



MASSACHUSETTS

# Workforce Investment Act

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**WIA Communication No. 04-59**

☒ **Policy**   ☐ **Information**

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**To:** Chief Elected Officials  
Workforce Investment Board Chairs  
Workforce Investment Board Directors  
Title I Administrators  
Career Center Directors  
Title I Fiscal Officers  
DCS Regional Directors  
DCS Area Directors

**cc:** WIA State Partners

**From:** Susan Lawler, Commissioner  
Division of Career Services

**Date:** July 14, 2004

**Subject:** FY05 Labor Exchange Performance Goals

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**Purpose:** To establish performance goals for Massachusetts One-Stop Career Centers FY 2005 operation of Wagner-Peyser funded labor exchange activities.

**Background:** *National Goals* Training and Employment Guidance Letter 22-03 issued June 3, 2004 the U.S. Department of Labor - Employment and Training Administration established national goals for two labor exchange performance measures: 58% for Entered Employment Rate and 72% for Employment Retention Rate.

*Negotiation Timelines* State workforce development agencies may accept the national goals as state goals, or may negotiate for different goals. States' proposed goals will be submitted to their U.S. DOL-ETA regional office by June 30, 2004. During the month of July regional officials will review and negotiate with states to obtain mutually agreed upon state goals for FY 2005. Regional officials will report the negotiated performance goals for each of their states to the national office by July 31, 2004.

*Acceptance of National Goals* Based on analysis of Massachusetts' FY 2004 entered employment rate and employment retention rate through the period ending March 31, 2004 Massachusetts will adopt the national goals as the state goals.

	FY 2005 National Goals	FY 2005 State Goals
Entered Employment Rate	58%	58%
Employment Retention Rate	72%	72%

*Analysis of FY2004 Labor Exchange Performance through March 31, 2004* Massachusetts' performance results in the initial three quarters of reporting entered employment rate and the initial quarter of reporting employment retention rate based on wage record matching are shown in **Attachment A: FY2004 labor Exchange Performance through March 31, 2004.**

In **Attachment B: UI Rates and Labor Exchange Performance** Massachusetts UI rates in the first three quarters of EER and ERR results are respectable considering the labor market trends from October 1, 2002 through June 30, 2003 when wage records would have been searched for matches. The unemployment rates of 5.9% and 5.8% during two of the three quarters were the lowest of the recessionary period in Massachusetts and reflect increases of .9 – 1.1 % over the same period one year before. The most recent performance results available for the quarter ending March 31, 2004 provide Entered Employment at 55% (94 % of the national goal) and Employment Retention at 77% (107% of the national goal).

It is not necessary to submit a modification to the five-year plan regarding Massachusetts' labor exchange goals. Please note that incentive awards will not be provided for state performance that exceeds the FY 2005 goals. States that perform below the goals will not be subject to sanctions for FY 2005. As indicated in TEGL 22-03:

*Meeting or exceeding the labor exchange negotiated levels of performance will not be used to award incentives.  
Conversely, failure to achieve the negotiated levels will not be used to determine sanctions.*

**Comment  
Period**

This policy was posted on [www.massworkforce.org](http://www.massworkforce.org) in draft for public comment from June 25, 2004 through July 8, 2004. No comments were received.

**Policy:**

The Massachusetts One-Stop Career Centers accept as statewide goals the national goals for FY05 Labor Exchange activities set by the Department of Labor - Employment and Training Administration of 58% for Entered Employment Rate and 72% for Employment Retention Rate.

**Effective:** July 1, 2004.

**References:** Training and Employment Guidance Letter 22-03 issued June 3, 2004 by the U.S. Department of Labor - Employment and Training Administration.

**Inquiries:** Questions about this policy may be emailed to [PolicyQA@detma.org](mailto:PolicyQA@detma.org).

**Filing:** Please file this in your notebook of previously issued WIA Communication Series Policy Issuances as #04-59.

## Attachment A:

### FY 2004 Actual Performance Results

	(1)	(2)	(3)	(4)
Reporting Period and Reporting Date	QE 09/30/03 Reported 11/15/03	QE 12/31/03 Reported 02/14/03	QE 03/31/04 Reported 05/15/04	QE 06/30/04 Reported 8/15/04
Number of Quarters Reported for Measure	1Q of EER	2Q of EER	3Q of EER 1Q of ERR	4Q of EER 2Q of EER
Registration Quarters of Job Seekers	07/01/02- 09/30/02	07/01/02- 12/31/02	07/01/02- 03/31/03	07/01/02- 06/30/03
Quarters Searched for Wage Matching	10/01/02- 12/31/02	10/01/02- 03/31/03	10/01/02- 06/30/03	10/01/02- 09/30/03
<b>All Registrants</b>				
EE Rate	53%	49%	55%	TBD
ER Rate	NA	NA	77%	TBD

Notes:

- QE – Quarter Ending
- EER – Entered Employment Rate
- ERR – Employment Retention Rate
- NA – Indicates quarters prior to performance data element availability.
- TBD – Indicates quarters for which data has not yet been reported
- UI Rate – Unemployment Insurance Rate

## Attachment B:

### UI Rate and Labor Exchange Performance Trends

#### MA Unemployment Rates in the Period October 2000 – September 2001

Year	2000			2001								
Month	O	N	D	J	F	M	A	M	J	J	A	S
UI Rate	%	%	%	2.7%	2.8%	3.0%	3.2%	3.4%	3.6%	3.8%	3.9%	4.1%

#### MA Unemployment Rates in the Period October 2001 – September 2002

Year	2001			2002								
Month	O	N	D	J	F	M	A	M	J	J	A	S
UI Rate	4.3%	4.5%	4.7%	4.9%	5.0%	5.1%	5.2%	5.1%	5.3%	5.4%	5.5%	5.5%

#### FY 2004 (Initial) Labor Exchange Performance Period

Performance Outcomes for Labor Exchange Registrants in the Period July 2002 – June 2003

Based on Wage Record matching in the Period October 2002 – September 2003

MA Unemployment Rates in the Period October 2002 – September 2003

Year	2002			2003								
Month	O	N	D	J	F	M	A	M	J	J	A	S
UI Rate	5.5%	5.5%	5.6%	5.8%	5.9%	5.9%	5.8%	5.8%	5.8%	5.8%	5.9%	5.9%
EE Rate		<b>53%</b>			<b>49%</b>			<b>55%</b>			TBD	
ER Rate		NA			NA			<b>77%</b>			TBD	

#### FY 2005 Labor Exchange Performance Period

Performance Outcomes for Labor Exchange Registrants in the Period July 2003 – June 2004

Based on Wage Record matching in the Period October 2003 – September 2004

MA Unemployment Rates in the Period October 2003 – September 2004

Year	2003			2004								
Month	O	N	D	J	F	M	A	M	J	J	A	S
UI Rate	5.8%	5.7%	5.9%	5.6%	5.4%	5.1%	4.8%	TBD	TBD	TBD	TBD	TBD
EE Rate	TBD			TBD			TBD			TBD		
ER Rate	TBD			TBD			TBD			TBD		