

PY24 PY25 Goal Negotiations Transcript

Burnett, Lauren S - ETA CTR 0:03

And a recording of this session will be available on the Older Workers COP, along with the slides and resources. We kindly ask that you keep your microphones muted throughout today's meeting to ensure a seamless experience for everyone.

Should you have any questions, please type them in the chat and we will address them during the Q&A session.

Back to you, Toni.

Wilson, Toni K - SSCSEP 0:24

Thank you so much, Lauren.

So, welcome everyone.

This is the PY 24 PY 25 goal negotiations webinar for SCSEP and we welcome all of our grantees.

Next slide please.

Thank you again, Lauren for those housekeeping items.

Just a few other things that I wanted to note in addition to this meeting being recorded.

Just a reminder to please keep your microphones muted.

We will have Q&A at the end of the session.

Please note unfortunately Ron, which some of you know, who is our performance guru, had an emergency.

So Ali, you're in great hands, will be covering most of the details of this.

However, if there are some of the specific questions, we are not able to answer at this time, will be providing a follow up Q&A.

You can still ask all of your questions, but we wanted to just let you know that, in case you don't see Ron or if we're not able to answer a very specific question. And then as noted, the slides and resources and recordings will be on the COP.

Next slide please.

The agenda. Just wanted to flag that we're gonna be reviewing the SCSEP core performance measures and the process for goal setting. Looks like it's someone.

Wilson, Toni K - SSCSEP 1:56

And if you are not speaking, if you can please put on mute.

Thank you so much.

So our agenda today is we're gonna be reviewing the SCSEP core performance measures and the process for goal setting.

We will discuss the methodology used for set proposed goals for PY 24 and PY 25, and we will outline the process for negotiating goals.

There will be an email that will be sent out for your actual goals.

We had hoped that we would get those to you today.

As I stated, there was an emergency, so we hope to have those to you by tomorrow, or at least, early on Monday.

And Ali may speak to that a little more.

Alright.

With that said, next slide.

So I'm now going to introduce Ali Slaughter, who will talk about performance goals and setting overview, Ali.

Slaughter, Alison S - ETA 2:59

Thanks, Toni.

Good afternoon, everyone, and thank you for joining us.

Next slide please.

So we'll start with a brief overview of this process and why we have a goal negotiation process.

So the department negotiates expected levels for the core performance measures with SCSEP grantees on a 2 year basis or twice within each grant cycle.

And there are many factors that play into calculating these proposed goals.

Those include the past performance of each grantee.

It includes ensuring that the levels are comparable across grantees, that they are adjusted using an objective statistical adjustment model, often shortened to SAM, and that the goals promote continuous improvement in performance.

So those are the foundations of our goal process and goal negotiations.

Next slide, please.

So let's briefly review the seven core performance measures for SCSEP.

There are three employment or outcome based measures. Employment rate 2nd quarter after exit, looks at the percentage of participants who have exited the program and are employed and their second quarter after exit. Employment rate 4th quarter follows the same formula, except that it looks at the employment rate of

participants in their fourth quarter after an exit, and median earnings calculates the median wage or the middle value of the wage of all participants employed during the 2nd quarter after exit. We apply a median in this performance measure to account for any outliers instead of using an average.

So that's why we use a middle value.

There are three services to participant measures. Hours of community service compares the hours of paid community service completed by program participants to the amount of paid hours funded by the grants, and we'll go over this equation in more detail on the next slide.

The number of eligible individuals served, often called service level, compares the number of enrolled participants in a program year, as compared to the number of modified positions of a grantee or authorized positions, if you have no difference in your state and local wages, and then most in need measures, the average number of most in need characteristics of enrolled participants and that reporting period, whether it be a quarterly QPR or an annual QPR. And lastly, SCSEP has one indicator of effectiveness measure.

This looks at the effectiveness of service to three customer groups, employers, host agencies and project participants, and that's done through survey results.

I do want to note that the first year after a competition, there is always a transition period, which we are in currently and after the transition period there can be changes to a grantee service area and authorized positions.

Two of our measures, community service and service level, are heavily evaluated based on authorized positions and service area.

So therefore, as is consistent with previous grant cycles, we do not set or evaluate goals for the community service and service level measures the first program year of a grant cycle, so PY 24 in this case.

However, data is still expected to be collected in GPMS, surrounding paid hours, and data on both measures will be included in quarterly and end of year reporting that we submit to stakeholders, including Congress and DOL leadership.

But again, it will not be factored into each grantees end of year evaluation.

Although grantees do not have goals for these measures, we will still be reviewing data and as good performance is consistent with good data entry practices and providing meaningful services, we encourage you to still run reports and watch your data in these two areas to ensure that you are providing meaningful and good services to our participants.

These two measures will be evaluated for PY 25, so when you do receive your proposed goals, you'll see them for 2025. And additionally, updates to the employer part of the survey for our indicators of effectiveness measure, is currently undergoing OMB approval for some changes, so we hope to set and evaluate this measure in later in PY 25.

Next slide please.

So more on the community service measure. ETA recently updated the equation used to calculate the community service measure and the updated equation can be seen here on the screen. Consistent with SCSEP regulations, non-community service hours are removed from the funded amount to avoid penalizing grantees who pay for such hours under their grant.

The equation also aligns with the updates made to the collection of paid hours in GPMS, that makes it easier to track each participants hours and enables us to more precisely calculate this measure.

The numerator, or top of the equation, represents the sum of all hours of community service provided by participants during the reporting period and the denominator or bottom of the equation there in blue, takes the funded amount for each grantee, which is represented by an equation, that's that asterisk there, it looks like our modified positions times the quarters and reporting period times 273 and then we subtract the other categories of paid hours.

So training hours, sick hours and participant required action hours, often called PRA, we subtract that from the funded amount, to again avoid penalizing grantees who pay for that out of their grant.

This calculation was applied in setting these proposed goals for 24, not 24 because we won't be using them in 24, but for 25, and it will soon be applied in GPMS, and it is what will be included in the grantee performance evaluations moving forward.

We sent out some email communication on this, but if you have any further questions, please email your FPO and NOL and we can definitely answer those.

Next slide.

Wilson, Toni K - SSCSEP 9:25

All right.

Thank you so much, Ali for that.

So Ali, let's, now hear a little more, or hear, in reference to goal methodology and reference the development of the proposed PY 24 and PY 25 goals.

Slaughter, Alison S - ETA 9:41

Thanks Toni.

So getting into sort of the meat of our goal setting, how do we come up with the proposed goals that you will be receiving very shortly?

We're gonna start with our methodology for our employment outcome measures, so second quarter, fourth quarter and median earnings. The methodology used to set these are essentially the same that has been used since 2005. The starting point is each grantees own performance through the close of quarter three, PY 23.

So we pulled data after the close of quarter three, PY 23 and that is what is used as the baseline for grantees own performance.

Then we adjusted the goals towards the nationwide average to try and have consistent goals across all grantees.

So any grantee that was below the nationwide average, they have a base goal that moves them 75% of the way from their own baseline to the nationwide average.

And any grantee at or above the nationwide average received their baseline performance as their goal, and any grantee with a denominator below 20, meaning they had less than 20 participants exit without an exclusion for these measures, they've received the nationwide average as their baseline goal.

We didn't have enough data to be able to use for their own base sign, so they received the average. And each of these measures have caps and floors, so the highest amount that we would put a grantee at and the lowest amount, and those are listed here. Quarter two is capped; the highest would be 40%. If your rate for PY 23 quarter three was above 40%, we would bring you back down to 40, 35 for quarter four and \$4,200 for the median earnings are our caps and the same is applied for the floors.

If your PY 23 Q2 employment was lower than 20%, we would bring you up to at least above 20. Same for quarter four, it's at 20% and then the floor from meeting earnings is \$2,700.

So this is the first part of the adjustment.

Again, we used grantees data for the baseline.

We move towards the nationwide average and then we ensure that that goal is not outside of the cap for the floor.

Next slide please.

So then the goals receive an additional adjustment and this is where our statistical

adjustment model or SAM is used.

We apply adjustments based on participant characteristics and economic factors, starting with economic adjustments.

This uses census data.

We use the most recently available county level reliable data to develop weighted estimates for each grantee for three different rates.

Poverty rate, unemployment rate and average weekly wage rate.

These are all census categories and the estimates are the sum of county level rates weighted by the number of authorized positions the grantee has in each county, thus providing customized rates for each grantee.

So it's looking at your specific service areas and weighting it based on your authorized positions and the areas that you serve. Those grantees with rates above the nationwide average for these factors have point subtracted from their goals and those with rates below the nationwide average have points added to their goals.

I will note that points are only added or subtracted if it is deemed to be statistically significant, and you'll see on the screen there.

That's where our standard deviation comes into play.

That's what is used to determine significance. For the economic factors, if they are subtracted or added at a rate consistent with the standard deviation, so if they're one standard deviation or above, they're added or subtracted based on that, and if they're .75, you receive a smaller addition or subtraction.

So that's how the economic factors, it's looking to see the areas that you serve, are they particularly an economic area that is more difficult to serve or easier to serve, and how that factors into your goals.

So again, it's very specific to the areas that you serve.

We apply another adjustment on the participant characteristic side and all the data for this is coming from data entered into GPMS.

But it does use the statistical adjustment model to apply. So, the SAM identifies characteristics again that have a statistically significant effect on an employment outcome.

Again, we're only talking about second quarter, fourth quarter and median earnings.

Points are added or subtracted from the proposed goals based on the enrolled participants with these characteristics.

And again the data that was utilized was from PY 2023 quarter three.

So in our next slide, we will look at those specific characteristics that were found to

have a an effect on employment rates.

So you'll see here there's a list for each of the three employment based measures, some of them are consistent.

Across all, we noticed that percent male has points deducted if it's found to be statistically significant.

And again, that's one standard deviation from the nationwide average and there are a few that are specific to employment rate fourth quarter and median earnings. We don't always see these, sometimes they're consistent and sometimes we see a change.

We refresh the statistical adjustment model at least annually, sometimes bi-annually and this is what we use to keep our data fresh and make sure that we're aware of what participant characteristics are affecting employment outcomes.

So again, the red down arrow indicates that points are being deducted from the goal and then the green up arrow indicate that points are being added to the goal, only if they're found to be statistically significant or one standard deviation above the nationwide average.

Next slide, please.

Alright, so that was our employment based measures and thankfully those are the most complicated.

So moving into our other four measures, as we talked about SCSEP has four others, service level community service, most in need and customer service or effectiveness.

The methodology for setting the baseline of the goal is the same as the employment outcome measures.

So grantees below the nationwide average have a base goal that moves them 75% of the way from their own baseline to the nationwide average, and grantees at or above the nationwide average receive their baseline goal as their performance.

Again, each measure has a cap and a floor.

They're not listed on this screen, but they are included in our methodology document that you'll be receiving, that if you want to look at the specifics of those caps and floors.

As was previously shared, due to the transition with the national grantee competition, goals for service level and community service will not be applicable for PY 24, but they will be set for PY 25 and these measures are not affected by the statistical adjustment model.

So there's no additional adjustments made to these measures after we move grantees towards a nationwide average.

Next slide, please.

So a little bit about the transition or the increase from PY 24 to 25. We include some continuous improvement increments from goal set in 24 to 25 and that only applies to some of our measures.

So for quarter two employment, quarter four employment and most in need, you'll see a 5%, not 5 percentage points, but a 5% increase from your PY 24 goal to your PY 25 goal.

And for median earnings, it's a 1.5% increase from PY 24 to PY 25.

The customer satisfaction measure goals did not receive an increase from PY 24 to PY 25, which is consistent with previous years and as service level and community service do not have proposed goals for 24, there's no increase into 25. And as has been the case each year, starting with PY 2018 when final grantee performance for the program year is evaluated, the goals for that program year are reviewed and adjusted again, we refresh this statistical adjustment with more recent data and we see if any of those participant characteristics or economic characteristics apply and need to be adjusted for your goals.

That's done before the grantee performance evaluation is completed, and in that same time frame, if the goals for the next program year, PY 25 in our case, have already been negotiated, those goals may also be revised and negotiated at the time of the evaluation of the prior program year.

Wilson, Toni K - SSCSEP 19:14

Alright, so thank you so much for that explanation on the methodology, Ali.

We definitely appreciate that.

So now let's discuss the process for negotiation before we move to the Q & A portion of our webinar.

As a reminder, if you do have any questions, we'll do Q&A at the end and you can also put your questions in the chat.

All right, back to you, Ali.

Slaughter, Alison S - ETA 19:39

Thanks, Toni.

And as Toni shared at the beginning, you all do not yet have your proposed goals or

the other documents associated with this.

If we can get them out today, we'll stick with the dates that we have shared here on the screen, and if not, when we email everything out, we'll adjust the timeline and the dates to ensure that you have enough time to decide if you want to accept or negotiate your goals.

But we'll work with these dates for now.

Right now, we're expecting to hold negotiations from Thursday, August 1st to Monday, August 5th.

All grantees must email SCSEPTechnicalassistance@DOL.gov and please CC your FPO by Wednesday, July 31st to indicate if you intend to negotiate or not.

So even if you plan to accept your proposed goals as is, we ask that you please still email SCSEP technical assistance as soon as you know.

That allows us to finalize your goal and get it in your grant package so you have all your information there.

If you do intend to negotiate, there are a few things that will ask you to do. So in your email

to SCSEP technical assistance, to indicate that you do wanna negotiate, please let us know what measures you wish to discuss and you'll be provided with the negotiations calendar with available times, and we'll ask that you fill that out with your top three preferred times for negotiating, and we'll use that to schedule you and send a calendar invite, and then at least 48 hours prior to your scheduled negotiations, we ask that you send the negotiation data template, which we'll talk about in a minute, also, to SCSEP technical assistance, so that we can review it prior to your meeting. If you haven't been in a negotiations call before we will be asking you during the call to present your argument using the data that you provided us to support any additional adjustments, if there is any follow up questions on the data that you have, we'll ask during that call up. For the most part, it will be you presenting your argument to support that adjustment. And all decisions will be made after all negotiations have finalized.

So after we've gotten through all calls with grantees and final approved goals will be sent to all grantees and we'll also make them publicly available on [DOL.gov](https://www.dol.gov).

Alright, so a few details on our the data part of the negotiation of goals.

So as we talked about in the methodology section, the proposed goals have already been adjusted using three economic data areas.

So we have weighted 2023 annual unemployment rate, 2022 annual poverty rate,

and 2023 annual average weekly wage rates for the counties that you're serving. So as that's the case, you have to provide additional data including the data sources that you use to support any additional adjustment.

This could include things such as data on recent natural disasters, mass layoffs, or, if you have more recent county level unemployment rates, you'll see that we have used 2023 here.

Or if you have, you know more recent poverty rate data or any other county level data that you feel like is relevant.

And if that relevance can be adequately demonstrated. So again, there have already been adjustments made using the following data sources, so you must provide something outside of that, either more recent data or data indicating recent disasters, or, you know, large layoff events in your areas.

And again, that should be specific to your service areas.

Next slide please.

This is a screenshot of part of the negotiation data table.

There is an instructions sheet that you'll find when we send this document out and this is what you must use to present your data and document that and this is what you must send to SCSEP technical assistance, 48 hours before your negotiations slot. It's not pictured here, but there's also a section that has you list the goals you plan negotiating, and we also ask for the rates that you're proposing.

So based on the data that you're providing and what rate are you proposing, do you think your goal should be set at?

And then there's also space to add your data sources, please, you know that's required, so please add that into the bottom. And that is our data template.

And again, you'll be receiving all of that with the proposed goals.

Wilson, Toni K - SSCSEP 24:24

Alright, thank you so much Ali, I appreciate you walking through all of those.

So we're not gonna take any questions.

And so we'll start with anything that's in the chat.

And you're also free to raise your hand if you'd like to come off mic and ask your questions.

Don't see anything in the chat and am I missing anything?

Let's just make sure.

Yeah.

Don't see anything in the chat yet.

Alright.

And just a reminder, everyone will be receiving their, we hope everyone will be getting their goals this week, but at least by early next week, everyone will get that and if it goes out early next week, we'll make sure we include the adjustment to the schedule accordingly.

Alright.

Well, moving to the next slide, resources and technical assistance. Also, I just wanna say thank you all for your attendance for our PY 24 and 25 goal negotiation webinar and a big thank you to Ali both for the explanation and the methodology of the proposed goals and for covering for Ron.

We really appreciate that you stepped in.

If you have any further questions, please reach out to your FPO and CC your NOL and as a reminder, please email the SCSEP technical assistance with your decision to accept or your intent to negotiate.

Additional resources can be found on the community of practice and the DOL SCSEP website, which is here on this slide. And if there are no other questions, I don't see any, I encourage everyone to have a great rest of your day and we look forward to engaging you and all aspects of this process.

Everyone have a good one.

Alright, thank you everyone.

Bronson, Bradley K - ETA CTR stopped transcription.