



October 4, 2022

EASTERN CAROLINA LOCAL AREA ISSUANCE NO. 2020-05, Change 1

SUBJECT: Profit Calculator Policy

PURPOSE: To provide a methodology for calculating pay for performance profit in which Workforce Innovation and Opportunity Act (WIOA) funds may be used to pay a profit only after negotiated performance goals are met and outcomes are validated and rescind Eastern Carolina Local Area Issuance No. 2020-05 dated February 9, 2021.

BACKGROUND. Profit is defined as the contractor's/service provider's return after meeting **ALL** WIOA-related operating expenses. It is allowable for **for-profit contractors/service providers only**. Profit may be paid as a lump sum after services are delivered, in the form of a fee as incremental performance benchmarks are achieved or as part of a fixed unit price. In all cases, the earning of profit must be tied to the reasonable and measurable delivery of the contract objectives.

ACTION. WIOA service providers will be reimbursed for the profit line item in the budget using the appropriate program Profit Calculator (Adult program, Dislocated Worker program, & Youth program - Attachment A). All profit earned is payable quarterly (four times) during the contract and is based on actual expenditures. The Profit Calculator (Attachment A) contains four performance measures for each program and is based upon the numbers provided in the service provider's financial budget and planned participant level for the program year. Each measure has a weighted percentage of the profit. If measures are not met in one quarter but are met by year end, then the total profit for that line item will be paid in the last quarter. Also, if measures are met each quarter but cumulative goals are not met by year end, then the total profit for that line item will be paid based on the percentage of the goal met for the entire program year.

To be eligible for a profit payment, the WIOA service provider must:

- a) serve WIOA participants with barriers to employment determined eligible for training services under WIOA title I Adult and Dislocated Worker programs, and the allowable services under the Youth program; and
- b) meet or exceed the contractually specified performance outcomes for the WIOA indicators for the population served, to receive any performance payments.

- c) A percentage of the profit will be earned based upon contractually specified performance outcomes.
- d) The established performance indicators are as follows:
 - 1) Placement into Employment/Training – 30%
 - 2) Attainment of Measurable Skills Gain – 30%
 - 3) Completion of OJT Contract – 30%
 - 4) Employed Second Quarter After Exit – 10%
- e) Profit percentages will be weighted as indicated in item D above for each of the four required performance indicators met.

Profit will be paid on a quarterly basis, based on actual quarterly expenditures, and quarterly negotiated performance as determined by NCWorks and Future Works data that will be provided by the service provider as a part of the request for profit payment.

EFFECTIVE DATE: July 1, 2022

EXPIRATION DATE: Indefinite

CONTACT: Executive Director

DISTRIBUTION: For-Profit WIOA Title I Service Providers



Tammy L. Childers, Executive Director

Instructions for Attachment A
Attachment A

Instructions for Attachment A

1. Enter Planned # of participants to serve – this will give you the annual target number of participants for each measure based on the WIOA federal performance measures for the Local Area.
2. Enter the profit budget amount – this is the amount of your total contract that the profit will be determined from.
3. Complete the Qtr Target numbers for each measure and for each quarter – this will establish your quarterly targets. This should be turned in to Eastern Carolina WDB prior to requesting any profit.
4. For each quarter you will enter the actual expenditures for that quarter and your actual numbers for each performance measure. This will determine what the profit is for that quarter.

***Note* If actual numbers cause the quarterly profit to exceed the maximum profit for the quarter, only the maximum profit will be paid.**

Eastern Carolina Workforce Development Board, Inc.
Annual Profit Calculator Summary - Performance Measures For PY 22

Planned #	Annual Target #	Performance Measure		
	0	Placement in Employment/Training	75%	<i>Percentages used to establish target # based on WIOA federal performance measures for PY 22</i>
	0	Attainment of Measurable Skills Gain	52%	
	0	Completion of OJT Contract	59%	
	0	Employed 2nd Qtr After Exit	77%	

Profit Budget Amount	Profit	Maximum Profit
\$ -	10%	\$ -

WIOA TITLE I ADULT PROGRAM QUARTER 1 (JULY 2022 - SEPTEMBER 2022)									
Actual Qtrly Expenditures	Profit	Max Profit	Qtr Target	Performance Measure	Profit Per Measure	Per Participant	Actual #s	Actual x PP	
\$ -	10%	\$ -		Placement in Employment/Training	30%	\$ -	#DIV/0!		#DIV/0!
				Attainment of Measurable Skills Gain	30%	\$ -	#DIV/0!		#DIV/0!
				Completion of OJT Contract	30%	\$ -	#DIV/0!		#DIV/0!
				Employed 2nd Qtr After Exit	10%	\$ -	#DIV/0!		#DIV/0!
						\$ -	#DIV/0!		#DIV/0!

WIOA TITLE I ADULT PROGRAM QUARTER 2 (OCTOBER 2022 - DECEMBER 2022)									
Actual Qtrly Expenditures	Profit	Max Profit	Qtr Target	Performance Measure	Profit Per Measure	Per Participant	Actual #s	Actual x PP	
\$ -	10%	\$ -		Placement in Employment/Training	30%	\$ -	#DIV/0!		#DIV/0!
				Attainment of Measurable Skills Gain	30%	\$ -	#DIV/0!		#DIV/0!
				Completion of OJT Contract	30%	\$ -	#DIV/0!		#DIV/0!
				Employed 2nd Qtr After Exit	10%	\$ -	#DIV/0!		#DIV/0!
						\$ -	#DIV/0!		#DIV/0!

WIOA TITLE I ADULT PROGRAM QUARTER 3 (JANUARY 2023 - MARCH 2023)									
Actual Qtrly Expenditures	Profit	Max Profit	Qtr Target	Performance Measure	Profit Per Measure	Per Participant	Actual #s	Actual x PP	
\$ -	10%	\$ -		Placement in Employment/Training	30%	\$ -	#DIV/0!		#DIV/0!
				Attainment of Measurable Skills Gain	30%	\$ -	#DIV/0!		#DIV/0!
				Completion of OJT Contract	30%	\$ -	#DIV/0!		#DIV/0!
				Employed 2nd Qtr After Exit	10%	\$ -	#DIV/0!		#DIV/0!
						\$ -	#DIV/0!		#DIV/0!

WIOA TITLE I ADULT PROGRAM QUARTER 4 (APRIL 2023 - JUNE 2023)									
Actual Qtrly Expenditures	Profit	Max Profit	Qtr Target	Performance Measure	Profit Per Measure	Per Participant	Actual #s	Actual x PP	
\$ -	10%	\$ -		Placement in Employment/Training	30%	\$ -	#DIV/0!		#DIV/0!
				Attainment of Measurable Skills Gain	30%	\$ -	#DIV/0!		#DIV/0!
				Completion of OJT Contract	30%	\$ -	#DIV/0!		#DIV/0!
				Employed 2nd Qtr After Exit	10%	\$ -	#DIV/0!		#DIV/0!
						\$ -	#DIV/0!		#DIV/0!

PY 22-23 TOTAL ACTUAL EXPENDITURES	PROFIT %	MAXIMUM PROFIT	Annual Target	Performance Measures
\$ -	10%	\$ -	0	Placement in Employment/Training
			0	Attainment of Measurable Skills Gain
			0	Completion of OJT Contract
			0	Employed 2nd Qtr After Exit

TOTAL PROFIT PAID	#DIV/0!

Eastern Carolina Workforce Development Board, Inc.
Annual Profit Calculator Summary - Performance Measures For PY 22

Planned #	Annual Target #	Performance Measure		
	0	Placement in Employment/Training	75%	<i>Percentages used to establish target # based on WIOA federal performance measures for PY 22</i>
	0	Attainment of Measurable Skills Gain	57%	
	0	Completion of OJT Contract	60%	
	0	Employed 2nd Qtr After Exit	75%	

Profit Budget Amount	Profit	Maximum Profit
\$ -	10%	\$ -

WIOA TITLE I DISLOCATED WORKER PROGRAM QUARTER 1 (JULY 2022 - SEPTEMBER 2022)								
Actual Qtrly Expenditures	Profit	Max Profit	Qtr Target	Performance Measure	Profit Per Measure	Per Participant	Actual #s	Actual x PP
\$ -	10%	\$ -		Placement in Employment/Training	30%	\$ -	#DIV/0!	#DIV/0!
				Attainment of Measurable Skills Gain	30%	\$ -	#DIV/0!	#DIV/0!
				Completion of OJT Contract	30%	\$ -	#DIV/0!	#DIV/0!
				Employed 2nd Qtr After Exit	10%	\$ -	#DIV/0!	#DIV/0!
						\$ -	#DIV/0!	#DIV/0!

WIOA TITLE I DISLOCATED WORKER PROGRAM QUARTER 2 (OCTOBER 2022 - DECEMBER 2022)								
Actual Qtrly Expenditures	Profit	Max Profit	Qtr Target	Performance Measure	Profit Per Measure	Per Participant	Actual #s	Actual x PP
\$ -	10%	\$ -		Placement in Employment/Training	30%	\$ -	#DIV/0!	#DIV/0!
				Attainment of Measurable Skills Gain	30%	\$ -	#DIV/0!	#DIV/0!
				Completion of OJT Contract	30%	\$ -	#DIV/0!	#DIV/0!
				Employed 2nd Qtr After Exit	10%	\$ -	#DIV/0!	#DIV/0!
						\$ -	#DIV/0!	#DIV/0!

WIOA TITLE I DISLOCATED WORKER PROGRAM QUARTER 3 (JANUARY 2023 - MARCH 2023)								
Actual Qtrly Expenditures	Profit	Max Profit	Qtr Target	Performance Measure	Profit Per Measure	Per Participant	Actual #s	Actual x PP
\$ -	10%	\$ -		Placement in Employment/Training	30%	\$ -	#DIV/0!	#DIV/0!
				Attainment of Measurable Skills Gain	30%	\$ -	#DIV/0!	#DIV/0!
				Completion of OJT Contract	30%	\$ -	#DIV/0!	#DIV/0!
				Employed 2nd Qtr After Exit	10%	\$ -	#DIV/0!	#DIV/0!
						\$ -	#DIV/0!	#DIV/0!

WIOA TITLE I DISLOCATED WORKER PROGRAM QUARTER 4 (APRIL 2023 - JUNE 2023)								
Actual Qtrly Expenditures	Profit	Max Profit	Qtr Target	Performance Measure	Profit Per Measure	Per Participant	Actual #s	Actual x PP
\$ -	10%	\$ -		Placement in Employment/Training	30%	\$ -	#DIV/0!	#DIV/0!
				Attainment of Measurable Skills Gain	30%	\$ -	#DIV/0!	#DIV/0!
				Completion of OJT Contract	30%	\$ -	#DIV/0!	#DIV/0!
				Employed 2nd Qtr After Exit	10%	\$ -	#DIV/0!	#DIV/0!
						\$ -	#DIV/0!	#DIV/0!

PY 22-23 TOTAL ACTUAL EXPENDITURES	PROFIT %	MAXIMUM PROFIT	Annual Target	Performance Measures
\$ -	10%	\$ -	0	Placement in Employment/Training
			0	Attainment of Measurable Skills Gain
			0	Completion of OJT Contract
			0	Employed 2nd Qtr After Exit

TOTAL PROFIT PAID	#DIV/0!
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Eastern Carolina Workforce Development Board, Inc.
Annual Profit Calculator Summary - Performance Measures For PY 22

Planned #	Annual Target #	Performance Measure		
	0	Placement in Employment/Training	75%	<i>Percentages used to establish target # based on WIOA federal performance measures for PY 22</i>
	0	Attainment of Measurable Skills Gain	50%	
	0	Completion of OJT Contract	44%	
	0	Employed 2nd Qtr After Exit	71%	

Profit Budget Amount	Profit	Maximum Profit
\$ -	10%	\$ -

WIOA TITLE I YOUTH PROGRAM QUARTER 1 (JULY 2022 - SEPTEMBER 2022)								
Actual Qtrly Expenditures	Profit	Max Profit	Qtr Target	Performance Measure	Profit Per Measure	Per Participant	Actual #s	Actual x PP
\$ -	10%	\$ -		Placement in Employment/Training	30%	\$ -	#DIV/0!	#DIV/0!
				Attainment of Measurable Skills Gain	30%	\$ -	#DIV/0!	#DIV/0!
				Completion of OJT Contract	30%	\$ -	#DIV/0!	#DIV/0!
				Employed 2nd Qtr After Exit	10%	\$ -	#DIV/0!	#DIV/0!
						\$ -	#DIV/0!	#DIV/0!

WIOA TITLE I YOUTH PROGRAM QUARTER 2 (OCTOBER 2022 - DECEMBER 2022)								
Actual Qtrly Expenditures	Profit	Max Profit	Qtr Target	Performance Measure	Profit Per Measure	Per Participant	Actual #s	Actual x PP
\$ -	10%	\$ -		Placement in Employment/Training	30%	\$ -	#DIV/0!	#DIV/0!
				Attainment of Measurable Skills Gain	30%	\$ -	#DIV/0!	#DIV/0!
				Completion of OJT Contract	30%	\$ -	#DIV/0!	#DIV/0!
				Employed 2nd Qtr After Exit	10%	\$ -	#DIV/0!	#DIV/0!
						\$ -	#DIV/0!	#DIV/0!

WIOA TITLE I YOUTH PROGRAM QUARTER 3 (JANUARY 2023 - MARCH 2023)								
Actual Qtrly Expenditures	Profit	Max Profit	Qtr Target	Performance Measure	Profit Per Measure	Per Participant	Actual #s	Actual x PP
\$ -	10%	\$ -		Placement in Employment/Training	30%	\$ -	#DIV/0!	#DIV/0!
				Attainment of Measurable Skills Gain	30%	\$ -	#DIV/0!	#DIV/0!
				Completion of OJT Contract	30%	\$ -	#DIV/0!	#DIV/0!
				Employed 2nd Qtr After Exit	10%	\$ -	#DIV/0!	#DIV/0!
						\$ -	#DIV/0!	#DIV/0!

WIOA TITLE I YOUTH PROGRAM QUARTER 4 (APRIL 2023 - JUNE 2023)								
Actual Qtrly Expenditures	Profit	Max Profit	Qtr Target	Performance Measure	Profit Per Measure	Per Participant	Actual #s	Actual x PP
\$ -	10%	\$ -		Placement in Employment/Training	30%	\$ -	#DIV/0!	#DIV/0!
				Attainment of Measurable Skills Gain	30%	\$ -	#DIV/0!	#DIV/0!
				Completion of OJT Contract	30%	\$ -	#DIV/0!	#DIV/0!
				Employed 2nd Qtr After Exit	10%	\$ -	#DIV/0!	#DIV/0!
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			0	Attainment of Measurable Skills Gain
			0	Completion of OJT Contract
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TOTAL PROFIT PAID	#DIV/0!
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