



**ARKANSAS
Workforce Investment Board**

POLICY MANUAL

No. WIB #

Effective: Program Year 2009

SUBJECT

Workforce Investment Act (WIA) Incentives Policy

APPROVED

April 14, 2009

POLICY STATEMENT:

This policy addresses the criteria required for Local Workforce Investment Areas to qualify for and receive annual incentive awards from the 15% Statewide Activities Fund.

General Information

The Workforce Investment Act (WIA) of 1998, Section 134, establishes 15 core measures and standards of performance to demonstrate results of program activities, and two customer satisfaction indicators. Performance levels are negotiated annually for each of the performance measures with the expectation that continuous improvement will be realized. Training and Employment Guidance Letter (TEGL) No. 9-07 provides revised guidance related to incentives and sanctions under title 1B of the WIA. For purposes of determining eligibility for incentive grants a local area will be considered to have exceeded the negotiated levels of performance when it exceeds the negotiated levels for the measures outlined in this policy.

Numeric performance targets, agreed to by the State and the USDOL Regional Office, are passed to local boards and establish the performance threshold for the program year. Attainment of negotiated levels of performance qualifies a local area for incentive awards under Section 136 of the Act, enables continuous process improvement, and contributes to the State qualifying for an incentive award under Section 503 of the Workforce Investment Act.

Incentive awards will be calculated and awarded to within-state WIA grant recipients according to the policy established herein and may be used for any activities allowed under WIA title I-B.

Incentives Policy

It is the intent of the Arkansas Workforce Investment Board to provide annual monetary incentive awards to Workforce Investment Area boards that meet or exceed qualifying performance standards outlined in this issuance. Funding will originate from the 15% Statewide Activities Fund established pursuant to the Workforce Investment Act, Sec. 128(a)(1).

There shall be a threshold to qualify for the minimum award and a scale to describe the escalation of awards based upon exceeding minimum qualifying levels of performance. The local incentive grant funds may be used for any activities allowed under WIA Title I, Subtitle B (also see Final Rules Sec. 666.410).

Qualifying for Incentive Monies

A local Workforce Investment Area will qualify for incentive monies based upon the extent to which it exceeds, meets, or falls below its negotiated performance levels for the applicable performance measures listed below:

WIA Measures (Non-Waiver States)			Common Measures (Waiver States)		
Adult	Dislocated Worker	Youth	Adult	Dislocated Worker	Youth
Entered Employment Rate	Entered Employment Rate	Older Youth Entered Employment Rate	Entered Employment Rate	Entered Employment Rate	Placement in Employment or Education
Employment Retention Rate	Employment Retention Rate	Older Youth Employment Retention Rate	Employment Retention Rate	Employment Retention Rate	Attainment of a Degree or Certificate
Average Six Months Earnings	Average Six Months Earnings	Younger Youth Diploma or Equivalent Rate	Average Six Months Earnings	Average Six Months Earnings	Literacy and Numeracy Gains*
		Younger Youth Retention Rate			

*The outcomes for the Literacy and Numeracy Gains measure will only be considered in incentives or sanction determinations if the state has implemented the measure for two or more years (and hence has valid data for the measure.)

Award Distribution

Once qualified to receive an incentive grant, the final approach to distributing incentive awards will include consideration of the following:

- Available State incentive program year funding
- The extent to which goals were met and/or exceeded

Evaluating Performance for Incentive Awards

The resulting score will be the average program area score for each of the three areas. To be eligible to apply for an incentive grant, a Local Area must meet two criteria. A Local Area must achieve at least a 100% average program area score for each of the program areas. In addition, a Local Area may not have any of their 10 designated measures fall below 80% of their negotiated performance levels in order to be eligible to apply for an incentive grant.

Average scores will NOT be averaged across areas; a Local Area cannot make up a deficit in one area by exceeding performance in another.