**Section 2610.100 Performance Standards**

a) Establishment of the Performance Standards System - In accordance with the requirements of Section 106 of the Act the Department shall prescribe performance standards for adult and youth training programs under Title IIA and dislocated worker programs under Title III of JTPA. The U.S. Department of Labor (U.S. DOL) issued current directives on performance standards requirements in the April 13, 1990 edition of the Federal Register (55 FR 14012-14018) and the "Guide for Setting JTPA Title II-A and Title III (EDWAA) Performance Standards for PY 1990", issued November 1990, by the U.S. DOL Office of Strategic Planning and Policy Development. To measure and achieve national goals of long-term employability and economic self-sufficiency, U.S. DOL has issued six core performance standards for PY'90 and PY'91. Although governors are required to use the six core performance measures imposed by U.S. DOL, governors are permitted, within guidelines established by U.S. DOL, to adjust national standards in setting the performance expectations for the SDAs. In light of this flexibility the State of Illinois has developed performance standards models based on statewide data. The performance standards are based on statistical planning models which use multiple regresssion techniques to predict expected performance of SDAs for each measure of performance. The models adjust for local economic conditions and the characteristics of the participants served by the SDA. The weighted values in the model have been based on prior performance of the JTPA. Application of the adjustment models result in a singular performance expectation (model adjusted value) for each of the performance measures. The six core performance measures used for program evaluation are as follows:

1) Adult

A) Follow-up Employment Rate (AFER) – Total number of adult respondents who were employed (full-time or part-time) during the 13th full calendar week after termination, divided by the total number of adult respondents (i.e., terminees who completed follow-up interviews).

B) Adult Weekly Earnings at Follow-up (AFEARN) – Total weekly earnings for all adult respondents employed during the 13th full calendar week after termination, divided by the total number of adult respondents employed at the time of follow-up.

2) Welfare

A) Welfare Follow-up Employment Rate (WFER) – Total number of adult welfare respondents who were employed (full-time or part-time) during the 13th full calendar week after termination, divided by the total number of adult welfare respondents (i.e., terminees who completed follow-up interviews).

B) Welfare Weekly Earnings at Follow-up (WFEARN) – Total weekly earnings for all welfare respondents employed during the 13th full calendar week after termination, divided by the total number of welfare respondents employed at the time of follow-up.

3) Youth

A) Entered Employment Rate (YEER) – Number of youth who entered employment at termination divided by the total number of youth who terminated excluding those potential dropouts who are reported as remained in school (did not also enter employment) and dropouts who are reported as returned to school (did not also enter employment).

B) Employability Enhancement Rate (YEEN) – Number of youth who attained one of the employability enhancements at termination, whether or not they also obtained a job divided by the total number of youth who terminated. Youth Employability Enhancements are:

i) Attained (two or more) PIC-Recognized Youth Employment Competencies;

ii) Returned to Full-Time School;

iii) Remained in School;

iv) Completed Major Level of Education; and

v) Entered Non-Title III Training.

b) Performance Standards Policy

1) For PY'90 the State of Illinois is adopting the six core performance standards as proposed by U.S. DOL.

2) State of Illinois models will be used for establishing the local performance standard.

3) To qualify as having met performance standards, an SDA must meet or exceed three of the four core adult follow-up measures and one of the two core youth measures.

4) SDAs which fail to meet performance standards for two consecutive years will be subject to reorganization as required by Section 106 of the Act.

5) Departure points for each measure will be based on the 25th percentile of Illinois performance. Tolerance limits will be set at the 95th percent confidence interval.

6) The Department shall establish a range of performance above and below the performance expectation generated by the adjustment model. The upper and lower limits of this range shall be determined by adding the tolerance level adjustment (negative and positive percent respectively) to the model adjusted value.

7) Definitions of "meeting", "exceeding", or "failing" the local performance standard are as follows:

A) Meet – The performance measure outcome falls within the tolerance level range band, as established when the tolerance range value is applied to the model adjusted performance standard.

B) Exceed – The performance measure outcome is greater than the upper level of the tolerance range band as established when the tolerance range value is applied to the model adjusted performance standard.

C) Failure – The performance measure outcome is less than the lower level of the tolerance range band as established when the tolerance range value is applied to the model adjusted performance standard.

8) The performance outcome as it relates to the U.S. DOL postprogram follow-up measures may be adjusted upward or downward depending on calculation of the nonresponse bias adjustment. The nonresponse bias adjustment is required when the difference in follow-up response rates between those terminees who were employed and those who were not employed at termination exceeds five percentage points. The adjustment for nonresponse bias applies to each of the two samples required for Title IIA postprogram follow-up data collection: Adults and Adult Welfare. If the difference between the response rates is five percentage points or less the nonresponse bias adjustment will not be invoked.

9) The end of the year performance standard calculated for each SDA will be used to assess the performance outcome for that program year. The performance assessment will be based on the actual performance outcome (see subsections (b)(7)(A-C)), or in the case of the U.S. DOL follow-up measures, on the adjusted outcome (if appropriate) (see subsection (b)(8)). This performance assessment will form the basis for identification of SDAs requiring technical assistance/corrective action and those SDAs qualifying for incentive bonus awards as described in subsections (b)(3) and (4) above.

10) A minimum model adjusted standard of 0.0% and a maximum model adjusted standard of 100.0% for all performance standards using percentage rate as an outcome is established.

c) Award of Incentive Grants

1) The total amount of funds available will be determined by taking

A) 75% of the total 6% allotment for the current program year;

B) plus those 6% funds not allocated for incentive grants from the prior year;

C) plus the unused portion of the funds set aside for technical assistance from the prior year;

D) plus any deobligated funds from the prior year.

2) To qualify to receive an incentive award, an SDA must first meet or exceed the standard for at least three of the four adult follow-up core measures and one of the two youth core measures as described in subsection (b) of this Section. A qualifying SDA is then eligible for an incentive award if it exceeds any one of the six core measures and will receive an additional award for each measure based on the degree to which performance exceeded the upper band of the tolerance level.

3) New PY'90 incentive funds will be divided into two portions as follows:

A) One-third will be allocated among those SDAs qualifying to receive an incentive award as described in subsection (c)(2) above. The amount of this award will be based on each qualifying SDA's share of the Title IIA allocation formula (see Section 2610.30) relative to all qualifying SDAs.

B) Two-thirds will be allocated among qualifying SDAs that exceeded one or more rewarded measures based on the number of rewarded measures exceeded and the extent to which each performance exceeded the standard. This amount will be divided equally into six shares with one share associated with each measure. Each of these six shares is further divided into levels. The allocation of funds at each level will be based on the qualifying SDA's relative share of the JTPA Title IIA allocation formula applied against each level of available funds for each measure exceeded. These levels are as follows:

|  |  |
| --- | --- |
| Degree to which performance exceeded the standard | Percentage of incentive grant funds available |
| >0% - 9.99% | 60% |
| 10% - 14.99% | 15% |
| 15% - 19.99% | 15% |
| 20% and above | 10% |

C) A Follow-Up Response Rate Adjustment Assessment will be implemented and applied to the incentive bonus earned for each of the four follow-up measures. The Response Rate Adjustment Assessment is designed to reward the SDAs with above minimum (70% and above) follow-up response rate performance while penalizing those SDAs with below minimum (less than 70%) follow-up response rate performance. A graduated penalty will be assessed on the incentive earned for each follow-up measure for those SDAs with response rates below 70%. The total dollar amount of the penalties will then be distributed (based on Title IIA allocation %) to those SDAs with response rates at 70% and above for all categories.

i) The Response Rate Adjustment Assessment Table for Employed is as follows:

|  |  |
| --- | --- |
| Employed at Termination Category Response Rate | Assessment |
| 70% and > | 0 |
| 60% - 69.99% | -5% |
| 50% - 59.99% | -15% |
| 40% - 49.99% | -25% |
| < 40% | -50% |

ii) The Response Rate Adjustment Assessment Table for Unemployed is as follows:

|  |  |
| --- | --- |
| Unemployed at Termination Category Response Rate | Assessment |
| 70% and > | 0 |
| 60% - 69.99% | -5% |
| 50% - 59.99% | -15% |
| 40% - 49.99% | -25% |
| < 40% | -50% |

D) Unallocated incentive grant funds, unused technical assistance funds, and deobligated funds carried over from prior years will be awarded to qualifying SDAs based on the methodology described in subsection (c)(3)(A).

E) The sum of the amounts determined to be awarded from the funds distributed under subsections (c)(3)(A), (B), and (C) will equal the total incentive grant for the SDA.

(Source: Amended at 15 Ill. Reg. 10386, effective July 1, 1991)