

101(28) of the OAA defines "greatest social need" as the need caused by non-economic factors, which include: physical and mental disabilities; language barriers; and cultural, social, or geographical isolation, including isolation caused by racial or ethnic status, that restricts the ability of an individual to perform normal daily tasks, or threatens the capacity of the individual to live independently. The definition also includes individuals with a poor employment history or prospects and individuals over age 60. Grantees may identify individuals with poor employment history or prospects from the information participants provide during the initial assessment process.

The second indicator in the OAA is "community services provided." This indicator has not been previously used in SCSEP. However challenging it is to measure, it is important because it recognizes the dual purpose of the SCSEP program and provides a tracking measurement in furtherance of the community benefit goal. The Department considered several variations on how it should measure community services provided to participants. Some of these variations include: Reviewing the accomplishments (*i.e.*, "SCSEP participants helped more than 750 children to read over the past year"); hours of community services provided (*i.e.*, "SCSEP mentors provided more than 6,000 hours of tutoring"); value added to the community expressed as a dollar amount (*i.e.*, multiply the hours of service by an appropriate wage level); some way of looking at or comparing general services to the community with services to the elderly community or aging network; and adding questions on the American Customer Satisfaction Index (ACSI) survey that relate to community service. The Department decided that the number of hours of community services provided was a good measure for this indicator because it represents the most accurate way of capturing this information and also allows the Department to establish a level of performance. The OAA defines "community services," at section 516(1), as social, health, welfare, and educational services (including literacy tutoring), legal and other counseling services and assistance, including tax counseling and assistance and financial counseling, and library, recreational, and other similar services; conservation, maintenance, or restoration of natural resources; community betterment or beautification; antipollution and environmental quality efforts;

weatherization activities; economic development; and such other services essential and necessary to the community as the Department may prescribe. At this time, we have not prescribed any services in addition to those specified in the OAA.

The placement and retention measure is the third statutory indicator and is found at section 513(b)(3) of the OAA. The Department intends to divide this measure into two measures: one measure that captures placement into unsubsidized employment, and one measure that captures retention in unsubsidized employment. The placement indicator is defined in the OAA, at section 513(c)(2)(A), as full- or part-time paid employment in the public or private sector by a participant under this title for 30 days within a 90-day period without the use of funds under this title or any other Federal or State employment subsidy program, or the equivalent of such employment as measured by the earning of a participant through the use of wage records or other appropriate methods. Therefore, the placement indicator will stand alone and be measured based on the number of participants who move into unsubsidized employment during each year, compared to the total number of participants. Unsubsidized employment includes both full- and part-time jobs consistent with the definition found in section 513(c)(2)(A) of the OAA. Part-time is defined as at least 20 hours of workweek employment. (OAA sec. 515(a)).

Retention 6 months after placement is a new measure for SCSEP and is defined in the OAA, at section 513(c)(2)(B). It requires grantees to evaluate the retention of participants in an unsubsidized position 6 months after the starting date of placement into the unsubsidized employment in the public or private sector, without the use of Federal or State employment subsidy program funds, not to include supportive services.

The fourth indicator, "customer satisfaction of participants, employers and host agencies," is a required measure under section 513(b)(4) of the OAA. The Department interprets this provision as requiring 3 separate and distinct measures of customer satisfaction: one measure for participant satisfaction; one measure for employer satisfaction; and one measure for host agency satisfaction. Since these three groups vary in size, focus, and expectations, measuring them separately will give equal weight to the needs of each group and ensure that program operators are attending to their diverse needs. Customer satisfaction for all

three groups will be determined using the American Customer Satisfaction Index (ACSI). The ACSI is the most widely used indicator of general customer satisfaction. It captures common customer satisfaction information that can be aggregated and compared at different levels. The ACSI will allow the SCSEP program to not only look at its performance, but also to benchmark its performance against other entities within and outside of the employment and training system. It is the methodology used to measure customer satisfaction under WIA, and was recently adopted by the U.S. Employment Service. The ACSI also has a history of usefulness in tracking changes over time, making it an ideal way to gauge progress in continuously improving performance—one of the essential tenets of the 2000 Amendments of the OAA. Through the ACSI, the Department will collect national samples from each of the three populations. Each sample will be large enough to collect statistically valid results for each State grantee and each national grantee. Grantees will be responsible for distributing written survey instruments using the methodology established by the Department in administrative guidance. Completed surveys will be sent to a central collection point for collation and analysis. The Department will publish administrative guidance in the **Federal Register** that provides more information about the licensing of ACSI and the responsibility of grantees to this process, and about how information will be collected for this indicator. Customer satisfaction data collection and analysis are costly. Data will be collected for performance measures purposes for States, national grantees, and national grantees in a State, and the territories. According to the OAA, at section 513(b)(5), the Department may create any additional indicators of performance that it determines are appropriate to evaluate services and performance. The Department has decided to add the earnings increase common performance measures as an additional performance measure. This measure is defined as the percentage change in earnings pre-registration to post-program; and between the first quarter after exit and the third quarter. The methodology for determining this measure is calculated in two parts. The first part measures the change pre-registration to post-program. The second part measures the earning increase from the start of employment to 6 months after.