

Calculating VR Program Performance for MSG in Program Years 2020 and 2021

On February 6, 2020, the Rehabilitation Services Administration (RSA), in collaboration with its Federal partners, issued [RSA-TAC-20-02: Negotiations and Sanctions Guidance for the Workforce Innovation and Opportunity Act \(WIOA\) Core Programs](#).

This joint policy guidance:

- Outlines the process for negotiating levels of performance; and
- Explains the two instances in which a State may be sanctioned -- for performance failure or for failure to report.

[RSA-TAC-20-02](#) also informs core programs that:


- *Expected levels of performance* for each primary indicator for each core program must be included in the initial State Plan submission (e.g., Program Years 2020 and 2021) and in the required two-year modification (e.g., Program Years 2022 and 2023); and
- Approved State Plans and the required two-year modifications must reflect two years of *negotiated levels of performance*.

For the VR program, this means:

- The State VR program must submit *expected levels of performance* for Measurable Skill Gains (MSG) Rate for Program Years 2020 and 2021 in the State Plan submission.
 - For States with two VR agencies, these *expected levels of performance* apply to both VR agencies.
- Before the State Plan is approved, State VR programs and RSA will set *negotiated levels of performance* for MSG for Program Years 2020 and 2021.
 - For States with two VR agencies, these *negotiated levels of performance* apply to both VR agencies.
- The State VR program will resubmit its State Plan with its *negotiated levels of performance*; and
- RSA will coordinate with its Federal partners to approve the State Plan.

On February 28, 2020, RSA informed State VR programs of the process it will follow to establish *negotiated levels of performance* for MSG for Program Years 2020 and 2021 with each State VR program. RSA also shared the Statistical Adjustment Model (SAM) for MSG. For each State VR program, the SAM for MSG includes the *estimated level of performance* for MSG for Program Years 2020 and 2021.






The process of assessing performance success or failure includes several steps. It begins when the State submits its State Plan that includes the *expected levels of performance* and it concludes when calculations are made after each Program Year ends and data are reported.

[RSA-TAC-20-02](#) explains that performance failure occurs if:

- Any single Individual Indicator Score for any single core program falls below 50 percent of the *adjusted level of performance*;
- The Overall State Program Score falls below 90 percent for that single core program; or
- The Overall State Indicator Score falls below 90 percent for that single measure.

The joint policy guidance explains that if the State experiences performance failure:

- After the first Program Year (e.g., Program Year 2020), the Departments are required to provide Technical Assistance to the State.
- For Two Consecutive Program Years (e.g., both Program Years 2020 and 2021), the Departments are required to sanction the State.
 - Sanctions will be enforced each successive year in which the State continues to have the same performance failure.



The purpose of this WINTAC tool is to demonstrate how RSA will calculate performance after each Program Year ends. These two examples show how RSA will use *negotiated levels of performance*, the SAM's *estimated levels of performance*, and the State VR program's *actual level of performance* to calculate the Individual Indicator Score for MSG.

Example 1: Describes a State VR Program whose Individual Indicator Score for MSG did not result in a performance failure.

Example 2: Describes a State VR Program whose Individual Indicator Score for MSG resulted in a performance failure.

Example 1

Before Program Year 2020 Begins:

- *Expected Level of Performance:* 20.5%
- SAM Estimate 1: 30.2%
- *Negotiated Level of Performance:* 28.6%

After Program Year 2020 Ends:

- SAM Estimate 2: 27.4%
- *Actual Level of Performance:* 23.2%

Calculating the Adjustment Factor

- SAM Estimate 1: 30.2%
- SAM Estimate 2: 27.4%
- Adjustment Factor: -2.8%
SAM Estimate 2 minus SAM Estimate 1
 $27.4\% - 30.2\% = -2.8\%$

Calculating the *Adjusted Level of Performance*

- *Adjusted Level of Performance:* 25.8%
Adjustment Factor plus Negotiated Level
 $-2.8\% + 28.6\% = 25.8\%$

Calculating Performance Success or Failure

- Individual Indicator Score: 89.9%
Actual Level divided by Adjusted Level
 $23.2\% / 25.8\% = 89.9\%$

In Example 1, the Individual Indicator Score for MSG is 89.9 percent, which is well above the 50 percent threshold for performance failure. As a result, the State VR program did not experience a performance failure for MSG for Program Year 2020.



Example 2

Before Program Year 2020 Begins:

- *Expected Level of Performance:* 60.2%
- SAM Estimate 1: 50.1%
- *Negotiated Level of Performance:* 53.4%

After Program Year 2020 Ends:

- SAM Estimate 2: 52.8%
- *Actual Level of Performance:* 27.1%

Calculating the *Adjustment Factor*

- SAM Estimate 1: 50.1%
- SAM Estimate 2: 52.8%
- *Adjustment Factor:* 2.7%
SAM Estimate 2 minus SAM Estimate 1
 $52.8\% - 50.1\% = 2.7\%$

Calculating the *Adjusted Level of Performance*

- *Adjusted Level of Performance:* 56.1%
Adjustment Factor plus Negotiated Level
 $2.7\% + 53.4\% = 56.1\%$

Calculating Performance Success or Failure

- Individual Indicator Score: 48.3%
Actual Level divided by Adjusted Level
 $27.1\% / 56.1\% = 48.3\%$

In Example 2, the Individual Indicator Score for MSG is 48.3 percent, which is below 50 percent. As a result, the State VR program experienced a performance failure for MSG for Program Year 2020. The Departments are required to provide Technical Assistance.

If the State VR program experiences performance failure for MSG for Program Year 2021, the Departments are required to sanction the State.

