

## **SOUTHWESTERN AREA WORKFORCE DEVELOPMENT BOARD**

### **Supplemental Wage Data Policy 19-03.1**

#### **Effective Date**

August 14, 2025

#### **Purpose**

The purpose of this guidance is to provide direction to the Service Providers regarding the permissible use of supplemental wage information to assist in fulfilling the performance accountability requirements under §116 of the Workforce Innovation and Opportunity Act (WIOA).

#### **References**

- A. Workforce Innovation and Opportunity Act (WIOA), July 22, 2014: §116.
- B. WIOA Final Rules - U.S. Department of Labor (Title I): 20 CFR §677.175.
- C. Training and Employment Guidance Letter WIOA No. 19-16 and 26-16 Operating Guidance for the Workforce Innovation and Opportunity Act.

#### **Background**

The Workforce Innovation and Opportunity Act (WIOA) outlines the primary indicators of performance and the corresponding performance reporting requirements. This policy provides guidance on the use of supplemental wage information when reliance on such information is necessary for verifying and reporting employment-related performance indicators.

#### **Availability of Social Security Numbers (SSNs) and Wage Records**

The use of wage records to measure the primary indicators of performance is the primary data source for employment-related performance indicators. America's Job Center (AJC) acknowledges that there may be circumstances where systems are unable to capture wage records. To ensure that programs can track participants for performance accountability, even if their information is not contained in the quarterly wage record system described below, it is permissible to use other information as necessary to measure the progress of those participants through methods other than quarterly wage information.

#### **Circumstances for Collecting Employment-Related Data Using Supplemental Methods**

The quarterly wage record system will be the primary data source for verifying participant outcomes, used to calculate the employment-related primary indicators of performance. The quarterly wage record system includes wages from:

- A. The employer tax filings in the New Mexico UI wage system,
  - B. The Wage Record Interchange System (WRIS), which contains employer tax filings from member state UI wage systems, and
  - C. The Federal Employment Data Exchanges (FEDES), which contains employment records from Federal employers (OPM, DOD, and USPS).
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Within each quarter after exit for which wages are required to be collected, if a direct match from the quarterly wage record system is used to determine both employment status and wages for the period, then the same direct wage match record must be used for both wages and employment status. Likewise, if supplemental wage information is used to determine both employment status and wages within the same reporting period, then the same supplemental wage information must be used for both wages and employment status. There is no requirement that the exact direct wage record match or supplemental wage information be used across multiple reporting periods.

Participants' quarterly earnings used to determine the median earnings indicator must only reflect the actual wages paid, not the earnings, to the participant during the quarter.

### **Supplemental Wage Information Methods**

Acceptable forms of supplemental wage information relevant to the core program include:

- A. Tax documents, payroll records, and employer records, including the following:
  - a. Copies of quarterly tax payment forms to the Internal Revenue Service, such as a Form 941 (Employer's Quarterly Tax Return);
  - b. Copies of pay stubs (minimum of two pay stubs); or
  - c. Signed letter or other information from employer on company letterhead attesting to an individual's employment status and earnings.
- B. Other supplemental wage records, such as the following:
  - a. Income earned from commission in sales or other similar positions;
  - b. Data matching with other partners with whom data sharing agreements exist; or
  - c. One-Stop operating systems' administrative records, such as current records of eligibility for programs with income-based eligibility (e.g., Temporary Assistance for Needy Families (TANF) or Supplemental Nutrition Assistance Program (SNAP).
  - d. Since the New Mexico UI wage system is a source of data to the quarterly wage record system, documentation obtained from the New Mexico UI wage system is not an acceptable form of supplemental wage data.

### **Time Period for Collecting Supplemental Wage Information**

The timing for collecting supplemental wage data may vary based on whether the case manager knows or expects that data will not be available in the quarterly wage record system. The need for supplemental wage data for a participant may not be apparent until no match is found in the quarterly wage record system, which becomes available on a time-lagged basis. Wage data for employment-related performance indicators during the second quarter will not become available until the latter part of the third quarter after exit, and wage data for indicators during the fourth quarter will not become available until the latter part of the fifth quarter after exit.

The optimal time to collect supplemental wage information is as soon as possible following the close of the second and fourth full quarters after exit. When the case manager knows or predicts that UI wage data will not be available for a participant, the case manager does not need to wait two quarters after the close of the second and fourth quarters following exit to document the supplemental wage data formally. The Service Providers must develop or modify participant exit procedures to ensure that case managers inform participants, before exit, that they or their employers may be contacted to obtain confirmation of employment status and earnings, and to explain the expected timeframe for those follow-up contacts.

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Table 1: Summarizes the times when data match or supplemental wage data are to be collected.

<b>Table 1: Timeline for Commencing Data Collection for Employment-Related Performance Indicators</b>		
<b>Performance Indicator<sup>a</sup></b>	<b>UI Wage Data Becomes Available</b>	<b>Collection of Supplemental Wage Information May Begin</b>
Employment Rate — Second Quarter after Exit (including Title I Youth)	During the third or fourth quarter after exit	Beginning the third quarter after exit
Employment Rate — Fourth Quarter after Exit (including Title I Youth)	During the fifth or sixth quarter after exit (first or second quarter, next program year)	Beginning the fifth quarter after exit
Median Earnings — Second Quarter after Exit	During the third or fourth quarter after exit	Beginning the third quarter after exit
Credential Attainment — within 1 Year after Exit	During the second or third quarter after exit	Beginning the second quarter after exit

- A. For all performance indicators, exit is the point after which a participant who has received services through any program meets the criteria for exit from that program or meets the requirements for exit under an applicable standard exit policy (20 CFR 677.150(c), 34 CFR 463.150(c), and 34 CFR 361.150(c)).
- B. For individuals for whom the agency knows or predicts UI wage data will not be available (such as those participants who do not provide an SSN, or for participants receiving entrepreneurial or self-employment training).

Supplemental wage information should be collected as close to the reference period as possible.

TABLE 2: The timeframes when employment-related information must be reported.

Table 2: Deadlines for Timely Collection of Data for Employment-Related Performance Indicators				
Exit Quarter	Report Employment Rate - 2 <sup>nd</sup> Quarter including Title 1 Youth by the End of:	Report Employment Rate - 4 <sup>th</sup> Quarter including Title I Youth by the End of:	Report Median Earnings by the End of:	Report Credential Attainment (Employment) – within 1 Year after Exit by the End of:
First Quarter (Q1) (July 1 - September 30)	Q1 Next Program Year (four quarters later)	Q3 Next Program Year (six quarters later)	Q1 Next Program Year (four quarters later)	Q3 Next Program Year (six quarters later)
Second Quarter (Q2) (October 1 - December 31)	Q2 Next Program Year (four quarters later)	Q4 Next Program Year (six quarters later)	Q2 Next Program Year (four quarters later)	Q4 Next Program Year (six quarters later)
Third Quarter (Q3) (January 1 – March 31)	Q3 Next Program Year (four quarters later)	Q1 Second Program Year After Exit (six quarters later)	Q3 Next Program Year (four quarters later)	Q1 Second Program Year After Exit (six quarters later)
Fourth Quarter (Q4) (April 1 – June 30)	Q4 Next Program Year (four quarters later)	Q2 Second Program Year After Exit (six quarters later)	Q4 Next Program Year (four quarters later)	Q2 Second Program Year After Exit (six quarters later)

### Procedures

Procedures for collecting data validly and reliably apply to self-employed individuals, Contracted Workers, federal employees, and businesses not reporting in the UI System. The Supplemental Wage Data activity, also known as data entry in our state database system (NMJobs), is required. This includes documentation in the participant's case file and activity coding, as applicable.

**Inquiries**

Questions related to this policy should be directed to the Administrative Entity at (575) 744-4857.

**Attested**

This policy was reviewed and approved by the SAWDB on August 14, 2025.

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SAWDB Chair