

**MISSISSIPPI**  
**DRAFT - Policy Number 15, Change 3 - DRAFT**  
**WIA PERFORMANCE ACCOUNTABILITY MEASURES, GOALS,**  
**INCENTIVES AND SANCTIONS**  
**Workforce Investment Act**  
**Office of Grant Management**

I. SCOPE AND PURPOSE

On October 10, 2007 the United States Department of Labor, Employment and Training Administration (ETA) issued Training and Employment Guidance Letter (TEGL) No. 9-07. The TEGL revised ETA's incentive and sanction policy for the adult, dislocated worker and youth programs funded by the Workforce Investment Act (WIA).

This policy 1) incorporates TEGL 9-07 by reference, 2) passes on any WIA sanctions received by the State of Mississippi to the local workforce investment area(s) to the extent that a local workforce investment area's low performance contributed to the federal sanction, and 3) establishes incentives for high performance attainment.

II. REQUIREMENTS

A. FEDERAL RULES AND GUIDANCE

Workforce Investment Act of 1998 (Public Law 105-220), Section 136, 20 CFR part 666; Training and Employment Guidance Letter (TEGL) No. 8-99, *Negotiating Performance Goals; and Incentives and Sanctions Process under Title I of the Workforce Investment Act (WIA)*; TEGL 19-02, *Sanctions Policy for Failure to Meet State Negotiated Performance Levels Under Title I of the Workforce Investment Act*; TEGL 3-03, Change 3, *Data Validation for Employment and Training Programs*; TELG 14-03, Change 1, *Performance Reporting Submission Procedures for the Workforce Investment Act Standardized Record Data (WIASRD) and the Annual Report under Title IB of the workforce Investment Act for Program Year (PY) 2003 and 2004*; TEGL 17-05, *Common Measures Policy for the Employment and Training Administration's (ETA) Performance Accountability System and Related Performance Issues*; Training and Employment Notice (TEN) 9-06, *Timeline for Program Year (PY) 2005 Workforce Investment Act Performance Reporting and PY 2005 Data Validation (all programs)*; and, TEGL 9-07 as referenced above.

B. CORE PERFORMANCE INDICATORS AND MEASURES

Mississippi implemented the common performance indicators and measures on July 1, 2005. Since that time, the State and its four local workforce investment areas have reported performance on the following nine common measures.

Common Measures		
Adult	Dislocated Worker	Youth
Entered Employment Rate	Entered Employment Rate	Placement in Employment or Education
Employment Retention Rate	Employment Retention Rate	Attainment of a Degree or Certificate
Average Six Months Earnings	Average Six Months Earnings	Literacy and Numeracy Gains

Each year, Mississippi negotiates performance levels on each of the nine common measures with ETA. The negotiated performance levels for WIA Program Years 2006 and 2007 (PY06 and PY07) are Attachments A and B to this policy. In future program years, negotiated performance levels will be transmitted to the local workforce investment areas and will be incorporated by reference into this policy.

**C. LOCAL WORKFORCE INVESTMENT AREA PERFORMANCE LEVELS**

Unless otherwise negotiated, the State will hold each of the four local workforce investment areas to the levels of performance negotiated with ETA for the State as a whole.

**D. FAILURE TO MEET STANDARDS**

**1. Financial Sanctions**

If a local workforce investment area fails to meet the expected level of performance for any of the nine common measures for a given program year, the local workforce investment area may request technical assistance from the Office of Grant Management (OGM). If the local workforce investment area fails to achieve 80% of the expected level of performance for the same measure for two consecutive years, the local workforce investment area may be subject to financial sanctions in the form of a reduction in the annual WIA program allocation for the local area. The application of a financial sanction must be made to the allocation for the program year following the two consecutive years of poor performance.

Any funds recovered from the application of financial sanctions will be made available for performance incentive grants.

**2. Performance Improvement Plan**

Any local workforce investment area that has failed to perform at 80 percent of the expected level for a specific performance measure for two consecutive

years, or has failed to submit an accurate and complete annual report within 45 days of the due date, will be required to submit an agreed upon performance improvement plan, which will include:

- a. Changes to program goals, as appropriate, as well as design, management or administrative remedies that address any deficiencies in program design or service strategy that have inhibited performance, including reporting problems,
  - b. Appropriate technical assistance to improve program services; and
  - c. Continued monitoring by OGM.
3. Financial Sanctions and Timely and Accurate Performance Reporting

Any financial sanction received by the State for poor WIA performance or for late or inaccurate performance reporting will be passed on to the local workforce investment area(s) contributing to the performance or reporting problem. Local workforce area(s) that meet or exceed their expected performance levels will not have their program allocations reduced due to different workforce area's performance or reporting problems. If more than one workforce area fails to meet a given performance measure, and as a result the State as a whole receives a financial sanction, the OGM will reduce the program allocations for the low performing workforce areas to the extent to which each workforce area contributed to the performance problem, and the resulting ETA financial sanction. OGM, at its sole discretion, will develop and determine an equitable way to apportion the financial sanction between low performing workforce areas.

## E. INCENTIVE AWARDS FOR PERFORMANCE SUCCESS

### 1. Adult, Dislocated Worker, and Youth Performance Incentive Awards

The State will consider the following three factors in making performance incentive awards for the adult, dislocated worker and youth programs.

- a. An increased number of adults who received training services. The baseline for determining whether the number being trained increased is PY06.
- b. An increased number of dislocated workers who received training services. The baseline year is PY06.
- c. An increased number of youth participants who are placed into employment or education. Again, the baseline year is PY06.

The terms "received training services" and "placed into employment or education" have the meaning and are calculated in accordance with ETA's performance reporting instructions. Performance calculations will be made at

OGM's sole discretion using best available information in the state's performance reporting system.

2. Incentive Award Amounts

OGM will establish a performance incentive award pool each year. The pool may be augmented or decreased at OGM's sole discretion based upon WIA fund availability. The first WIA adult, dislocated worker and youth performance incentive awards will be based upon PY07 performances.

F. OTHER SANCTIONS

In addition to financial sanctions and the submission of a performance improvement plan (described in section II.D. of this policy), a local workforce investment area which fails to meet one or more expected levels of performance for two consecutive years may be reorganized as follows:

1. A new Local Board may be reappointed and certified as directed by OGM;
2. Service providers or One-Stop operators contributing to performance problems may be barred from receiving WIA funds;
3. The local area's boundaries may be changed; and
4. Other appropriate measures designed to improve local performance and performance reporting may be mandated. Any reorganization plan shall be subject to review and comment by the State Workforce Investment Board (SWIB).

III. EFFECTIVE DATE

This policy shall be effective immediately. It shall remain in effect until modified or replaced by the Office of Grant Management.

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