

**RESPONSIBLE USE
OF ADMINISTRATIVE RECORDS
FOR PERFORMANCE ACCOUNTABILITY:
FEATURES OF SUCCESSFUL PARTNERSHIPS**

Administrative DAta Research and Evaluation (ADARE) Project

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1.0 INTRODUCTION

1.1 Background

State and local government agencies, and service providers receiving funds from these agencies, collect information needed to manage their respective activities. Some of this information is required to comply with federal, state and local laws and administrative rules. Whether or not required, the content of these administrative records changes over time. New laws and administrative rules replace current practices.

Temporary stability of laws and administrative rules does not mean that the content of administrative records remains constant between changes. Database management systems mature. Data collection enforcement practices change. Investment in quality control rises and falls. Database purging rules change.

Uncertainty and confusion about permissible access to administrative information accompanies the dynamics of law enactment, administrative rule issuance, management information system refinement and attention to database accuracy and retention issues described above. Confidentiality requirements differ among administrative databases. Federal and state laws and legal opinions are interpreted in the context of local and personal values.

Together, these observations about administrative records describe a mixture of opportunity and challenge. Some describe administrative data files as an asset whose value remains largely untapped, advocating broader access to capture this value. Others oppose expanded access for various reasons, including disbelief that confidentiality requirements can or will be honored and simple fear of the unknown. For them the *status quo* is just fine.

1.2 The Goal of This Paper

The goal here is to show those now comfortable with the *status quo* that higher value has been, and can be further achieved in full compliance with confidentiality stipulations and insistence by state agencies that database ownership and authorization of use remain with the agencies. One way to reach this goal is to improve the quality of communication between advocates for broader access to administrative records and skeptics who oppose wider access. The quality of communication is important because each group engages in a sustained effort to amend current laws and administrative rules to their advantage.

The current Congress will consider reauthorization of federal employment training, post-secondary education and welfare laws. The crafting of statutory language, and subsequent administrative decisions that will be made to implement the new laws, should be based on an accurate understanding of past performance.

This paper documents how successful partnerships between state agencies and research teams have contributed to the knowledge needed to amend laws and then carry out these new provisions. The title of the paper: ***Responsible Use of Administrative Records for Performance Accountability: Features of Successful Partnerships*** (emphasis added) describes this intent. The author and his partners in the ADARE project practice responsible use and preach that others should do likewise.

We hasten to acknowledge that we are not alone in either practice or advocacy. For example:

- See the *Proceedings* of a recent symposium on labor market information applications of wage records for workforce investment convened in St. Paul, MN April 30-May 1, 2002 (<http://www.lmi-net.org/training/files.shtm>). Reference to 'wage records' is to unemployment insurance (UI) administrative information collected by each state to manage its unemployment compensation program.
- A Workforce Information Council (WIC) was created by the Workforce Investment Act of 1998 (WIA) (<http://www.workforceinfocouncil.org>). The WIC is a partnership of state labor market information directors elected by their peers, Employment and Training Administration (ETA) designees and Bureau of Labor Statistics members. The WIC recently established a 16 member Wage Records Committee under the ES-202 Program Council, to provide the WIC with recommendations about a proposed cooperative state-BLS wage records program.

- The Census Bureau Longitudinal Employer-Household Dynamics (LEHD) Program will soon release the first *Quarterly Workforce Indicator* (QWI) series prepared for the charter states in what is now a partnership involving more than half the states representing two-thirds of the Nation's workforce.

A common theme connects the examples of broad use of administrative records described above--each begins with UI wage records, but value is achieved through authorized combinations of these and other administrative data sources. This paper describes the steps needed to engage in such 'bundling' initiatives.

Lessons learned from more than 40 years of partnership between state agencies and research teams are reflected in these pages. The intent is to offer counsel to others who might want to follow in our footsteps. Balanced attention is given to agency and researcher interests, roles and responsibilities.

The enthusiasm expressed in these pages about mutual gains made by state agencies and research teams is tempered by awareness that some state agencies have achieved substantial new value from their administrative data files without any participation by outside researchers. The message conveyed here is not that involvement of outside colleagues is necessary to realize more value from administrative records. Instead, the intended message is that there are multiple ways to engage outside help if complementary expertise is wanted.

1.3 Topics Covered

Section 2 provides an overview of the basic steps that have been followed to establish and maintain successful partnerships between state agencies and researchers. This is followed in Section 3 by coverage of six representative partnerships. Section 4 offers a checklist of issues that should be considered in the development of a strategic plan of action to establish a new partnership. An appendix contains sample data sharing agreements between state agencies and an external party that has been authorized to receive and use administrative records for research and evaluation purposes.

1.4 Two Types of State Agency-Researcher Partnership

Two types of partnership are covered here:

1. State agencies sharing administrative data with a public university research team. Five of the partnerships covered in Section 3 are this type—Georgia, Illinois, Maryland, Missouri and Texas.
2. A state agency sharing administrative data with another state agency, which in turn engages university researchers in authorized uses of the data. Florida represents this type of partnership in Section 3.

This section has set the stage for documenting steps taken to establish and maintain successful partnerships between state agencies and outside researchers. Section 2 describes common steps taken to establish the basic relationship. Here, 'common' should not be interpreted as synonymous with 'uniform'. An important message in this paper is that there are multiple ways to accomplish the same goal--realization of more value from administrative data files.

2.0 RECOMMENDED STEPS TO GET STARTED

2.1 Outline

The major topics covered in this section are:

- Initial contact
- Intended use of the administrative records
- Identification of mutual interests
- Burden on state agencies
- Criteria to be satisfied for a successful partnership

2.2 Initial Contact

Interest in establishment of a data sharing partnership can first surface in:

- One state agency
- Conversations involving more than one state agency
- A legislative committee
- A Governor's office
- A public university

More important than where consideration of a data sharing partnership arises is the nature and timing of first contact between possible partners. The opportunity to join in a mutually beneficial and lasting partnership depends upon success at every step, including first communication between the parties.

2.2.1 The Contact People

This is the first of many examples throughout this guide that repeat a basic principle—the strategic plan of action should be customized to reflect current state-specific conditions. Do not assume that what worked elsewhere some time in the past can be successfully replicated now in your circumstances.

Do your homework, regardless of whether you are:

- In a state agency seeking outside help;
- A researcher seeking access to administrative data; or
- A third-party trying to bring together state agencies and researchers.

Invest in reconnaissance to avoid making a fatal mistake at the outset. Fatal mistakes cannot be reversed; no second chance is offered.

The risk of failure is high when a 'cold' contact is made, particularly if the person or organization contacted is unfamiliar. We have witnessed fatal errors made by state agencies contacting other state agencies, state agencies contacting an outside researcher, researchers contacting state agencies, and third-parties attempting to bring state agencies and researchers together. The basic principle holds in all cases--do your homework; know something about the person to be contacted before doing so.

Everyone does not place a high priority on program-oriented research and evaluation. A poisonous combination of disinterest and instinctive caution can result in an immediate negative response, severing any subsequent opportunity to appeal. Disinterest and caution can describe any of the parties involved. Some agencies want as little outside scrutiny as possible. Some researchers want no 'strings' attached to their use of data. Some third parties do not understand sources of danger known to state agencies and researchers.

One recommended approach is to consult with a person you know within the agency or university to be contacted. An unintended and irreversible consequence can result from this seemingly safe step--the person contacted may have a personal interest in the outcome, which can destroy some options. For example, consider a researcher contacting a State Employment Security Agency to gain access to UI wage records:

- A cautious response should be expected if the inquiry is made to the Unemployment Insurance program administrator within the SESA. The administrator of a State's unemployment compensation program has fiduciary responsibility for the management of UI tax and claims flows.

UI wage records are collected to enable reliable and timely collection of UI taxes and processing of UI claims. Employer compliance with statutory reporting requirements depends upon maintenance of an earned trust that confidential administrative records will be handled properly.

The benefit-cost calculus does not favor an affirmative response from a State UI program administrator. Having said this, the track record of UI administrator cooperation in recent years has been exemplary, which attests to the collective team spirit and commitment of these administrators.

- A request for access to administrative records made to the labor market information (LMI) unit within a SESA should be expected to achieve a foot-in-the-door in most cases. However, it is important to understand that the LMI unit is unlikely to exercise management control over UI wage records, and may not have extensive experience in using UI wage records.

Access to and use of UI wage records within a SESA is in a state of transition in many States. LMI units often participate in a State's satisfaction of Federal Workforce Investment Act performance reporting requirements, and perhaps TANF and Perkins III occupational and adult education reporting requirements.

Voluntary regional data sharing alliances have been forged. These alliances illustrate cooperative interstate sharing of UI wage record information for specific research and program evaluation purposes. The national Wage Record Interchange System (WRIS), hosted by the National Association of State Workforce Agencies (NASWA), and sponsored by the Employment and Training Administration of the U.S. Department of Labor, is currently being promoted as a preferred nationwide substitute for these regional alliances.

Nationally, LMI directors are aggressively promoting more internal LMI unit use of state UI wage records for research and evaluation purposes. What these initiatives might mean for future external researcher access to and use of UI wage records is unclear.

Future consideration of partnerships of the types described in this paper will now be influenced by the new state and federal interests. The institutional context is more complex than before.

These two examples describe units within a State Employment Security Agency, but the observations made apply to any state agency having administrative records that are of interest. Do not burn bridges at the outset. Seek out someone who is, or can be turned into an advocate for the type of data sharing partnership that is being proposed. Then, when common interests have been identified, this person can offer reliable advice about when and how to submit a formal request for access to an agency's administrative records. Or, if the contact is made by or on behalf of a state agency in search of outside research help, a promising research partner can be identified with limited risk of an unwanted outcome.

2.2.2 Personalities and Persistence

An important lesson has been learned many times, often with untoward consequences—a researcher should not initiate a formal request for access to information without confidence that an affirmative answer will be forthcoming.

Once a 'no' answer has been received, it will be at least difficult, and perhaps impossible, to reverse this unwanted outcome. Those who are approached later are likely to defer to and honor a previous disinclination to provide access to the information sought.

The same lesson applies to state agencies seeking a new partnership with a researcher. Researchers 'feed' on data. Access to new data sources has a high value for those who are rewarded for publishing new findings. Colleagues who become aware of privileged access to a new data source are likely to request the same privilege. State agencies have had to make all-or-none decisions about access to administrative records. The decision is predictable. No agency can tolerate uncontrolled open access. When forced to decide, a decision to withhold the administrative records from all requesters is inevitable.

There is a middle ground between privileged solitary access and open access to all. Criteria for granting access can be defined by law or administrative rule. Administrative discretion can be granted in either case, but discretion is a two-edged sword--some assigned decision-making discretion would prefer to be able to cite a statutory basis for deciding.

Personalities matter. There may be no legal barrier to the award of access to administrative records, but a person who has been asked to approve access may have personal reasons for choosing denial instead. Appeal to another person may succeed, but the long-term cost of this short-term success can be unwelcome and unacceptable. Persistence in strengthening one's case for being granted access to the records is a preferred alternative. This applies to interagency negotiation of data sharing as well as to involvement of an outside researcher.

2.2.3 A Strategic Plan of Action

At this point, we assume that an 'interested listener' has been identified, because, if not, the advice offered below has no value. A basic rule in preparing for a first presentation of the case for giving, or being given access to administrative records is to have a complete strategic plan of action.

A logical and proven series of steps should be followed when giving or seeking access to administrative records:

1. Understand all federal and state statutes pertaining to administrative record access. Do not assume that proposed data sharing partners will be familiar with this statutory language.
2. Study federal and state administrative regulations and case law regarding administrative record access. These define and interpret the statutory requirements.

3. Become informed about predecessors who have sought access to the administrative records in question. Section 3 covers successful partnerships, but your own state precedents are more important than examples from other states. It is particularly important to discover previous unsuccessful attempts to be awarded access to the administrative records. These may be difficult to identify, but the return on investment from this detective work can be high—why was each unsuccessful request for access denied?

A common reason for access denial is partner naivete', often traceable to a belief that assurance of compliance with confidentiality requirements alone will result in a favorable decision. Nearly 40 years of experience spread among a handful of researchers and perhaps one-third of the states suggests that uncertainty about possible research or evaluation findings is a frequent concern. This reminds us of Andrew Sum's recent recounting of Coach Woody Hayes' answer when asked why he did not use the forward pass more often in his offensive strategy: "Three things can happen when a pass is thrown, and two of them aren't good."

Censorship is not intended or sought. Instead, states are often asked to explain published research findings based on their data, but without enough additional information and staff time to do so. This theme—that partial information may fail to capture important cause-and-effect relationships—arises throughout the remaining sections of this paper. Blanket authorization should not be given or sought to use confidential administrative records without respect to each intended research or evaluation study.

It is not necessary to anticipate in advance all possible future uses of administrative data. The sample data sharing agreements in the appendix to this paper illustrate how future uses can be submitted for approval, and then, upon such affirmative action, appended to the original agreement.

2.3 Intended Use of Administrative Records

At least one 'compelling' reason for granting or seeking partner access to administrative records should be defined before communication begins between proposed partners. The reason cannot be vague—such as "I want you to conduct some labor market research for our agency," or "I want to give my dissertation students access to real data for their research." The rationale for access should clearly indicate that other data sources do not suffice; the described administrative record information is the only, or best, source.

2.4 Identification of Mutual Interests

A research topic that excites you may be of little or no interest to others. Privileged access to administrative records should be earned. A logical question when consideration is being given to awarding researcher access to administrative records is: “What will the partnership offer the partner agency or agencies?”

2.4.1 State Agency Priorities

Most state agencies can be thought of metaphorically as a cluster of silos under temporary management. Political appointees often arrive with limited understanding of the detailed responsibilities associated with the program silos. Each appointee’s learning curve then depends upon a mix of predictable and uncontrollable events. And then they leave, and a replacement arrives.

Each programmatic silo manager has a narrow range of responsibilities—unemployment compensation, the Job Service, the Workforce Investment Act, or BLS core programs in a State Employment Security Agency; or Temporary Assistance for Needy Families, child-care assistance, and food stamps in a State Department of Human Resources. A researcher seeking access to administrative records, or state agencies contemplating entry into a partnership with an outside researcher, should think about these silo management responsibilities. How can the researcher’s interests and expertise combine with the priorities and expertise within the agencies to design a mutually beneficial partnership?

2.4.2 Outside Priorities

Today, multiple federal performance reporting responsibilities challenge state agencies’ own pre-existing management information system priorities. In addition, local workforce investment boards, the Governor’s Workforce Investment Board, the state economic development agency, and the state planning agency seek reliable and timely information about State and local labor market flows—worker accessions and separations and job creation and destruction.

The six examples of successful partnerships covered in Section 3 illustrate the entrepreneurial spirit that has led some states to reach beyond their own organizational boundaries and expertise. A satisfactory and sustained marriage of state agencies and external partners requires fulfillment of the needs of each partner. At the outset of negotiation of a possible joining of interests, each party should make its priorities and expectations known.

A typical *quid pro quo* between a state agency and a researcher is that the agencies receive value from programmatic research and evaluation and the researcher gains an opportunity to conduct other approved research consistent with the requirements of state law. The criteria used in deciding whether 'other' research is consistent with the requirements of state law should be understood before negotiation of a possible partnership begins.

2.4.3 State Agency Calculations of Risk and Potential Gain

Researchers have a tendency to assume that more or more reliable information is always better than less or less accurate information. This belief does not align with the fact that good news from research findings is often discounted because it simply confirms what had been said without supporting evidence before release of the new findings, while bad news from research results can jeopardize a program manager's image and tenure.

Research that promises to add descriptive detail to basic federal performance indicators, for example, might be viewed with skepticism and anxiety. Race/ethnicity, gender and age differences in performance outcomes released to the public become lightning rods for advocacy group criticism and complaint.

Earnings estimates limited to quarterly amounts that cannot be cross-tabulated by occupation, full-time or part-time status, hourly wage rate, employer payment of benefits, or definitive work-site location are criticized as being incomplete, particularly by those who seek a way to discount the evidence. Non-coverage of independent contractors, federal government civilian and military personnel, and out of state employment is used to stigmatize what can be said based only on covered employment within a state.

Administrative records help us to understand some important aspects of labor market institutions and behaviors, but this new understanding can then trigger additional questions that may not be answerable with available information. The partners in a new research enterprise should anticipate and be prepared to answer at least some high priority questions that may arise. A short list of such questions should be prepared in advance of any release of research findings. Otherwise, the basic research findings will be dismissed as possibly interesting, but too incomplete to support management decisions.

Some readers may think that state agency partnership with other state agencies and outside researchers is obviously win-win for all. The next section corrects this possible misunderstanding.

2.5 New Burden on State Agencies Engaged in a Data Sharing Partnership

Again, a state agency can be seen as a cluster of programmatic silos governed by a temporary political appointee. A subordinate staff member within an agency who advocates the agency's engagement in a data sharing partnership with another state agency or outside researcher has to overcome institutional hesitancy to share control of administrative records with an external party.

Motives behind institutional hesitancy to share administrative records include:

- Potential loss of 'message' control. Political appointees, and some subordinate staff members, want to maintain control over what the public knows about the activities managed by the appointee. Information sharing runs counter to this basic instinct and principle.
- Reluctance to commit staff time to explaining external research or evaluation findings based in part on the agency's data. The previous subsection identified this motive for institutional caution. Published findings are rarely self-explanatory or complete. Excerpts chosen by a media person often highlight programmatic fault, economic weakness, customer inequity, or accountability gaps.
- Many state agencies have a standard series of statistical reports with regular release dates. Uniform data collection procedures and definitions are typically used. Researchers are notorious for adopting different definitions, combining data sources in new ways, and focusing on different time intervals. These differences cause public confusion, which often obligates the state agency to engage in time consuming and costly statistical diagnostics to understand and explain the sources of difference. Federal and state funds are not available for this absorption of staff time.

The lesson that should be taken from consideration of these cautionary motives about data sharing partnerships is to take steps to ensure open communication between the state agency programmatic staffs and the external partner. Typically, state agency staffs have a high level of cynicism about outside researcher understanding of administrative record content and quality, and a suspicious attitude about the willingness of these researchers to respect the institutional forces that guide the daily activities of the state agency. This cynicism and suspicious demeanor has been learned by observation of researcher behavior.

The community of researchers who participate in the use of state agency administrative records must be self-policing. This guide is one step toward development of a common standard of professional conduct.

Each researcher must understand and respect the consequences of their actions on the other members of the community. Again, a state agency is not required to enter into a data sharing partnership. The agency's management team must be convinced that the benefits that are expected to accrue, not necessarily to the agency itself, clearly outweigh the institutional burdens that are known to surface in data sharing relationships.

2.6 Criteria for a Successful Partnership

The insights gained from more than 40 years of participation in the creation and maintenance of administrative record partnerships is summarized by the following rules for success:

1. Do your homework before initial communication with a potential partner.
2. Engage in informal communication first to determine how a formal attempt to award or receive data sharing access might be acted upon.
3. Submit the formal proposal for partnership only when affirmative responses by all proposed partners can be expected.
4. Pursue each step along the way with people you are confident will handle that step in the desired way.
5. Begin the process with at least one compelling reason justifying approval of the proposed data sharing partnership.
6. Include direct reference to and elaboration of the other partner's potential benefit from the proposed partnership.
7. Acknowledge and respond to anticipated concerns the other partner might have about voluntary commitment to the proposed partnership, which demonstrates awareness of the other party's situation.
8. Be specific about proposed security arrangements, including reference to federal and state laws and administrative regulations pertaining to confidentiality of administrative records that will be shared.
9. Express a willingness to learn from the expertise of the other partners, and to reciprocate.

10. Ensure that a draft data sharing agreement includes specific reference to the databases that will be used and the authorized studies that will be undertaken.
11. Each time approval of a new proposed use of the shared data is granted, prepare an amendment to the original data sharing agreement.
12. Provide pre-release copies of research findings to the state agency partners whenever possible (this may be required), pointing out particular findings that might be of interest, or concern, to the partners. Handle this step in a one-on-one manner with each state agency partner. Agencies do not necessarily want other agencies to have pre-release access to new findings.
13. Be prepared to brief new political appointees and senior staff members, and keep continuing staff members informed about key activities and accomplishments.
14. Never allow partners to be blind-sided when you could have provided advance notice of a pending action based on research findings from the shared data.

From this short list of criteria for a successful data sharing partnership, attention turns in Section 3 to highlights of how six states created successful partnerships.

3.0 SUCCESSFUL STATE PARTNERSHIPS

3.1 Introduction

This section is separated into the two types of partnership described above—state agencies partnership with a public university research team (Georgia, Illinois, Maryland, Missouri and Texas), and partnership among state agencies, which then includes ancillary involvement of outside researchers (Florida).

3.2 The State Agency-University Affiliated Research Team Partnership

Five states that entered into this type of partnership are covered here in alphabetical order—Georgia, Illinois, Maryland, Missouri and Texas. However, the chronology of the formation of these partnerships was Missouri in the 1970's, Texas in 1986, Maryland in 1989, Georgia in 1996, and Illinois in 1998.

3.2.1 Georgia

Negotiation of the Georgia partnership began in 1995, between Georgia State University faculty and the director of the labor market information unit in the Georgia Department of Labor. An interagency agreement was signed in March 1996, after a year that was needed to craft mutually acceptable language.

The interagency data sharing agreement provided for the creation of a longitudinal file of Georgia UI wage records and ES-202 employment records at Georgia State University. The elapsed time of a full year occurred despite the fact that the final agreement could be modeled on successful predecessors, including Florida and Maryland (see Florida and Maryland subsection of this guide).

No research or evaluation project motivated the original request to acquire and maintain the administrative records at Georgia State University. Instead, the agreement was based on a mutually beneficial arrangement. Georgia State University was granted access to the administrative records for approved research purposes consistent with confidentiality stipulations spelled out in the interagency agreement. The Georgia Department of Labor was assured of the University's technical assistance and cooperation when the Department receives or initiates other requests for use of the records.

Recall a point made earlier in this paper. State UI wage records are a common feature of the successful state partnerships covered, but most of the value achieved through wider use of these administrative records comes from combining these and other administrative data sources. Initial conversations between the Georgia State University research team and the Georgia Department of Human Resources began in February 1997, a year after the UI wage record negotiations were successfully concluded, but languished until renewed in November 1997.

The original approach to the Georgia Department of Human Resources by Georgia State University faculty was project-specific, with no reference to possible maintenance of a longitudinal file of administrative records for welfare recipients. The negotiation process renewed in November focused immediately on negotiation of an interagency agreement similar to that successfully reached with the Georgia Department of Labor.

Agreement was reached in March 1998, one month before the beginning of the ADARE project. The ADARE project, sponsored by the Division of Research and Demonstration, Office of Policy Research, Employment and Training Administration, U.S. Department of Labor, initially investigated welfare to work transition flows before, during and immediately following the demise of AFDC and emergence of TANF.

A historical footnote is a lesson for others to heed—the first transfer of monthly welfare data occurred one week before a routine three-year cycle of record purging would have destroyed the University’s capability to investigate the transition years from AFDC to TANF. Administrative record purging schedules have typically paid little or no attention to the loss of value that accompanies this action.

Since the original acquisition of Georgia Department of Human Resources cash benefit recipient data in 1998, the University has negotiated acquisition of additional data fields including public housing and social services referrals, in February 2001, and a request is pending to add Food Stamps and Medicaid recipient coverage.

More recently, motivated by the ADARE project, the Georgia State University research team has acquired Workforce Investment Act administrative records needed to conduct client flow, service mix and impact analyses. The 'bundling' of these administrative data with TANF and UI wage records promises to add timely value to the forthcoming Congressional consideration of employment training, post-secondary education and welfare reauthorization legislation.

Retrospective views about lessons learned from the Georgia partnership include:

- When possible, negotiate the archiving of complete administrative records, not just extracted fields that are needed at the outset of the partnership. This need not negate the owning agency’s control over subsequent uses of the records, while protecting against future disappointment that data fields have been lost through routine administrative purging that would have been valuable now. The request for a ‘dump’ of an administrative record file is likely to be met with relief by those who otherwise would have been expected to prepare the original extract, knowing that future requests would probably be forthcoming. However, the request for a ‘dump’ of records is often interpreted as a researcher’s failure to think through what use will be made of the records. A basic resistance to the release of complete records can add to this suspicion, even when valid and reliable assurances of respect for confidentiality are offered.
- Concentrate on how to reach a successful conclusion of an interagency data sharing agreement that will be of mutual benefit to the partners, not on whether an agreement is possible. There are few instances in which agreement is not legally permissible or potentially of benefit to all parties involved.

- Once having offered assurances of confidentiality and awareness of other partner concerns, do not become lax in continued and unwavering adherence to these stipulations. What is important is not just respect for individual and business confidentiality (non-disclosure of information that would permit the direct or indirect identification of either), but also aggregate information that might be used by one party in an action against another without prior awareness that this might be possible.

3.2.2 Illinois

The Center for Governmental Studies (Center) at Northern Illinois University has a long history of linking UI wage records to program participant records. Its initial effort in this area occurred in the mid-'80s for the Illinois Department of Commerce and Community Affairs (DCCA). At the time, DCCA was the administrative agency for Job Training Partnership Act (JTPA) programs.

Realizing the limitations of the JTPA post-program survey as an evaluation tool, DCCA sought to take advantage of Illinois UI wage records. To this end, DCCA negotiated with the Illinois Department of Employment Security (IDES) to gain access to the UI wage records for JTPA participants only. The Center was contracted in 1984 to link the Illinois UI wage records and JTPA participant information and perform appropriate statistical analyses.

As a result of the work it did for DCCA, the Center began to develop an expertise in the issues and problems encountered when linking administrative databases. The Center soon began what has become an uninterrupted series of sponsored research and evaluation projects examining these issues at national, state and local levels.

In 1991, the Center was awarded funds by the National Commission for Employment Policy to conduct a multi-year multi-state project to explore issues associated with the use of state UI wage records as an evaluation tool for the Job Training Partnership Act (JTPA). Florida, Missouri and Texas were partner States in this undertaking (among others). At its zenith, this project examined the linked UI wage records and JTPA participant information from 20 states. **[add final report reference here]**.

At the local level, in 1994, the Center was commissioned by the Chicago Mayor's Office of Employment and Training to develop a UI wage record evaluation tool that could be used to assess provider performance.

The Center has also been involved in two state-level projects that attempted to develop common performance measures, based on UI wage records, that could be used to assess the performance of all employment and training programs operated in the Illinois.

The Center's earliest investment in the development of common performance indicators was in 1991, and largely exploratory in nature. The primary goal was to determine the extent to which Illinois agencies had the ability to produce the necessary data files, and to uncover technical issues that would arise in this pursuit.

The second project, which began in 1994, was more ambitious and attempted to develop and implement a common performance management framework. This project led to the development of cross-program performance measures and the establishment of the Illinois Common Performance Management System (ICPMS). As the contractor for ICPMS, the Center gained valuable experience in linking UI wage records with the client data from every major workforce development program operated in the Illinois, including JTPA, adult education, primary and secondary vocational education and welfare-to-work. Although it is less active than it was in the past, the ICPMS is still in operation and offers Illinois agencies an avenue through which they can obtain aggregate performance information on their programs.

The Center was also instrumental in the establishment of a historical file of Illinois UI wage records. The Workforce Investment Act was enacted in October 1998. The Center immediately began a review of the data demands of the WIA provider certification and performance management systems. It soon became clear that the internal procedures the Illinois Department of Employment Security was using to access UI data for WIA evaluation were insufficient to meet those demands in a timely fashion.

The Center proposed the development of a UI records archive that could easily access and extract longitudinal performance information for WIA customers. In 1998, the Center was awarded a contract to begin the construction of such a historical file. Now in operation, the Illinois UI wage record historical file contains all records collected by IDES since July of 1993. With prior authorization to do so, the Center can now link these records to other customer databases, extract the necessary information, and produce summary measures of performance in under two minutes.

Most recently, the Center has been active in assisting Illinois agencies in developing performance benchmarks for their programs. For example, under WIA, Illinois faced new UI-based performance measures from which they had to negotiate State and local standards. IDES, which is responsible for Title I-B of WIA, contracted with the Center to establish an historical baseline with these new measures to support the negotiation process. Within a month, the Center was able to replicate the new performance measures using seven years of historical data and produce annual performance estimates at both the State and sub-state levels.

Throughout most of this period, the Center was a subcontractor on the shared data agreements forged between IDES and other Illinois agencies. The Center did not maintain a separate shared data agreement with IDES until it became the contractor for ICPMS. This separate agreement allowed the Center to produce aggregate level performance estimates for the partner ICPMS agencies provided that the partner agencies had an independent data sharing agreement with IDES.

The shared data agreement between the Center and IDES details the permitted uses of the data. Since each new project initiates a new use for the data, the shared data agreement has to be modified with each new project. This requirement is found in each of the state agreements described in this guide. While this can be inconvenient, especially when the new project is for IDES and the Center already has the data in hand from other projects, it has become an accepted way of life. It should be noted that even with the Center's long association with IDES, delays in modifying the agreement sometimes occur.

Until recently, all archival data were stored, edited and processed on the Northern Illinois University mainframe computer. The recent advances in PC processing speed and storage capacity has effectively eliminated the need for the mainframe except as a means for downloading the large data files from cartridges to the PC. Once the data are downloaded, it is verified to ensure that no information is lost or corrupted in the downloading process. After it is verified, the records are compressed into "zip" files and pressed to CDs. Multiple copies of the CDs are made and stored in secure locations. At this point, the data cartridges are retrieved from the mainframe computing facilities and returned to the originating agency. Increasingly, information is sent to the Center over secure FTP ports which eliminates the need for any mainframe access. Even the UI record archive is PC based. The official longitudinal file is located at IDES, while the Center has a mirror site for developmental work. The PCs that house the data are currently four years old and scheduled for replacement.

All data processing is done using SAS software. SAS was chosen for a number of reasons including its ability to manipulate and merge large data sets, read data from different formats and perform sophisticated statistical procedures. The only work not performed by SAS is geographic mapping done using ARCVIEW.

All data and PCs are situated in secure locations. There is controlled access to all PCs that hold data containing individual identifiers. Those PCs that are used for processing the data and are also connected to the Internet are situated behind a firewall. On-site audits are conducted by IDES with the most recent audit conducted in the spring of 2002.

The Center is a member of the Census Data Center and Business and Industry Data Center networks. As a result, the Center has access to a wide variety of demographic and economic data sources. Crosswalks have been developed so that data can be mapped to different geographic boundaries such as community college districts and local workforce areas.

The confidentiality of the administrative records is always an overriding concern. However, this concern transcends the release of confidential information to the public. It also applies to releasing the agency data to other agencies and even within an agency.

To avoid any possibility of releasing information to unauthorized people or entities, the standard operating procedure employed by the Center is to only accept requests and release information through the contract officer. This has created some interesting situations such as when the Governor's Office called the Center to request some statistical information from several State agencies. The Center argued that the shared data agreements prevented this and that all requests and information had to be routed through the agency. Within a matter of days, the Center received these requests from the agencies. While cumbersome at times, this operating procedure has produced a large measure of trust by the agencies in the Center as a custodian of their data.

A second operating procedure is that the Center does not 'bundle' administrative records from more than one state or local agency unless written authorization for such use is provided by each affected agency, and the intended 'bundling' is covered by each of the data sharing agreements. This means that the federal and state confidentiality and permissible use stipulations that apply to education records, welfare data and employment training information must be understood, codified in the data sharing agreements, and respected in the processing of the 'bundled' data files.

These rules of conduct can be frustrating to participating agencies since, even if they agree on a specific analysis, they must wait for the results while they deal with modifications to the shared data agreements. Adding to this frustration is the fact that the Center often offers to produce the requested data tables at no cost since they can be produced in minutes. However, respect for these operating principles also promotes a high level of trust for the Center as a custodian of confidential administrative records.

Even when the Center has the authority to produce reports from the analysis of the administrative databases, the reports are first given to the agencies whose data were used in the analysis. This is more than just a courtesy to provide the agency the chance to review the results before they are made public. Over the years, that Center has come to view agency staffs as invaluable resources. Staff has detailed knowledge of the programs administered and associated data systems.

If a result appears to be inconsistent with staff knowledge of a program, the data and methodology producing that result receive closer scrutiny. Faulty results have been identified more than once by agency staff. This is especially true when working with longitudinal data, since coding structures change over time and originally optional data items with inconsistent reporting become mandatory.

Over the many years the Center staff has worked with administrative records there has not been a single instance when an agency has sought to suppress a research finding produced by the Center. This is not because all of the Center's research is flattering to the agencies. Instead, it is because the Center discloses those findings to the agency prior to the public release of that information and works to convince the agency that the findings are valid. Agencies realize that their programs are not perfect and that there is room for improvement. However, they want to be aware of any unflattering findings and understand how they were produced so that they are not blindsided in a public forum.

The Center's association with the Illinois Department of Employment Security has been rewarding for both sides. Aside from the financial benefits, the Center gains the opportunity to engage in intellectually stimulating work and fulfill the public service mission of the University. The Center also has the rare opportunity to influence both frontline program management and public policy.

IDES gains in this partnership by having access to a research team that understands both their programs and data resources. In addition, the Center often functions as a rapid response team that is able to quickly address research questions posed to the agency by system stakeholders. Unlike the agency's data systems, which are designed to ensure uniform data collection and perform routine reporting functions, the Center has stored the data in databases designed to facilitate ad-hoc reporting and analysis. As a result, IDES has a resource it can tap to produce timely answers to questions without having to divert its own staff from their day-to-day functions to wrestle with the data from their data systems to produce the same answer. In addition, the fact that the Center and not the agency has produced the answers insulates the agency from the charge that the results were somehow rigged.

3.2.3 Maryland

Maryland administrative record archiving began in 1989, with a data sharing agreement first negotiated between the Maryland Department of Economic and Employment Development and the University of Maryland-Baltimore County. Two years later, the agreement was renegotiated to identify the University of Baltimore as the university partner. That agreement has continued since then and currently extends through June 2004 with specified renewal language.

Unlike Florida and Illinois, which began with performance accountability responsibilities, and Georgia, which began with no mutually agreed upon research or evaluation assignment, the Maryland partnership began in 1989, with a project focused on labor market dynamics research. This required the 'bundling' of UI wage records and ES-202 data elements. Over the ensuing 13 years, using a longitudinal file that now covers more than 17 years (1985 through September 2002), a broad spectrum of sponsored research and evaluation projects have been authorized by the successor to DEED, the Maryland Department of Labor, Licensing and Regulation (DLLR).

During these years, data sharing agreements have been negotiated between other statewide agencies and The Jacob France Institute at the University of Baltimore. These partnerships include the Governor's Workforce Investment Board, the Maryland Higher Education Commission, the Maryland State Department of Education, the Maryland Department of Business and Economic Development, the Maryland Department of Human Resources, and the University System of Maryland. Local agreements have been negotiated between The Jacob France Institute and the Montgomery County Public Schools, the Baltimore City Public Schools, the Empower Baltimore Management Corporation, and individual community colleges.

The first 10 years of State agency partnership with the university-based research team was characterized by annual negotiation of a scope of work and budget. In 1998, a three-year contract was awarded to The Jacob France Institute, with a DLLR option to renew this for two additional years. The fifth year under the current agreement ends in June 2003, and a one-year renewal with additional renewal options has just been signed.

Today, The Jacob France Institute at the University of Baltimore has core performance measurement responsibilities for Maryland's WIA Title I-B (Adult, Dislocated Worker and Youth employment and training services), Title II (Adult Education and Literacy) and Title IV (Vocational Rehabilitation) programs; TANF High Performance Bonus indicator calculations (that will 'shadow' the HHS calculations that began October 1, 2002); Perkins III secondary and post-secondary core indicator 3 (placement); as well as a support role similar to Georgia State University's, which relieves DLLR of a need to respond to third-party research and evaluation organizations seeking authorized access to Maryland UI wage records.

The Jacob France Institute has partnered with DLLR to participate in a regional exchange of UI wage record information for authorized performance measurement purposes. The partner states are Delaware, the District of Columbia, Ohio, Pennsylvania, Virginia and West Virginia. It is not clear at this time how each State's participation in the federally promoted national Wage Record Interchange System will affect this regional relationship.

The DLLR Office of Labor Market Analysis and Information has recently accepted a major role in the conduct of the quarterly interstate data sharing activity. To date, the interstate arrangement has been a non-financial exchange of information.

The Jacob France Institute staff dedicated to routine maintenance of the administrative record files and research and evaluation uses of these files includes a full-time database manager, a full-time database support person, one full-time and one 0.6 FTE senior research analyst, and a 0.5 FTE commitment by the Institute director.

Challenges faced over 13 years of Maryland administrative records archiving in a university setting include:

- Negotiation, amendment and renewal of multiple agency-specific data sharing agreements. Like the Center for Governmental Studies at Northern Illinois University, The Jacob France Institute at the University of Baltimore provides a service-center role. The Institute is an agent acting on behalf of the Maryland Department of Labor, Licensing and Regulation, the Maryland Department of Human Resources, the Maryland State Department of Education, and the Maryland Higher Education Commission. This agency role is carried out in support of various Federal performance measurement responsibilities. Every vendor that seeks certification as a service provider eligible to receive WIA individual training account vouchers from enrollees must sign a data sharing agreement with The Jacob France Institute, so performance information can be extracted and included in the consumer report system.
- Level and continuity of funding. The Institute staff described above is supported entirely from Federal, state and local funding entities. Most of the awards are for a performance period of one year or less. Each of the awards specifies a narrow scope-of-work, typically related to performance measurement under a single federal or state law.
- Precedent. The uniqueness of the Institute's agency role, carried out on behalf of multiple state agencies, has resulted in a high level of caution by each of these agencies about permitting independent research use of the longitudinal files of administrative records. A concern is that what one university-based person is permitted to do might become a precedent opening the flood-gates to requests from other faculty members, students, and advocacy groups, to be given similar access to the data files. This is a very difficult issue for state agencies. They do not want to censor researchers. In fact, they recognize and reach out to the expertise found in universities, as a complement to their own resources. But, they are not prepared to handle the logistics of frequent data sharing requests. They are not funded and staffed to ensure that external researchers truly understand

the nuances of working with administrative records. They are concerned about losing control of what can become volatile political controversies.

- Trust. Trust is person-specific and builds, or dissolves, over time. The principal author of this paper has engaged with federal, state and local labor market information and research and evaluation colleagues for almost 40 years. The Georgia, Maryland and Missouri partnerships were forged based on this long-term commitment and familiarity. In turn, Maryland has benefited tremendously from long-standing interactions between the principal author and John Baj in Illinois, Jay Pfeiffer and colleagues in Florida, and Christopher King and colleagues in Texas. More recently, Julie Hotchkiss and colleagues in Georgia, Peter Mueser in Missouri, and Kevin Hollenbeck at the Upjohn Institute for Employment Research, working with Washington state data, have added complementary expertise and counsel.
- Serial oversight by political appointees. Maryland has been fortunate to have been served by political appointees in the Department of Labor, Licensing and Regulation who are at least tolerant, and often enthusiastic supporters of The Jacob France Institute role in maintaining the longitudinal files of administrative records.
- Return-on-investment calculations. There has been a persistent desire in some quarters to achieve 'simple' comparative measures of return on investment in federal, state and local employment training and occupational education programs. Others have successfully discouraged such calculations based on skepticism about the adequacy of available administrative data to support valid and reliable measurement of this type. There is now renewed federal interest in the development of rate of return estimates across multiple federal programs and expenditure streams. The quality of available data issue will loom large as this dialogue continues at the state and federal levels.

The Jacob France Institute uses a secure HP Workstation with a 180 megahertz chip, running the UNIX 11.0 operating system to program and process all administrative records received. The workstation has 256 megabytes of memory, nine gigabytes of internal storage and a CD ROM. The Institute has a secure external cabinet with six hard drives for a total disk space of 110 gigabytes. Additionally, the Institute has a DDS DAT tape drive (12 Gig) which used primarily as a backup device, and a HP nine track tape reader that used to facilitate the collection of data from other agencies that prefer to do data transfer in that medium. However, the Institute has largely abandoned nine track tape data transfer, doing more password protected FTP and e-mail traffic.

The current Institute workstation configuration meets the requirement to maintain the core 17+ years (currently 69 quarters) of Maryland UI wage records and related longitudinal files. However, a faster CPU and more memory would enhance the processing of large files for any new or existing shop.

The SAS programming language (Ver 8.0) is the Institute's primary programming tool. Data files are stored as flat, text base UNIX files, with some files in an Oracle Database. Institute staff has found that the additional layer of using the Oracle system takes away from processor speed and requires an additional investment in maintenance required for the Oracle RDMS software.

Recent illustrative publications using 'bundled' administrative records, or proposing broader use of these records, include:

- David W. Stevens (2002), *Labor Market Dynamics: One Component of an Integrated System of Labor Market Information*, Washington, D.C.: Workforce Information Council c/o Bureau of Labor Statistics, U.S. Department of Labor.
- David W. Stevens (2002), *Maryland Applied Information Technology Initiative (MAITI): Employment and Earnings Profiles of MAITI Program Graduates*, College Park, MD: Maryland Applied Information Technology Initiative, University of Maryland-College Park.
- David W. Stevens (2003), *Employment and Earnings Profiles for Empower Baltimore Management Corporation Job-Seeking Clients*, Baltimore, MD: Empower Baltimore Management Corporation.
- David W. Stevens (2003), *TANF High Performance Bonus Competition: FFY 2002 Award Year, Fourth Quarter*, Baltimore, MD: Family Investment Administration, Maryland Department of Human Resources.
- David W. Stevens (2003), *Occupational Skills Training in Maryland: A Study of Earnings Trends*, Baltimore, MD: Governor's Workforce Investment Board.

3.2.4 Missouri

In the 1980s, the principal author of this paper, then a faculty member at the University of Missouri-Columbia, arranged to receive quarterly UI wage record data from the Missouri Division of Employment Security. This series ultimately extended from the late 1980s through the early 1990s.

Missouri Governor Mel Carnahan served from 1993 until his untimely death in 2000. As part of a broad set of initiatives to improve social services in the state, Governor Carnahan appointed members of the Missouri Training and Employment Council (MTEC) to oversee coordination of workforce development programs.

The MTEC included representatives of business, nonprofit organizations, and labor, as well as the main state agencies involved in workforce development programs, which were, in turn, required to fund MTEC from their budgets. In many ways, MTEC foreshadowed WIA provisions, insofar as it brought together partner agencies, and worked toward consolidating services in one-stop centers. When the Workforce Investment Act passed in 1998, MTEC was designated the state's Workforce Investment Board.

In order to provide data to allow MTEC to oversee statewide service provisions—and undoubtedly to enhance the reputation of the state's administration—the Governor's office mandated that workforce program participants be evaluated in terms of employment outcomes. In fact, the measures chosen to evaluate the state's workforce development system (which became "the Governor's questions") corresponded in basic structure to the performance standards that WIA would ultimately adopt. For example, for each leaver from the workforce development system, comparisons between pre-participation and post-participation earnings were performed based on UI wage record data, and for those obtaining jobs in the quarter following the program year, "retained employment" was calculated by looking at employment in subsequent quarters.

Potential difficulties were clearly associated with assigning any one of the workforce agencies to undertake the performance accountability responsibility, since there was much competition among them. The University of Missouri stepped forward offering to undertake this performance accountability responsibility. Ultimately, the Governor's office decided that agencies would provide records of program participation to MU.

Within a period of a few months, the Missouri Department of Labor and Industrial Relations (MDOLIR) provided available historical UI wage record data to the University of Missouri Department of Economics. Meanwhile, the principal author of this paper entered into an agreement to return older Missouri UI wage record files to the University, producing a data series that now begins in the late 1980s and extends to the present.

The Missouri Department of Social Services (DSS) arranged to have its monthly Income Maintenance (IM) file, which comprised AFDC/TANF as well as the state's medical assistance program, including historical data beginning in 1990, transferred to the University. DSS also transferred files of participants in its AFDC/TANF FUTURES job training program to the University. DJDT arranged to have JTPA files transferred, the Division of Vocational Rehabilitation arranged to have files transferred, and the Division of Employment Security arranged to have files of individuals receiving Wagner-Peyser services transferred.

The Coordinating Board for Higher Education (CBHE) took the lead among partner state agencies, arranging for the purchase of a computer to be located at the University of Missouri-Columbia Economics Department. CBHE transferred files identifying enrollment and degree attainment for students in all post-secondary institutions in the state. The pressure from the Governor's office on the state agencies to provide data in a short time frame was matched by pressure for the University to produce results. The University research team presented initial tabulations to MTEC within weeks of receiving the data.

Until June 2002, the University research team continued to provide tabulations for MTEC and made arrangements to continue to receive necessary data from agencies. Under the MTEC umbrella, the research team has also performed customized analysis for various state departments.

The data sharing agreement specifies that confidential administrative information can be used only to produce contract products. Use of the administrative records for any other funded research (including the current ADARE project) can only be undertaken with the approval of the agencies. However, academic research intended for publication as journal articles, conference proceedings and dissertations or theses, is permitted by the current data sharing agreement. This use is permitted by state statute, which allows faculty as state employees to use data in the performance of their job duties.

Data or tabulations cannot be released if this would allow the identification of any individual or firm. The data are maintained on a secure computer. Most projects undertaken require matching by social security numbers, which are maintained on the files in encrypted form.

Beginning in July 2002, the Department of Economic Development has been assigned to undertake tabulations for MTEC, and there is some question about whether it will be possible for the University research team to continue to receive data from all the agencies. Transfer of quarterly UI wage record data from DOLIR is considered routine and assured, as is the transfer of monthly IM data from DSS, so it seems likely these transfers will continue. The state WIA agency (the Division of Workforce Development, which replaced DJDT) has agreed to provide WIASRD data for the ADARE project.

It is clear that a combination of political events and personal contacts were responsible for the designation of the University of Missouri Department of Economics as the depository for data on participants in a wide variety of state programs. These specific events would be impossible to reproduce elsewhere, but the lessons learned should be of substantial value to successors who aspire to follow in Missouri's footsteps (or those of other partners whose involvement to date is documented here.)

3.2.5 Texas

The Texas partnership was initiated in 1986 and has continued largely uninterrupted since that time. Two University of Texas at Austin researchers, one of whom (King) had been heavily involved in JTPA implementation and RD&E activities for the Texas Governor's Office from 1983-1985, secured a small contract to evaluate several welfare-to-work pilot projects launched by the Governor's Office in 1986. This effort required linking welfare and UI wage records, among other things. With the arrival of a new governor in 1987, the project ended, but it was quickly transformed into statewide research on welfare/work dynamics, essentially replicating national welfare dynamics analysis using state administrative records.

The Texas partnership was greatly facilitated by several factors. First, King had been the Associate Director for RD&E under JTPA and had close, well established working relationships with key administrators and staff in the various contributing agencies, including the SESA (Texas Employment Commission) administrator, the LMI/SOICC director, the welfare (Texas DHS) administrator and others, as well as a national research and evaluation reputation. These relationships and the experiences on which they were based, fostered an essential environment of trust among the participants. Second, the other principal researcher on the team (Schexnayder) was heading up a work/family research program for the University's Bureau of Business Research at the time.

Together, the researchers presented a respected, knowledgeable, nonpartisan team to the SESA and other data providing agencies. They also approached state administrators with very applied analyses in mind, ones that would support addressing mutual needs and interests.

There was no single compelling reason for establishing the SESA/researcher partnership in Texas, but rather a mutual interest in learning more about welfare/work dynamics in Texas, specifically whether nationally derived welfare/work relationships would hold in a low-benefit welfare state like Texas with a large Hispanic population. There was also growing interest in evaluating and understanding participation in and outcomes from Texas' job training, vocational education and other federal/state workforce programs. Over several years, the state partnership extended to encompass the following, in addition to our own USDOL-funded research:

- conducting welfare/work program evaluation (1986)
- basic welfare/work dynamics research (1987)

- demonstrating the feasibility of using UI wage records to track community and technical college outcomes (1989)
- assessing the readiness for implementing the Family Support Act JOBS Program (1989-1990)
- conducting a quasi-experimental and process evaluation of the Texas JOB Program (1991-1995)
- documenting return-to-work patterns for workers' compensation (1992-1995)
- evaluating the Texas (and Hawaii) Food Stamps E&T/JOBS Program Conformance Demonstration (1995-1997)
- researching the factors associated with Texas (and Illinois) JTPA success stories, measured by longer-term employment stability and self-sufficiency earnings (1995-1997)
- exploring the role of child support and noncustodial parent earnings in Texas welfare dynamics (1998-2001)
- analyzing the outcomes at the state and local level associated with the receipt of publicly funded child care (1999-2002)
- conducting an experimental evaluation of Texas' *Achieving Change for Texans* Welfare Reform Demonstration (1997-2002)
- analyzing patterns of participation in and outcomes from Texas career and technical education for the National Assessment of Vocational Education (2000-2002)
- preparing return-on-investment estimates for Texas workforce development funding streams (2001-2002)

Very little time elapsed from the point at which initial contact was made and signing the data sharing memorandum of understanding (MOU) with the SESA and other agencies. The initial agreement was part of a contractual relationship but was formalized as an MOU in support of general research and evaluation. The MOU has remained in effect under both Republican and Democratic administrations for almost 17 years.

Similarly, initial data access — by tape in the 1980s and early 1990s, cartridge in the mid-1990s and FTP more recently — was very quick. In many instances, large-scale but standard UI wage linkage requests are turned around in a few weeks at most. More complex requests involving archived UI files or linking to employer records typically take much longer.

The research team came to the table with considerable familiarity with the program records, ranging from job training and welfare to UI wages and others. In addition, the researchers invested heavily in data quality checks, typically in tandem with state staff responsible for data collection and reporting, well before conducting any analysis or presenting any results. Regardless of the contractual requirements, the researchers traditionally provide key agency staff with a courtesy briefing on major findings and conclusions in advance of public presentations.

Unlike some of the other states in this partnership, the Texas statewide UI wage archive remains under the control of the SESA, whose function was consolidated in 1996 with a number of workforce-related agencies to form the Texas Workforce Commission (TWC). This agency has not consented to release the entire archive, but prefers instead to have its staff perform extracts of individual wage records, and sometimes employer data, as needed. The MOU between TWC and the Ray Marshall Center (RMC) is regularly updated to extend access permissions as new projects are approved. Furthermore, information sharing agreements between TWC and other state agencies help to ensure that such data access will be approved even when the project is funded by the other agency.

The wage record data are processed at RMC using SAS software on an internal network of computers that is physically isolated from the internet. Center employees who process the data have been trained in the handling of confidential data so as to prevent the release of identifying information. Data processing and documentation procedures are standardized, as are the archiving rules, which specify that at least two good copies of all raw data must be maintained, with one being on optical media (CD-R), and another on magnetic (tape).

A number of other state agencies have come to trust the Center with the contents of their own massive administrative data systems. This has allowed Center researchers to link individual records across programs to gain an increasingly broad perspective on the lives of workers and public assistance recipients.

Some of the programs linked include AFDC/TANF, Medicaid, and Food Stamps programs; child support collections and case dynamics through the Office of the Attorney General; foster care and abuse/neglect data from Child Protective Services; subsidized child care receipt and workforce development services; workers compensation; and secondary and postsecondary education participation and outcomes. In many cases, RMC researchers' retention of and

prior experience with these data sources allows them to do value-added research on the same data when new issues arise.

At least two pieces of wisdom have been gained over the last 16 years. First, establishment of procedures for the protection of confidential data is very important for gaining the trust of state agencies. Second, briefing these same agencies on any findings before their public release is key to keeping that trust.

3.3 The Interagency Type of Partnership (Florida)

Jay Pfeiffer, Chief of the Bureau of Workforce Education and Outcome Information Services (WEOIS) in the Florida Department of Education, and Rebecca Rust, Process Manager, Labor Market Statistics, Florida Agency for Workforce Innovation, are nationally recognized pioneers in the use of state administrative records for research and evaluation purposes.

The Florida Education and Training Placement Information Program (FETPIP) in the Department of Education carries out performance indicator calculations for a number of federal and state education and employment training programs. This responsibility and approach has been used as a model for replication or modified adoption in other states.

Pfeiffer was the original point-of-contact in Florida when the first five of today's seven ADARE project partners were invited to join the alliance in 1998. Pfeiffer then contacted the Florida Institute for Career and Employment Training of Florida Atlantic University in Fort Lauderdale. The Department and the Institute had worked together on previous research and evaluation projects using administrative records.

The Institute was founded in 1995, recognized by the Florida Board of Regents as a statewide research, evaluation and technical assistance unit with primary functions that include welfare reform and workforce development. The Institute was the natural candidate to become the university member of the Florida team. Appropriate interagency agreements were negotiated between the Institute and the Florida Department of Education, and between the Institute and the University of Baltimore (as the administrative entity for the then five State alliance sponsored by the U.S. Department of Labor).

University-based research teams face two early hurdles in a collaboration of this type—worries about confidentiality and the related logistics of administrative record access. To overcome these concerns, the Institute staff began participation in the new alliance by renewing and forging contacts with the state agency personnel who receive, maintain and sometimes analyze administrative records in Tallahassee.

Florida's approach to the confidentiality and access concerns is similar to that adopted in Texas—the longitudinal files of administrative records remain under the control of one state agency, in Florida's case the FETPIP. Florida and Texas differ in how the state UI wage record file is accessed. The FETPIP staff negotiates data request specifications with the external partner and then performs the extraction tasks necessary to provide the requesting party with the data needed to satisfy a particular previously approved research or evaluation purpose. The Texas approach is described in the Texas subsection of this guide.

The confidentiality and access concerns are put to rest by accepting a higher level of staff burden than would be required if the state UI wage record file resided with the external partner. This approach continues to work well in Florida. The Illinois, Maryland and Missouri subsections of this guide illustrate a different management arrangement, one in which a high priority has been given to avoidance of internal staff burden and cost, but without sacrificing confidentiality assurances. There is no 'best' approach that can be recommended without knowledge of a particular state's circumstances, both historical and current.

The administrative records needed for the first phases of the welfare-to-work research that was to be conducted are maintained by three state agencies—the Florida Department of Education, the Florida Department of Labor and Employment Security, and the Florida Department of Children and Families. Institute staff identified key staff in each agency that, because of longevity and experience, understood the major administrative databases the best.

Institutional memory is a precious commodity in the establishment and successful continuation of a partnership of the type described here. Management information system hardware, software, record layouts, and data element definitions change periodically. The documentation of these changes that is needed by a research team differs from that needed, or recognized, in many administrative circumstances. Again, administrative personnel have no obligation to keep researchers apprised of changes that might affect whether and how particular data sets are used.

The benefits of this type of relationship are apparent:

- The partnership engages the administrative record staffs in the respective agencies in value-added research and evaluation uses of their agency's data.
- The partnership short-circuits worries about confidentiality by engaging the program agency managers, who are authorized to see the data, as the designees to run the queries and maintain the confidentiality of their systems.

- The partnership approach described eliminates what could otherwise be a nagging challenge to understand each agency's unique data processing system and record formats.

A potential liability associated with the Florida partnership approach is that the research or evaluation specifications must be thought through before asking for administrative record processing by a host agency. 'Fishing' exercises are common in research and evaluation engagements. Poorly informed processing is unlikely to be tolerated in the Florida approach.

The Florida Atlantic University partner, the Florida Institute for Career and Employment Training, has learned a lesson that is common among the six State approaches described here. University faculty members, non-faculty professional staff colleagues and students are unfamiliar with the attributes of administrative records, as these differ from statistical data sources and survey data that are collected for a research or evaluation purpose. The special nature of administrative records cannot be overemphasized. The Institute staff members continue to be alert to and learn from these special characteristics of administrative records. Anyone who is unwilling to make this investment in understanding does their colleagues and current project sponsor a disservice, and subjects many others to a lesser likelihood of being granted access to such records in the future.

3.4 Conclusions

Six examples of successful partnerships between state agencies and a research team affiliated with a public university have been described here. Five of the six began with a data sharing agreement between the State Employment Security Agency and the University, and then broadened value-added opportunities by successful negotiation of data sharing agreements with other state agencies. The sixth partnership began with negotiation of an interagency agreement between the State Employment Security Agency and the Department of Education, which was then followed by successful negotiation of a series of interagency agreements covering a broad portfolio of workforce development and education programs. This partnership involves university faculty and staff on an *ad hoc* basis depending upon need and resource availability.

These examples provide those aspiring to follow in our footsteps with useful information about the process that resulted in successful negotiation of multiple data sharing agreements, the hardware and software that has been used, and observations about continuing threats to the continuity of these partnerships.

The final section of this paper summarizes the important lessons that have been learned during more than 40 years of collective engagement in partnerships between state agencies and a university research team.

4.0 A CHECKLIST OF ISSUES

Section 2.6 of this paper presented 14 criteria for a successful partnership. This concluding section returns to these criteria, elaborating on some in the context of the six successful partnerships described in Section 3.

- Know your prospective partner(s). A data sharing partnership is a marriage based on shared interests. Expected mutual gain is an obvious criterion for successful negotiation of an initial data sharing agreement. It might be less obvious to some that the partnership is likely to be sustained only if the expectation of mutual gain continues. At the outset, the expectation of mutual gain is based only on promises made. There is no historical record of actual gain. Over time, evidence accumulates about the actual gains of the individual partners to the data sharing agreement. Imbalance in this record threatens the stability of the partnership.
- Avoid irreversible decisions that terminate negotiations, or end a previously successful partnership. Partners must be constantly vigilant to detect danger signals. Confidentiality requirements are of particular importance. Accurate knowledge of current federal and state laws, legal opinions and administrative rules is a must for all partners. Many false rumors continue to circulate about what is or is not permissible. It is important to remember that the laws and rules that apply to each source of administrative records are likely to differ. This means that 'bundling' of multiple data sources involves combinations of confidentiality requirements. The most restrictive requirements will determine how 'bundled' data can be used.
- Do not assume that more information is viewed as a preferred situation by all parties to, or affected by a data sharing agreement. Information can be threatening. Basic performance trend information is one thing. Gender, race/ethnicity and age detail can be quite another matter. State agencies are naturally reluctant to expose themselves to unnecessary scrutiny.
- Partial performance information can be seen as worse than no performance information. If the principal criterion for success in a data sharing partnership is new access to actionable information, then the availability of limited new information can have unintended and untoward consequences for some parties. Partners to a data sharing agreement are advised to 'think ahead' at all times. Engage in hypothetical thought-exercises about how staff in the Governor's Office, legislative staffs, or advocacy groups might respond to particular types of findings. Performance information should pass a basic fairness test--is one group or location disadvantaged because of performance data limitations, not because of lesser performance *per se*?

- State agencies are particularly concerned about three issues--potential loss of message control, potential staff burden to explain new findings reported by an outside research team, and potential inconsistencies between standard statistical reports and new research team findings. Examples of ways to avoid loss of message control were included in the descriptions of six successful partnerships presented in Section 3. All data sharing agreements should require prior agency approval of all uses of their administrative records, and all should require pre-release notice of findings based on the use of these records. The staff burden absorbed to explain new research findings can be controlled by frequent interaction between agency staffs and the external research team, particularly just prior to release of new findings. Similarly, regular collegial interaction between agency staffs and research team members can minimize differences in data element definitions, time interval coverage, statistical methods, and other decisions that affect one's ability to align data series.
- Finally, remember that the topic here is responsible use of *administrative* records. These records have unique attributes that distinguish them from statistical records designed explicitly for research use. Two of these characteristics are of particular importance--purging schedules and definition changes. Once the administrative need for information has ended, purging routinely occurs for data processing efficiency reasons. The partners to a data sharing agreement need to take purging practices into account, and continued attention to these schedules is necessary because the schedules often change. The partners to a data sharing agreement also need to find ways to ensure that administrative changes in data element definitions are revealed to the research team in a routine and timely way. This is a difficult practice to sustain. Personnel come and go. Reorganizations occur. New database management systems are installed. Federal and state laws and administrative rules change. Partners are advised to remain alert to these dynamics, and to take steps to know when data fields change.

Responsible use of administrative records for performance accountability, and related purposes, is practical. The common features of successful data sharing partnerships are known and have been described here. The value gained through broader use of administrative records is clear. However, all who are affected by wider use of administrative records are not winners. The interests of those who expect to be harmed must be understood. Their motives and capacities to restrict broader use of administrative records must be recognized.

Those considering the negotiation of a new data sharing partnership, and those wanting to sustain an existing data sharing partnership, are advised to heed the 'mutual gain' criterion for success. Pairing of a clear winner and loser is futile. Even if this can be ordered in a command-and-control context, it will not last.