

Washington State

Workforce Innovation and Opportunity Act Title I-B Policy

Policy Number: 5415, Revision 1

Policy Title: WIOA Title I-B Performance Sanctions

Effective Date: February 2, 2022

1. Purpose:

To establish and implement a state performance sanctions policy for all entities that receive Workforce Innovation and Opportunity Act (WIOA) Title I-B funding.

The purpose of the performance sanctions policy is to ensure accountability of entities that receive WIOA Title I-B funds from state administrative agencies in meeting the needs of the local workforce development system and ensure compliance with applicable federal and state laws, regulations, policies, guidance, and terms and conditions of applicable awards and contracts.

To accomplish these responsibilities, as well as to satisfy its oversight role, the Workforce Training and Education Coordinating Board (WTECB), as the State Workforce Development Board (SWDB) will impose penalties or conditions in the form of sanctions for any issues of noncompliance that have not been promptly resolved based on state-imposed corrective actions identified in monitoring or other oversight reports.

2. Background:

Section 116(b)(3)(A)(iv) of the Workforce Innovation and Opportunity Act (WIOA) requires the state workforce development board (SWDB) to negotiate performance targets for each WIOA metric at the local level. States may leverage sanctions on local grant recipients sanctioned for performance failure or for failure to report (section 116(f) of WIOA).

3. Policy:

There are currently five metrics (employment 2 quarters after exit, employment 4 quarters after exit, median earnings, credential attainment rate, and measurable skill gain rate) for the three Title I programs (Adult, Dislocated Workers, Youth).

Targets for these are negotiated between the state and the WDC. Local areas are then held accountable to possible sanctions after adjusting targets (using the state-developed regression model) to account for most recent local conditions.

The state performance sanctions policy mirrors the federal sanctions policy (TEGL 11-19) to the extent possible. "Failure" to perform on any WIOA metric would be defined as any of the following:

- Failure to meet 50% of targets for any metric, or

- Failure to average 90% of targets for all measures across programs (i.e. Adult) (via regression modelling), or
- Failure to average 90% of targets for all programs across a given measure (i.e. earnings).

Failure in the first year would trigger technical assistance by state partners coordinated by the WTECB, and a technical assistance and corrective action plan to achieve negotiated performance levels. Technical assistance and corrective action plans may include but are not limited to: identification of one or more specific performance issues; assessment of specific technical assistance or training needs; selection of one or more specific technical assistance or training activities to be implemented; identification of the appropriate entities to provide the technical assistance or training; identification of a timeline for completing of the technical assistance and training; and specific dates for reassessment of technical assistance or training needs and completion of the specific technical assistance or training. If an area does not improve performance in their corrective action period for two consecutive program years, they may be subject to sanctions.

Sanctions assessed after two years of performance failure under correction action may include a recommendation to the state workforce board that a non-performing local workforce development area not be recertified by the Governor in future program years. Sanctions may be recommended regardless of corrective action taken in cases involving failure to submit or correct quarterly performance reports. The WTECB, as the state grantee, makes the final determination on timelines, sanctions, and whether compliance has been met.

4. **Definitions:**

Sanction is a penalty imposed/assessed or a remedial action required for noncompliance with applicable federal, state, and local laws, regulations, contract provisions/grant agreements or conditions, or policies.

Targets are the negotiated level of performance agreed upon for any of the five metrics across the Title I programs.

Technical Assistance is the efforts by either the Department of Labor or the state to identify and correct causes of performance failure.

5. **References:**

- WIOA Section 116(g) – Performance Accountability
- WIOA Final Rule, 20 CFR 677.220 – Under what circumstances may a corrective action or sanction be applied to local areas for poor performance?
- WIOA Final Rule, 20 CFR 677.225 – Under what circumstances may local areas appeal a reorganization plan?
- Training and Employment Guidance Letter (TEGL) 11-19 – Negotiations and Sanctions Guidelines for the WIOA Core Programs

6. **Supersedes:**

None.

7. Website:

[Workforce Professionals Center](#)

8. Action:

Local Workforce Development Boards and their contractors must distribute this policy broadly throughout the system to ensure that WorkSource System staff are familiar with its content and requirements.

9. Attachments:

None.

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