Kansas Department of Commerce
Workforce Services
Policy and Procedures Manual

Policy Number: 5-32-00

Originating Office: Workforce Services

Subject: Data Collection

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Programs: Workforce Innovation and Opportunity Act (WIOA)

Purpose: This policy sets standard operating procedures for data collection including what data must be collected, verified, validated and secured. The purpose is to ensure electronic databases and reports are certifiably accurate.

Reference: Workforce Innovation and Opportunity Act of 2014, TEGL 7-16 / Joint Guidance on Data Matching to Facilitate WIOA Performance Reporting and Evaluation; TEGL 10-16 Change 2; TEGL 23-19 Change 1; 20 CFR677.170 and 677.175; WIOA Guidance Letter 16-02; WIOA Guidance Letter 18-03; Government and Performance Results Act of 1993.

Background: Under the Workforce Innovation and Opportunity Act, core programs must work together in new ways to ensure that participant data is accurate and reliable for recording services and tracking participant outcomes.

Action: Disseminate to all interested parties.

Contact: Questions should be directed to WIOA Administrator, (785) 296-0607, TTY: 711, e-mail: kdc_workforcesvcs@ks.gov.

Attachment: None.

Data Collection

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Data Collection

Data Collection Requirements

The state and local workforce development boards (LWDBs) are required to establish basic standard operating procedures for data collection and handling to ensure the quality and integrity of data over time. This includes standards for data validation, report validation and data security. The purpose is to ensure resulting electronic databases and reports are certifiably accurate.

Data validation is a series of internal controls or quality assurance techniques established to verify the accuracy, validity, and reliability of data. Ensuring a shared data validation framework across programs ensures all program data will consistently and accurately reflect the services and performance outcomes of individual participants. A detailed description of the State's data validation procedures can be found in State Policy #5-33-00.

Report validation is a process of using different tools to perform data quality checks to ensure that DOL reports are certifiably accurate. Tools such as WIPS edit checks and data quality checks of quarterly PIRL/QPR reporting allows staff to look for data outliers, incomplete fields, etc.

Data security involves ensuring only authorized staff has access to electronic databases and paper files containing sensitive client information. It is imperative that client information is protected at all times. Client information can only be released to third party agencies or entities if the client has authorized such release or the custodian of the records is presented with a valid court order requesting information pursuant to legal action.

Examples of procedures for data collection and handling to ensure the resulting electronic database is accurate include the following:

- Checking the accuracy of the computerized records against the original source (including paper copies and/or scanned copies of records);
- Conducting random calls to participants or other sources to verify the accuracy of the information collected;
- Ensuring paper files containing client information are secured in filing cabinets and access to such files is limited to authorized personnel;
- Evaluating data collection efforts by using trained staff to randomly observe interviews and other data collection methods;
- Limiting access to client information to authorized personnel who are trained in data security and validity and have acknowledged in writing the requirement to safeguard client data; and
- Performing logical checks of the data (although data may be correctly transcribed from the original forms, it may not be accurate because of misprints, typographical errors and other mistakes).

Confidential Access to Wage Records

To calculate performance measure information, local and state level officials must access Unemployment Insurance (UI) wage records. In accordance with Kansas statute, all wage information must be kept strictly confidential and be used only for the purposes intended, which is to develop information for the performance accountability system. Each organization or entity using wage record information must ensure all staff who have access to, or who compile wage record information, are aware of the Kansas statute regarding confidentiality.

Family Educational Rights and Privacy Act (FERPA) is a Federal law that protects the privacy of student education records and affords parents and eligible students certain rights with respect to these education records. The general rule is that a parent or eligible student must provide a signed and dated written consent before an educational agency or institution discloses Personally Identifiable Information (PII) from the student's education records, unless as an exception, such as FERPA's audit or evaluation exception, applies. Under FERPA's audit or evaluation exception, an authorized representative of State or local educational authorities may obtain access to PII from education records to audit or evaluate a Federal- or State-supported education program. **FERPA'S audit or evaluation exception permits disclosure of PII from education records for WIOA performance accountability purposes.**

Vocational Rehabilitation (VR) regulations govern the protection, use, and release of personal information held by VR agencies. VR agencies, which are not considered educational agencies or institutions under FERPA, must develop policies and procedures to safeguard the confidentiality of all personal information, and to inform applicants and recipients of services, and as appropriate, their representatives, of the VR agency's need to collect personal information and its policies. There is no Federal requirement that a VR agency obtain informed written consent from the individual prior to releasing personal information for purposes directly related to the administration of the VR program, or for audit, evaluation, or research purposes when the audit, evaluation, or research are conducted only for the purposes directly connected with the administration of the VR program or for the purposes that would significantly improve the quality of life for applicants and recipients of services and only if done in accordance with a written agreement. However, if the final audit, evaluation, or research product will contain personal information, written consent is required.

Federal unemployment compensation (UC) confidentiality regulations permit disclosure of confidential UC information for WIOA performance accountability purposes.

Standard Management Information System

WIOA Section 185 requires grant recipients maintain and submit certain information to the U.S. Secretary of Labor for use in appraising the performance of departmental programs. Section 185(c)(2), in particular, requires the maintenance of a management information system designed to facilitate the uniform compilation, cross tabulation, and analysis of programmatic, participant and financial data necessary for reporting, monitoring and evaluation purposes.

In general, the reports required in WIOA Sec. 185(d) shall include information regarding programs and activities carried out under this title pertaining to:

- relevant demographic characteristics (including race, ethnicity, sex, and age) and other related information regarding participants;
- programs and activities in which participants are enrolled, and the length of time that participants are engaged in such programs and activities;
- outcomes of the programs and activities for participants, including the occupations of participants, and placement for participants in nontraditional employment;
- specified costs of the programs and activities; and
- information necessary to prepare reports to comply with WIOA Sec. 188 on nondiscrimination.

The Management Information System (MIS) Manuals are the reference for standard data elements that are used for data validation and data security. These data elements are defined and provided with a standard value in the manuals.

KANSASWORKS and ServiceLink are the standardized data processing collection and reporting systems of Kansas for WIOA Title I and Title III programs. Each LWDB and statewide program is required to collect and submit information to the Kansas Department of Commerce (Commerce) through the KANSASWORKS and ServiceLink systems. Commerce shall oversee maintenance and adaptations to the MIS system to facilitate data entry, reporting, monitoring, evaluation and other such needs of the local areas for the required data. A request for database edits and ad hoc reports generated from **KANSAS**WORKS may be submitted and processed on an area-by-area basis. For other changes, such as application changes or expansion of database collection processes, a joint development meeting with Commerce, local area and vendor staff shall be held within 30 days to define specifications. Meeting results shall include a proposed timeframe and cost estimate.

For those LWDBs electing to use management information systems other than **KANSAS**WORKS, there is still an obligation to collect all data elements necessary to support both federal and state data collection and reporting requirements for submission to the state on demand for inclusion in the MIS system. These data elements are outlined in the *Management Information Systems Manuals.* Each local area will be responsible to resolve all data discrepancy issues between their system and the state MIS system. The state MIS system will be the basis for all federal and state outcome reporting, report validation and data validation. Some client status reports generated from the electronic database are to be kept in the participant's file to verify data entered in the electronic database. Commerce shall supply a standardized upload file format for all required MIS data.

WIOA Title II, Adult Education, uses the Portal for Adult Basic Literacy Outreach (PABLO) system for participant reporting. WIOA Title IV, Vocational Rehabilitation, uses the Kansas Management Information Systems (KMIS) for participant reporting. Data from both the PABLO and KMIS will be extracted for compilation of WIOA required reporting of performance measures. For WIOA Title II and Title IV partner programs, there is an obligation to collect all data elements necessary to support both federal and state data collection and reporting requirements.

The exchange of data, including any data that may be exported to KANSASWORKS.com, will be subject to the terms and conditions of officially executed Data use Agreements between or among partner entities. Data use agreements will specify conditions or terms for consumer consent to release personally identifiable information.

Applicant's Certification

The signature of the applicant must be obtained attesting the information on the application, or any other

document used to determine eligibility, is true to the best of the applicant's knowledge and there is no intent to commit fraud. The signature should acknowledge the information on the application will be used to determine eligibility, the applicant may be required to document the accuracy of the information and the information is subject to external verification and may be released for such purposes. The signature should also acknowledge that, if found ineligible subsequent to enrollment, the applicant will be terminated. If the applicant is terminated as a result of falsifying information on the application, they may also be prosecuted for fraud and/or perjury.

Eligibility verification should be made available to the applicant upon request. In the case of a minor (except for a minor who is head of household), the signature of a parent, guardian or other responsible adult is also required, along with the date the application is completed. The interviewer shall countersign and date the application.

An authorized staff member should thoroughly review the entire eligibility assessment application and determine if the information is complete, consistent and the eligibility determination is correct. If the eligibility verification is met, the staff member should sign and date the eligibility assessment.

Procedures for verification of eligibility must be included in the local plan and should be included in local program operation guidance.

Performance Accountability System

Section 116 of 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 system's six core programs. These six core programs are the Adult, Dislocated Worker, and Youth programs, authorized under WIOA Title I; the Adult Education and Family Literacy Act (AEFLA) program, authorized under WIOA Title II; the Employment Service program authorized under the Wagner-Peyser Act, as amended by WIOA Title III; and the Vocational Rehabilitation (VR) program authorized under Title I of the Rehabilitation Act of 1973, as amended by WIOA Title IV. WIOA provides 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.

Performance Groups and Common Measures

Under section 116(b)(2)(A) of WIOA, there are six primary indicators of performance:

1. Employment Rate – 2nd Quarter After Exit: The percentage of participants who are in unsubsidized employment during the second quarter after exit from the program (includes education and training for Title I Youth);
2. Employment Rate – 4th Quarter After Exit: The percentage of participants who are in unsubsidized employment during the fourth quarter after exit from the program (includes education and training for Title I Youth);

3. Median Earnings – 2nd Quarter After Exit: The median earnings of participants who are in unsubsidized employment during the second quarter after exit from the program;

4. Credential Attainment: The percentage of those participants enrolled in an education or training program (excluding those in on-the-job training (OJT) and customized training) who attain a recognized postsecondary credential or a secondary school diploma, or its recognized equivalent, during participation in or within one year after exit from the program;

5. Measurable Skill Gains: The percentage of program participants who, during a program year, are in an education or training program that leads to a recognized postsecondary credential or employment and who are achieving measurable skill gains, defined as documented academic, technical, occupational, or other forms of progress, towards such a credential or employment. Depending on the type of education or training program, documented progress is defined as one of the following:

    a) Documented achievement of at least one educational functioning level of a participant who is receiving instruction below the postsecondary education level;

    b) Documented attainment of a secondary school diploma or its recognized equivalent;

    c) Secondary or postsecondary transcript or report card for a sufficient number of credit hours that shows a participant is meeting the State unit's academic standards;

    d) Satisfactory or better progress report, towards established milestones, such as completion of OJT or completion of one year of an apprenticeship program or similar milestones, from an employer or training provider who is providing training; or

    e) Successful passage of an exam that is required for a particular occupation or progress in attaining technical or occupational skills as evidenced by trade-related benchmarks such as knowledge-based exams.

6. Effectiveness in Serving Employers: As required in WIOA sec. 116(b)(2)(A)(i)(VI) the KANSASWORKS State Board has selected the following measures:
    a. Retention with the same employer

<u>Negotiating Performance Levels</u>

WIOA requires the state to submit a Unified or Combined State plan that includes a four-year strategy for the state's workforce development activities and to submit a modification to that plan after two years.

The *expected levels of performance* must be included in the initial submission of the Unified or Combined State Plan and in the required two-year modification of the plan. *Expected levels of performance* are the levels of performance proposed by the state in the initial submission of the Unified or Combined State Plan prior to negotiations. *Expected levels of performance* will be the result from the state's analysis and will be published for public comment prior to plan submission.

After State Plan submission, the state will negotiate and reach agreement with the respective Federal agency on *Negotiated levels of performance. Negotiated levels of performance* are the levels of performance mutually agreed to by the state and the Departments for each respective program. The negotiations process must be based on four factors:

- How the levels involved compare with the negotiated levels of performance established for other states
- Ensure that the levels involved are adjusted using an objective statistical adjustment model provided

by the respective Departments

- The extent to which the levels involved promote continuous improvement in performance and ensure optimal return on investment
- The extent to which the levels involved will assist the state in meeting the established performance goals

The Departments will use the statistical adjustment model as a tool in the negotiations process. The state must reach agreement with the Departments on the levels of performance prior to the start of the program year.

Once negotiated levels of performance are agreed upon, the state must incorporate the negotiated levels of performance in the Unified or Combined State Plan and the two-year modification of that plan prior to the plan's approval.

The state will then work with each local area to establish performance goals for WIOA title I programs. The local board, Chiefs Elected Officials, and the Governor must negotiate and reach agreement on local levels based on the state negotiated levels of performance, using the same four factors of negotiation listed above. The state will also provide a local area statistical adjustment model that aligns with the framework of the state-level model. The local area statistical adjustment model will be used at the end of the program year to adjust negotiated local levels of performance. The statistical adjustment model will be used for both performance negotiations and year-end adjustments of local level of performance.

The local board, Chiefs Elected Officials, and the Governor will negotiate and reach agreement on local levels of performance for two program years at a time, based on the state's negotiated levels of performance, no later than September 30 in each year in which state negotiations occurs.

A complete process of local area performance negotiations, including use of the local area statistical adjustment model can be found in State Guidance Letter 18-03.

Performance measure calculations include all WIOA participants, but does not include reportable individuals. For a complete definition of participants and reportable individuals, refer to WIOA Guidance Letter 16-02.

Concurrent Enrollments

Due to the variability in programmatic criteria to receive services, the particular services that trigger inclusion as a participant vary across the core programs:

- Title I Adult and Dislocated Worker – Receipt of any training services or individualized career services makes a reportable individual a participant. For basic career services, a reportable individual becomes a participant when he or she receives a service that is neither self-service nor information only. A complete list of basic career services that trigger inclusion as a participant can be found in WIOA Guidance Letter 16-02.
- Title I Youth – When a reportable individual has satisfied all applicable program requirements for the provision of services, including eligibility determination, an objective assessment, development of an individual service strategy and received one of the 14 WIOA Youth program elements, he or she is

considered a participant.

- Title II AEFLA – When a reportable individual in an AEFLA program has completed at least 12 contact hours he or she is considered a participant.
- Title III Employment Service – When a reportable individual receives an individualized career service, he or she is considered a participant. For basic career services, a reportable individual becomes a participant when he or she receives a service that is neither self-service nor information only. A complete list of basic career services that trigger inclusion as a participant can be found in WIOA Guidance Letter 16-02.
- Title IV VR – When a reportable individual has applied and been determined eligible for VR services, has an approved and signed IPE, and has begun to receive services under the IPE, he or she is considered a participant.

Common Exits

Exit from a program occurs when a participant has not received any qualifying, participant-level services for 90 consecutive days and has no future services scheduled. The Title IV VR program has a slightly different definition of exit to account for program requirements.

Kansas uses a "common exit" for DOL-administered programs that are operated through the Kansas Department of Commerce.

A "common exit" occurs when a participant, enrolled in multiple partner programs, has not received qualifying, participant-level services, from any DOL-administered program in which the participant is enrolled, to which this Common Exit policy applies, for at least 90-days, and no future qualifying, participant-level services are planned.

The last day of service cannot be determined until at least 90 days have elapsed since the participant last received a qualifying, participant-level service; a qualifying, participant-level service is not self-service, information-only services, reportable individual service or follow-up services.

The common exit will be implemented across DOL-administered core programs and the non-core programs listed below:

- Title I – Adult
- Title I – Dislocated Worker
- Title I – Youth
- Title III – Wagner Peyser
- Trade Adjustment Assistance (TAA)
- National Dislocated Worker Grants (when applicable)
- Jobs for Veterans State Grants (JVSG) program
- Reentry Employment Opportunities (Adult)

Both the Title II AEFLA program and the Title IV VR program are not included in this Common Exit policy.

Other Title I non-core programs, which are under the authority of DOL, but not operated through the Kansas Department of Commerce are also not included, and thus not listed above.

Data Sources

Wage Records

WIOA Sec. 116 requires States to use quarterly wage records to measure their progress on satisfying State and local performance accountability indicators. The Joint WIOA Final Rule implements these requirements in 20 CFR 677.175 by requiring States to use quarterly wage record information such as intrastate and interstate wages paid to an individual, an individual's SSN, and the Federal Employer Identification Number (FEIN) of the employer paying wages to the individual.

The Kansas Department of Labor wage records will be used as the data source to determine performance outcomes. The Kansas Department of Labor wage records is automatically imported into KANSASWORKS and matched to SSN's. The use of SSN's to measure the progress of participants through quarterly wage record information is authorized under WIOA.

The State Wage Interchange System (SWIS) was developed to facilitate the interstate exchange of Wage Data between participating state agencies for the purpose of assessing and reporting on state and local performance for the programs authorized under WIOA, under other statutory provisions authorizing programs identified as one-stop partners under WIOA, and for other purposes allowed under the SWIS Data Sharing Agreement.

While the majority of wages will come from the state's UI system, certain types of employers and employees are excluded by Federal and State UI laws. For program participants engaged in these types of employment, and for participants for whom the State does not have an SSN on record, States may use supplemental wage information and wage data from other reliable sources to collect employment-related data necessary for calculating levels of performance. Individuals for whom a quarterly wage record match would not be available through the State US data system include but are not limited to:

- Federal employees;
- Military employees; or
- Individuals who are self-employed.

Sources of supplemental wage information for the types of employees described above include:

- Federal employment records, such as military employment records, or records from the U.S. Department of Defense, U.S. Postal Service, and U.S. Office of Personnel Management;
- State New Hires Registry;
- State Department of Revenue or Taxation; and
- Railroad Retirement System

Eligibility to participate in any of the programs under WIOA is not contingent upon an individual providing an SSN. Performance reporting is required of all participants in WIOA programs, therefore collecting supplemental wage information is critical for performance reporting on individuals who do not voluntarily provide an SSN.

Supplemental Wage Information Methods and Procedures

Acceptable forms of supplemental wage information, relevant to the core program, include, but are not limited to, the following:

Tax documents, payroll records, and employer records such as:

- Copies of quarterly tax payment forms to the Internal Revenue Service, such as a Form 941 (Employer's Quarterly Tax Return);
- Copies of pay stubs (minimum of two pay stubs); or
- Signed letter or other information from employer on company letterhead attesting to an individual's employment status and earnings.

Other supplemental wage records:

- Follow-up survey (self-reported) from program participants;
- Income earned from commission in sales or other similar positions;
- Detailed case notes verified by employer and signed by the counselor, if appropriate to the program;
- Automated database systems or data matching with other partners with whom data sharing agreements exist;
- One-Stop operating systems' administrative records, such as current records of eligibility for programs with income-based eligibility (e.g., Temporary Assistance for Needy Families (TANF) or Supplemental Nutrition Assistance Program (SNAP)); or
- Self-employment worksheets signed and attested to by program participants.

Time Period for Collecting Supplemental Wage Information

For purposes of calculating levels of performance for the employment rate indicators, local area program operators must collect data on participants' employment status during the second and fourth quarters after the participant exits the program. For purposes of calculating levels of performance for the median earnings indicator, local area program operators must collect data on participants' wages during the second quarter after exit from the program.

Follow-up to collect supplemental wage information may be conducted by local programs, or a third-party contractor.

The need for supplemental wage information for some individuals may not become apparent until no match is found in direct UI wage records, or in federal or military employment records, which become available on a time-lagged basis. However, when the local area knows or predicts that UI wage data will not be available for individuals (such as those participants who did not provide an SSN, or for participants not covered by UI wage data, such as those who received entrepreneurial or self-employment training), local areas do not need to wait to formally document that UI wage data are not available and should begin collection of supplemental wage information. The optimal time to collect supplemental wage information is as soon as possible following the close of the second and fourth full quarters after exit. Program operators should remind participants, before program exit, that they or their employers may be contacted to obtain confirmation of employment status and earnings, and to explain the expected timeframe for those follow-up contacts. While this reminder is applicable

to all participants, it is especially important for those participants for whom UI wage data are not available.