



OREGON STATE BOARD OF EDUCATION

DEPARTMENT OF COMMUNITY COLLEGES AND WORKFORCE DEVELOPMENT
255 Capitol St. NE, Salem, OR 97310

MEMO

DATE: November 6, 2001

TO: Local Board Chairs and Staff

FROM: Cam Preus-Braly, Commissioner
Greg White, ETP Project Lead

RE: Local Boards and ETPL Subsequent Eligibility

This memo is coming to you to continue a state and local process to formulate state guidance on the subsequent eligibility of training providers under the Workforce Investment Act (WIA). This issue was discussed at the Oregon Workforce Investment board (OWIB) meeting on October 26. What follows is a call for your comments and feedback as we develop guidance to local areas on the subsequent eligibility process.

By the time Oregon implemented WIA in July 2000, local workforce boards had carried out a process to determine the initial eligibility of training providers under the WIA. This process continues, and there are now nearly 800 training programs on the statewide Eligible Training Provider List, all determined eligible by local boards. The WIA allowed one year plus a six-month extension of the period of initial eligibility. That period expires on December 31, 2001.

The WIA requires the governor to establish a procedure for use by the local boards to determine the subsequent eligibility of training providers (Sec. 122 (c)). In developing the procedure, the governor is required to solicit and take into account the recommendations of local boards and training providers. Subsequent eligibility is to be determined annually, based on performance. Seven performance measures are required, including separate measures for all students in the training program and for those WIA participants who complete training.

State and local stakeholders determined early on that the state should assist local areas by developing centralized data gathering and reporting for these performance measures, rather than having each local area develop its own systems (although nothing prohibits local areas from doing so). The state has been developing these systems for nearly a year. Unfortunately, due to a variety of factors, we are not as far along with data collection as we would like to be. The most complete data we have is from community colleges. However, we have only completion data, not data for the employment-related measures, because of the inherent lag time in matching with unemployment insurance data. For the private career schools and other entities on the list we have even less complete data, because in most cases they have not gathered social security

numbers in the approved manner (although many are doing so now). For some of these schools we have self-reported completion and employment data, but there are inconsistencies and other problems with the data we do have.

In view of the lack of consistent data on which to base performance goals/standards, CCWD initiated a state/local meeting on October 29 to discuss how we might move forward with state guidance for the short- and long-term to local areas and boards. It was the consensus of the group that the state provide local boards with guidance on setting performance goals, which local boards could either adopt or go beyond, as allowed in the WIA. The group also discussed the pros and cons of setting more stringent local subsequent eligibility performance standards. Attached is a page illustrating some of the pros and cons, as well as the notes from the meeting on the 29th.

CCWD staff also presented this issue to the OWIB Performance and Accountability Committee and to the OWIB on October 26. The Performance and Accountability Committee in particular, which discussed the issue in depth, felt strongly that there should be some kind of minimum target or goal to assure quality training. However, the committee recognized the value of not limiting customer choice of training opportunities based on insufficient data. In view of the lack of data, the committee suggested that the guidance from the state could be in the form of goals, not fixed or inflexible standards, in order to enhance improvement, and recommended that the issue be revisited once we had valid, reliable and complete data.

CCWD is now preparing draft guidance for subsequent eligibility based on this input. We are proposing "Placeholder Goals" for each of the required subsequent eligibility performance measures, based on the limited data we do have (see attached). It must be emphasized that these are goals, not standards. If local boards feel they have access to good data and want to set actual standards, they should do so.

We would also like to hear recommendations and early comments from local boards as this guidance/policy is formulated. Guidance will also include general procedures for local boards to follow as they determine the subsequent eligibility of training providers. These procedures will require some kind of local board action before December 31.

We would like to hear from you as soon as possible on these issues. Any comments on the setting of state guidance regarding performance goals will be important. Comments and advice on procedures local boards can follow will also be welcome. Please address your comments to Greg White, 503-378-8648, ext. 465; or greg.white@state.or.us.

cc: Oregon Workforce Partners
Council of Instructional Administrators
Community College Presidents
Workforce Policy Cabinet

Attachments:
Draft SE Measures and Goals
Local Board SE Options
ETP 10/29/01 Meeting Notes

Draft

DRAFT PLACEHOLDER GOALS

WIA ELIGIBLE TRAINING PROVIDER LIST; SUBSEQUENT ELIGIBILITY

Required Performance Elements, Each Program

For all participants in the program of study

Required Performance Measure	Placeholder Goal	Basis for Goal
Program Completion Rate	80%	Based on average of completion rates for community college programs on ETPL
Employment Rate	77%	Based on latest SIS report
Wages at Placement	\$9.00/hr.	Based latest SIS report, continuous employment, 360/wk. (Does not correlate well to hourly wage.)

For WIA participants who have completed the program of study

Required Performance Measure	Placeholder Goal	Basis for Goal
Employment Rate	75%	Based on upper range of statewide adult and dislocated worker WIA standards
Retention Rate (6 mo.)	85%	Based on upper range of statewide adult and dislocated worker WIA standards
Wages at 6 months	\$9.87/hr.	Based on analysis and interpretation of latest SIS report, continuous employment; (does not correlate well to hourly wage).
Rates of licensure or certification (where appropriate)	6 %	Based on certifications from community college programs on the ETPL
Cost (tuition and fees)	No Goal at this time	Varies widely by program and institution; costs should only be noted and tracked at this time.

DISCUSSION ITEM

LOCAL/STATE MEETING, 10/29/01

LOCAL BOARD SUBSEQUENT ELIGIBILITY OPTIONS

Local boards set higher standards than state guidance

- Allowed in WIA
- May allow local boards to provide higher quality training
- Could limit customer choice by reducing training options
- Could set up conditions for shopping for ITAs
- May require local boards to develop legally defensible additional data
- Consider evaluating/changing ITA policies to achieve similar outcomes

Local boards set same standards as state

- Simpler system for providers, especially those serving multiple areas
- Can result in more training options for customers
- Limits options for local boards to have impact on training
- Can be revisited once better data are available

ETP Meeting Notes
Monday, October 29, 2001
State Library

A group of state and local stakeholders met in the conference room of the State Library in Salem to discuss Oregon's process for determining the subsequent eligibility of training providers under the WIA. In addition to the 19 in the room, 12 participated by phone. The meeting was led by Greg White of CCWD, who is the ETP Project Lead.

Greg updated the group on the progress of the ETP Project. He explained the history of implementing the ETP portions of the WIA in Oregon, the box we created for ourselves with the Continuum Policy, the current status of the ETPL, and the issues that still need to be resolved. Oregon extended the period of initial eligibility for six months, until December 31, 2001. This is the deadline for finishing the subsequent eligibility process. It is also the self-imposed deadline for finishing the other portions of the ETP project as well, including the following.

- New policies regarding the ETP process, subsequent eligibility, local board responsibilities and ITA processes will be finalized by December 31, 2001. Greg will be developing these policies and sending drafts out for review and comment before they are finalized.
- The current Intensive Services/Training Continuum will be greatly modified as of December 31, 2001. The current policy of classifying instruction less than a full program as Intensive Services will be discontinued.

Quite a bit of work has gone into developing solutions to the replacing the flexibility for service delivery that will be lost when the Continuum Policy is modified. The ETP Work group came up with two major solutions.

- For WIA participants, the "applicable program of training" has been defined as the courses the participant enrolls in, according to that participant's Individual Employment Plan. So far, this applies to Community Colleges only, since OCCURS, the Community College data system, records each student by social security number, each course taken within programs, and the outcome of each course. Using these data, the required performance outcomes can be tracked. ITAs may therefore be written for individual courses or groups of courses at Community Colleges. This will allow intensive services to be counted as intensive, and training to be counted as training. For private schools, it has been noted that most students enroll in full programs.
- Most Community Colleges are participating in developing a new statewide program called Employment Skills Training (EST). This new program will allow students to get a less-than-one-year certificate tailored to meet the individual needs of the student. This program will be available to all students, not just WIA participants.

It was mentioned that rapidly changing economic times may result in new types of training that will be needed in a very short time; e.g., haz-mat training. There needs to be a way to get that training approved by the Department of Education and on the list. Greg and Betty said that both CCWD and OPTE are committed to fast-tracking new training approval and getting it on the list as soon as possible.

Greg handed out data that have been developed so far using OCCURS information and private career school reports. While great strides have been made, the data will not be very useful for setting standards for subsequent eligibility. This is due to a variety of factors, including having to develop entirely new data sources for reports, some of the schools not collecting SSNs in the approved manner, and the complexity of the issues. Some of the specific problems were discussed.

- Employment data are not available as yet on those individuals appearing in the OCCURS data. Because of reporting lag times on the UI wage record, these data will not be available for several months. Still what we have from OCCURS is good, verifiable data, but for completion only.
- The completion and employment data provided by the private career schools are self-reported by the schools and are not verified by ODE. Also because of some quirks in how the data were reported, some of the private career school employment rates exceeded 100%. These schools are only now beginning to collect SSNs in the approved manner, so it will probably be up to two years before we have good, verifiable data.
- Some categories of training programs on the ETPL, such as those schools overseen by the Office of Degree Authorization, apprenticeship programs and Oregon University System programs, are not yet included at all. Greg is working on getting data from these.
- Some of the programs on the ETPL do not show up on the reports, and (especially in the case of the private career school report) some of the programs are not on the ETPL but appear on the report. Most of these problems are fixable and someone will be working on cleaning up the reports.

Since we do not have very good data, there was discussion on what we should do to determine subsequent eligibility, using what we do have.

- Oregon is not alone in having difficulties implementing subsequent eligibility. It is a nationwide problem, and most states will not be in compliance. DOL will probably provide some leeway for states that are unable to meet the subsequent eligibility requirements in the form of a blanket waiver or individual state waivers. Since Oregon will not be in compliance on December 31, we will need to take advantage of whatever flexibility is offered by DOL.
- The OWIB Performance Accountability Committee suggested that since it was difficult to get accurate, reliable data on ETP performance, that the State should set performance goals instead of performance standards.

- The group suggested that the State set minimum goals which could be used as a default to assist local boards. The state will revisit setting standards when better data are available. Local boards will then have two options: adopt the state approach or develop more stringent standards, which they are able to do under the Act. Local boards can develop their own guidelines and performance data if they wish. It was mentioned that additional performance requirements must be able to withstand legal challenges, and local boards must have an appeal process in place. It is important to balance customer choice and quality training.
- It needs to be emphasized that just because a program is on the ETP list, that does not mean that local area programs are required to let participants access that program. Local boards may develop their own policies about demand occupations, limits on ITA amounts, limits on support services amounts, etc., that may preclude financing the training with WIA funds. In particular, participants can only access training for occupations that are in demand in the local labor market or in demand in another geographic area if the participant is willing to relocate.

Next Steps:

- Greg will draft policies on subsequent eligibility and send out to stakeholders for comment.
- CCWD will continue to get the data used for measuring performance cleaned up.
- Greg will draft letter to LWIBs on subsequent eligibility.
- Greg will draft letter to training providers about subsequent eligibility and about the need to update the information on the ETP list.
- Develop the consumer report card system including performance and cost information.