



# Montana Department of LABOR & INDUSTRY

Division: Workforce Services Division

Category: WIOA

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Policy No.: 18-18

## Credentials Policy

**Background:** The Workforce Innovation and Opportunity Act (WIOA) established six primary performance accountability indicators and performance reporting requirements to assess the effectiveness of states and local workforce development areas in achieving positive outcomes for individuals served by the workforce development system. This policy is specific to the Credential attainment.

Identifying and obtaining credentials assists job seekers to acquire and document the skills and competencies needed for quality, in-demand occupations, while meeting the workforce development needs of local business communities. Credentials also serve as a key signal to businesses that they are hiring qualified individuals. Credential attainment offers job seekers, businesses, and their local communities opportunities for economic growth and stability.

**Scope:** This policy applies to all service providers required to report Credentials to Montana Department of Labor & Industry (MTDLI) as the administrative entity responsible for the operation of the WIOA Title 1B Core and Title II Adult Education and Family Literacy Act (AEFLA) programs. This policy is effective July 1, 2025.

### Policy:

#### A. WIOA Definition

- Credential attainment is defined as a credential consisting of an industry-recognized certificate or certification, a certificate of completion of an apprenticeship, a license recognized by the state or federal government, or an associate or baccalaureate degree.
- Before being counted as a successful outcome, participants who obtain a secondary school diploma or the equivalent must also meet the additional condition of employment or enrollment in education or training leading to a postsecondary credential within one year following exit.
- A secondary school diploma that is recognized by the state and is included for accountability purposes under the Elementary and Secondary Education Act of 1965 as amended by Every Student Succeeds Act (ESSA). A secondary school equivalency certification documents that a student has completed the requirements of a high school education. Examples of secondary school diplomas, alternate diplomas, and recognized equivalents recognized by the states include:
  - Obtaining certification of attaining passing scores on a state-recognized high school equivalency test;
  - Earning secondary school diplomas, alternate diplomas, and recognized equivalent through a credit bearing secondary education program sanctioned by state law, code or regulation;
  - Obtaining certification of passing a state-recognized, competency-based assessment; and
  - Completion of a specified number of college credits.

- Only participants who exited due to one of the following reasons will be excluded from performance calculations:
  - Incarceration in a correctional institution
  - Resident of an institution/facility providing 24-hour support (hospital, treatment center)
  - Medical treatment expected to last longer than 90 days and precludes employment or participation
  - Deceased
  - Called to active duty for at least 90 days
  - Placed out of state because of Foster Care system (youth only)
  - Ineligible

## B. Participants

All participants enrolled in an education or training program (excluding those in on-the-job training (OJT) and customized training) who attain a recognized postsecondary credential or a secondary school diploma, or its recognized equivalent, during participation in or within one year after exit from the program. A participant who has attained a secondary school diploma or its recognized equivalent is included in the percentage of participants who have attained a secondary school diploma or its recognized equivalent, only if the participant is also employed or is enrolled in an education or training program leading to a recognized postsecondary credential within one year after exit from the program.

Participants will be included in the measure six quarters after exit from enrollment. Since training or education programs are defined by each core program, the following participants are included by core program:

- Title I Adult and Dislocated Worker – All Adult and Dislocated Worker program participants who were enrolled in an education or training program (excluding those in an OJT or Customized Training) are included in the credential attainment indicator.
- Title I Youth – All in-school youth are included in the measure. Out-of-school youth are included if they are enrolled in one of the following education or training programs at any point during the program year.
  - Occupational skills training;
  - Secondary education (or the equivalent);
  - Postsecondary education;
  - Title II-funded adult education concurrent with the Youth program;
  - Youth Build program participation concurrent with the Youth program; or
  - Job Corps program participation concurrent with the Youth program.
- Please note: As reflected in the Youth Program's elements, On-The-Job Training (OJT) is considered a type of Work Experience (WEX) for youth and is not considered training. Youth participating in an OJT, or any type of WEX, will not be included in the Credentials indicator.

## C. Credential Types

### 1. Educational Diplomas, Degrees, and Certificates

- Associate's degree
- Bachelor's degree
- Educational certificate
- Secondary school diploma

### 2. Registered Apprenticeship Program (RAP) Certificates of Completion

- Registered Apprenticeship Program Certificates of Completion
- Interim credentials
- Industry-Recognized apprenticeship Program (IRAP)

### 3. Occupational Licenses

- Issued by government entities

### 4. Certifications

- Industry or professional association; or product vendor, etc.

- 89 5. Other
- 90 • Recognized certificates of industry or occupational skills completion sufficient to qualify for entry-level or
- 91 advancement in employment.
- 92

#### 93 D. Characteristics of Credentials

94 Four characteristics that strengthen the value of credentials to individuals and businesses:

##### 95 1. Industry Recognition

- 96 • Developed and offered by, or endorsed by, a national or regionally-recognized industry association or
- 97 organization representing a sizeable portion of the industry sector, or
- 98 • Is sought or accepted by companies within the industry sector for purposes of hiring or recruitment,
- 99 which may include credentials from vendors or certain products.

##### 100 2. Stackability

- 101 • A sequence of credentials accumulated over time to build up a job seeker's qualifications.
- 102 • Assists individuals to move along a career pathway or up a career ladder to different and potentially
- 103 higher-wage jobs.

##### 104 3. Portability

- 105 • Recognized and accepted as supporting the qualifications an individual in other settings, for example:
- 106 geographical locations across the country; educational institutions; or other industries or businesses.
- 107 • Registered Apprenticeship Program (RAP) Certificates of Completion.

##### 108 4. Accreditation

- 109 ○ By an independent, quality-review body is a valuable attribute and is often required for
- 110 education institutions so that students may be eligible for federal financial aid. For example:An
- 111 institution of higher education, including those formally controlled, sanctioned, or chartered by
- 112 the governing body of an Indian tribe (s);Community college;A State agency responsible for
- 113 vocation or technical education; orA specific education program, such as one approved by the
- 114 Department of Veteran Affairs, offering education benefits to veterans and other eligible
- 115 individuals.Some credentials offered by industry or professional associations or product vendors
- 116 may not be accredited. In that case, please consider the following additional markers of quality
- 117 or labor market value:Industry-wide recognition;
- 118 ○ Professional association acceptance; or
- 119 ○ Local demand.
- 120

#### 121 E. Identifying Relevant Credentials

122 Providers should make sure that credentials count toward the WIOA primary indicators of performance in the

123 following ways, that:

- 124 • The training program is offered by an organization or institution that awards postsecondary credentials;
- 125 • The credential results in industry-wide, measurable technical or industry/occupation skills; and
- 126 • The training is one of the following;
- 127 ○ Occupational skills training; (requires Eligible Training Provider (ETP))
- 128 ○ Skill upgrading and retraining; (requires ETP)
- 129 ○ Entrepreneurial training; (requires ETP)
- 130 ○ Adult education and literacy activities, including English language acquisition, provided in
- 131 combination with other training ; (does not require ETP) or
- 132 ○ Registered Apprenticeship.
- 133 • The secondary school diploma meets [the WIOA definition](#) provided in section A.
- 134

#### 135 F. Documentation

136 Credentials must be recorded as soon as they are earned during program participation; and can be recorded up

137 to one year after exit. Only one Credential earned by the participant is used to calculate performance for the

138 performance measure. MTDLI's Workforce Services Division must ensure that service provider staff record all

139 Credentials achieved in a timely manner to reflect full accounting of gains reported to the United States

140 Department of Labor (USDOL), Congress, and other stakeholders.

- All training services must be clearly identified and expectations for earning a credential must be stated in the participant's Individual Service Strategy (ISS) or Individual Employment Plan (IEP).
  - The participant must understand that once training begins, he or she is expected to complete all requirements.
  - If the participant fails to complete the entire program, program personnel must not report a credential.
- Service providers must include supporting documentation in the participant's file. Please refer to the [Data Validation Policy and the Data Validation Attachment – Federal Required Source Documentation](#).

## Performance Assessment:

Credential performance is assessed quarterly and annually using results from WIOA Performance Reporting Layout, also known as the PIRL. The following policies discuss performance reporting requirements, performance negotiations and sanctions, and additional performance measures:

- [Performance Measures and Reporting Policy](#)
- [Data Validation Policy and the Data Validation Attachment – Federal Required Source Documentation](#).

## Monitoring and Technical Assistance:

- A formal monitoring will be conducted by the entity designated by SWIB.
- Technical assistance will be provided by the Title I and Title II Program Managers.

## References:

- [TEGL 11-19 Change 2 - Guidance for Validating Jointly Required Performance Data Submitted Under WIOA](#)
- [TEGL 10-16, Change 3 - Performance Accountability Guidance](#)
- [TEGL 14-18 Aligning Performance Accountability Reporting, Definitions, and Policies](#)
- [TEN 25-19 Understanding Postsecondary Credentials in the Public Workforce System](#)
- [WIOA Eligible Training Providers](#)