U.S. Department of Labor  
Employment and Training Administration  
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Grant Officer Memorandum  01-18

FOR: JOBS FOR VETERANS’ STATE GRANT RECIPIENTS  
ALL VETERANS EMPLOYMENT AND TRAINING STAFF

FROM: DONNA KELLY  
Grant Officer  
Employment and Training Administration (ETA)

SUBJECT: Jobs for Veterans State Grants (JVSG) Program Year 2018 Guidance to Establish Performance Baselines

The Veterans’ Employment and Training Service (VETS) will use PY 2018 (July 1, 2018- June 29, 2019) to establish performance baselines, and re-establish VETS’ performance reporting process and expectations.

JVSG PERFORMANCE INDICATORS
Title 38 §4102A(f), and the Workforce Innovation and Opportunity Act (WIOA) requires the U.S. Department of Labor to establish performance indicators for the JVSG program that are consistent with state performance accountability measures applicative under section 116(b) of WIOA.  In compliance with this requirement, beginning in PY 2018, VETS will apply the performance indicators for direct services provided by JVSG and Wagner-Peyser staff. As such, there will be a total of six performance items negotiated for PY 2018 (targets for the below three indicators should be established separately for JVSG and Wagner-Peyser).

I.  Primary Indicators of Performance.

A. Employment Rate – 2nd Quarter After Exit: The percentage of participants who are in unsubsidized employment during the second quarter after exit from the program.

B. Employment Rate – 4th Quarter After Exit: The percentage of participants who are in unsubsidized employment during the fourth quarter after exit from the program.
C. 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.

These three identified performance indicators will be calculated in accordance with the detailed specifications described on the amended OMB approved template for DOL’s WIOA quarterly performance reports, Employment Training Administration (ETA) – 9173 (Attachment 1).

NOTE: Currently, VETS has not implemented Local Veterans Employment Representative (LVER) performance measures. VETS is monitoring ETA’s pilot of a performance indicator measuring “effectiveness in serving employers” and will determine the effectiveness of that indicator for possible future implementation in the JVSG program.

ESTABLISHING PY 2018 PERFORMANCE BASELINE
As previously mentioned, PY 2018 will be used to establish performance baselines. State Workforce Agencies (SWAs) should set the performance targets for PY 2018 with a focus on innovation that demonstrates continuous improvement in the provision of services to veterans and other eligible persons.

Currently, VETS does not have sufficient historical data to construct the statistical adjustment model for the primary indicators of performance set forth in section 116 (b) of WIOA. Additionally, due to metric input lag times associated with the transition of the Workforce Investment Act (WIA) to WIOA during PYs 2016 and 2017 (i.e. there is no performance data available for PY 2016 and early PY 2017 since WIOA definitions require a waiting period of 12-18 months to collect the necessary data), VETS does not have recent performance outcomes to use as a baseline. Therefore, VETS will conduct a negotiation process to allow state agencies to determine reasonable PY 2018 performance baselines based on several factors: state demographics, economic conditions, labor market information, and historical performance data. Generally, states will determine their performance baselines; the purpose of the “negotiation” process is to ensure that the baselines set are reasonable and do not include extreme deviation from past performance data.

To assist state agencies in reviewing historical performance data, a State Performance Target Tool is provided (Attachment 2). The tool (a spreadsheet) is designed to calculate the WIOA outcomes using historic data from Disabled Veteran Outreach Program (DVOP) services. At the top of the spreadsheet, the user can select a state. After a state is selected, the tool automatically displays the WIOA-based performance information for the selected state. Data was gathered from PY 2013, 2014, and 2015 JVSG state data files, and aggregated according to relevant WIOA provisions. This tool is designed to show the simulated outcomes for each state if the WIOA calculations had been in effect during that time period. It is expected to be used as a baseline trending mechanism for PY 2018. It should be noted that data was not available for all states in all years.

WEIGHTED MEASURES
Historically, VETS has utilized a weighted performance measure where a veteran receiving an intensive service received a weight of 1.25 (as opposed to 1.0) in the numerator. This was designed, in part, to encourage delivery of intensive services. These weighted outcomes of the performance indicators will be reported in the VETS annual report to Congress; however, states
will not negotiate weighted measures.

**WORKFORCE INTEGRATED PERFORMANCE SYSTEM (WIPS)/PERFORMANCE REPORTING**

WIPS launched on October 1, 2016 and is the integrated performance system used to capture JVSG performance data. Effective PY 2018 all JVSG performance indicators for the Disabled Veterans’ Outreach Program are to be reported through WIPS in accordance with the quarterly performance due dates as indicated in Veterans Program Letter (VPL) 01-15 (Attachment 3). Visit [https://www.doleta.gov/performance/wips/](https://www.doleta.gov/performance/wips/) for additional information regarding WIPS, including: quick start guides; pre-recorded demonstrations; system release notes; and frequently asked questions.

**INDIVIDUALIZED CAREER SERVICES (ICS)**

**ICS Rates**

VETS achieved the goal of reaching the 90 percent individualized career service rate nationwide by the end of FY 2016. VETS will continue to monitor each state’s ICS rate, with the expectation that all states continue to meet the 90% threshold. Therefore, states will not negotiate this rate.

**JVSG Audits**

Please be advised that more than 50% of veterans receiving ICS must receive these services through the case management framework, which is defined as receipt of a comprehensive assessment and a written plan at a minimum. Compliance with this requirement will be reviewed during audits. Ultimately, failure to comply with this measure would constitute a finding and require a Corrective Action Plan; however, during the current triennial audit cycle (FY17-19), this issue will be documented as an Area of Concern and will be addressed through technical assistance.

**STRATEGIES TO IMPROVE PERFORMANCE**

The Director Veterans’ Employment and Training Service (DVET) is instrumental in assisting the state to overcome challenges or circumstances that impact performance outcomes, and in recommending strategies designed to improve the state’s capacity to meet all performance goals. If any deficiency in meeting a performance goal continues after a year of technical assistance, the DVET, in consultation with the appropriate VETS Regional Administrator (RAVET), may require the state to submit a Corrective Action Plan in accordance with 20 CFR 1001.130 and 1001.166.

**ACTIONS REQUIRED**

I. By close of business September 7, 2018, the state workforce agency will forward the performance baseline targets to the respective DVET.

II. By September 19, 2018, the DVET will forward the baseline targets to the RAVET for review.

III. By September 28, 2018, the Regional Administrator will ensure the tracking sheet is updated with the baselines as determined by the states. The tracking sheet can be found on SharePoint, located [here](#).
INQUIRIES
Questions regarding this guidance should be directed to the DVET.

ATTACHMENTS
1. ETA- 9173
2. JVSG State Performance Target Tool
3. VPL 01-15, Change 1 – JVSG Recurring Reports
4. TEN 08-16 - Implementation of an Integrated Performance Reporting System for Multiple Employment and Training Administration (ETA) and Veterans’ Employment and Training Service (VETS) Administered Programs