

DEPARTMENT OF WORKFORCE DEVELOPMENT  
DIVISION OF EMPLOYMENT AND TRAINING  
ADMINISTRATOR'S MEMO SERIES

ACTION  
 NOTICE 15-01

ISSUE DATE: 03/10/15  
DISPOSAL DATE: Ongoing

\*PROGRAM CATEGORIES:

AS  FM  LM  TC  
 CR  IT  ML  TR  
 FL  JC  TA  WIA  
 YA

**TO:** Workforce Development Board Directors  
Chief Local Elected Officials  
Workforce Development Board Chairs

**FROM:** Scott Jansen, Division Administrator



**RE:** Issuance of Performance Awards for Workforce Investment Act (WIA) Performance in Program Year 2013 (PY13) and Performance Incentive Award Policy for PY14

**BACKGROUND:** Each program year, Workforce Development Boards (WDB) are expected to meet or exceed performance goals. In accordance with the WIA, states are required to award incentives for outstanding performance.

The Department of Workforce Development's (DWD) policy for WIA performance incentive awards for PY13 was outlined in Administrator's Memo 14-02.

**POLICY:** For PY13, DWD Secretary Newson allocated \$100,000 to reward those WDBs whose performance in the common measures and credential attainment rates were exceptional. The \$100,000 has been divided into two sections. Section A will distribute \$75,000 for exceptional performance relating to the common measures.

To determine the aggregate average for each WIA program, the rates of achievement for each measure within a program were added and then divided by three. In order to be eligible to receive incentive funds, a WDB must achieve an aggregate average of at least 100% of the negotiated performance benchmarks within each program (Adult, Dislocated Worker, and Youth). Any WDB that did not meet any performance measure (actual performance level less than 80% of the negotiated level) was ineligible for an incentive award. The allocations are based upon the aggregate average of the WIA common measures.

\*PROGRAM CATEGORIES:

AS--Apprenticeship  
Standards  
CR--Civil Rights  
FL--Foreign Labor  
Certification

FM--Financial Management  
Requirements  
IT--IT Systems  
JC--Job Center

LM--Labor Market  
Information  
ML--Migrant Labor  
TA--Trade Assistance

TC--Tax Credit Programs  
TR--Transportation  
WIA--Workforce  
Investment Act  
YA--Youth Apprenticeship

<b>Adult and Dislocated Worker</b>		<b>Youth</b>
Entered Employment Rate		Attainment of Degree or Certificate
Employment Retention Rate		Literacy/Numeracy Gain
Average Earnings		Placement in Education/Employment

Section B will distribute \$25,000 to the WDB that achieved the highest Credential Attainment Rate for the Adult, Dislocated Worker and Youth programs, averaged. The Credential Attainment Rate is reported to the Department of Labor (DOL) quarterly and in the annual performance report. The definition of credential, as defined in TEGl 15-10, applies to the Credential Attainment Rate.

The formula for the Credential Attainment Rate, as determined by DOL, was:

*Of those who receive more than self-service:*

$$\frac{\# \text{ of participants who received a credential by the end of the third quarter after the exit quarter}}{\# \text{ of participants who exit during the quarter}}$$

The following three WDBs have earned a performance incentive award for PY13:

	<b>Adult</b>	<b>Dislocated Worker</b>	<b>Youth</b>	<b>Credential Attainment Rate</b>	
WDB	Award	Award	Award	Award	Total
6 North Central	\$8,275	\$8,566	\$7,987		\$24,828
7 Northwest	\$8,357	\$8,225	\$8,557	\$25,000	\$50,139
8 West Central	\$8,367	\$8,210	\$8,456		\$25,033
Total	\$25,000	\$25,000	\$25,000	\$25,000	\$100,000

**PY14 POLICY:**

For PY14, DWD Secretary Newson has allocated \$100,000 to reward those WDBs whose performance in the common measures are exceptional. In order to be eligible to receive incentive funds a WDB must achieve an aggregate average of at least 100% of the negotiated performance benchmarks within each program (Adult, Dislocated Worker, and Youth). To determine the aggregate average for each WIA program, the rates of achievement of the performance goals will be averaged. The averages of each WDB's three programs will then be averaged.

The Division of Employment and Training (DET) is pleased that the inclusion of the Credential Attainment Rate in the PY13 performance incentive awards focused Wisconsin's WDBs on the importance of credential attainment prior to the enactment of the Workforce Innovation and Opportunity Act (WIOA). WIOA will measure credential attainment rates in performance, beginning in PY16. DOL will negotiate credential attainment rate with the state in PY15, per TEGl 25-13. While the credential attainment rate is not included in the PY14 performance incentive awards, all WDBs are advised to review their credential attainment rates for PY13 and work with service providers to continue improving those rates. Wisconsin's statewide credential attainment rates of 40.1% for Adults, 40.6% for Dislocated Workers, and 66.3% for Youth provide room for improvement.

**MONITORING OF PERFORMANCE ACTIVITIES:** Failure to properly document data pertaining to performance incentive awards will result in the issuance of monitoring findings. Incentive awards may be rescinded if a WDB's performance renders it ineligible for the incentive award without the properly documented performance data.

Activities leading to performance incentives, e.g. credentials attained, and uses of the incentive funds, e.g. detailed documentation of staff development provided by whom and to whom, will be monitored by DET program staff in a subsequent monitoring cycle to determine that the WDB was in compliance with the appropriate Administrator's Memo. For the Credential Attainment Rate award, 10% of the credentials counted in the PY13 numerator will be monitored. A failure to document 10% or more of those case files containing credentials measures or an incorrect inclusion of a credential that does not meet the definition of credential as defined in Admin Memo 14-02 will result in the award being rescinded. Usage of performance incentive funds will be monitored by DET Fiscal Staff in a subsequent monitoring visit.

**ACTION SUMMARY STATEMENT:** By April 3, 2015, WDBs that earned a performance award must submit their plan for the performance incentive award funding to Bureau of Workforce Training Director Phil Koenig at [phil.koenig@dwd.wi.gov](mailto:phil.koenig@dwd.wi.gov). The WDB will be notified of concurrence with their plan by DWD within 10 business days of receipt whether their plan is approved. The awarded WDB should inform Director Koenig into which program they would like the award deposited.

The funds must be used in a consistent and same manner, allowable under WIA and under the local area's WIA plan. In accordance with § 666.410, local incentive awards may be used for activities allowed under WIA Title I-B.

The addition of funds will be a unilateral modification by DET. No local plan revisions are required. Funds for this disbursement are from WIA statewide activity funds. Performance award disbursements must be expended by June 30, 2015.

DET requires that as a condition of accepting the performance award, each awarded WDB must submit a narrative report on how the funds were used, a financial statement of the used funds, and the results/impact derived from them. That report is due to the Local Program Liaison by August 15, 2015. Awarded WDBs are encouraged to prepare their narrative report in a thorough manner matching the serious nature of receiving statewide funding for local activities.

**CONTACT:**

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**ATTACHMENT:**

Achievement and Allocation Spreadsheet