

ACCEPTABLE FORMS OF SUPPLEMENTAL WAGE DATA AND METHODOLOGY

[TEGL 26-16](#)

I. ACCEPTABLE FORMS OF SUPPLEMENTAL WAGE DATA

Service providers may use tax documents, payroll records and employment records to document supplemental wage data. The following documents are acceptable:

- Copies of quarterly tax payment forms that are submitted to the Internal Revenue Service, such as copies Form 941 (Employer's Quarterly Tax Return);
- Copies of paystubs (minimum of 2 paystubs); or
- A signed letter from an employer on company letterhead, attesting to an individual's employment status and earnings.

Other Forms of Supplemental Data

Service providers may use the following types of supplemental wage data:

- Follow-up surveys (self-reported) from program participants;
- Income earned from commission in sales or similar positions;
- Detailed case notes verified by the employer and signed by the LWDA staff;
- Automatic database systems or data matching with partner programs with whom Data Sharing Agreements (DSAs) exist;
- One-Stop operating systems' administrative records, such as current records of eligibility programs with income-based eligibility (e.g., TANF, SNAP); or
- Self-employment worksheets signed and attested to by the program participant.

Timeframe for Collecting Supplemental Wage Data

The optimal time frame for collecting supplemental wage data is as soon as possible after the second and fourth full quarters after exit. The need for supplemental wages may not be apparent until no match is found in UI records, or in federal or military employment, which become available on a time-lagged basis. However, if the LWDB knows or predicts that UI wages will not be available for individuals, the LWDB does not need to wait two quarters after the close of the second and fourth quarter after exit to

formally document that UI wages are not available and to begin collection of supplemental wage information.

Timeline for Commencing Data Collection for Employment-Based Performance Measures are included in [Exhibit 100.6](#) and it includes the timeline for performance indicators, UI wage data and supplemental wage information begin dates.

Wage Conversion

The wage conversion chart is located under [Exhibit 100.3](#). It must be used to convert hourly/ weekly/bimonthly/monthly/annual wages into quarterly wages and is intended to be used in a comma separated values file, such as Microsoft Excel, and is included in the policy as a reference.

Recording Supplemental Wage Information in the AJC System

Service providers must enter necessary data in the AJC system on the “WIOA Add Supplemental Wage - After Exit” page.

- The following information regarding the participant’s employment must accurately be entered:
 - Employed Quarter (0,1,2,3,4 or 5);
 - O*Net-Soc code, for the occupation in which the participant is employed;
 - North American Industry Classification System (NAICS) Code-for the industry in which the participant is employed. The NAICS code must be 6 digits long;
 - The employer’s Federal Employment Identification Number (FEIN);
 - Employer’s Name, City and State;
 - Supplemental Source; and
 - Accurate total earnings for the specific quarter.
- LWDBs must only record accurate wage information in the AJC System.
 - If the participant did not earn any wages during a quarter, the LWDB must not enter wages in the *Total Earning for the Quarter* box in the AJC System. For example, if an individual is on leave and did not earn any wages during the second or fourth quarter, the individual is considered unemployed for the performance indicator, even if the individual is attached to an employer.

- Service providers must not add minimal wages (such as a dollar) to the Total Earnings For the Quarter box, to show the individual was employed because this will negatively impact the LWDBs median earning performance calculation.
- Employer FEIN Identification.

II. WAGE COLLECTION METHODOLOGY

Wage Collection during the Same Quarter

LWDBs must use the same method of wage collection to verify employment and wage information within the same quarter. For example, if a direct wage match is used to determine employment status in the second quarter after exit, the same direct wage match record must be used for median wage information in the second quarter after exit.

Wage Collection Across Different Quarters

Service providers are not required to use the same method of wage verification across quarters, particularly in the event that the individual's employment status changes, making the employment and wage verification method initially used not practical or ideal. For example, if an LWDB uses supplemental data for the second quarter after exit indicator, the LWDA may use direct wage match in the fourth quarter after exit.

If the program uses supplemental wage information to retrieve data on any of the employment-based performance indicators, data must be collected on all of these indicators, or missing and incomplete data points will be counted as a negative when levels of performance for indicator(s) are calculated.