

TO: Standard & Certification Committee

DATE: May 24, 2002

- For Action
- For Information
- Meeting Notes

FROM: Staff

SUBJECT: Status of Negotiation of PY 2002/2003 Performance Goals With the State of California.

PROPOSED MOTION(S): N/A

DISCUSSION: On May 2, 2002, the Workforce Investment Division (WID) of the Employment Development Department issued an Information Bulletin [WIAB01-112] which notifies LWIBs that final negotiations will be further delayed so WID can collect and analyze an additional quarter of performance data.

It seems likely that negotiations with both DOL and the LWIBs will not be completed until the third or fourth week of June. DOL rules provide that the performance goals may be changed through June 30 [the last day] of a program year.

ATTACHMENT(s) WIAB01-112

INFORMATION BULLETIN

WORKFORCE INVESTMENT ACT

Number: WIAB01-112

State of California

Date: May 2, 2002

Expiration Date: 06/30/02

69:20:vf:5579

TO: WORKFORCE DEVELOPMENT COMMUNITY

SUBJECT: STATUS OF PERFORMANCE NEGOTIATIONS

The purpose of this information bulletin is to distribute the latest statewide performance outcomes and to report the status on Workforce Investment Act performance re-negotiations.

We have reviewed all the information provided by the Local Workforce Investment Boards (LWIB) regarding re-negotiation of the State and local performance goals for Program Years (PY) 2001-2002 and 2002-2003. Attached is a summary of the statewide goals currently negotiated with the Secretary of Labor (DOL), statewide performance to-date for PY 2001-2002, and an estimate of the performance goals the State would attain if the Governor accepted the current local proposals for PY 2001-2002 and PY 2002-2003. An additional quarter of performance data will be available by mid-May based on local reports received at the State level on April 20, 2002. Final State decisions on LWIB performance goals and negotiations with DOL will not occur until after these data are gathered and analyzed. Specifically because we are very concerned about the effects of the economic slowdown that began in March 2001, we have delayed final negotiations with the LWIBs and the Secretary of Labor until the additional wage and retention data from this quarter are available.

Reviewing the data included in the attachment indicates the following:

- Based on current data, the State is exceeding most of the agreed upon performance goals for PY 2001-2002 and PY 2002-2003.
- In most cases, the proposed statewide goals, derived from the local proposals, are well below current performance outcomes.
- The significant challenges facing the State continue to be with credentials and within the older and younger youth programs.

Data on the attachment reflects a rollup of LWIB-proposed performance goals that we secured through local meetings, e-mail, conference call, and written correspondence to-date. These performance goals have not been accepted by the State; further discussions with some LWIBs are still required. The Governor has the authority to make local negotiations independent of his negotiations with the Secretary of Labor.

However, the State must evaluate the risk associated with accepting performance levels from the LWIBs that may jeopardize the State's ability to meet the goals agreed to with the Secretary of Labor; which could result in financial sanction. The Training Employment Guidance Letter (TEGL) 11-01 (www.wdr.doleta.gov/directives/attach/TEGL11-01.pdf) allows the State to re-negotiate performance for a particular program year through June 30 of that program year.

Thank you for your patience during this process. The Job Training Automation (JTA) system is currently programmed to run the local area performance outcome data based on the quarterly reporting process and the *Annual Report* definitions. If you have questions about how to access your local performance data through the JTA system, please call the JTA Help Desk at (916) 653-0202. If you have specific questions about the performance measures, please call Debor Untal at (916) 654-8295 or Damien Ladd at (916) 654-5181.

/S/ BILL BURKE
Chief
Workforce Investment Division

Attachment

Comparison of Statewide Performance Data

Required Measure <i>Performance Measure</i> (Performance Period) ¹	Current Statewide Goal PY 2002	Preliminary Actual Performance	Proposed Statewide Goal² PY 2002	Current Statewide Goal PY 2003	Proposed Statewide Goal² PY 2003
<u>1. Adult Entered Employment Rate</u> (October 2000 - June 2001)	68%	76%	63%	70%	66%
<u>2. Adult Employment Retention Rate</u> (October 2000 - December 2000)	76%	80%	73%	78%	76%
<u>3. Adult Earning Gain</u> (October 2000 - December 2000)	\$3,600	\$4,268	\$3,433	\$3,700	\$3,536
<u>4. Dislocated Worker Entered Employment Rate</u> (October 2000 - June 2001)	69%	80%	67%	70%	68%
<u>5. Dislocated Worker Employment Retention Rate</u> (October 2000 - December 2000)	83%	87%	81%	85%	83%
<u>6. Dislocated Worker Wage Replacement</u> (October 2000 - December 2000)	86%	104%	84%	88%	86%
<u>7. Older Youth Entered Employment Rate</u> (October 2000 - June 2001)	56%	69%	53%	58%	55%
<u>8. Older Youth Employment Retention Rate</u> (October 2000 - December 2000)	72%	72%	58%	74%	60%

¹This reflects the period for which performance outcome data are available for that measure.

²Estimated based on performance goals proposed by the LWIBs.

Source: Employment Development Department, Workforce Investment Division 4-2002

Comparison of Statewide Performance Data

Required Measure Performance Measure (Performance Period)¹	Current Statewide Goal	Preliminary Actual Performance	Proposed Statewide Goal² PY 2002	Current Statewide Goal PY 2003	Proposed Statewide Goal² PY 2003
	PY 2002				
<u>9. Older Youth Earning Gain</u> (October 2000 - December 2000)	\$2,600	\$3,885	\$2,133	\$2,700	\$2,225
<u>10. Younger Youth Skill Attainment Rate</u> (July 2001 - February 2002)	70%	89%	67%	75%	72%
<u>11. Younger Youth Diploma or Equivalent Rate</u> (July 2001 - December 2001)	42%	52%	39%	45%	43%
<u>12. Younger Youth Retention Rate</u> (October 2000 - December 2000)	42%	53%	40%	45%	44%
<u>13. Adult Employment and Credential Rate</u> (October 2000 - June 2001)	50%	48%	45%	60%	57%
<u>14. Dislocated Worker Employment and Credential Rate</u> (October 2000 - June 2001)	42%	52%	40%	45%	44%
<u>15. Older Youth Credential Rate</u> (October 2000 - June 2001)	42%	22%	31%	45%	36%

¹This reflects the period for which performance outcome data are available for that measure.

²Estimated based on performance goals proposed by the LWIBs.

Source: Employment Development Department, Workforce Investment Division 4-2002