



Higher Education Coordinating Commission Office of Workforce Investments Policy	
Subject: Performance Sanctions Policy	
Focus:	<input checked="" type="checkbox"/> WIOA Title I <input type="checkbox"/> National DWG <input type="checkbox"/> State Grants <input type="checkbox"/> Other:
Publish Date: 01/06/2023	<input checked="" type="checkbox"/> New Policy <input type="checkbox"/> Revised Policy

Overview

This policy describes the circumstances under which corrective action and sanctions will be applied to local areas for failure to meet negotiated levels of performance in the adult, dislocated worker and youth programs authorized under the Workforce Innovation and Opportunity Act (WIOA) Title I.

Policy Statement

The Higher Education Coordinating Commission (HECC) Office of Workforce Investments (OWI), Local Workforce Development Board, and chief elected official agree to local negotiated levels of performance for each local area. OWI will negotiate and establish performance indicator scores with each local workforce development area, for each of the WIOA Title I programs it administers (adult, dislocated worker, and youth).

The general procedure for local area performance negotiations is:

- Once the state has completed statewide performance negotiations with the Department of Labor (DOL) for all WIOA Title I programs and has established state-level performance indicator targets, OWI will share with all local workforce areas:
 - The state-level WIOA Title I programs' targets;
 - The local area's specific performance outcomes from the previous program year; and
 - Any local area performance projections/estimates (by program) as determined by the state's use of statistical models or other analysis methods.
- Local areas will be asked to propose performance targets to OWI (by program and indicator) that align with current data, will contribute to the state attaining its state-level targets and, ideally, reflect an upward trend in performance outcomes for the local area.
- OWI staff will review the local proposal(s) and meet with locally-designated staff to discuss whether the proposals are accepted or need revision.
- At its discretion, OWI may require a local area to revise its proposal for one or more performance indicator targets. Typical reasons for revision include, but are not limited to:
 - Targets that do not reflect current/recent trends in local performance; or
 - Targets that are significantly below the state-level target for the same measure, without justification (as provided by the local area).

OWI will emulate the DOL as to which performance indicators will be subject to failure; only indicators that are subject to accountability by DOL at the state-level will be subject to the local area's threshold for failure guidelines, below.

The threshold for failure to meet negotiated levels of performance for a local area occurs if:

- any single Individual Indicator Score for any single core program falls below 50 percent of the negotiated level of performance (see [Determining performance/nonperformance \(thresholds for failure, below\)](#)).

If a local area fails to meet levels of performance for the primary indicators in any program year, technical assistance will be provided by OWI. This assistance may include development of a performance improvement plan, development of a modified local plan, or other actions designed to assist the local area in improving performance.

If the same performance failure(s) occur in **two consecutive program years** for a local area, OWI may, in consultation with the governor, apply financial sanctions.

In the event a local area fails to meet the level of performance for the same primary indicator of performance for the same core program authorized under WIOA Title I for a **third consecutive year**, OWI will take corrective action.

This corrective action will include development of a reorganization plan, which may require appointment and certification of a new local workforce development board, prohibition of the use of eligible providers and one-stop partners that have been identified as achieving poor levels of performance, or other such significant actions deemed appropriate.

The local workforce development board and the chief elected official for a local area that is subject to a reorganization plan may appeal to OWI to rescind or revise the reorganization plan not later than 30 days after receiving notice of the reorganization plan. OWI must make a final decision within 30 days after receipt of the appeal.

Determining performance/nonperformance (thresholds for failure):

To determine a local workforce development board's performance/nonperformance, OWI will review performance outcomes for each local workforce development area's WIOA Title I programs after all state and local performance data has been transmitted to the US Department of Labor (DOL) and certified. Certification of report data usually occurs by October 1.

Calculating if any single Individual Indicator Score for any single core program falls below 50 percent of the negotiated level of performance.

Calculate the Individual Indicator Performance Score by dividing the actual performance indicator score by the negotiated level of performance (rounded to one decimal place).

So, Actual Performance/Negotiated Level of Performance = Individual Indicator Performance Score

Example 1:

72% (Actual) / 74% (Negotiated) = 97.3% [Above the 50% threshold for failure]

Example 2:

45% (Actual) / 91% (Negotiated) = 49.5% [Below the 50% threshold for failure}

Effective Date

July 1, 2023

Contact

Questions are to be referred to hecc.owi-workforce-policy@hecc.oregon.gov.

References

- WIOA Section 116
- 20 CFR 677.220 – 225
- Training and Employment Guidance Letter 11-19
- Training and Employment Notice 14-21