

ALABAMA WORKFORCE DEVELOPMENT SYSTEM

Alabama Department of Workforce
Workforce Development
50 N. Ripley Street
Montgomery, Alabama 36130

ADMINISTRATIVE DIRECTIVE No. PY25-05

SUBJECT: WIOA Credential Policy

Purpose: To issue the updated credential policy in line with the updated ETPL policy.

Effective Date: February 9, 2026

Discussion: Credentials are a key performance outcome for Adults, Youth and Dislocated Workers. Training provided to WIOA-eligible individuals is expected to lead to the attainment of credentials that have real value and meet employer demand. Credentials must have labor market value and document the measurable occupational or technical skills learned by a WIOA participant during training. It is critical to capture the outcomes of each participant and program and report them for performance.

This policy describes what counts as a credential, the types of qualifying credentials, and the non-qualifying credentials.

Action: Information should be provided to all Career Center staff, local area staff, ETPL providers so that they are aware of the credentials to count in performance.

Contact: Any questions regarding credentials should be directed to Kevin Mohajerin at kevin.mohajerin@workforce.alabama.gov.



Tammy Wilkinson, Division Director
Workforce Development



Date

Workforce Innovation and Opportunity Act (WIOA) Credentials Policy

Overview

Credentials are an important part of the Workforce Innovation and Opportunity Act (WIOA) for Adults, Youth, and Dislocated Workers and occupational training for WIOA-eligible Individuals should result in attainment of credentials. WIOA stresses the importance of attaining credentials of value to meet the demands of the employers and their jobs. For Adults and Dislocated Workers, earning a credential has been defined as “obtaining a recognized postsecondary credential or diploma during program participation or within one year after program exit”.

The Youth credential performance measure has been changed for WIOA; Youth have a year after exit in which a credential can be recorded. In addition, a Diploma/GED will be counted only if the participant is either employed or enrolled in a training program leading to a postsecondary credential within one (1) year after exit.

Training & Employment Guidance Letter (TEGL) 10-16, change 3 established criteria in which a credential is to be awarded in recognition of an individual’s attainment of measurable technical or occupational skills. These technical or occupational skills are generally based on standards developed or endorsed by employers in order to allow the participant to:

- Enter Employment
- Re-enter Employment
- Retain Employment
- Advance within an Occupation

Credentials include:

- Postsecondary Degrees
- Diplomas
- GEDs
- Licenses
- Industry-Recognized Certifications
- Registered Apprenticeship Credentials

❖ What are Credentials?

Credentials are an important element of the workforce development system. Ideally, obtaining a credential indicates an individual has mastered competencies and knowledge relevant in the labor market. Credentials are normally issued to the individual by a third party (e.g. educational institution, an industry/occupational certifying organization, or professional society), which has

authority to issue such a credential. Credentials must be Industry-recognized, stackable, and portable post-secondary credentials at a minimum.

Work Readiness certificates are not included because the certificate is not recognized industry-wide, and they do not document the measurable technical or industry/occupational skills necessary to gain employment or advancement within an occupation. Certificates for general skills related to safety, hygiene, etc., even if such general skills certificates are broadly required to qualify for entry-level employment, are not counted as a credential. These types of certificates may count toward Measurable skills gains.

❖ **Types of Credentials**

Credentials come in many different forms and are issued by a wide variety of entities. Credentials are either degree or non-degree credentials.

Degree credentials are issued by accredited educational institution, which is most often the designer of the credential and the developer of the associated curriculum. These are typically portable throughout the country.

Examples include:

- Educational Diplomas/Certificates (Secondary School Diploma/equivalent)
- Educational Degrees (Associate/Bachelor's/Graduate degree)

Non-Degree Credentials include:

- Occupational License, Industry Certifications, Certificates, and Registered Apprenticeship Credentials. Includes:
 - Registered Apprenticeship Credentials— Issued by the Alabama Office of Apprenticeship
 - Non-Degree Occupational Certificates
 - Occupational license— Typically, but not always, awarded by government entities before an individual is allowed to be employed in a trade, profession, or occupation. Licenses are intended to set professional standards and ensure safety and quality of work.
 - Industry-Recognized or Professional Association Certification— Issued by 3rd party, non-governmental organizations based on standards set to demonstrate professional qualifications and/or competencies.

❖ **Recognized Postsecondary Credential**

A recognized postsecondary credential is awarded based on a participant's attainment of measurable technical or industry/occupation skills necessary to obtain employment or advance within an industry/occupation. These technical skills or industry/occupational skills generally are based on standards developed or endorsed by employers or industry associations.

Note: Complementary credentials do not meet the definition of a recognized postsecondary credential and are non-qualifying credentials.

- Stand-alone Work Readiness certificates do not meet this definition
- General Skills related to Safety, Hygiene, etc. do not meet the definition due to the fact these certificates are broadly required to qualify for entry-level employment.

❖ **Credential Issuing Entities**

There is a wide array of public and private credential issuing entities and organizations. They can be grouped into three general categories:

1. Government
2. Educational Institutions
3. Businesses, Non-Educational non-profits, and Industry Associations

❖ **Examples of Non-Qualifying Credentials**

Non-qualifying credentials will not be counted toward performance. However, such credentials can be of value to participants as a building block for educational and/or occupational success.

Single Skill Certificates - General and Single Skill certificates in and of themselves do not provide the depth of knowledge necessary to provide a significant advantage to the job seeker, thus would not meet the spirit of the credential measure.

Certificates of Attendance - Certificates of Attendance/Completion and/or Participation do not reflect demonstration or attainment of industry knowledge, skills, or attributes; thus, do not meet the spirit of the credential measure.

Work Readiness - It is the expectation that participation in workforce development should enhance the Work Readiness of all clients. These types of certificates do not tie to technical or occupational skills within an occupation. Work Readiness certificates do not meet the spirit of the credential measure.

High School Certificate of Completion/Attendance - A high school certificate of attendance indicates the student has completed high school but did not demonstrate mastery of required skills. It is not the same as a High School Diploma. High School Attendance certificate does not meet the spirit of the credential measure.

This list addresses the most common non-qualifying credentials but is not all inclusive.

Credential Type	Example
General/Single Skill	CPR First Aid OSHA Job Safety training ServSafe food safety Standard driver's license Work Key Certificate
Certificate of Attendance/ Completion/Participation	Conference Attendance Certificate High School Certificate of Attendance
Work Readiness	JAG competency certificate Work Readiness Credential
Workforce Development Board	Certificates awarded

❖ **Credential Performance Measure**

A Credential will count in performance as a positive outcome if it falls within one of the following categories.

- High School Diploma/or Equivalency
- AA or AS Diploma/Degree
- BA or BS Diploma/Degree
- Post Graduate Degree
- Occupational Skills Licensure
- Occupational Skills Certificate
- Other Recognized Diploma, Degree or Certificate
- Non-Degree certificates
- Registered Apprenticeship Credentials

The Credential performance measure is calculated in the following manner:

of program participants who receive occupational skills training leading to a credential or are in-school during program participation and obtain a recognized postsecondary credential, or a secondary school diploma or its recognized equivalent (and were also employed, or in an education or training program leading to a recognized postsecondary credential within one year after exit) during participation in or within 1 year after exit from the program

divided by

of program participants enrolled in an education or occupational training program who exited during the reporting period.

Note: Secondary School Diploma/Equivalent Diploma will only count as a “positive” outcome if the participant is either employed or enrolled in a training program leading to a recognized postsecondary credential within 1 year after exit from the program.

This measure allows a one-year delay following Exit for the outcome to be Attained and recorded into Alabama Works! thus the importance of FOLLOW-UP.

NOTE: When recording the date, the Degree/Certificate or Credential was attained, use the **date indicated on the degree, certificate or credential.**

Workforce Development will determine whether a Provider issued certificate is an allowable credential for performance purposes.

❖ Summary

Credentials must have “*measurable*” technical or occupational skills associated with them; must have labor market value. A qualifying credential provides documentation of education and/or technical or occupational skills necessary to gain employment or advance within an occupation.

Credentials must provide a valuable return on investment for our workforce system customers.

❖ Resources

- www.accs.cc/career-technical-education: Alabama Community College System Career and Technical Education Credential and Certification Listing
- www.doleta.gov/performance/guidance: Department of Labor performance site as well as search engine for pertinent TEGL’s.
- www.GoCertify.com: IT certification resource center.

- www.microsoft.com/en-us/learning: Demonstrate knowledge and abilities to use Excel, Outlook, Word and other Microsoft Office applications.
- www.careeronestop.org/competencymodel: Competency model clearinghouse. Industry competency initiative.
- www.workforce3one.org: A database of workforce curriculum, competency models, research findings, case studies and web-based tools.
- www.careerinfonet.org/certifications: A directory of certifications that allows user to search for by keyword, industry or occupation.
- www2.labor.alabama.gov/WorkforceDev: The Alabama Committee on Credentialing and Career Pathways information.