

WIOA Title I and III National Performance Summary

Program Year 2017

(July 1, 2017 through June 30, 2018)

The Workforce Innovation and Opportunity Act (WIOA) establishes performance accountability indicators and performance reporting requirements to assess the effectiveness of States and local areas in achieving positive outcomes for individuals served by the workforce development and education systems' six core programs. These six core programs are the Adult, Dislocated Worker, and Youth programs, authorized under WIOA title I and administered by DOL; the Adult Education and Family Literacy Act (AEFLA) program, authorized under WIOA title II and administered by ED; the Employment Service program authorized under the Wagner-Peyser Act, as amended by WIOA title III and administered by DOL; and the Vocational Rehabilitation (VR) program authorized under title I of the Rehabilitation Act of 1973, as amended by WIOA title IV and administered by ED. WIOA has provided a historic opportunity to align performance-related definitions, streamline performance indicators, integrate reporting, and ensure comparable data collection and reporting across all six of these core programs, while also implementing program-specific requirements related to data collection and reporting.

Program Year (PY) 2017 is the second year state grantees reported performance information under the Workforce Innovation and Opportunity Act (WIOA) performance accountability provisions. Individual performance records were submitted using the Participant Individual Record Layout (PIRL) (ETA-9172) and the results were certified by states using the WIOA Statewide Performance Report (ETA-9169). WIOA Section 116(d)(2) requires states to report on outcomes achieved on the primary indicators of performance, including outcomes achieved by individuals with barriers to employment; characteristics of participants; and other information, such as numbers of participants who received training and/or career services and the average cost per participant of those participants.

This summary reflects the information available from the PY 2017 title I and title III reports. The WIOA reporting requirements include a different definition for a program participant as compared to the definition used under the previous Workforce Investment Act of 1998 (WIA). The WIOA definition of participant does not include those individuals only using a self-service system and/or receiving information-only services, so they are excluded from the counts of participants. As such, any comparison of participant levels between the WIOA and WIA performance information must be done with caution. The best proxy for historical WIOA Adult and Dislocated Worker (DW) participant levels are levels of WIA participants who received a staff-assisted service. Due to changes in WIOA Youth expenditure requirements, far more Out-of-School Youth are served under WIOA. Because Out-of-School Youth are typically a higher cost population to serve, comparison of WIOA and WIA performance information must also be done with caution.

The definitions for participants between WIOA Youth and WIA Youth are similar enough that an adjustment like that made for the Adult and Dislocated Worker programs is not necessary. The charts presented below reflect the proxy participant counts developed using WIA Adult and Dislocated Worker performance data.

PY 2017 data include information on participant characteristics and baseline results for Employment Rate in the 2nd Quarter after Exit, Median Earnings in the 2nd Quarter after Exit, and Measurable Skill Gains. PY 2017 is the first full year of baseline results for Employment Rate in the 2nd Quarter after Exit and Median Earnings in the 2nd Quarter after Exit. The second year of WIOA reporting does not include results on performance outcomes measured in the 4th quarter after exit (i.e., Employment Rate in the 4th Quarter after Exit and Credential Attainment Rate) due to the timing of the exit-based primary indicators of performance. Complete baseline results for Employment Rate in the 4th Quarter after Exit and Credential Attainment Rate are expected in PY 2018. Pilot definitions for the Effectiveness in Serving Employers performance indicator are being evaluated. In the interim, states are reporting against 2 of the 3 definitions, and results will be reported in PY 2018, also. . Similar to the definition of participant, the definitions of the performance indicators under WIA differ from the definitions now used under WIOA. Therefore, comparison of results between WIA and WIOA programs must be made with caution.

The following key areas and supporting charts represent the Employment and Training Administration's (ETA) high-level observations of the national WIOA titles I and III PY 2017 performance results.

1. Changes in participation levels

- a. Participation levels in adult programs (WIOA Adult, DW, and Wagner-Peyser (WP)) continue a downward trend. This trend goes back to PY 2010 under WIA. There is a correlation with the national unemployment rate.
- b. Youth participation levels have been relatively steady over the same time period.

2. Overall Performance

- a. This is the first complete year of state reporting on two exit-based performance indicators – the Employment Rate in the 2nd Quarter after Exit and the Median Earnings in the 2nd Quarter after Exit.
- b. This is the second complete year of state reporting on Measurable Skill Gains, the new measure for the title I programs.
 - i. National performance outcomes increased significantly from PY 2016 to PY 2017. One contributing factor to the increase are the positive strides made in data collecting and reporting Measurable Skill Gains data. ETA also made adjustments to the calculation specifications and data collection behind the indicator. These adjustments became effective July 1, 2018 (PY 2018).

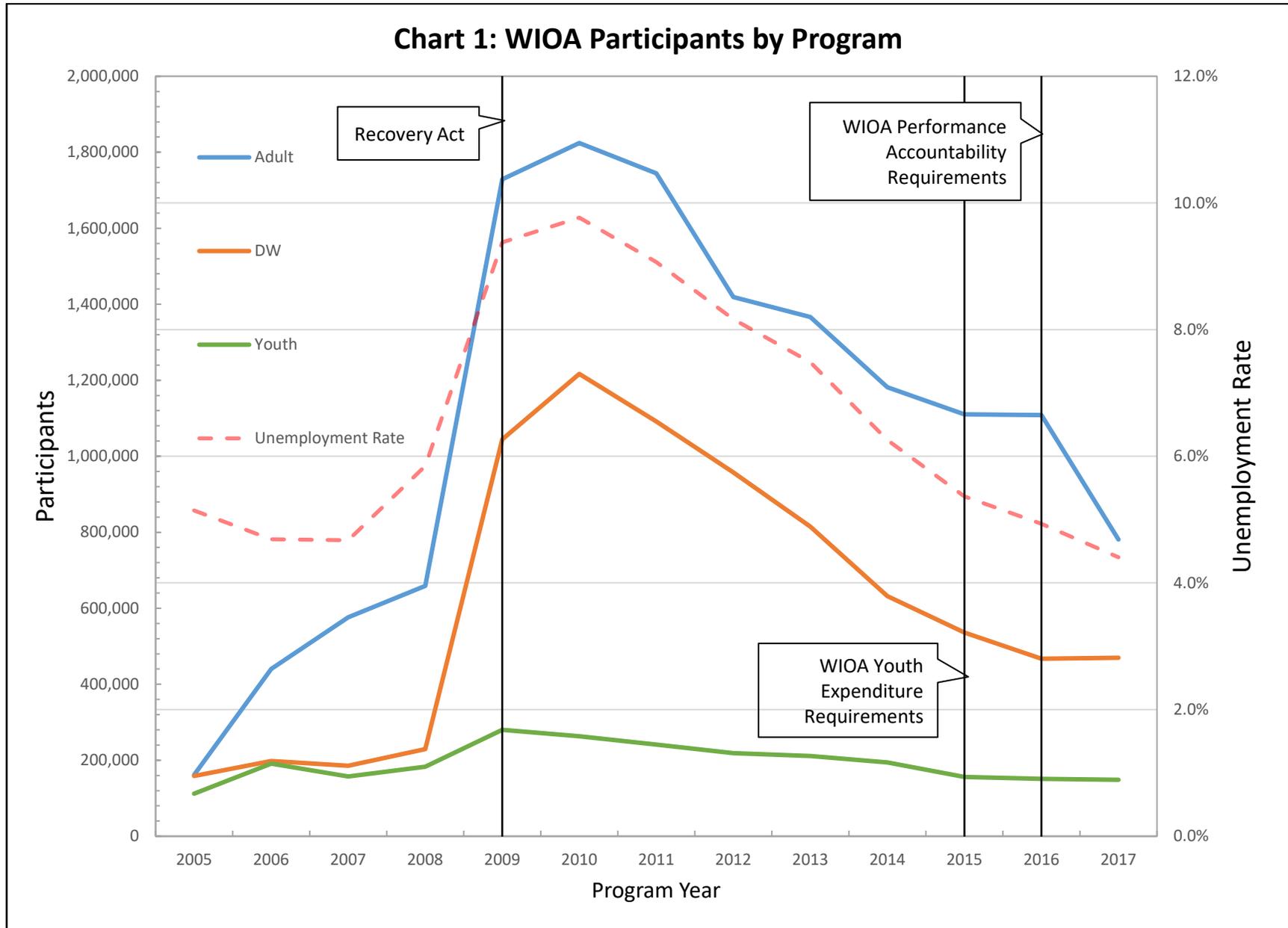
- ii. ETA expects performance to continue to improve as we provide more technical assistance to support states to more fully report participant skill gains.
 - c. Serving individuals with barriers to employment is a primary focus of WIOA. Nearly 1.6 million participants served in PY 2017 reported having a barrier to employment.
3. Ongoing challenges with identifying and classifying individuals served
- a. Determining the total of all individuals served in PY 2017 is a lingering challenge from PY 2016, when the new definition of participant was implemented and the original specifications of WIOA performance reporting lacked clarity.
 - b. ETA made changes in May 2018 that became effective on July 1, 2018, for PY 2018 reporting. PY 2018 Q1 reports indicate the changes are working and we have counts of both participants and reportable individuals totaling over 9.3 million individuals served in Wagner-Peyser programs, which ETA uses as a proxy for the workforce system.
 - c. There are some states still working to update their Information Technology systems to reflect the new reporting requirements. ETA continues to track their progress using the PY 2018 Q2 reports and provide technical assistance as necessary.

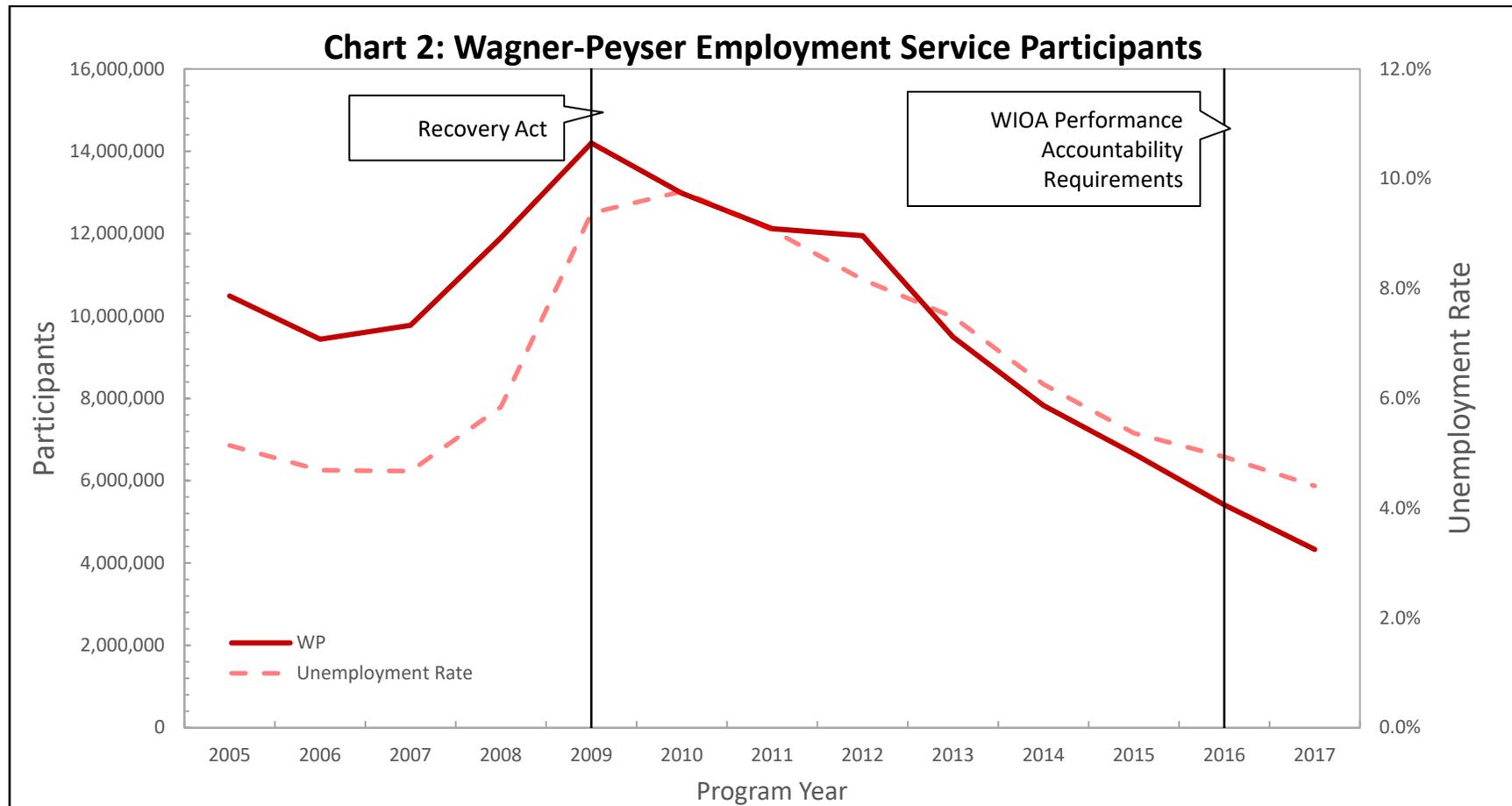
Charts

The following nine charts visualize the data that were discussed in the key points above. **Chart 1** and **Chart 2** show the changes in participants by workforce program. Notable changes made to the programs (e.g., the American Recovery and Reinvestment Act of 2009 (Recovery Act)¹, the implementation of WIOA, and WIOA Youth program changes²) are marked and the unemployment rate is included (i.e., the dotted line). Wagner-Peyser is shown on **Chart 2** since it has a different scale than the other programs. As the charts show, participant counts have changed at particular periods due to program changes and the overall trend of participants over time is highly correlated with the unemployment rate.

¹ The American Recovery and Reinvestment Act of 2009 (Recovery Act) temporarily increased the funds authorized under the Workforce Investment Act of 1998 (WIA) and the Wagner-Peyser Act. The amount allocated to different WIA programs can be viewed on ETA's Archive of State Statutory Formula Funding: https://www.doleta.gov/budget/py01_py09_arra_archive.cfm. For additional details on ETA's implementation of these funds, see Training and Employment Guidance Letter No. 14-08 <https://wdr.doleta.gov/directives/attach/TEGL/TEGL14-08.pdf>.

² WIOA requires not less than 75 percent of WIOA Youth funds be used to provide services to out-of-school youth.





The participant levels by service type are shown in various ways in **Chart 3**, **Chart 4**, and **Chart 5**, on the next page. **Chart 3** shows the total count of participants by service type whereas **Chart 4** shows the percentage of participants that received each service type each year. The changes in participant levels for only training is also shown in **Chart 5** to more clearly show the variation since the total level is much smaller than the other service types. These charts show that most of the variation in changes to participant levels is for those participants who receive only core/basic services. The participant levels for intensive/individualized and training have been much more stable over time with a steady lower level prior to the Recovery Act, an increase in the level during the Recovery Act, and then a return to stable levels (although higher than pre-Recovery Act years) in recent years.

Chart 3: Adult/DW Participant Levels by Service Type

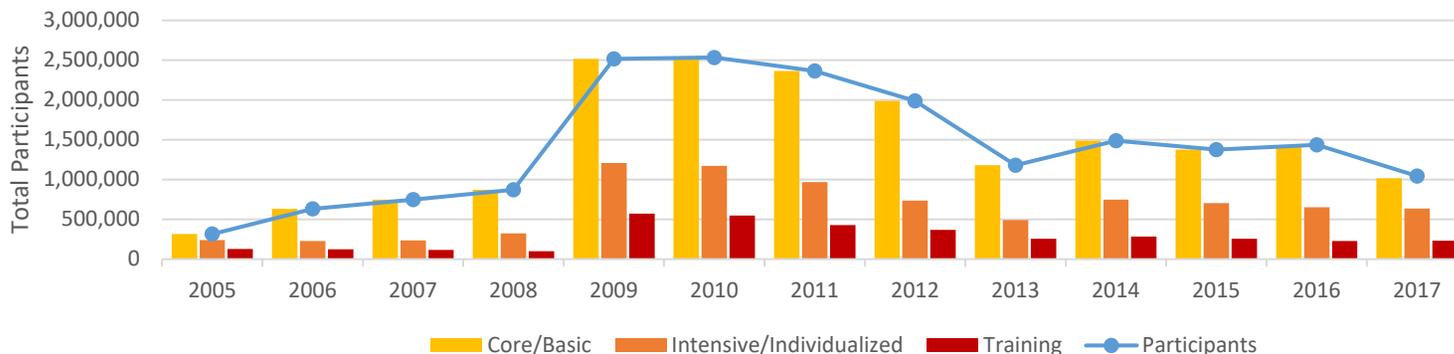


Chart 4: Percent of Total Adult/DW Participants by Service Type

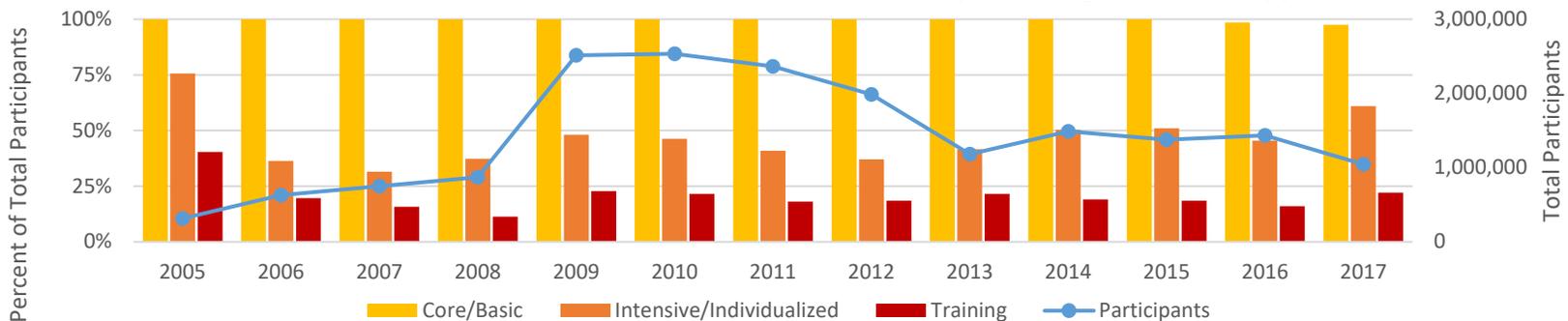


Chart 5: Adult/DW Participant Levels by Service Type

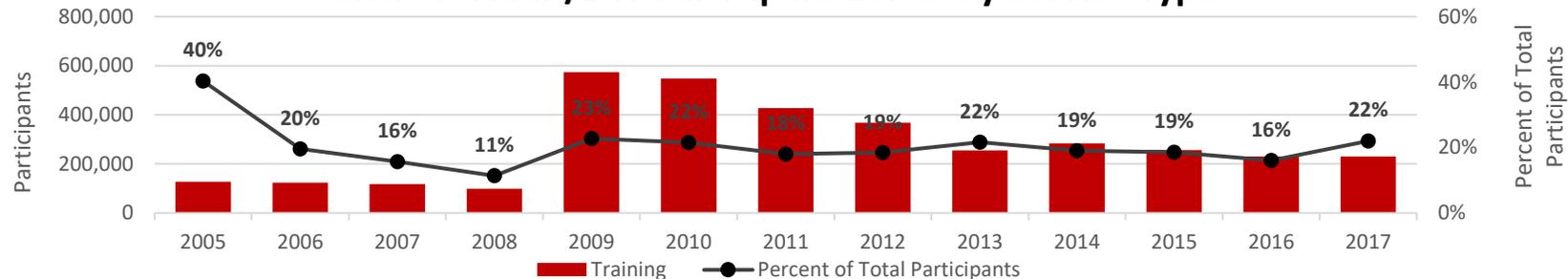
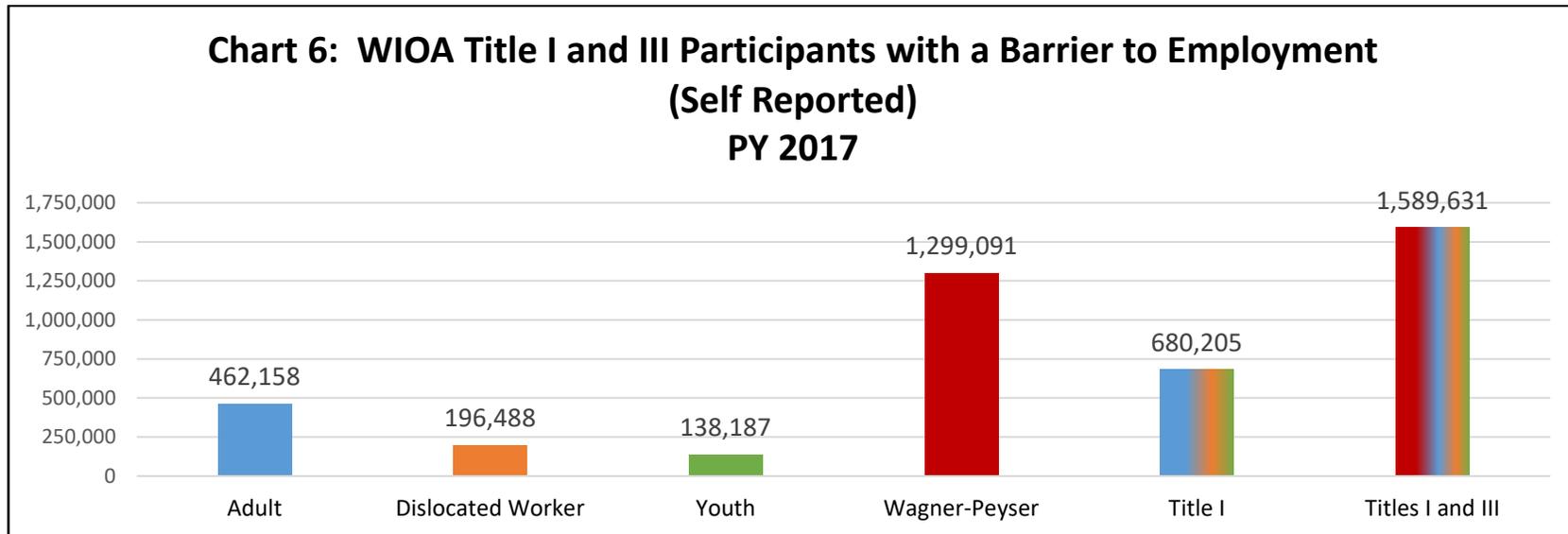
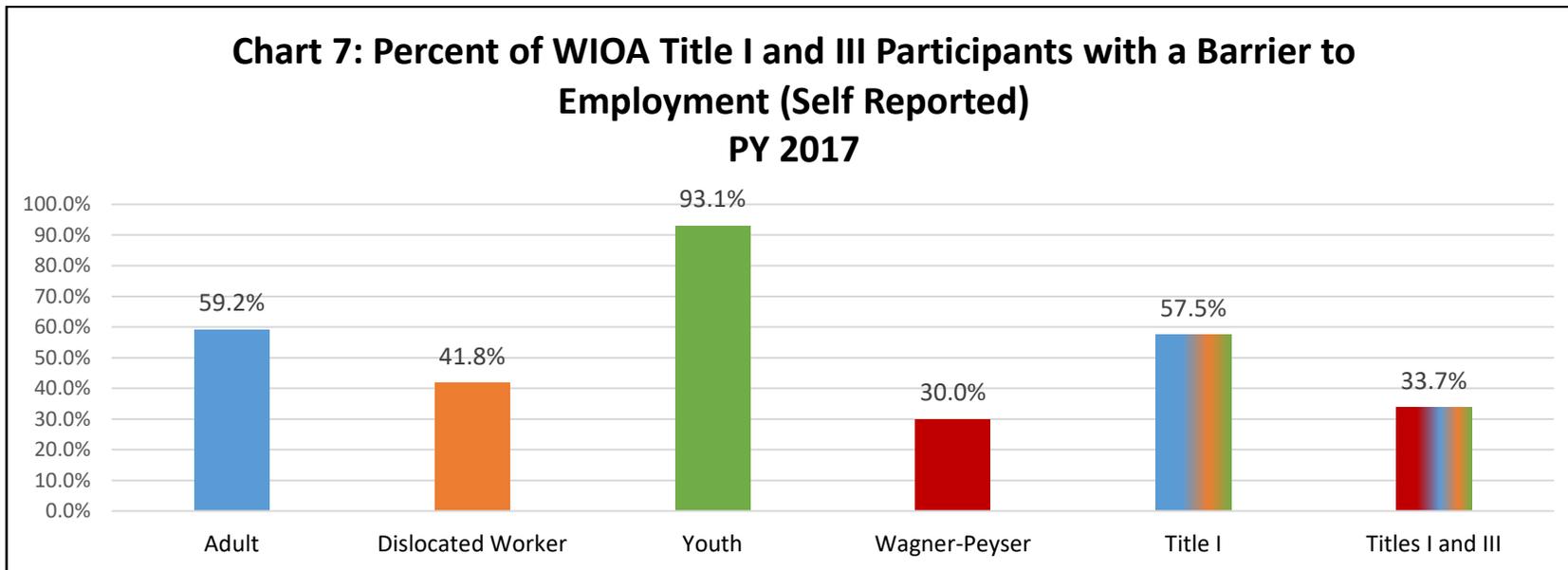


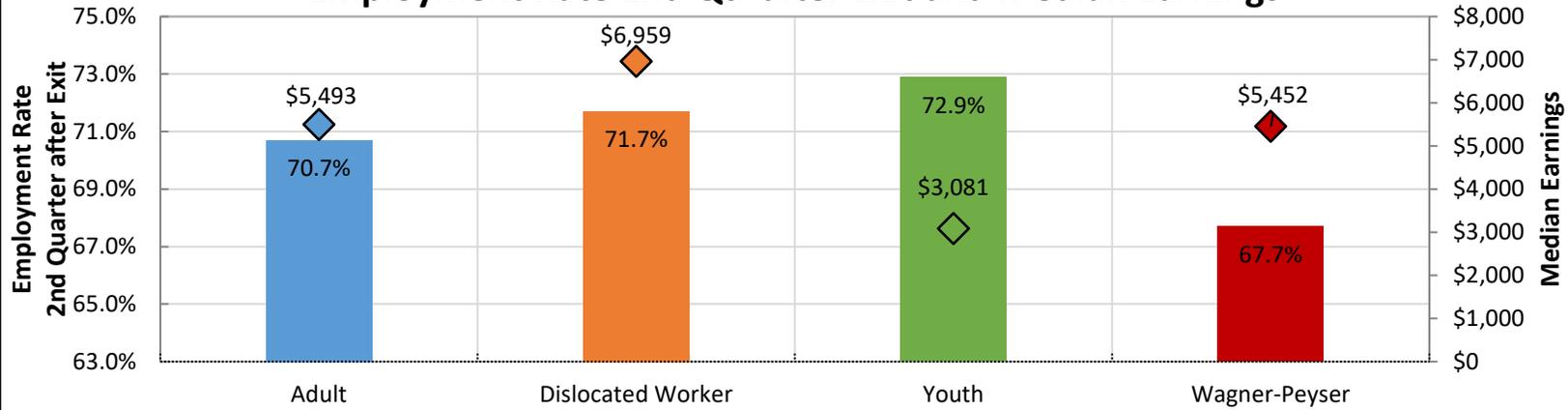
Chart 6 and **Chart 7** show the level of participants that had a barrier to employment in PY 2017. Please note that disclosure of barriers to employment is voluntary on the part of the participant in cases where a barrier is not required to determine program eligibility. **Chart 6** shows the total count of participants with a barrier for each program and **Chart 7** shows the percent of participants in each program with a barrier.



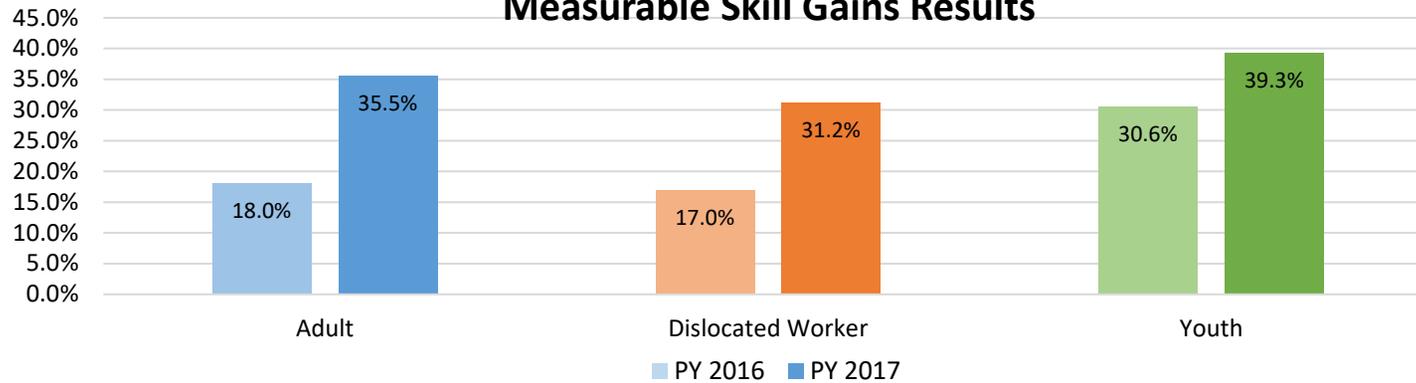


The final two charts show the PY 2017 performance outcomes for each program. **Chart 8** has two axes: the Employment Rate 2nd Quarter after Exit is on the left axis and corresponds to the bar level for each program and the Median Earnings is on the right axis and corresponds to the point estimate for each program. **Chart 9** shows the PY 2016 and PY 2017 performance results for the Measurable Skill Gains indicator. There is a clear increase in the national Measurable Skill Gains level for all programs from PY 2016 to PY 2017 due primarily to the improvements states have made in data collection and reporting data on this indicator.

**Chart 8: WIOA Title I and Title III PY 2017 National Performance Results
Employment Rate 2nd Qtr after Exit and Median Earnings**



**Chart 9: WIOA Title I PY 2016 - 2017 National Performance Results -
Measurable Skill Gains Results**



Additional Notes:

1. The WIOA definition of participant does not include those individuals only using a self-service system and/or receiving information-only services, so they are excluded from the counts of participants and the calculations of the primary indicators of performance. As such, any comparison of participant levels between the WIOA and WIA performance information must be done with care. The best proxy for historical WIOA Adult and DW participant levels are levels of WIA participants who received more than information-only and self-services. The definitions for participants between WIOA Youth and WIA Youth are similar enough that this adjustment is not necessary.
2. For WIOA Youth the 2nd Quarter Employment Rate indicator includes participants placed in post-secondary education or training in addition to unsubsidized employment. It should be noted that the Median Earnings indicator for Youth also includes those who may or may not be working full-time. As such any expectations for Median Earnings should be adjusted accordingly.
3. Measurable Skill Gains is not a required performance indicator for title III, Wagner-Peyser Employment Service.

Performance Data Availability

WIOA Primary Indicator of Performance	First Program Year of Complete Performance Data
Employment Rate 2 nd Quarter after Exit	PY 2017
Median Earnings 2 nd Quarter after Exit	PY 2017
Employment Rate 4 th Quarter after Exit	PY 2018
Credential Attainment Rate	PY 2018
Measurable Skill Gains	PY 2016
Effectiveness in Serving Employers	TBD – Subject to evaluation of pilot definitions

Sources:

1. PY 2017 Q4 WIOA State Performance Records
2. PY 2016 Q4 WIOA State Performance Records
3. PY 2005 – PY 2015 State WIASRD files
4. PY 2005 – PY 2015 9002 State Wagner-Peyser Reports
5. Labor Force Statistics from the Current Population Survey (<https://data.bls.gov/timeseries/LNU04000000>)