



**WORKFORCE INNOVATION AND  
OPPORTUNITY ACT POLICY  
MANUAL**

**CHAPTER 2 - SECTION 700**

**SUBJECT: CREDENTIALS**

**Note: The federal regulations governing these programs are still in draft form and pending state board approval. These policies will be revised as needed when final federal regulations are issued.**

**700 CREDENTIALS**

Credential attainment can assist youth and adults in leveraging new skills to obtain employment, increase earnings, and compete in the labor market. Arizona recognizes two types of credentials: federally-recognized credentials and locally-recognized credentials.

Training programs must result in either a federally-recognized credential or locally-recognized credential to be approved for the Eligible Training Provider List (ETPL). The ETPL consists of programs approved for use by Workforce Investment and Opportunity Act Title I-B Adult and Dislocated Worker program participants.

Local Workforce Development Area (LWDA) ETPL approvers must use the Training Program Credential Checklist (Exhibit 600A) to determine if a particular training program meets the definition of a locally-recognized or federally-recognized credentials.

**.01 Federally-Recognized Credentials**

Federally-recognized credentials are awarded in recognition of individual attainment of measurable technical or occupational skills necessary to obtain employment or advance in an occupation. Additionally, they are an attestation of qualification or competence issued to an individual by a third party (such as an educational institution or an industry or occupational certifying organization) with the relevant authority or assumed competence to issue such a credential. Training programs that result in federally-recognized credentials may be listed on the ETPL.

## **.02 Types of Federally-Recognized Credentials**

Federally-recognized credentials include the following:

A. Educational credentials include diplomas, degrees, and certificates. Credit hours are the building blocks for education credentials. Types of educational credentials include the following:

1. High school diploma;
2. GED or High School Equivalency (HSE);
3. Educational certificates;
  - a. Certificates must be based on credit hours.
  - b. Educational certificates are awarded after completion of an organized program of study at the postsecondary level, not a single course.
  - c. Educational certificates must be recorded in AJC as Other Recognized Diploma, Degree or Certificate.
  - d. Certificates of completion may be educational certificates if they are based on credit hours and awarded for the completion of an organized program of study, not a single course. Certificates of completion that do not meet this definition must not be considered a federally-recognized credential. Certificates of completion that are awarded after successful completion a training programs that prepares students to take occupational license and personnel certification examinations must also not be considered federally-recognized credentials (see Section 700.02.C).
4. Associate's diploma/degree;
5. Bachelor's diploma/degree; and
6. Postgraduate degree, such as Master and Doctoral degrees.

High School Diploma, GED and High School Equivalency (HSE) are only counted as federally-recognized credentials for WIOA Adult, Dislocated Worker and Youth credential rate performance measures, if the participant has retained or obtained employment or

is in an education or training program leading to a recognized postsecondary credential within one year after exit from the program.

B. Industry Recognized Credentials

1. Registered Apprenticeship Certificates issued by a Registration Agency, either the State's Apprenticeship Office or the U.S. Department of Labor. For more information on Arizona's Apprenticeship Office, see <https://www.azdes.gov/apprenticeship/>:
  - a. Interim credentials may be developed from an approved set of apprenticeship standards for the occupation. They are portable recognition of an apprentice's accomplishments and are issued based on recognized components of an apprenticeable occupation.
  - b. Registered Apprenticeship Certificates must be recorded under the Other Recognized Diploma, Degree and Certificate category on the Outcome page in AJC.
2. Occupational Licenses are granted by state and federal agencies or regulatory bodies and are required for an individual to work in the occupation. Examples of Occupational Licenses include cosmetology licenses, massage licenses, commercial driver's licenses, or nursing licenses (see <http://www.careeronestop.org/toolkit/training/find-licenses.aspx>). Characteristics include:
  - a. They are defined by laws and regulations and are intended to set professional standards and ensure safety and quality;
  - b. Time-limited occupational licenses must be renewed based on meeting ongoing requirements;
  - c. Violations of the terms of the license may result in legal action;
  - d. Completion of a program of study that prepares an individual for an occupational license is not a credential;

- f. Occupational Licenses may be required in addition to other credentials. The credential for completing the educational program must only be recorded in AJC if the participant successfully received an Occupational License as the license is required to work in the occupation.

### 3. Personnel Certification

Personnel Certifications attest that the individual has attained the necessary knowledge and skill to perform a specific occupation or skill. Characteristics include:

- a. It must be industry-recognized or result in a professional association certification;
- b. It is granted by third party non-governmental agencies, usually associations or businesses;
- c. It is intended to set professional standards for qualifications, such as a certification for a crane operator or a Novell Network Certified Engineer;
- d. It usually requires successful completion of an examination or assessment of the individual's knowledge and skills through an examination or assessment provided by a certifying body.
- e. It usually requires a set amount of work experience or professional/technical experience;
- f. It must usually be renewed after a certain time period; and
- g. Violation of standards or requirements may result in suspension or revocation of the certification.

For a list of Personnel Certifications and certifying agencies, see <http://www.careeronestop.org/EducationTraining/Find/certification-finder.aspx>

Completion of a training program that prepares a participant for an assessment or test that results in an Occupational License or a Personnel Certification is not a federally-recognized credential.

The credential must only be recorded under the Outcomes screens in AJC after the participant successfully completes the test and receives his/her certificate or license.

### **.03 Career Enhancing Attributes**

LWDAs are encouraged to approve training programs that result in federally-recognized credentials that have career enhancing attributes:

Four attributes that add value to a credential include:

1. Industry-Recognized

An industry-recognized credential is one that either is developed and offered by, or endorsed by, a nationally-recognized industry association representing a sizeable portion of the industry sector; or a credential that is sought and accepted by companies within an industry sector for the purposes of hiring or recruitments which may include credentials from vendors of certain products.

2. Stackable

A credential is considered stackable when it is part of a sequence of credentials that can be accumulated over time to build up an individual's qualifications and help them to move along a career pathway or up a career ladder to different and potentially high paying jobs.

3. Portable

A credential is considered portable when it is recognized and accepted as verification of the qualifications of an individual in other settings; either in other geographic areas, at other educational institutions, or by other industries or employing companies.

4. Accredited

Accreditation helps to ensure that an educational program that is provided by an institution of higher education meets acceptable levels of quality.

#### **.04 Locally-Recognized Credentials**

Locally-recognized credentials are obtained after completing a training that has been determined by the LWDA to not result in a federally-recognized credential but to be of value due to being required by local employers and to result in employment. Locally-recognized credentials include the following:

- A. A certificate of completion awarded by the LWDA after successful completion of work-based training including, on-the-job training, customized training, incumbent worker training and transitional jobs. Work-based training is not included on the ETPL. The certificate may be issued by a local training provider indicating the successful completion of a training program.
- B. A certificate awarded to youth after a successful completion of a work experience. Work experience is an individualized career service and is not listed on the ETPL.
- C. A certificate of completion received upon successful completion of a program based on competencies and curriculum that are developed in partnership with employers within the LWDA. Training programs that result in this type of locally-recognized credential may be approved to be listed on the ETPL. This certificate of completion must:
  - Result from a valid, objective assessment;
  - Be based on significant vocational content;
  - Be portable from one employer or region in the state to another; and
  - Be meaningful to employers.

Locally-recognized credentials are excluded in the performance reporting of the credential measure, as they are not federally-recognized. However, outcomes for the other performance accountability measures will count towards performance as appropriate.