps reviews the OMS Report Cards annually in the spring and makes adjustments that support program goals and DOL priorities and account for current performance trends and policy changes. Job Corps subsequently transmits an updated Appendix 501 to the Job Corps community on July 1 of each year detailing any changes made to the measures, goals and weights for each of the OMS Report Cards,

thereby providing the basis by which operators' performance is evaluated in the upcoming program year.

However, the emergence of the Coronavirus Disease 2019 (COVID-19) pandemic within the United States in early 2020 created an unprecedented and unpredictable environment for Job Corps where the traditional processes and assumptions for revising and updating the performance system could not reliably be used. As the COVID-19 situation has evolved, Job Corps has taken unprecedented actions to continue serving its students and adjust as agilely as possible to new developments. Considering the many unknowns and unpredictability of OMS performance caused by the pandemic, and to remain focused on operational adjustments to enable more centers to safely resume normal operations, the Job Corps and Department of Labor (DOL) leadership determined to enact no changes to the OMS for PY 2020. With the continuation of the pandemic into PY 2021 and the uneven evolvement of resuming on-center operations and enrolling new students, the Job Corps and ETA leadership decided that there would again be no changes to the OMS Report Cards for PY 2021. As such, the policy detailed in the PRH, PY 2019 Appendix 501, issued July 1, 2019 (including measures, national goals, and weights), is in effect for PY 2020 and PY 2021. The models for the Graduate and Former Enrollee Average Hourly Wage at Placement and the Average Earnings at Quarter 2 have been updated, however, for PY 2020 and PY 2021 to reflect more recent student characteristics and economic factors, resulting in modified model-based goals (MBGs) for centers, CTS providers and CTT programs.

Job Corps also use OMS performance results for determining annual technical, cost and bonus fees for non-firm-fixed price center, OA and CTS contractors. The necessary actions Job Corps has taken to protect students from the pandemic while trying to provide continued services to them has impacted performance among operators in an uneven way. For example, centers that were able to resume in-person operations earlier are unfairly advantaged for OMS results as compared to centers in areas with higher COVID infection and death rates that opened later. In acknowledgement of these disparities that are outside an operator's control, the Job Corps and DOL leadership determined that all operators with cost reimbursement and hybrid contracts receive a flat one percent technical incentive fee for PY 2020. Providing a flat technical incentive fee in this situation is justifiable in that it does not unfairly penalize operators under cost plus fee and hybrid contracts versus firm fixed-price contracts which already have fee included in their pricing. A one percent technical incentive fee will also be used for PY 2021 as some operators and centers continue to face artificial advantages over others.

Job Corps has made no changes to the OMS nor the performance-based contract fee payments for PY 2019 as the actions taken by the National Office to mitigate the spread of COVID-19 in the last few months of that program year only minimally impacted performance outcomes.

- 3. <u>Action</u>. Addressees are to ensure this Information Notice is distributed to all appropriate staff at the center, corporate and DOL regional levels.
- 4. Effective Date. Retroactive to July 1, 2020.
- 5. <u>Inquiries</u>. Questions or comments should be addressed to Shao Zhang at (202) 693-3917 or e-mailed to <u>zhang.shao@dol.gov</u>.