



UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF CAREER, TECHNICAL, AND ADULT EDUCATION

PROGRAM MEMORANDUM OCTAE 18-1

DATE: January 19, 2018

TO: State Directors of Adult Education

FROM: Dr. Michael E. Wooten /s/
Acting Assistant Secretary

RE: Two-Year Modification Requirements for Workforce Innovation and Opportunity Act (WIOA) Unified and Combined State Plans

Purpose

To provide guidance to States, territories, and outlying areas regarding the two-year modification requirements, submission process, and deadline for submitting the two-year modifications for the WIOA Unified and Combined State Plans for Program Years (PYs) 2018 and 2019. States must submit a WIOA Unified or Combined State Plan two-year modification to the U.S. Departments of Labor (DOL) and Education (ED) (collectively, Departments) by March 15, 2018.

Background

WIOA requires the Governor of each State¹ to submit a Unified or Combined State Plan to the Secretary of Labor that includes a four-year strategy for the State's workforce development system, and to submit a modification to that plan after two years. States must have Federally-approved State Plans to receive funding for the WIOA six core programs (Adult, Dislocated Worker, and Youth Formula programs (WIOA Title I), Adult Education and Family Literacy Act (AEFLA) program (WIOA Title II), Wagner-Peyser Employment Service program (WIOA Title III), and Vocational Rehabilitation (VR) program (WIOA Title IV)).

Although all States have approved WIOA Unified or Combined State Plans for PYs 2016-2019, WIOA requires that States review their plans every two years and update State Plan strategies

¹ For purposes of the Unified and Combined State Plans, the term "State" refers to the 50 States, the District of Columbia, Puerto Rico, American Samoa, Guam, the U.S. Virgin Islands, the Northern Mariana Islands, and, as appropriate for certain programs, the Republic of Palau (20 CFR 676.105(e), 34 CFR 361.105(e), and 34 CFR 463.105(e)).

based on changes in the labor market and economic conditions or other factors affecting the implementation of the State Plan. In early 2016, the Departments issued joint guidance titled *Workforce Innovation and Opportunity Act (WIOA) Requirements for Unified and Combined State Plans* in TEGL No. 14-15 (DOL), ED Office of Career, Technical, and Adult Education (OCTAE) Program Memorandum 16-1, and ED Rehabilitation Services Administration (RSA) Policy Directive (PD) 16-03. States may review previously issued joint guidance for a more comprehensive discussion of WIOA Unified and Combined State Plan requirements and expectations.

This guidance—developed jointly by the Departments—provides information and instructions to States on the WIOA planning requirements for the required two-year modification, explains technical adjustments to the planning requirements, and instructs States regarding submission procedures and deadlines. The Departments recognize that States have been deeply engaged in implementing their initial four-year Unified or Combined State Plan for the past two years, and since that time the Departments have published final regulations, additional guidance, and technical assistance. With this information, States are better positioned to make updates to State Plans that more fully incorporate the opportunities and innovations that the law envisioned. The Departments may provide additional instructions to States regarding program-specific requirements.

Planning Requirements

States must use the Information Collection Request (ICR) *Workforce Innovation and Opportunity Act (WIOA) Unified and Combined State Plan Requirements* approved under Office of Management and Budget (OMB) control number 1205-0522 to develop and submit the two-year modification, as well as future four-year WIOA Unified or Combined State Plans. A copy of the ICR, which complies with statutory requirements set forth in sections 102 and 103 of WIOA, is available at https://www.doleta.gov/wioa/State_Plan_Resources.cfm. A copy of these requirements is also available via the online portal hosted by ED's RSA, discussed in Section 6 of this guidance.

OMB approved a non-material change to the ICR on December 18, 2017. These non-material changes are minor and:

- Clarified required information under section VI.d, which requires single-area states to “submit any information required in the local plan.”
- Refined language regarding requirements for the Title I Youth program to more clearly identify expectations for articulation of youth strategies as well as required policies.
- In the AEFLA portion of the ICR, clarified that States are required to submit information to address section 427 of the General Education Provisions Act. This submission requirement exists under a separately approved ICR (OMB control no. 1894-0005).
- Added an assurance, applicable to AEFLA, regarding the statutory requirement in section 502 of WIOA concerning the Buy American Act.

The Departments also expect States to update plans to reflect implementation of WIOA and to improve areas of the plan impacted by the publication of jointly-administered regulations and guidance, or changes in circumstances in the State, since the initial State Plan submission in

March 2016. For example, States may be better able to describe their progress in revising data collection and reporting systems as well as strengthening program strategies reflecting current economic and labor market conditions throughout State regions.

Requirements for Stakeholder Collaboration and Comment

Stakeholder collaboration, review, and comment are key requirements of the planning process, including the two-year modification process. State Workforce Development Boards (State Boards) are responsible for assisting the Governor in the development, implementation, and modification of the State Plan and for convening all relevant programs, required partners, and stakeholders to contribute to the plan. The State Plan must be developed with the assistance of the State Board, as required by sec. 101(d) of WIOA, and in coordination with administrators that have optimum policymaking authority for the core programs and required one-stop partner programs. For Combined State Plans, the portions of the plan that cover partner programs other than the core programs are subject to any public comment requirements applicable to those partner programs (20 CFR 676.143(c)(3), 34 CFR 361.143(c)(3), and 34 CFR 463.143(c)(3)).

States must provide the opportunity for public comment, which allows interested stakeholders to participate actively, effectively, and transparently in the development of the plan. The Governor must ensure that the State Plan is developed with an opportunity for input from representatives of:

- Local Workforce Development Boards and chief elected officials;
- businesses;
- representatives of labor organizations;
- community-based organizations;
- adult education providers;
- institutions of higher education;
- other stakeholders with an interest in the services provided by the six core programs; and
- the general public, including individuals with disabilities.

Programs included in the Combined State Plan may require consultation with other specific individuals or groups. The State Board also must make information regarding the State planning process available to the public through electronic means and by holding regularly occurring open meetings in accordance with State law prior to the submission of the plan (WIOA sec. 101(g) and 20 CFR 676.130, 34 CFR 361.130, and 34 CFR 463.130).

Instructions for Plan Submission

States must submit their State Plans, including the two-year modifications, via the online portal hosted by ED's RSA, which allows the entire State Plan to be available at the same time to multiple Federal program reviewers. The State Plan portal is available, along with other State Plan resources, at <https://rsa.ed.gov/login.cfm?mode=form&usp=Y>. Instructions on how to request State user accounts are available on the web link provided on this site. The Departments will deliver training on the portal to State users, and Federal staff will be available to provide technical guidance and to authorize individuals from the States to have read-only, view and edit and/or submit access to the State Plan portal, as appropriate. Each Governor must designate a primary official to serve as the final submitter on behalf of all included programs for the State

Plan. Please notify the Departments of such designation via correspondence in an email to WIOA.Plan@dol.gov.

The portal design permits multiple users within a State to enter portions of the State Plan at the same time, thereby allowing program partners to enter content that is common to all State Plan partners as well as content that is specific to their program directly. In States where there is a separate VR agency serving the blind, each VR agency must complete a separate VR services portion of the Unified or Combined State Plan.

States may revise their currently approved State Plan in the portal, using editing features similar to those found in Microsoft Word. Depending on the level of modification needed for the State Plan, States may prefer to delete all or much of the existing text and input updated material. To enter charts and graphs in the labor market analysis section, or wherever data is included or graphically depicted in the narrative, the state may enter those using html coding. Additional information and instructions are available at <https://rsa.ed.gov/using-the-portal.cfm>.

While multiple individuals in the State may enter content into the portal, only one State individual may submit the entire plan on behalf of all included programs through the portal for Federal review. The portal includes a certification that the official State “submitter” has the authority to do so.

States that include the Carl D. Perkins Career and Technical Education Act (Perkins) program as part of their Combined State Plans will submit to the WIOA State Plan portal their currently approved Perkins State Plan, including any revisions the State determines are necessary. The portal will then redirect States from the WIOA State Plan portal via a link to the Perkins State Plan portal. On the Perkins State Plan portal, States will submit: (1) Request to Extend Perkins State Plan; (2) updated budget; and (3) proposed performance levels for the upcoming PY. ED will provide State Career and Technical Education Directors training, passwords, and technical support to upload their information into the WIOA State Plan portal and the Perkins State Plan portal.

States that include Supplemental Nutrition Assistance Program (SNAP) Employment and Training (E&T) as part of their Combined State Plan will submit their SNAP E&T specific State Plans into the WIOA State Plan portal, but must submit component details, participant levels, operating budget and fiscal year planned program costs to their Food and Nutrition Service (FNS) Regional Office.

Performance Negotiations for Core Programs

The Departments will issue guidance on the WIOA performance accountability system negotiation process in an issuance separate from this guidance. For this two-year modification to the State Plans, the same indicators of performance that States negotiated for PYs 2016 and 2017 will be negotiated for PYs 2018 and 2019. For some indicators for certain programs, there are insufficient data available on which to build the required statistical adjustment model and, consequently, to establish levels of performance using the statistical adjustment model as part of the negotiation process. The Departments will continue to use a “phased-in” approach to set levels of performance for certain indicators for specific programs. The appendix in the Unified

and Combined State Plan ICR discussed in Section 4, and in Attachment I of this guidance, reflects this approach and displays what indicators/programs the Departments will negotiate for PYs 2018 and 2019. See Attachment I of this guidance for more instructions on establishing performance levels and acceptable baseline indicators.

Special Instructions for Single-Area States

Item VI.d, in the title I program-specific State Plan requirements in the Unified and Combined State Plan ICR discussed in Section 4 of this guidance is directed at single-area states. It requires them to “submit any information required in the local plan” with the submission of its State Plan as required by WIOA sec. 106(d)(2). With the initial State Plan submission, DOL exercised its transition authority provided in WIOA sec. 503 to delay the requirement that single-area states include a local plan with their initial four-year State Plan submission until DOL provided guidance to those specific States. Single-area states must now complete the above-referenced requirements, in accordance with the ICR, and update their State Plan to reflect particular requirements of local plans as part of the two-year modification process.

Action Requested

In accordance with the ICR, *Workforce Innovation and Opportunity Act (WIOA) Unified and Combined State Plan Requirements*, States must submit a WIOA Unified or Combined State Plan two-year update to the Departments by March 15, 2018, using the web portal described in Section 6 of this guidance. Once submitted, the Departments will review and provide a decision within 90 days for the core programs.

Resources and Tools

- WIOA Related Guidance: https://wdr.doleta.gov/directives/All_WIOA_Related_Advisories.cfm
- Resources and Tools for Workforce Professionals: <https://www.doleta.gov/usworkforce/>
- Guide to State and Local Workforce Data, Third Edition: https://lmi.workforcegps.org/resources/2015/04/03/15/48/Guide_to_State_and_Local_Workforce_Data
- TEN 1-15 Promising Practices in Achieving Universal Access and Equal Opportunity: A Section 188 Disability Reference Guide: https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=3182
- Applying Labor Market Information to Service Delivery Design: https://lmi.workforcegps.org/resources/2015/04/30/10/47/Putting_LMI_to_Work_in_Employment_and_Training_Programs
- State Plan Resources: https://www.doleta.gov/wioa/State_Plan_Resources.cfm
- Access to State Plan Portal: www.rsa.ed.gov
- WIOA State Plans approved in PY 2016: <https://www2.ed.gov/about/offices/list/osers/rsa/wioa/state-plans/index.html>
- Workforce GPS: <https://www.workforcegps.org>

Inquiries

Questions concerning this program memorandum may be directed to your OCTAE area coordinator.

Attachment

- Attachment I — Instructions for Program Years (PYs) 2018 and 2019: Performance Goals for the Core Programs

ATTACHMENT I

Instructions for Program Years (PYs) 2018 and 2019: Performance Goals for the Core Programs

Each State submitting a Unified or Combined Plan is required to identify expected levels of performance for each of the primary indicators of performance for the two years covered by this Plan modification, except as provided below. The State is required to reach agreement with the Secretary of Labor, in conjunction with the Secretary of Education, on State negotiated levels of performance for the indicators for the two years of the State Plan modification.

States have one year of data available under the performance accountability system in Section 116 of WIOA for title I, II, and III programs; therefore, the Departments will continue to use the transition authority under WIOA sec. 503(a) to designate certain primary indicators of performance for certain programs as “baseline” indicators in the State Plan modification submission. A “baseline” indicator is one for which States will not propose an expected level of performance in the plan submission and will not come to agreement with the Departments on negotiated levels of performance. “Baseline” indicators will not be used to determine failure to achieve adjusted levels of performance for purposes of sanctions. A joint guidance document is forthcoming regarding the applicability of sanctions provisions under WIOA. The selection of a certain primary indicator for designation as a baseline indicator was determined on the likelihood of a State having adequate data on which to make a reasonable determination of an expected level of performance, and these designations vary across core programs.

States are expected to collect and report on all indicators, including those that have been designated as “baseline.” The actual performance data reported by States for indicators designated as “baseline” in the first two years of the Unified or Combined State Plan and in the two years under the State Plan modification will serve as baseline data to support appropriate development and refinements to the statistical adjustment model, as needed, and to establish performance levels in future years.

Each core program must submit an expected level of performance for each indicator, except for those indicators that are listed as “baseline” indicators below.

For this two-year State Plan modification, the Departments will work with States during the negotiation process to establish the negotiated levels of performance for each of the primary indicators for the core programs.

Baseline Indicators for the Next Two Years of the Plan

Title I programs (Adult, Dislocated Worker, and Youth):

- Median Earnings (Youth)
- Measurable Skill Gains
- Effectiveness in Serving Employers

Title II program (Adult Education and Family Literacy Act):

- Employment in the 2nd quarter
- Employment in the 4th quarter
- Median Earnings
- Credential Attainment
- Effectiveness in Serving Employers

Title III program (Wagner-Peyser):

- Effectiveness in Serving Employers

Title IV program (Vocational Rehabilitation):

- Employment in the 2nd quarter
- Employment in the 4th quarter
- Median Earnings
- Credential Attainment
- Measurable Skill Gains
- Effectiveness in Serving Employers

Under WIOA, States may identify additional indicators in the State Plan and may establish levels of performance for each of those additional State indicators. Please identify any such State indicators under *Additional Indicators of Performance*.