Measurable Skill Gains Guidance
October 2020

**Purpose**
To provide guidelines for the Measurable Skill Gain (MSG) Performance Indicator, as it relates to Federal definitions, documentation requirements, and reporting procedures for participants of WIOA Title I programs who are enrolled in education or training at any point during their program participation.

**References**
- TEGL 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 23-19 – Guidance for Validating Required Performance Data Submitted by Workforce Programs;
- TEGL 7-18 Guidance for Validating Jointly Required Performance Data Submitted under the Workforce Innovation and Opportunity Act (WIOA);
- Public Law P.L. 113-128; 20 CFR parts §651, §652, §677, §680, and §681

**Background**
Section 116 of WIOA establishes performance accountability indicators and performance reporting requirements to assess the effectiveness of States and Local Areas in achieving positive outcomes for individuals served by the workforce development system’s six core programs:

- Adult, Dislocated Worker, and Youth Programs, authorized under WIOA Title I and administered by the U.S. Department of Labor (USDOL);
- Adult Education and Family Literacy Act Program, authorized under WIOA Title II and administered by the U.S. Department of Education (ED);
- Employment Service Program authorized under the Wagner-Peyser Act, as amended by WIOA Title III and administered by USDOL; and
- Vocational Rehabilitation (VR) Program authorized under Title I of the Rehabilitation Act of 1973, as amended by WIOA Title IV and administered by ED.

WIOA provides an historic opportunity to align performance definitions, streamline performance indicators and ensure comparable data collection and reporting across all six of these programs, while also implementing program specific requirements. The six WIOA performance indicators are:

- Employment Rate – 2nd Quarter After Exit
- Employment Rate – 4th Quarter After Exit
- Median Earning – 2nd Quarter After Exit
- Credential Attainment
- **Measurable Skill Gains**
- Effectiveness in Serving Employers
This document addresses the requirements for the Measurable Skill Gains performance indicator for WIOA Title I Programs.

**Guidance**

A. **Defining Measurable Skill Gains**

The Measurable Skill Gains indicator is the percentage of participants who, during a program year, are in an education or training program that leads to a recognized postsecondary credential or employment and who are achieving documented academic, technical, occupational, or other forms of progress, towards such a credential or employment.

Depending on the type of education or training program in which a participant is enrolled, progress is defined as one of the following five types of Measurable Skill Gains.

1. **Educational Functioning Level (EFL):** Documented achievement of at least one educational functioning level of a participant who is receiving instruction below the postsecondary education level. Programs may measure EFL gains in one of the following ways:
   (1) **Pre-Test and Post-Test:** Results from state approved tests (e.g., CASAS or TABE) of the same version that show an increase of at least one EFL; OR
   (2) **Enrollment in Postsecondary Education or Training:** Participants who exit a program below the postsecondary level and enroll in postsecondary education or training during the program year as determined through data match, survey documentation, or case notes. Note: A program below the postsecondary level applies to participants enrolled in a basic education program.

2. **Secondary School Diploma/Recognized Equivalent:** Documented attainment of a secondary school diploma or its recognized equivalent by obtaining certification of achieving passing scores on all parts of a State-recognized high school equivalency test. For the NC Community College System, a High School Equivalency Diploma is issued upon completion of one of these three assessments:
   b. ETS HiSET – https://hiset.ets.org/

   Accepted documentation includes:
   - Copy of credential
   - Copy of school record
   - Follow-up survey from program participants
   - Case notes documenting information obtained from education or training provider

3. **Transcript/Report Card:** Secondary or postsecondary transcript or report card for a sufficient number of credit hours that shows a participant is meeting the State unit’s academic standards as follows:
   a. Must show grades of D or higher and/or be considered passing
   b. The semester must have occurred within the current program year
c. The document must reflect that the participant is in good academic standing: nothing to indicate that the participant dropped out of school or was removed from the institution on academic/conduct grounds.

(1) **Secondary Education** - Documented through receipt of a secondary transcript or report card for one semester showing that the participant is achieving the State unit’s policies for academic standards (noted above). Secondary transcript is specific to youth attending high school.

(2) **Postsecondary Education** - Transcript demonstrates a sufficient number of credit hours – which is at least 12 hours per semester (or equivalent) or, for part-time students, a total of at least 12 hours over the course of two completed semesters (or equivalent) during a 12 month period that show a participant is achieving the State unit’s academic standards (or the equivalent for their credit hour programs).

**Note:** If a postsecondary student completed 6 hours in the spring semester and 6 more hours in the fall semester and those semesters crossed two program years, they would not count as a skill gain in the first program year but they would count as a skill gain in the second program year. In other words, the Measurable Skill Gain occurs at the end of the 12 hours of accrued academic credit if coursework is split across two program years.

4. **Training Milestone/Progress Report:** Satisfactory or better progress report towards established milestones from an employer or training provider who is providing training. Progress reports must document substantive skill development that the participant has achieved.

(1) Acceptable documentation includes:
   a. Documentation of a skill gained (or completed steps) through OJT or Registered Apprenticeship. Completed steps may be a mid-point evaluation, final evaluation, or exam results as required by Registered Apprenticeship program.
   b. Contract and/or evaluation from employer or training provider documenting a skill gain, or training reports on milestones completed as the individual masters the required job skills. Increases in pay resulting from newly acquired skills or increased performance also can be used to document progress if provided as an evaluation from employer.
   c. Progress report from employer documenting a skill gain that the participant has achieved.

5. **Skills Progression:** Successful passage of an exam that is required for a particular occupation or, progress in attaining technical or occupations skills as evidenced by trade-related benchmarks, such as a knowledge-based exams.

(1) Acceptable documentation includes:
   a. Results of knowledge-based exam or certification of completion, including a component exam of a Registered Apprenticeship program.
b. Documentation demonstrating progress in attaining technical or occupational skills

c. Documentation from training provider or employer such as a satisfactory attainment of an element on an industry or occupational competency-based assessment

d. Copy of credential that is required for a particular occupation and only is earned after the passage of an exam. Examples include: Class A Commercial Driver’s License, Certified Nursing Assistance License, or CompTIA A+ Certification

B. Measuring Performance

The Measurable Skill Gains indicator calculates the number of participants who attain at least one type of gain during each period of participation within a given program year by dividing the total number in the numerator by the total number in the denominator to produce the percentage of successful MSG attainment by the local area.

\[
\text{MSG } \% \text{ Achieved} = \frac{A}{B}
\]

**Numerator Inclusion:** The numerator is the number of program participants defined above who achieved at least one type of gain. A participant may have achieved more than one type of gain in a reporting period; however, only one gain per participant in a reporting period may be used to calculate success on the Measurable Skill Gains indicator. Note, however, that all Measurable Skill Gains should still be recorded regardless.

**Denominator Inclusion:** Participants who, during any point in the program year, are in an education or training program that leads to a recognized postsecondary credential or employment are included in the denominator. This number includes participants who do not exit the program and continue to receive services beyond the end of the program year, as well as those who have exited the program by the end of the program year.

**Note:** Data for the denominator in this calculation is drawn from PIRL 1811: Date Enrolled During Program Participation in an Education or Training Program Leading to a Recognized Postsecondary Credential or Employment.
## Participants Included in Measurable Skill Gains Denominator

<table>
<thead>
<tr>
<th>Title I Adult and Dislocated Worker</th>
<th>Title I Youth</th>
</tr>
</thead>
<tbody>
<tr>
<td>• All participants who are in a Title I Adult- or Dislocated Worker-funded training program</td>
<td>• All ISY (in school youth) are included</td>
</tr>
<tr>
<td>• Training programs for a secondary school program equivalent</td>
<td>• OSY (out of school youth) in the following are included:</td>
</tr>
<tr>
<td>• Work-based training</td>
<td>♦ Occupational skills training</td>
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<td></td>
<td>♦ Secondary education or above 9th grade</td>
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<td></td>
<td>♦ Postsecondary education</td>
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<td></td>
<td>♦ Title II-funded adult education at or above the 9th grade level</td>
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<td></td>
<td>♦ YouthBuild program participants</td>
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<td>♦ Job Corps participants</td>
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### Denominator Inclusion based on Service/Activity Codes

**Title I – Adult and Dislocated Worker:**
All participants who are in a Title I Adult or Dislocated Worker-funded training program are included in the Measurable Skill Gains indicator (which includes funding a training program for a secondary school program equivalent). This includes all participants in work-based training.

Service codes in NCWorks Online that will place Adult and Dislocated Worker participants in the denominator include:

- 300 – Occupational Skills Training – on ETPL
- 301 – OJT Training (Not WIOA Youth)
- 302 – Entrepreneurial Training
- 304 – Customized Training
- 310 – Occupational Skills Training for Special Grants
- 314 – Registered Apprenticeship
- 328 – Occupational skills Training – Not on ETPL
- 333* – TAA – Approved Remedial Training (for those with GED/HS Diploma)
- 335* – TAA – Approved Occupational Skills Training – Approved by State
- 339* – TAA – Approved GED Training
- 222* – TAA – English as a Second Language (ESL)

* denotes TAA-only
**Title I – Youth:**
All In-School Youth (ISY) are included in the Measurable Skill Gains indicator since they are attending secondary or postsecondary school.

Only Out of School Youth (OSY) who are in one of the following are included in the denominator:

- 407 – Alternative Secondary School services or dropout recovery services
- 416 – Youth Occupational Skills Training - on ETPL
- 424 – NC Registered Apprenticeship Training – Youth
- 429 – Enrolled in Traditional Secondary School (H.S.)
- 430 – Youth Occupational Skills Training - Not on ETPL
- 441 – Entrepreneurial Skills Training

**C. Periods of Participation**
Unlike the other WIOA performance measures, **MSG is not an exit-based measure**, meaning that a participant can achieve a Measurable Skill Gain while still participating in a program. Successful Measurable Skills Gains may be keyed in NCWorks after the participant has exited the program as long as it is before the end of the same program year in which they exited. The MSG indicator is a year-to-year measure, meaning one MSG outcome can be achieved in each continuing program year that a participant is active.

Since this indicator is not exit-based, each unique program entry date (not exit date) triggers inclusion in the calculation. Participants are only included in the denominator one time per program year (July 1st – June 30th), regardless of how many skill gains they achieve in that program year. It is possible for a participant to be included in the denominator more than one time during a program year if they exit the program and are subsequently reenrolled in a program later in the same program year **AND** they participate in an education or training program during each enrollment. The following provides a visual example of this situation.

In this example, Abby’s 1st period of participation only occurs within PY18. She exits her first period of participation in PY18 and then reenrolls later in PY18 for her second period of participation that crosses over into PY19. This second period of participation results in two inclusions in the
denominator because it crossed over from one Program Year to the next; therefore, Abby will be included in the MSG denominator two times for PY18 and one time for PY19.

Note: Programs should not delay enrollment or services to participants until a new program year even if case managers believe there is insufficient time for the participant to make any type of Measurable Skill Gain by the end of that program year.

D. Exclusions
Participants who exit for any of the following reasons are excluded from the Measurable Skill Gains indicator.

a. Institutionalized: The participant exits the program because he or she has become incarcerated in a correctional institution or has become a resident of an institution or facility providing 24-hour support such as a hospital or treatment center during the course of receiving services as a participant.

b. Health/Medical: The participant exits the program because of medical treatment and that treatment is expected to last longer than 90 days and precludes entry into unsubsidized employment or continued participation in the program.

c. Deceased: The participant is deceased.

d. Reserve Forces called to Active Duty: The participant exits the program because the participant is a member of the National Guard or other reserve military unit of the armed forces and is called to active duty for at least 90 days.

e. Foster Care (for Youth participants only): The participant is in the foster care system as defined in 45 CFR 1355.20(a), and exits the program because the participant has moved from the local workforce area as part of such a program or system.

Additional Resources
1) WorkforceGPS – Measurable Skill Gains E-Module: https://tinyurl.com/yxeom9hz
2) Interactive Timing Chart by Future Works: A visual tool for understanding the performance indicators: what are their exiting cohorts, when are they being measured, and when they are being reported. https://tinyurl.com/y3kho422

Appendices:
1) Guide to Entering MSGs in NCWorks
2) MSG Guidance Desk Reference
3) Frequently Asked Questions