

July 1, 2016

DIRECTIVE:	JOB CORPS PRH CHANGE NOTICE NO. 16-01
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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: Update/Revision to the Policy and Requirements Handbook (PRH)
Appendix 501: Program Year (PY) 2016 Performance Management System

1. Purpose. To transmit the PY 2016 PRH Appendix 501 which contains the policies governing Job Corps' Performance Management System for Center Operators, Outreach and Admissions (OA) contractors, Career Transition Services (CTS) providers, Career Technical Training (CTT) programs, and a new Performance Improvement Plan (PIP) system which is under departmental clearance. Also included is information on 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. All PY 2016 performance goals, both national and model-based, are included in these policies.

2. Background. Job Corps' Performance Management System, as outlined in the PRH Appendix 501, serves to assess program effectiveness across multiple components of services and programs, and is governed by reporting requirements stipulated in WIOA. It provides useful and relevant feedback on performance and outcomes, and encourages continuous improvement in areas identified as program priorities. Additionally, the Performance Management System serves as an instrument to meet Federal and legislative accountability and reporting 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 System (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) 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 Changes. 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. The following major changes have been incorporated:

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

The new WIOA measures required the development of new data collection mechanisms and new performance reports; these are listed below.

(i) *New Data Collection Mechanisms*

- a. A new module to the Center Information System (CIS) to capture Career Preparation Program (CPP) completions was released;
- b. Revising data entry screens to improve the High School Diploma (HSD) and High School Equivalency (HSE) data;
- c. Working on expanding the data collection process for students entering an Advanced Career Training (ACT) program; and
- d. Redesign of the post-placement surveys (13-week reverification and the 6- and 12-month follow up surveys for graduates) with two new surveys (Quarter 2 and Quarter 4).

(ii) *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 WIOA 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 surveys in PY 2016 to meet WIOA reporting requirements. However, targets will not be set for the new measures until sufficient annual baseline data on the new measures have been collected, and any inconsistencies in the new data collection have been resolved. 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 PIP graduation evaluations. These PY 2016 OMS reports have also been aligned with WIOA performance requirements.

B. OMS Measures, Goals and Weights

For PY 2016, the long-term placement measures on Center, CTS, and CTT OMS Report Cards have been significantly altered. Specifically, the four 6- and 12-month placement and earnings measures were replaced with four new measures of placement and earnings results at Quarter 2 and Quarter 4 after exit that more closely align with WIOA. However, while the surveys will collect placement and earnings outcomes for all students who complete the Career Preparation Period (CPP) or who are enrolled at least 60 days (i.e., defined as “committed” students for WIOA reporting purposes), the pools for the OMS long-term placement measures are restricted to graduates and former enrollees.

For PY 2016, the OMS Workgroup continued its approved approach of increasing performance goals to achieve a more normalized performance distribution. 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 OA Report Card are minor. No changes have been made to the weighting schemes of the four report cards. The list below details the goal changes made for PY 2016 by measure and report card.

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 90 percent.
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 percent.
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. These are detailed below.

- a. *Calculation of Model-Based Goals for Quarter 2 and Quarter 4 Earnings Measures:* Due to the changes in data collection and definitions of long-term measures, the model-based goals for these measures will 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 for the direct center service measures.
- 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. The new PIP system is described in Appendix 501e which will be released in near future when departmental clearance is complete.

- 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.
 - 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 PY.

- i. *Model-Based Goals:* As in previous program years, the model-based goals for the relevant measures on the Center, CTS, and CTT Report Cards are contained in Attachments 9 through 11 of Appendix 501. For PY 2016, production of the individual center model-based goals for the High School Diploma/High School Equivalency (HSD/HSE) and Combination HSD/HSE/CTT Attainment measures has been affected by the delays in releasing the OMS Factor Verification Survey. However, the model-based goals for these two measures will be available prior to the release of the first PY 2016 OMS report covering July 1 to July 31, 2016. A new PRH Change Notice will be released to incorporate the national worksheets and adjusted center goals for these two measures.
- j. *Rolling Report:* For PY 2016, the rolling 12-month report will be suspended as data for the new long-term measures will not exist for the months prior to July 1, 2016. The standard 12-month rolling report will resume once 12 months of data for all OMS measures in PY 2016 are available.

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.

4. Explanation of PAG Changes. There are no related PAG changes.
5. Effective Date. July 1, 2016.
6. Action. Addressees are to ensure this PRH Change Notice is distributed to all appropriate staff.
7. Inquiries. Questions or comments concerning Appendix 501 Introduction, a through c, and e, should be addressed to Shao Zhang at (202) 693-3917, or e-mailed to zhang.shao@dol.gov. Questions or comments concerning Appendix 501d should be addressed to Tracy Bradshaw-Morris at (202) 693-8000, or e-mailed to bradshaw-morris.tracy@dol.gov.

Attachments

A – Appendix 501 Introduction
B – Appendix 501a
C – Appendix 501b

D – Appendix 501c
E – Appendix 501d
F – Appendix 501e