

EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U.S. DEPARTMENT OF LABOR Washington, D.C. 20210	CLASSIFICATION Trade Adjustment Assistance
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ADVISORY: TRAINING AND EMPLOYMENT GUIDANCE LETTER NO. 1-19

TO: STATE WORKFORCE AGENCIES
STATE WORKFORCE LIAISONS
AFFILIATE AMERICAN JOB CENTER MANAGERS
COMPREHENSIVE AMERICAN JOB CENTER MANAGERS
STATE WORKFORCE ADMINISTRATORS
STATE AND LOCAL WORKFORCE DEVELOPMENT BOARD CHAIRS
AND DIRECTORS
STATE LABOR COMMISSIONERS
TRADE ADJUSTMENT ASSISTANCE LEADS

FROM: THOMAS M. DOWD /s/ for MOLLY E. CONWAY
Acting Assistant Secretary

SUBJECT: Trade Adjustment Assistance Data Integrity (TAADI)

1. **Purpose.** To revise and replace Training and Employment Guidance Letter (TEGL) No. 04-14 which formalized TAADI as a required component of quarterly reporting submitted by State Workforce Agencies or agencies designated by Governors as “Cooperating State Agencies” (“states”) and established procedures for corrective action by the Department of Labor (Department) in the event of non-compliance. This revision will align TAADI with use of the Participant Individual Record Layout (PIRL) for reporting and will incorporate recent measure changes.
2. **Action Requested.** States must inform all appropriate staff of the contents of these instructions as soon as this guidance is distributed.
3. **Summary and Background.**
 - a. **Summary.** This document details the following TAADI items:
 - i. TAADI measures
 - ii. Performance Expectations
 - iii. TAADI Quarterly Snapshots
 - iv. TAADI Compliance Requirements and Quarterly Timetable
 - v. Annual Review and Corrective Actions
 - b. **Background.** Over the last ten years, the Department has committed substantial time and effort into transforming the format, submission process, and oversight of state reporting on activities and outcomes for the Trade Adjustment Assistance (TAA) Program. These changes were designed to produce the high quality data that is

RESCISSIONS TEGL 04-14	EXPIRATION DATE Continuing
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essential to evaluating the TAA Program's effectiveness and monitoring service delivery to ensure that participants are served effectively.

PIRL and Associated Data Integrity Mechanisms

Effective October 1, 2018, the PIRL became the reporting layout for states to report out quarterly on TAA activities and outcomes for program participants, joining other Department of Labor programs, including those authorized by the Workforce Innovation and Opportunity Act (WIOA). The PIRL, authorized under OMB control no. 1205-0521, is designed to create an integrated format to align data element specifications and ultimately integrate reporting on participants across programs. Reporting on TAA participants is required by Section 249B of the Trade Act as amended and Section 239(c) of the Trade Act as amended requires states to provide the Department information and reports necessary for carrying out the purposes of the Act. This mandate is incorporated in the TAA Governor-Secretary agreement, as well as the TAA Annual Funding Agreement Terms and Conditions, and applies to all versions of the TAA Program.

All reporting in PIRL is subject to two defined data integrity processes: (1) edit checks and (2) data validation. These processes address data that is contained within each individual participant record. For the subset of PIRL elements specific to the TAA Program, a third data integrity process is applied, TAADI, which contains measures that look at aggregate state data, as well as data specific to each participant record.

Edit Checks

States submit TAA PIRL records into the Workforce Integrated Performance System (WIPS). The WIPS edit checks help ensure that the data submitted by the states administering TAA is an accurate reflection of participants, their program activities, and outcomes.

Automated WIPS edit checks provide a pre-screen within individual participant records of state data submissions before they are validated and accepted by the Department. Some of these edit checks are universal to programs reporting with the PIRL and others are TAA Program-specific. There are three categories of WIPS edit checks: (1) duplicate rules, (2) valid value checks, and (3) logical edit checks. These help ensure that each piece of data provided within a unique PIRL record is consistent with other data reported in the same record. Edit checks enforce mandatory data consistency requirements and structure. These act complementarily to TAADI Results which flag allowable data that deviates from reporting expectations.

Data Validation

Data validation (formally known as Data Element Validation or DEV) provides a standard for comparing data reported for a specific element in a participant record against ETA-approved "source documentation." Guidelines for state data element validation and data element source documentation are provided in the joint WIOA data validation TEGL No. 07-18. Additional DOL-only guidance from ETA will be forthcoming. For example, the PIRL element for Date of Program Entry (PIRL 900) is

validated by an Individual Plan for Employment, Electronic Records, or Program intake documents, such as eligibility determination documentation or program enrollment forms.

TAADI

The TAADI framework identifies a series of measures that target both potentially inaccurate data, as well as accurately reported data that reflect substandard program administration. Over time, measures may be dropped (as initially problematic areas are resolved in all states), and added (as new problem areas are identified or prioritized). Each measure has a target which may be based on the Department's expectations of optimal performance, but may also be qualified by national results; thus, targets may adjust upwards from year to year as more states are able to achieve modest targets.

One of the most important features of TAADI is that it provides states with the opportunity to submit feedback on TAADI Results. This feedback mechanism allows the Department to understand the data system and service delivery issues impacted by the areas targeted in TAADI Measures (see Section 4c "TAADI Quarterly Snapshot" in this guidance). Another unique aspect of TAADI is that its focus is one of continuous improvement in data reporting which forms a component of the annual review process described in section 4e of this TEG. By assessing a state's progress across report quarters in addition to static results, TAADI emphasizes the importance of incremental improvements, even when the state may be unable to meet designated targets.

Since 2012, when TAADI was launched, report quality has improved dramatically in states that identified and corrected problems, and all states showed improvement to reporting structure, consistency, data quality, and program oversight of areas related to report data. TAADI became crucial to the process of identifying broad reporting issues and targeting technical assistance to states to improve data quality and effective service delivery. By the end of FY 2018, 31 states were meeting at least 85 percent of measures. The 16 TAADI measures represented in this guidance, and identified in Attachment II, address data issues that merit continued oversight through the TAADI process.

4. **TAADI Policy and Description.** TAADI is required as a permanent component of reporting compliance for the TAA Program. TAADI is designed to produce high data quality that is essential to evaluating the program's effectiveness and monitoring service delivery to ensure that participants are served effectively.

Attachment I contains a glossary of terms specific to TAADI that clarifies terminology referenced in this guidance. This glossary includes specific uses of the terms "Measure" and "Target" that are unique to TAADI and that are displayed in the TAADI Snapshot.

- a. **TAADI Measures.** This section lists 16 TAADI Measures grouped within four major categories. On an annual basis, the Department considers whether the measures or

targets should change. Any change of measures or targets will be applied at the beginning of the fiscal year with notification to the states. Attachment II of this guidance provides more details regarding TAADI Measures' Specifications. The four major categories, with associated measures, are listed below.

- i. Category 1: Cross Validation of Fiscal Data using Employment and Training Administration (ETA) 9130 Financial Reports¹ – The measures in this category compare state totals of quarterly expenditure data from the PIRL against corresponding state ETA-9130 Financial Report data. The measure assesses the degree to which the state dollar values between these two reports match within the relevant quarter. The target for this measure is provided as a range that allows for a small deviance, due to slight differences that may occur in the timing of the submission of these two quarterly reports. In cases where states identify accounting issues that would cause larger discrepancies, states must report the reason for the discrepancy using the narrative field made available in the ETA-9130 financial report (Section 12). Attachment III of this guidance provides specific calculations and targets for this category. TAADI fiscal measures are provided for the following quarterly fiscal elements tracked in the PIRL:
 - a. *Training*;
 - b. *Trade Readjustment Allowance (TRA)*;
 - c. *Alternative Trade Adjustment Assistance and Reemployment Trade Adjustment Assistance (ATAA/RTAA)*, and;
 - d. *Job Search and Relocation Allowances*.

- ii. Category 2: Inaccurate Reporting or Reporting with Substandard Service Delivery Implications.
 - a. *Rapid Response Reporting* – WIOA regulations at 20 CFR 682.300-370 describe activities that are or may be a part of “Rapid Response.” According to Section 221 of the Trade Act, as amended, the Governor is required to make available such Rapid Response assistance to all worker groups that petition for TAA, under the TAA Governor-Secretary Agreement and the applicable TAA Annual Funding Agreement Terms and Conditions. Section 249B(b)(5) requires reporting on “Whether rapid response activities were provided with respect to each petition filed under section 221.” Thus, the rate of Rapid Response activity is tracked through TAADI to ensure compliance.

 - b. *Petition Number Reporting* – The TAA petition number, prefaced by the acronym TA-W, is used to confirm a participant (or applicant) is part of a certified worker group and to determine under which version of the TAA Program the participant is being served. Since TAA participants can only be served under petition numbers for eligible worker groups,

¹ Training and Other Activities (TaOA) is reported on ETA-9130(M). TRA and ATAA/RTAA is reported on the ETA-9130.

the state is expected to report accurate petition numbers for each participant record. A list of petitions with corresponding petition numbers and other information used to determine if a participant is part of the worker group can be found on the TAA Program website at <https://www.doleta.gov/TradeAct/taa-data/petitions-determinations-data/docs/PetitionData.xlsx>.

- c. *Individual Employment Plan (IEP) Reporting* – The IEP is a revisable document containing an ongoing strategy, jointly developed by the trade-affected worker and the state. The IEP should be updated as often as there are changes, identifying the worker’s employment goals, appropriate achievement objectives, and appropriate services, as required by Section 235(2) of the Trade Act, as amended. The TAADI Measure on IEP specifically focuses on those participants that receive training, where the documented receipt of an IEP affirms that the participant’s training plan aligns with the assessment results of the participant in the context of current employment trends within the local area. It is expected that the Date of Individual Employment Plan be provided and that the Date of IEP precede the date the individual begins receiving training.

- d. *Co-Enrollment Reporting* – Co-Enrollment Reporting - An analysis of data submitted by states shows that TAA participants who are co-enrolled consistently display superior results than those that are not co-enrolled. These result areas include significantly higher numbers in all of the following areas: (1) performance outcomes, (2) speed of training enrollment, and (3) access to training services. Although participants can be co-enrolled with multiple ETA programs, the TAADI measure focuses on co-enrollment with the WIOA Title I Dislocated Worker (DW) Program and the WIOA Title I Adult Program. DW is prioritized in this measure because TAA participants who are co-enrolled with DW are more likely to receive early intervention prior to TAA eligibility, including access to assessments, and may receive supportive services throughout participation that are not available in the TAA Program. Co-enrollment also encourages program integration, resource leveraging, and cross-training, allowing for improved service delivery for the participant. Additional guidance on co-enrollment of TAA participants with Title I is found in TEGl No. 19-16, Section 20, and guidance on common exit is found in TEGl No. 10-16, Change 1.

- e. *Employment and Case Management Services Reporting* – The documentation of employment and case management services is required under Sec. 249B(b)(2)(B) of the Trade Act, as amended, and incorporated in the TAA Governor-Secretary Agreement and the TAA Annual Funding Agreement Terms and Conditions. These services include but are not limited to career counseling, testing and placement

services, and information on supportive and other services. Providing these services seamlessly and in a timely manner improves the efficiency and effectiveness of the TAA Program and helps trade-affected workers to return to employment as quickly as possible. Employment and Case management services should continue to be provided after the participant starts participating in the TAA Program. A PIRL participant record that indicates a Date of Most Recent Case Management and Employment Service as the same date as the Date of First TAA Benefit or Service implies that no ongoing case management services are being provided. Additionally, a Date of Most Recent Case Management and Employment Service that is prior to the Date of First TAA Benefit or Service, implies that no case management and employment services were provided during the course of TAA participation. Such reporting hampers the Department's ability to accurately track the duration of employment and case management services provided to a participant and may mean provision of inadequate case management.

- f. *Training Case Management Reporting* – Training participants in the TAA Program are expected to meet training benchmarks as required by Section 233(f)(3) of the Trade Act, as amended. These benchmarks should be evaluated at least every 60 days. The evaluation of the benchmarks would be reported as a case management activity, and therefore, the Date of Most Recent Case Management and Employment Service would be reported. This measure tracks that these benchmark evaluations are being conducted as required.
- g. *Training Completion Reporting* – Reporting training completion is required under Sec. 249B(b)(3)(A) of the Trade Act, as amended, and is a focus of TAA efforts to improve performance outcomes. Training completion below target may imply a lack of case management in establishing training plans designed to secure long term reemployment. It may also imply a failure to consider training flexibilities (such as part-time training) for participants.
- h. *Credential Reporting* – Training leading to a degree or an industry-recognized credential (as described in TEGL No. 15-10) should define the majority, if not all, of TAA training plans. This goal reflects the Department's continued emphasis on job training and credential attainment as a strategy for both enhancing earnings and employment for participants in the public workforce system and meeting employers' needs for more skilled workers. In addition, data on employment outcomes has shown that credentials attainment provides consistent and statistically significant advantages. As a result, it is expected that a credential will be reported when training participants complete their designated training. The PIRL includes data elements that track whether

training participants complete or withdraw from up to three types/phases of training.

- i. *Service in Quarter Reporting* - Participants should exit after 90-days of no services received or no planned future services. Therefore, this measure looks to ensure that at least one service has been reported in the current quarter (which spans approximately 90 days). If the state utilizes a “common exit” and the participant is co-enrolled, then the service or planned future service may be from *any* Department-administered program in which the participant is enrolled. Therefore, this measure captures both TAA-specific services, such as Trade Readjustment Allowance, and the Date of Most Recent Career Service (WIOA), which would apply to other Department-administered programs.

iii. Category 3: Validating Standardized Codes – Data reported in participant records for the Occupational Skills Code for training participants and the industry sectors for those participants successfully employed after program exit are based on standardized code tables from outside data sources. Valid Occupational Information Network (O*NET) codes should be reported for occupational skills training code elements, and valid North American Industry Classification System (NAICS) codes should be reported in the second quarter following exit to reflect the industry in which participants are employed.

- a. *Occupational Skills Codes for Training* – States are responsible for approving TAA training that leads to a reasonable expectation of employment following completion of such training for the participant, as required in Sec. 236(a)(1)(C) of the Trade Act, as amended. An Occupational Skills Code for Training (Training code) should describe the ultimate focus of the individual’s training plan. Training codes should always reflect the overall employment goal, even if the training type is not occupational. Although TAA participants are only entitled to one training program per certification, the training program may include up to three different training types occurring over the training period (such as remedial training, prerequisite training, and occupational training, etc.). The training code for each participant record should be consistent over the training period regardless of the type of training during that period except in instances where the employment goal changes based on case management decisions during the course of participation. The TAADI Measure that assesses the training code determines whether the required reporting of this field for training participants reflects a valid code through an eight digit iteration, as measured by O*NET table (for more information, go to <http://www.onetcodeconnector.org/>). The expectation for the level of valid training code reporting is high, as the state agencies that approve training are also responsible for determining the labor market demand for the occupation in which the participant is trained and reporting the

training. An edit check exists to confirm that if there is training reported, an O*NET code is also reported. While the O*NET is not required to be full and complete for all records to be reported, the Department expects that only a small portion of records will be out of date or incomplete due to new code updates. O*NET codes are updated regularly, and it may take time for states to update their systems to the new codes. Therefore, the TAADI measure prompts the states to review the O*NET codes available in their systems and that case managers are entering codes correctly.

- b. *Industry Sector Reporting* – Industry codes are currently the only systematically available data accessible to states that describe the type of employment that TAA participants obtain after exiting the program, and are required for participants certified under TAA petition numbers TA-W-70,000 and above, as required in Sec. 249B(b)(4)(D) of the Trade Act, as amended. This information is available to states through the employer-reported NAICS code, which is a required field in all state Unemployment Insurance (UI) wage records. For those participants who are reemployed the second quarter after program exit, the PIRL has a field that collects the NAICS code that corresponds to the industry of the participant’s post-participation employer as reported on UI wage records or in supplemental information collected by case managers post-exit, per TEGL No. 26-16. This TAADI Measure tracks whether states are reporting NAICS codes at the high volume required by the associated TAADI Target, given that the percentage of participant records that do not use UI wage records to validate PIRL employment data is very low. (For more information about this classification system, see http://www.bls.gov/iag/tgs/iag_index_naics.htm.)

iv. Category 4: Wage Data Outliers – Wage data is currently provided in seven wage fields, spanning three quarters before program participation and four quarters after program exit. It may be collected through UI wage record matching or through the collection of supplemental information, per TEGL No. 26-16. This category and its single measure isolates individual records that were outside the norm of report results.

- a. *Wages* – This measure captures both:
 - i. *Wages Before Participation* – Wage data that reflect pre-participation earnings are used as part of a calculation to compare the earnings the first quarter prior to participation to the earnings the second quarter after exit. Review of this measure has identified data anomalies that are far outside the norm within the three quarters prior to program participation and has been targeted for verification with states.
 - ii. *Wages After Exit* – In addition to the use of these data in the analysis listed above, wages after exit from the program are

central to the primary indicator of performance calculation, Median Earnings Q2 (or second quarter after exit), as listed in Sec. 249B(b)(4)(C) of the Trade Act, as amended. Anomalies in this data are isolated for verification with the reporting state, and re-reported by the state where corrections are needed.

- b. **Performance Expectations.** TAADI Targets for each TAADI Measure are provided in Attachment II for the data areas identified above. TAADI Targets are set on an annual basis and will not be changed during the four quarters of any fiscal year. They will be communicated to states by the second quarter of each fiscal year. *Note that while Targets will not change within a single fiscal year, some Targets may be adjusted upwards over time.* Targets are established primarily by reviewing the average amount reported by states. The Target is then set for states to improve beyond that initial benchmark. Targets may also be set at 100 percent, primarily for measures that are part of the statutory reporting requirements and annual review for Congress (e.g. wage data reported).

Annually, the Department may choose to discontinue existing TAADI Measures and establish new TAADI Measures to better align with current data reporting deficiencies. States will be notified of discontinued and new measures by the second quarter of each fiscal year.

- c. **TAADI Quarterly Snapshot.** On a quarterly basis, the Department transmits to each of the Department's six Employment and Training Administration (ETA) regional offices the TAADI Snapshot for further dissemination to each of the region's respective states. The Snapshots are formatted as a table to provide an easy understanding of the relationship between the following included components:
- i. the current TAADI Measures for the given period (provided in Attachment II);
 - ii. targets for each TAADI Measure (provided in Attachment II);
 - iii. state-specific results of the TAADI Results for the most recent report quarter;
 - iv. state-specific TAADI Results of previous quarters within the fiscal year, if applicable; and
 - v. sections of the state's narrative response(s) for those TAADI Targets that are not met.

States are asked to specify by when issues will be resolved, categorize the types of issues, and provide a plan for resolution. This information will allow the Department to provide appropriate technical assistance, as needed. The resolution section may also include additional context that can inform TAADI processes subject to Departmental review.

Note that the TAA Program website has a tool, the TAADI Self-Check, that mimics the quarterly Snapshots and allows states to review their unofficial quarterly TAADI Results. It may be used to identify reporting issues prior to submitting the quarterly PIRL files. It can be found under "Data" in the TAA Participant Reporting section.

- d. **TAADI Compliance Requirements and Quarterly Timetable.** The timetable for TAADI quarterly deadlines is provided in Attachment IV of this guidance, and includes quarterly deadlines for actions in connection with TAADI. Note that, following the dissemination of quarterly TAADI Snapshots, further action is required only if states fail to meet one or more targets. The timelines below and in Attachment IV refer to calendar days.
- i. Seventy (70) days after the end of the report quarter: the Department distributes TAADI Workbooks to states which includes the TAADI Snapshot, instructions and descriptions, etc.;
 - ii. Ninety (90) days after quarterly report deadline: for each TAADI Target that is not met, states must provide a short narrative (in the section specified on the TAADI Snapshot) to include the following specifics:
 - a. The factor(s) responsible for failing to meet the TAADI Target in the designated TAADI Measure.
 - b. If failure is equated to non-compliance with reporting expectations, a description of the corrective action that states will use to resolve the report failures.
 - c. A specific date by which the state expects to resolve the report failures.
 - iii. One hundred and ten (110) days after quarterly report deadline: the Department's response to state comments, if necessary.
- e. **Annual Review and Corrective Actions.** An annual review of TAADI Results continues to be part of the process required by this guidance.

Following the issuance of the fourth quarter TAADI Results for the fiscal year, the Department will conduct an annual review of TAADI Results for each state; disseminate a report analyzing each state's fourth quarter TAADI Results; and provide an opportunity for each state that did not meet TAADI Targets to submit a narrative response to the report (see Attachment II). If all TAADI Targets for the state are met, then no further action is needed. If states fall short of the TAADI Targets, then a second phase of review will be conducted, based on all four quarters of the fiscal year TAADI Results, to be qualified by the following factors:

- i. Quality of state narratives (where state TAADI Results are not met):
 - a. Demonstrated that the state has examined the issue.
- ii. Timeline test (one must be true):
 - a. Included a date by which the issue will be resolved.
 - b. Measure requires 100 percent and state indicates why data is correct.
- iii. Resolution plan (one must be true):
 - a. Demonstrates that the issue is isolated.
 - b. Demonstrates a plan for resolution is in place to address a systematic issue.

- iv. State improvement:
 - a. Percentage of state improvement in TAADI Results over the four report quarters of the fiscal year meets the established expectations;
 - b. The extent to which the state TAADI Results fall short of the designated target is within the established margin, and;
 - c. The state's result in the previous year.

Depending on the assessment that results from this two-tier review, the Department may determine the need for a corrective action plan to be put in place. Corrective action will not be recommended for TAADI Measures that have been initially established in that fiscal year in order to allow the state additional time to improve reporting.

In addition to the steps listed above, the Department may post state annual TAADI Results to the TAA website.

5. **Inquiries.** Please direct inquiries to the appropriate Regional Office.

6. **References.**

- Chapter 2 of Title II of the Trade Act of 1974, as amended (Pub. L. 93-618) (Trade Act);
- TEGL No. 02-16, *Revised ETA-9130 Financial Report, Instructions, and Additional Guidance*;
- TEGL No. 10-16, Change 1, *Performance Accountability Guidance for Workforce Innovation and Opportunity Act (WIOA) Title I, Title II, Title III, and Title IV Core Programs*;
- TEGL No. 26-16, *Guidance on the use of Supplemental Wage Information to implement the Performance Accountability Requirements under the Workforce Innovation and Opportunity Act*;
- TEGL No. 07-18, *Guidance for Validating Jointly Required Performance Data Submitted under the Workforce Innovation and Opportunity Act (WIOA)*;
- TEGL No. 14-18, *Aligning Performance Accountability Reporting, Definitions, and Policies Across Workforce Employment and Training Programs Administered by the U.S. Department of Labor (DOL)*;
- TEGL No. 15-10, *Increasing Credential, Degree, and Certificate Attainment in the Workforce System*; and
- TEGL No. 19-16, *Guidance on Services provided through the Adult and Dislocated Worker Programs under the Workforce Innovation and Opportunity Act (WIOA) and the Wagner-Peyser Act Employment Service (ES), as amended by title III of WIOA, and for Implementation of the WIOA Final Rules.*

7. **Attachments.**

- Attachment I: Glossary of TAADI Terms
- Attachment II: TAADI Measure Specifications
- Attachment III: TAADI Fiscal Measure Specifications
- Attachment IV: TAADI Action Steps and Timetable