

Workforce Pell Guidance

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Policy Summary

Institutions must apply for Workforce Pell eligibility for programs that meet all required criteria, complete State and SWDB review and approval, and obtain final approval from the U.S. Department of Education.

1. Programs must align to State-defined in-demand or high-skill/high-wage occupations and document that alignment.
2. Programs must align student competencies with employer needs and provide evidence of that alignment.
3. Programs must lead to a recognized, stackable, and portable postsecondary credential (unless it is the only credential required for a given occupation).
4. Programs must enable credit transfer and progression into further education through documented articulation.
5. Programs must meet $\geq 70\%$ completion and $\geq 70\%$ job placement rates and submit supporting cohort and completer data.
6. Programs must demonstrate that costs are reasonable relative to expected wages and account for future value-added earnings requirements.
7. TDLWD and THEC review applications, the SWDB approves programs, and institutions submit certifications to ED for final approval.
8. Institutions must report outcomes annually, and programs must maintain required performance and alignment to remain eligible.
9. Institutions may appeal denial or withdrawal decisions, and the SWDB must issue a final determination within set timelines.
10. Programs may reapply after demonstrating compliance with all eligibility criteria.
11. Institutions must report significant program changes, and the SWDB determines whether re-approval is required.
12. Cross-state use of Workforce Pell is only allowed where bilateral state agreements exist.
13. The SWDB must publicly post eligible programs, policy requirements, and related guidance.

Workforce Pell Program Eligibility Checklist

A program must meet all of the following criteria to be eligible for Workforce Pell:

Institution Eligibility

- ☐ Institution is Title IV eligible (i.e., approved by ED to administer Pell Grant funds).¹
- ☐ Institution is authorized by THEC or is exempt.

Program Structure

- ☐ Program is not a correspondence, study abroad, or direct assessment course.
- ☐ Program does not include remedial or English as a second language coursework.
- ☐ Program is between 8-14 weeks of instruction.
- ☐ Program meets one of the following length requirements:
 - Between 150-599 clock hours;
 - Between 4-15 semester or trimester hours; or
 - Between 6-23 quarter hours.

Program Alignment

- ☐ Program is aligned with a State-defined in-demand or high-skill / high-wage occupation(s).
- ☐ Program is aligned with employer hiring requirements, as validated by employers in the relevant industry sector.

Program Credentials & Progression

- ☐ Program leads to a recognized postsecondary credential that is stackable and portable (or is the only credential required for entry into the occupation).
- ☐ Program enables postsecondary progression, and credits are transferable toward a certificate or degree program at one or more institutions of higher education.

¹ Institutions may enter written arrangements to allow up to 25% of the program instruction to be offered by a non-Title IV-eligible institution. Non-eligible institutions may provide more than 25%, but less than 50%, if the non-eligible institution is the provider of the related instruction for a Registered Apprenticeship Program.

Student Outcomes

- ☐ Program has a completion rate of at least 70% within 150% of the normal time to completion.
- ☐ Program has a job placement rate of at least 70%, measured in the second full calendar quarter after completion.

Program History

Program has been in existence and has met the required length, duration, completion, and job placement thresholds for **at least 12 months prior to application.**

Workforce Pell Application Checklist

Institutions must submit all of the following information with their Workforce Pell program applications:

- ☐ Program Alignment
 - SOC codes and CIP code
- ☐ Employer Validation
 - Completed Employer Validation Form(s)
- ☐ Credential Information
 - List of the credential(s) awarded upon completion; and
 - If applicable, evidence of how the credential is stackable and portable.
- ☐ Postsecondary Progression
 - Description of related postsecondary programs
 - Evidence of articulation agreements
- ☐ Completion Rate Data²
 - The number of students in the cohort;
 - The published normal time to completion and corresponding 150% time threshold; and
 - The number of students who completed within 150% of normal time.
- ☐ Job Placement Data³
 - List of students who exited the program, including necessary identifying information (such as social security numbers), for verification of employment outcomes.
- ☐ Program Cost & Wages
 - Currently published tuition and fees.

² A student is not included in the completion rate calculation if they die, experience the onset of a medical condition that prevents employment, are ordered to service in the uniformed services, or become incarcerated.

³ A student is not included in the job placement rate calculation if they die, experience the onset of a medical condition that prevents employment, are ordered to service in the uniformed services, or become incarcerated.

Workforce Pell Student Eligibility Checklist

A student must meet all of the following criteria to be eligible for Workforce Pell financial assistance.

- ☐ Complete the Free Application for Federal Student Aid (FAFSA) and meet all standard Pell Grant eligibility requirements.
- ☐ Not be enrolled in a graduate program or have previously earned a graduate credential.
- ☐ Not receive non-Federal financial assistance that equals or exceeds the student's cost of attendance for the award year.
- ☐ Not concurrently receive more than one Pell Grant award.
- ☐ Not have exhausted the lifetime Pell Grant eligibility limit.⁴

⁴ Note: Workforce Pell Grant assistance counts toward an individual's lifetime maximum for Pell Grants.

Workforce Pell Eligibility Rubric

Program Criteria Requiring Evidence – Reviewed by TDLWD/SWDB

1. Employer Validation

Do employers validate the design of and the need for of the program?

2. Credential (Stackable & Portable)

Meets definition OR is the only credential required for the occupation?

3. Postsecondary Progression

Is there valid articulation/transfer assurance?

4. Cost vs. Wages

Is cost reasonable relative to wages?

Scoring Framework (applies to all criteria)

Each criterion is evaluated using the following scale:

Table 1: Evaluation criteria

Rating	Description
Meets Criteria	Clear, sufficient, and credible evidence demonstrates alignment with policy requirements
Borderline	Evidence is limited, indirect, inconsistent, or incomplete; may require additional information or SWDB deliberation
Does Not Meet	Evidence is insufficient, missing, or does not demonstrate alignment with policy requirements

TDLWD may request additional information from the institution to resolve borderline determinations prior to issuing a recommendation.

1. Employer Validation Alignment

Table 2: Employer Validation Alignment rating criteria

Rating	Requirements
Meets Criteria	☐ Completed Employer Validation Form(s) submitted ☐ At least two employers or a credible employer representative entity validate the program ☐ Supporting signals confirm demand, such as: • Dob postings data aligned to SOC codes • Recent hiring activity Employers attest that: ☐ Competencies and credential(s) align with hiring needs; and ☐ Program completers would be relevant candidates for employment opportunities
Borderline	Employer Validation Form(s) submitted but: ☐ Only one employer, or ☐ Unclear representation (e.g., small or non-representative employer) ☐ Employer attestation is general or lacks specificity ☐ Job postings data is limited, outdated, or weakly aligned to occupation
Does Not Meet	☐ Missing Employer Validation Form(s) ☐ Employer does not attest to alignment or program completer relevance ☐ Evidence contradicts employer demand (e.g., no job postings, declining demand)

2. Credential (Stackable & Portable)

Table 3: Credential (Stackable & Portable) rating criteria

Rating	Requirements
Meets Criteria	☐ Credential clearly meets definition of: • Stackable (documented progression to additional credentials); and • Portable (recognized across multiple employers or regions) ☐ OR program qualifies under single required credential pathway Evidence includes: ☐ Defined credential pathway (e.g., Certificate → Diploma → Degree) ☐ Documentation showing how the credential applies toward a higher or adjacent credential ☐ Evidence that students have progressed, or are clearly able to progress, to the next credential in the pathway ☐ Industry recognition or employer validation supporting standalone credential value
Borderline	☐ Limited or unclear evidence of: • Progression to additional credentials; or • Employer recognition across regions ☐ Credential pathway exists but: • Informal • Not consistently used by students ☐ Unclear whether credential is the only one required for the occupation
Does Not Meet	☐ Credential does not demonstrate stackability or portability ☐ No evidence of progression or recognition ☐ Credential appears isolated or not valued by employers ☐ Does not meet single-credential pathway requirement

Reviewer Guidance on “Stackable and Portable”

Stackable Credentials

Stackable credentials are postsecondary awards that possess standalone labor-market value and are designed to build on one another to help students progress into and through a clearly defined career field. To qualify as stackable, each credential must (1) result in a meaningful step forward by enabling advancement in the workforce and progression into an additional credential, and (2) contribute to expanding the breadth of skills and competencies within the same occupational pathway. Together, these credentials must form a clearly defined sequence that supports purposeful, career-aligned advancement.

Evidence of Stackability

Institutions should provide documentation showing both the intended credential pathway and, where available, evidence that students have used the credential to progress to additional credentials or related programs. Evidence may include:

- Published program maps or catalog pages showing the credential sequence;
- Articulation, credit transfer, or prior learning assessment policies showing how the credential applies toward a higher or adjacent credential;
- Curriculum crosswalks showing shared courses, competencies, or credits between credentials;
- Examples of students who completed the credential and subsequently enrolled in or completed the next credential program in the pathway;
- Aggregate student progression data, where available;
- Advising materials, degree audit screenshots, or pathway documents showing how students are informed of the next credential option; and
- Documentation that the next credential is available at the same institution or through a formal partner institution.

Portable Credentials

Portable credentials are recognized and accepted by more than one employer across geographies and institutions. To qualify as a portable credential, each credential must:

- Be recognized, considered, and/or required for employment by more than one employer in the field of study; or
- Be recognized, considered, and/or required for employment in more than one Local Workforce Development Area; and
- Meet the criteria for the employer validation requirements outlined in Section 3 of the Workforce Pell Grant Framework policy.

3. Postsecondary Progression & Articulation

Table 4: Postsecondary Progression & Articulation rating criteria

Rating	Requirements
Meets Criteria	☐ Formal articulation agreement(s) provided ☐ Agreement explicitly states: • Credit is accepted; and • Credit applies toward a certificate or degree program ☐ Receiving institution(s) are: • Accredited • Relevant to the program pathway
Borderline	☐ Articulation agreement exists but: • Lacks specificity (e.g., unclear credit amount or applicability) • Is unsigned or not finalized ☐ Credit transfer appears likely but not guaranteed
Does Not Meet	☐ No articulation agreement provided ☐ Agreement does not ensure credit acceptance ☐ Receiving institution does not accept credit

4. Cost vs. Wages

Note: This criterion is not determinative on its own but should inform overall program approval decisions.

Table 5: Cost vs. Wages rating criteria

Rating	Requirements
Meets Criteria	Analysis of wage data for the relevant SOC code(s) indicates that program cost is significantly less (1.5X – 2X) than quarterly median earnings for the associated occupation(s).
Borderline	Analysis of wage data indicates that program cost is close (less than 1.5X) to quarterly median earnings for the associated occupation(s), though there may be reasonable justification.

Rating	Requirements
Does Not Meet	Analysis of wage data indicates that program cost equals or exceeds quarterly median earnings for the associated occupation(s) with no reasonable justification.

Reviewer Guidance to Compare Cost vs. Wages

Contextual Considerations

Reviewers should consider whether elevated cost relative to wages may be justified based on:

- High-demand or critical occupations in the regional economy
- Programs that provide quick pathways to higher-wage credentials or career progression
- Expected wage growth beyond initial employment
- Limitations in wage data (e.g., regional variation, early-career earnings)

Alignment with Value-Added Earnings (VAE)

Reviewers should consider whether the program's cost relative to anticipated wages may present risk under the federal value-added earnings measure, which evaluates whether program completers' quarterly median earnings exceed program cost plus a federal poverty threshold.

- Programs with higher cost relative to entry-level wages may be more likely to face challenges under this measure
- This assessment is forward-looking and should inform, but not determine, approval decisions

Use in Decision-Making

- This criterion is not determinative on its own
- Borderline or significant concerns should be flagged for SWDB deliberation
- This factor should be considered in combination with all other criteria

Overall Recommendation Guidance

- **All criteria met** → Recommend Approval
- **Any borderline** → Flag for SWDB deliberation
- **Any does not meet** → Recommend Denial

Workforce Pell Program Eligibility Determination

Employer Validation Alignment

Evidence: Completed Employer Validation Form(s)

Meets	Borderline	Does Not Meet
Notes		

Credential (Stackable & Portable)

Evidence: Stackable progression, portability across employers/regions (unless it's the only credential required)

Meets	Borderline	Does Not Meet
Notes		

Postsecondary Progression & Articulation

Evidence: Formal articulation agreements, credit acceptance

Meets	Borderline	Does Not Meet
Notes		

Cost vs. Wages

Evidence: Tuition vs wage data, alignment to occupations

Meets	Borderline	Does Not Meet
Notes		

Overall Recommendation

- All Meets → **Recommend Approval**
- Any Borderline → **Flag for SWDB deliberation**
- Any Does Not Meet → **Recommend Denial**

Distance Education and Bilateral Agreements

A Tennessee institution may offer a Workforce Pell-eligible program through distance education to a student located in another state only if Tennessee has entered into a bilateral agreement with that state for the applicable program. This requirement applies to students located outside Tennessee for purposes of distance education and does not apply solely because a student resides outside Tennessee but physically attends the program in Tennessee.

Institutions should contact TDLWD to confirm whether an applicable bilateral agreement exists before awarding Workforce Pell funds to students located outside Tennessee who will enroll in the program through distance education.

Institutions should continue to follow any applicable federal, state authorization, licensure disclosure, residency, and student privacy requirements.