

**To:** Indiana’s Workforce System

**From:** Indiana Department of Workforce Development (DWD)

**Date:** September 11, 2024

**Subject:** DWD Policy 2024-03  
Measurable Skill Gains Primary Indicator of Performance for Workforce  
Innovation and Opportunity Act (WIOA) Title I Programs

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## Purpose

Provide guidance to Local Workforce Development Boards (local boards) on the Measurable Skill Gains (MSGs) Performance Indicator for participants of WIOA Title I programs who are enrolled in education or training at any point during their program participation.

## References

- WIOA Sec. 116
- 20 CFR 677.155(a)(1)(v)
- 45 CFR 1355.20
- Every Student Succeeds Act (ESSA)<sup>1</sup>
- TEGL 10-16, Change 3 *Performance Accountability Guidance for Workforce Innovation and Opportunity Act (WIOA) Core Programs*
- TEGL 23-19, Change 2 *Guidance for Validating Required Performance Data Submitted by Grant Recipients of U.S. Department of Labor (DOL) Workforce Programs*
- Indiana Department of Education, *Indiana Academic Standards*<sup>2</sup> webpage
- DWD Policy 2023-18 *WIOA Negotiations and Sanctions*
- DWD Policy 2023-05 *Maintaining Data Integrity in Workforce Programs*
- DWD Policy 2021-08, Change 1 *Co-Enrollment and Common Exit*
- DWD Policy 2017-13, Change 3 *Educational Functioning Level Assessment Policy*

## Content

Section 116 of WIOA lists MSGs as one of six performance accountability indicators that assess the effectiveness of states and local areas in achieving positive outcomes for individuals served by the workforce development system’s core programs. The MSG 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.<sup>3</sup> The other primary indicators of performance are<sup>4</sup>:

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<sup>1</sup> <https://www.congress.gov/114/plaws/publ95/PLAW-114publ95.pdf>.

<sup>2</sup> DOE: [Indiana Academic Standards](#).

<sup>3</sup> 20 CFR 677.155(a)(1)(v)

<sup>4</sup> See DWD’s *WIOA Negotiations and Sanctions* policy for the definitions of each performance indicator.

- Employment Rate – 2nd Quarter After Exit
- Employment Rate – 4th Quarter After Exit
- Median Earnings – 2nd Quarter After Exit
- Credential Attainment
- Effectiveness in Serving Employers

### *Types of Measurable Skill Gains*

The MSG indicator is used to measure interim progress of participants who are enrolled in education or training services for a specified reporting period. Therefore, it is not an exit-based measure. Instead, it is intended to capture important progressions through pathways that offer different services based on program purposes and participant needs.

There are five (5) ways of documenting MSGs:

1. Documentation of the achievement of at least one educational functioning level of a participant who is receiving instruction below the postsecondary level;
2. Documentation of the attainment of a secondary school diploma or its recognized equivalent;
3. Secondary or postsecondary transcript or report card for a sufficient number of credit hours that shows a participant is meeting the State unit's<sup>5</sup> academic standards;
4. Satisfactory or better progress report towards established milestones, such as completion of on-the-job training (OJT) or completion of one year of an apprenticeship program or similar milestones, from an employer or training provider who is providing training; and
5. Successful passage of an exam that is required for a particular occupation or progress in attaining technical or occupational skills as evidenced by trade-related benchmarks, such as knowledge-based exams.

See **Attachment A** for descriptions for documenting progress toward each MSG and examples of acceptable documents to be collected that support the achievement of each MSG.

### *Title I Participant Details*

All participants who, during a program year, are in an education or training program that leads to a recognized postsecondary credential or employment are counted in the calculation of this indicator. The following participants in education or training programs are included:

- **Title I Adult and Dislocated Worker:** All participants who are in a title I Adult or Dislocated Worker-funded training program or training from a DOL partner program that shares a common exit with title I Adult or Dislocated Worker<sup>6</sup> are included in the MSG indicator, which includes funding a training program for a secondary school program equivalent. This includes all participants in work-based training.

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<sup>5</sup> In Indiana, the state unit is the Indiana Department of Education.

<sup>6</sup> Programs that are subject to Indiana's common exit protocol are as follows: Adult, Dislocated Worker, and Youth; National Dislocated Worker Grants; Wagner-Peyser, JVSG, and TAA. See DWD's *Co-Enrollment and Common Exit* policy for additional guidance.

- **Title I Youth:** All in-school youth (ISY) are included in the MSG indicator since they are attending secondary or postsecondary school. Only out-of-school youth who are in one of the following are included in the indicator:
  - The program element occupational skills training;
  - The program element education offered concurrently with workforce preparation;
  - Secondary education during participation in the title I Youth program;
  - Postsecondary education during participation in the title I Youth program;
  - Title II-funded adult education during participation in the title I Youth program;
  - The YouthBuild program during participation in the title I Youth program; or
  - Job Corps during participation in the title I Youth program.

### *Methodology*

The numerator and denominator used to calculate the MSG indicator are defined below:

<b>MSG Calculation</b>
<p>The number of program participants during the reporting period who are in an education or training program that leads to a recognized postsecondary credential or employment and are achieving measurable skill gains based on attainment of at least one type of gain.</p> <hr/> <p>The number of program participants during the reporting period who are in an education or training program that leads to a recognized postsecondary credential or employment.</p>

### *Title I Participant Exclusions<sup>7</sup>*

- The participant exits the program because they have become incarcerated in a correctional institution or have 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.
- 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.
- The participant is deceased.
- 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.
- **Additional Youth exclusion:** 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.

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<sup>7</sup> TEGL 10-16, Change 3.

### ***Additional Operational Parameters***

- Participants are only included in the denominator and numerator one time per reporting period (i.e., program year), regardless of how many skill gains they achieve in a given program year unless the individual has more than one period of participation in a given program year;
- A participant who exits the program and re-enrolls in the program during the same program year and is in an education or training program will be in the indicator twice for that particular program year;
- The MSG indicator is different from the other indicators because it is not exit-based, meaning that a participant can achieve an MSG while still participating in a program; and
- Programs must not delay enrollment or services to participants until a new program year even if programs believe there is insufficient time for the participant to make any type of MSG by the end of that program year.

### ***Recording MSGs***

Participant information, including MSGs, must be recorded in Indiana's electronic case management system in alignment with DWD's *Maintaining Data Integrity in Workforce Programs* policy. All supporting MSG documentation must be uploaded to the participant's electronic file.

### **Action**

Local boards must ensure local policies align with this guidance and that their center staff are familiar with its contents. Staff must record participant MSGs and electronically maintain supporting documentation, as appropriate.

Policy content is subject to routine DWD monitoring.

### **Attachments**

**Attachment A** – Documenting Skill Gains: Types, Progress Descriptions, and Examples of Acceptable Documentation

### **Effective Date**

Immediately.

### **Ending Date**

Upon rescission.

### **Additional Information**

Questions regarding the content of this publication should be directed to [policy@dwd.in.gov](mailto:policy@dwd.in.gov).

## Attachment A

### Documenting Skill Gains: Types, Progress Descriptions, and Examples of Acceptable Documentation<sup>8</sup>

The table below lists the types of MSGs, descriptions for documenting progress toward each MSG, and examples of documents to be collected that support the achievement of each MSG. Please note that the first three gain types typically apply to participants in education, while gain types four and five typically apply to participants in training.

**NOTE: To learn more about entering gain types in Indiana Career Connect, those with access to the WorkOne Staff Portal can view additional technical assistance by navigating to the “Training” tab, selecting “Tools and Assessments,” opening the “Indiana Career Connect Information” link, and selecting “Credentials and MSG.”**

Gain Type	Documenting Progress	Example Document(s) <sup>9</sup>
1. Achievement of at least one educational functioning level <sup>10</sup> of a participant who is receiving instruction below the postsecondary level.	a) Indiana compares the participant’s initial functioning level, as measured by an approved pre-test, with the participant’s educational functioning level, as measured by an approved post-test. <sup>11</sup> b) Adult high school programs that lead to a secondary school diploma <sup>12</sup> or its recognized equivalent may measure and report educational gain through the award of credits or Carnegie units; or c) Indiana programs may report an educational functioning level gain for participants who are enrolled in a program below <sup>13</sup> the postsecondary level and who enroll in State-recognized postsecondary education or training during the program year. d) States may report an educational functioning level gain for participants who pass a subtest on a State-recognized high school equivalency examination. <sup>14</sup>	<ul style="list-style-type: none"> <li>• Pre and post-test results;</li> <li>• Copy of adult high school program transcript detailing credits/units awarded;</li> <li>• Copy of postsecondary schedule or other provider documents showing enrollment; or</li> <li>• Copy of completed subtest results on a State-recognized high school equivalency examination.</li> </ul>

<sup>8</sup> TEGL 23-19, Change 2, as applicable.

<sup>9</sup> **NOTE: Document(s) must be scanned to the participant’s electronic file.**

<sup>10</sup> See DWD’s *Educational Functioning Level Assessment Policy* for additional guidance.

<sup>11</sup> The approved tests must be based on the lists of tests the United States Department of Education determines to be suitable for use in the National Reporting System for Adult Education. The list is published annually in the Federal Register.

<sup>12</sup> “Secondary school diploma” refers to a regular high school diploma, as defined in section 8101(43) of the Elementary and Secondary Education Act (ESEA), as amended by the ESSA.

<sup>13</sup> A program below the postsecondary level applies to participants enrolled in a basic education program.

<sup>14</sup> See DWD’s *Educational Functioning Level Assessment Policy* for additional guidance.

Gain Type	Documenting Progress	Example Document(s)
2. Attainment of a secondary school diploma or its recognized equivalent.	Indiana programs may document attainment of a secondary school diploma or its recognized equivalent if the participant obtains certification of attaining passing scores on all parts of a State-recognized high school equivalency test, or the participant obtains a diploma or State-recognized equivalent documenting satisfactory completion of secondary studies or an alternate diploma, <sup>15</sup> including a high school or adult secondary school diploma.	Copy of <ul style="list-style-type: none"> <li>• Diploma;</li> <li>• HSE;</li> <li>• High school/adult education records; or</li> <li>• Adult secondary school diploma.</li> </ul>
3. Secondary or postsecondary transcript or report card for a sufficient number of credit hours that shows a participant is meeting Indiana's academic standards. <sup>16</sup>	<p>For secondary education, receipt of a secondary transcript<sup>17</sup> or report card for one semester showing that the participant is achieving the Indiana's policies for academic standards.</p> <p>For postsecondary education, this gain must demonstrate 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 shows a participant is achieving Indiana's academic standards (or the equivalent for other than credit hour programs).</p>	Copy of <ul style="list-style-type: none"> <li>• Transcript; or</li> <li>• Report card.</li> </ul>

<sup>15</sup> An alternate diploma must meet the requirements under the ESEA, as amended by the ESSA, as defined in section 8101(25)(A)(ii)(I)(bb). It is only for students with the most significant cognitive disabilities who take the State's alternate assessment based on alternate academic achievement standards, which can be no more than one percent of all students in the State.

<sup>16</sup> Visit the Indiana Academic Standards webpage for additional guidance.

<sup>17</sup> Secondary transcript is specific to youth attending high school.

Gain Type	Documenting Progress	Example Document(s)
<p>4. Satisfactory or better progress report, towards established milestones,<sup>18</sup> such as completion of OJT or completion of one year of an apprenticeship program<sup>19</sup> or similar milestones, from an employer or training provider who is providing training.</p>	<p>Documentation for this gain may vary, as programs should identify appropriate methodologies based upon the nature of services being provided, but progress reports must document substantive skill development that the participant has achieved. The gain may be documented by a satisfactory or better progress report from an employer or training provider. Progress reports may include training reports on milestones completed as the individual masters the required job skills, or steps to complete an OJT or apprenticeship program. Increases in pay resulting from newly acquired skills or increased performance also can be used to document progress.</p>	<p>A copy of:<sup>20</sup></p> <ul style="list-style-type: none"> <li>• Documentation of a skill gained through OJT, or Registered Apprenticeship;</li> <li>• Contract and/or evaluation from employer or training provider documenting a skill gain; or</li> <li>• Progress report from employer documenting a skill gain.</li> </ul>
<p>5. Successful passage of an exam that is required for a particular occupation or progress in attaining technical or occupational skills as evidenced by trade-related benchmarks, such as knowledge-based exams.</p>	<p>Documentation may include passage of a component exam in a Registered Apprenticeship program, passage of an employer-required knowledge-based exam, satisfactory attainment of an element on an industry or occupational competency-based assessment, or other completion test necessary to obtain a credential.</p>	<p>A copy of:<sup>21</sup></p> <ul style="list-style-type: none"> <li>• Results of knowledge-based exam or certificate of completion measuring a skill;</li> <li>• Documentation demonstrating progress in attaining technical or occupational skills through an exam or benchmark attainment;</li> <li>• Documentation from training provider or employer; or</li> <li>• Copy of a credential that is required for a particular occupation and only is earned after the passage of an exam.</li> </ul>

<sup>18</sup> Milestones should be established in advance of the education or training program, or in advance of the program year being measured, to be considered an “established milestone.”

<sup>19</sup> The “completion of one year of an apprenticeship” is just one example of a timeframe that may be established for achieving a satisfactory or better progress report toward an established milestone, and the “one year” timeframe should not be construed as a required timeframe or the only way that a participant in an apprenticeship can achieve a Measurable Skill Gain.

<sup>20</sup> NOTE: For grants funded by the National Apprenticeship Act, also include proof of wage increase.

<sup>21</sup> NOTE: For grants funded by the National Apprenticeship Act, also include proof of wage increase and copy of interim credential.