

U.S. Department of Labor

Assistant Secretary for
Veterans' Employment and Training
Washington, D.C. 20210



June 24, 1998

VETERAN'S PROGRAM LETTER NO. 7-98

TO: ALL REGIONAL ADMINISTRATORS AND DIRECTORS FOR
VETERANS' EMPLOYMENT AND TRAINING
ALL STATE EMPLOYMENT SECURITY AGENCY
ADMINISTRATORS (SESAs)
ALL REGIONAL ADMINISTRATORS, EMPLOYMENT AND
TRAINING ADMINISTRATION INFORMATIONAL (INFO)

FROM: 
ESPIRIDIÓN (AL) BORREGO

SUBJECT: SESA Measures of Service for
Program Years 1997 and 1998

I. Purpose: To provide guidance for the evaluation of SESA performance for Program Year (PY) 1997 and the establishment of performance standards for PY 1998.

II. References: Title 38, United States Code, Sections 4107 (b) and (c) [38 U.S.C., 4107 (b) and (c)]; Code of Federal Regulations Chapter 20, Section 1001.120; Veterans' Program Letter (VPL) 6-96, dated September 17, 1996; Veterans Program Letter 14-94, dated September 29, 1994; Employment and Training Handbook No. 406 (Employment and Training Administration (ETA) 9002 Instructions)

III. Rescissions: This memorandum supersedes VPL 2-94, dated November 3, 1993; and VPL 1-96, dated October 11, 1995.

IV. Background: In accordance with 38 U.S.C. 4107(b), and the Code of Federal Regulations (CFR) at 20 CFR 1001.120, standards must be established to assure that each State agency "shall provide maximum employment and training opportunities to eligible veterans and eligible persons." Additionally, as required by 38 U.S.C. 4107(c), the Department of Labor must report annually to the Congress on the success of SESAs in carrying out programs for the provision of employment and training services to meet the needs of eligible veterans and eligible persons during the last complete PY. During the last ten years SESA compliance with these requirements was measured through the development of negotiated quantitative performance standards that compared the rates of service provided to veterans with their non-veteran counterparts.

V. Establishing PY 1998 Measures of Performance: Compliance with the provisions of Title 38 remains the impetus for continuation of negotiated Quantitative Performance Standards for PY 1998. Reports by the SESAs comparing services to veterans vs non-veterans will be used to indicate compliance with Federal mandates regarding service priorities for veterans. Directors for Veterans' Employment and Training (DVETs) and SESAs should negotiate performance standards that clearly demonstrate meaningful priority of service for veterans in core labor exchange services as required in 38 U.S.C. 4107.

The goals listed in VPL 14-94 remain the minimum acceptable Measures of Performance. DVETs will review previous year's performance to negotiate new performance measures consistent with the VETS strategic plan goals of continuous improvement in services to veterans.

VI. Government Performance and Results Act (GPRA): As part of Government-wide efforts to implement the Government Performance and Results Act (GPRA), the Veterans' Employment and Training Service (VETS) has initiated an effort to develop qualitative outcome measures. VETS turned to its' SESA partners to develop new measurement systems to determine the effectiveness of VETS/SESA programs in meeting the broader statutory mandates.

Eight States varying in size, geographic location, and urban/ rural mix participated in a pilot to test various self-developed methodologies and report on their chosen measures of services to veterans through the end of PY 1997. They are: Connecticut, Illinois, Ohio, Montana, North Dakota, Utah, Nevada, and Idaho. Because of legislative reporting requirements, it was necessary for States authorized to pilot alternative measures to continue to report the current quantitative performance standards (QPSs) as well. As a condition of the pilot, compliance determinations are not linked to QPS performance in those States authorized to conduct pilots.

The pilot program commenced on July 1, 1997 and was planned to end by June 30, 1998 with a final report to follow in 90 days. Because long range measurements are implicit with veterans' job retention and wage progression, VETS has decided that States, with DVET approval, may extend the pilot projects through June 30, 1999. The results in the pilot States may be used to develop new methodologies which will be made available to all States in future years.

As part of the strategic planning process, veterans' groups who historically experience higher than average rates of unemployment have been identified for special emphasis. Such services are authorized by 38 U.S.C. 4103 A(b)(1)(C) in the statement "in accordance with priorities determined by the Secretary taking into account applicable rates of unemployment..."

In compliance with GPRA, VETS current Solicitation for Grant Applications (SGA) identified special disabled, disabled, minority, female, recently separated (young) veterans and veterans receiving Public Assistance (welfare) as targeted groups requiring intensive employability development assistance.

Further, in support of GPRA and the Secretary of Labor's goal of a prepared workforce, VETS has established specific outcome goals. The VETS strategic plan includes a 2% annual increase in entered employment rates of targeted group veterans. Also included are outcome goals such as an annual increase of 4% in wage at placement and an increase in job retention rates for all veterans placed.

States currently collect information on services to the groups targeted in the SGA. VETS will be requesting in the near future that States provide, at least quarterly, the comparative entered employment rates of veterans among minorities, females, persons with disabilities, Public Assistance (welfare) recipients and persons age 20 -24. Further, SESAs will be asked to supplement their annual plans of service to increase the entered employment rate of the targeted groups by 2% each year.

In those States using SESA Automated Management System (SAMS) or equivalent data collection systems, the DVET will request Report B18 (Veterans and Other Eligibles) "Degree of Service Provided Selected Applicant Groups" for June 1998 (PY 1997 data), or if not available, June 1997 (PY 1996 data) to establish a baseline. States without such a data collection system should notify their DVET. Those DVETs will notify their RAVET, who will work with the State to develop baseline data for the targeted groups.

VII. Policy and Guidance:

A. Veterans' Priority of Service: States accepting funds provided by the Veterans' Employment and Training Service (VETS) for Local Veterans' Employment Representative (LVER) or Disabled Veterans' Outreach Program (DVOP), or by the Employment and Training Administration (ETA) through its Wagner-Peyser grants, to support public labor exchange services must continue to provide priority service to eligible veterans and eligible persons, with appropriate preference given to disabled veterans and veterans of the Vietnam-era (as required by 38 U.S.C. 4102 and 20 CFR, Part 1001.120). This requirement also applies to labor exchange services delivered through America's One-Stop Career Center System. VETS and ETA, which funds America's Job Bank, will be pilot-testing different approaches to providing priority services to veterans in electronic service delivery environments. ETA has committed to implementing those approaches which are demonstrated to be effective in meeting this requirement.

B. Evaluation of PY 1997 Performance: Regional Administrators for Veterans' Employment and Training (RAVETs) will base their evaluations of each SESAs performance, relative to the PY 1997 quantitative measures, on the DVET's assessments of all Local Employment Service Office (LESO) evaluations conducted during the PY, reviews of the SESA "good cause" justifications for any failure to meet PY 1997 numerical goals,

and the analysis of the effectiveness of any Corrective Action Plans (CAPs) that may have been initiated during the PY. In States participating in the Alternative Performance Measures pilot, the DVET will assess the quantitative performance as expressed in the alternative measures.

To establish a "good cause" justification, a SESA must have provided empirical and verifiable data that reasonably proves the failure to meet any particular PY 1997 negotiated quantitative measure was due to factors beyond the control of the State agency. When reviewing a "good cause" explanation, VETS' staff will consider the impact that other program emphasis and workload demands had on the ability of the agency to meet the numerical indicators of compliance. If "good cause" is substantiated for failure to meet any standards, no corrective action is required. If a corrective action plan was developed prior to the end of the PY, and the agency has appropriate positive signs of improvements, the corrective action plan and resultant improvement in services may be used in lieu of a separate good cause justification. In either instance, the RAVET will certify satisfactory SESA compliance and explain their rationale in the VETS Operations and Program Activity Report (VOPAR).

Meeting or not meeting some or all of the quantitative measures of services is generally considered to be an indicator of the adequacy of SESA services to veterans. However, in determining "good cause", or that adequate processes were in place to provide veterans with the required priority of service, LESO evaluation results will also be utilized as a factor for the annual determination required by 38 U.S.C. 4107.

If, however, it is determined that external factors were not the cause for the failure to meet any standard(s), the State must develop and implement a corrective action plan designed to achieve the required levels of performance in Program Year 1998.

The performance levels of all States will be identified in the Annual Report to Congress prepared pursuant to 38 U.S.C. 4107(b).

C. Establishing PY 1998 Measures of Performance: Reports by the SESAs, comparing levels of services provided for veterans to non-veterans, will be used to indicate compliance with Federal mandates regarding service priorities for veterans.

VIII. Actions Required:

A. Measures of Service: DVETs are to negotiate with the SESAs measures of service that clearly reflect meaningful priority of service to veterans as indicators of compliance (see VPL 14-94).

B. Evaluation of Program Year 1997 Performance: Based upon final PY 1997 reports submitted by the SESAs for the period ending June 30, 1998, RAVETs must:

1. By September 1, 1998, advise SESAs that submitted an acceptable "good cause" explanation for failing to meet one or more indicators of compliance of the approval of their explanation.
2. By September 1, 1998, advise SESAs that submitted unacceptable "good cause" explanations of the reason(s) for not being approved and the need to develop a VETS approved corrective action plan for PY 1997 within 30 days.
3. By September 15, 1998, advise SESAs that failed to meet one or more indicators of compliance in PY 1996 and have not submitted either a "good cause" explanation or a corrective action plan of the necessity to develop a corrective action plan for PY 1998 and submit same by October 30.
4. By November 13, 1998, provide a report to the ASVET, through the Office of Operations and Programs, regarding each SESA's accomplishments against the PY 1997 indicators of compliance and performance standards set forth in Section 1001.120(b) of 20 CFR. This report should identify which SESA's achievements were satisfactory, which provided acceptable "good cause" explanations for failure to meet one or more indicators of compliance, and which were notified of the need for a corrective action plan. Copies of any approved Corrective Action Plan must be forwarded to the National Office (attention: Miguel Hernandez).

C. Measures of Performance for PY 1998

1. RAVETs must:

By July 1, 1998, ensure that DVETs and SESAs are aware of this directive, and that plans for establishing the quantitative indicators of compliance for PY 1998 measures of performance are in place.

2. DVETs must:

A. By July 15, 1998, arrange to meet with their SESA counterparts to discuss the contents of this VPL and the approach for measuring SESA compliance with the provisions of priority services to veterans and the VETS Strategic Plan objectives to improve employability development and access to job openings for eligible veterans.

B. Insure that negotiated performance measures are in place by August 15, 1998.

C. Discuss with SESAs the preparations necessary to increase the entered employment rate of targeted veterans' groups (minorities, females, persons

with disabilities, Public Assistance [welfare] recipients and persons age 20 -24).

IX. Inquiries: SESA questions should be addressed to appropriate DVET. DVETs will address inquiries through the RAVET to Joel Delofsky or Katy Ridenour in the Chicago Regional Lead Center at (312) 353-4942, or to Stan Seidel in VETS National Office at (202) 219-9105.

Expiration Date: June 30, 1999