



DEC 10 2012

The Honorable Pat Quinn
Governor of Illinois
State Capitol
207 Statehouse
Springfield, Illinois 62706

Dear Governor Quinn:

This letter provides approval of Illinois' State Integrated Workforce Plan for Title I of the Workforce Investment Act (WIA), the Wagner-Peyser Act (W-P), including the W-P Agricultural Outreach Plan, and plans for coordination with Trade Adjustment Assistance (TAA). The Employment and Training Administration (ETA) received the State Plan on September 14, 2012. This letter also responds to Illinois' WIA waiver requests.

Training and Employment Guidance Letter (TEGL) No. 21-11, issued on March 27, 2012, and TEGL No. 21-11, Change 1 issued on August 8, 2012, provide guidance for states to submit their State Workforce Plans and waivers for Program Year (PY) 2012 and beyond. We appreciate the State's responsiveness to this guidance.

Plan Review and Approval

ETA has reviewed the Illinois State Integrated Workforce Plan in accordance with Title I of WIA, the Wagner-Peyser Act, the Trade Act (as amended), the corresponding regulations, the State Integrated Workforce Plan Requirements for Workforce Investment Act Title I/Wagner-Peyser Act and Department of Labor Workforce Programs (<http://www.doleta.gov/usworkforce/wia-planning/docs/integrated-planning-guidance.pdf>), and TEGL No. 21-11 and the corresponding Change 1. Pursuant to 20 CFR 661.230(e), this letter constitutes a written determination under WIA Section 112 (29 USC 2822) that ETA is approving the WIA Title I, W-P and TAA portions of Illinois' State Plan for the period July 1, 2012 through June 30, 2017, PY 2012-PY 2016. The annual W-P Agricultural Outreach Plan is approved for the period July 1, 2012 through June 30, 2013.

The State is eligible to receive WIA formula allotments for Adult, Dislocated Worker, and Youth programs, and W-P program allotments, effective July 1, 2012 through June 30, 2017.

Performance Levels

Program performance goals for PY 2012 WIA and Wagner-Peyser have been reached in negotiations between the ETA Regional Administrator and your state workforce agency. Illinois' goals were transmitted to the agency in the Regional Administrator's letter dated November 21, 2012. This letter also indicated that Illinois' final performance goals for PY 2012 will be

incorporated into the Regional and National Office copies of the State Integrated Workforce Plan. Please include these final PY 2012 goals in the State's official copy of the State Plan. For your convenience, your final negotiated performance goals are enclosed with this letter.

Waivers

As part of Illinois' State Integrated Workforce Plan, the State submitted waiver requests for waivers of statutory and regulatory requirements under WIA (copy enclosed). The State's request for waivers is written in the format identified in WIA Section 189(i)(4)(B) and 20 CFR 661.420(c). The disposition of the State's waiver requests is outlined below. This action is taken under the Secretary's authority at WIA Section 189(i) to waive certain requirements of WIA Title I, Subtitles B and E, and Sections 8-10 of the Wagner-Peyser Act.

Waiver to permit the State to replace the performance measures at WIA Section 136(b) with the common measures.

The State requested a waiver that allows the State to replace the 17 performance measures under WIA Section 136(b) with the common measures. The State is granted approval of this waiver through June 30, 2017.

This waiver permits the State to negotiate and report WIA outcomes against the common performance measures only, rather than the performance measures described at WIA Section 136(b). The State will no longer negotiate and report to ETA on the following WIA measures: WIA adult and dislocated worker credential rates; participant and employer customer satisfaction; older youth measures; and younger youth measures. The State will use the three adult common performance measures to negotiate goals and report outcomes for the WIA Adult and WIA Dislocated Worker programs. The State will use the three youth common performance measures to negotiate goals and report outcomes for the WIA Youth program. Workforce Investment Act Standardized Record Data system (WIASRD) item 619, Type of Recognized Credential, should be completed for each individual as appropriate, regardless of this waiver to report on common performance measure outcomes only.

Waiver of WIA Section 134(a) to permit local areas to use a portion of local funds for incumbent worker training.

The State requested a waiver to permit local areas to conduct allowable statewide activities as defined under WIA Section 134(a)(3) with local WIA formula funding, specifically incumbent worker training. The State is granted approval of this waiver through June 30, 2017. Under this waiver, the State is permitted to allow local areas to use up to 10 percent of local Dislocated Worker funds and up to 10 percent of local Adult funds for incumbent worker training only as part of a layoff aversion strategy. Use of Adult funds must be restricted to serving lower income adults under this waiver. ETA believes limiting incumbent worker training to the specified level and requiring it to be a part of layoff aversion is the best use of funds in the current economic climate where serving unemployed workers is a paramount responsibility of the workforce system. All training delivered under this waiver is restricted to skill attainment activities. Local areas must continue to conduct the required local employment and training activities at WIA Section 134(d),

and the State is required to report performance outcomes for any individual served under this waiver in the Workforce Investment Act Standardized Record Data system (WIASRD), field 309. TEGL No. 26-09, Section 7A, "Workforce Investment Act (WIA) Waiver Policy and Waiver Decisions for PY 2009 and 2010" and TEGL No. 30-09, "Layoff Aversion Definition and the Appropriate Use of Incumbent Worker Training for Layoff Aversion Using a Waiver" provide policy guidance related to implementation of this waiver.

Waiver of the prohibition at 20 CFR 664.510 on the use of Individual Training Accounts for older and out-of-school youth.

The State requested a waiver of the prohibition at 20 CFR 664.510 on the use of Individual Training Accounts (ITAs) for older youth and out-of-school youth program participants. The State is granted approval of this waiver through June 30, 2017. Under this waiver, the State can use ITAs for older youth and out-of-school youth program participants. The State must continue to make the 10 youth program elements available as described at WIA Section 129(c)(2). The State should ensure that funds used for ITAs are tracked and that the ITAs are reflected in the individual service strategies for these youth.

Waiver of WIA Section 101(31)(B) to increase the employer reimbursement for on-the-job training.

The State requested a waiver to permit an increase in employer reimbursement for on-the-job training through a sliding scale based on the size of the business. The State is granted approval of this waiver through June 30, 2017. Under the waiver, the following reimbursement amounts will be permitted: 1) up to 90 percent for employers with 50 or fewer employees, and 2) up to 75 percent for employers with 51-250 employees. For employers with more than 250 employees, the current statutory requirements (50 percent reimbursement) will continue to apply. When determining the funding source for on-the-job training, the State must use the appropriate program funds for the appropriate WIA-eligible population. The State and local areas may provide on-the-job training to individuals 18 years of age or older with WIA Adult funds and must provide priority to low-income individuals when funds are limited; the State and local areas may provide on-the-job training to dislocated workers with WIA Dislocated Worker funds. On-the-job training provided with statewide funds must serve WIA eligible individuals.

Waiver of WIA Section 134(a)(1)(A) to permit a portion of the funds reserved for rapid response activities to be used for incumbent worker training.

The State requested a waiver to permit the use of rapid response funds to conduct allowable statewide activities as defined under WIA Section 134(a)(3), specifically incumbent worker training. The State is granted approval of this waiver through June 30, 2017. Under this waiver, the State is permitted to use up to 20 percent of rapid response funds for incumbent worker training only as part of a layoff aversion strategy. ETA believes limiting incumbent worker training to layoff aversion is the best use of funds in the current economic climate where serving unemployed workers is a paramount responsibility of the workforce system. All training delivered under this waiver is restricted to skill attainment activities. The State is required to report performance outcomes for any incumbent workers served under this waiver in the Workforce Investment Act Standardized Record Data system (WIASRD), field 309. TEGL No. 26-09, Section 7A,

“Workforce Investment Act (WIA) Waiver Policy and Waiver Decisions for PY 2009 and 2010” and TEGL No. 30-09, “Layoff Aversion Definition and the Appropriate Use of Incumbent Worker Training for Layoff Aversion Using a Waiver” provide policy guidance related to implementation of this waiver.

Waiver of WIA Section 134(a)(2)(B)(ii) and 20 CFR 665.200(d) to exempt the state from the requirement to conduct evaluations.

The State requested a waiver of the requirement to conduct evaluations of workforce investment activities for adults, dislocated workers, and youth in order to establish and promote continuous improvement of the statewide workforce investment system. ETA is unable to make a determination with the information provided in the request. TEGL 26-09, Change 1, provides guidance on the required information for this waiver, and the ETA Regional Office is available to answer questions regarding additional needed information.

Waiver of WIA Section 134(a)(2)(B)(iii) and 20 CFR 665.200(e) to exempt a state from the requirement to provide local workforce investment area incentive grants.

The State requested a waiver of the requirement to provide local workforce investment areas incentive grants to reward regional cooperation, local coordination of activities, and exemplary performance. ETA is unable to make a determination with the information provided in the request. TEGL 26-09, Change 1, provides guidance on the required information for this waiver, and the ETA Regional Office is available to answer questions regarding additional needed information.

Waiver of 20 CFR 665.200(b)(3) to exempt the state from the requirement to disseminate training provider performance and cost information.

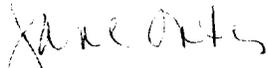
The State requested a waiver of the requirement to disseminate training provider performance and cost information. ETA is unable to make a determination with the information provided in the request. TEGL 26-09, Change 1, provides guidance on the required information for this waiver, and the ETA Regional Office is available to answer questions regarding additional needed information.

The approved waivers are incorporated by reference into the State’s WIA Grant Agreement, as provided for under paragraph 3 of the executed Agreement, and are incorporated into the State Integrated Workforce Plan. A copy of this letter should be filed with the State’s WIA Grant Agreement and with the approved State Plan. In addition, as described in TEGL No. 29-11, the State should address the impact these waivers have had on the State’s performance in the WIA annual performance report, due on October 1 of each year.

We look forward to working together as you implement your State Integrated Workforce Plan for PY 2012 and beyond. One priority will be to work with the Department of Commerce and Economic Opportunity and the Department of Employment Security to enhance interagency coordination efforts and to improve the integration of the Wagner-Peyser Act and Workforce Investment Act programs. As discussed in TEGL 36-11, we strongly encourage State WIA grantees to adopt the use of the American Job Center brand for your physical One-Stop Career Centers and

online tools. We are available to provide technical assistance. If you have any questions related to the issues discussed above, please contact Arlene Charbonneau, Federal Project Officer for Illinois, at 312-596-5491 or Charbonneau.Arlene@dol.gov.

Sincerely,



Jane Oates
Assistant Secretary

Enclosures

cc: Byron Zuidema, Regional Administrator, ETA Chicago Regional Office
Arlene Charbonneau, Federal Project Officer for Illinois

**Workforce Investment Act and Wagner-Peyser Act
Performance Levels for PY 2012**

Illinois

Workforce Investment Act Performance Levels

<u>Adult Measures</u>	<u>PY 2012</u>
Adult Entered Employment Rate	75.0
Adult Employment Retention Rate	85.0
Adult Six-months Average Earnings	\$13,300
<u>Dislocated Worker Measures</u>	<u>PY 2012</u>
Dislocated Worker Entered Employment Rate	85.0
Dislocated Worker Employment Retention Rate	91.0
Dislocated Worker Six-months Average Earnings	\$18,400
<u>Youth Measures</u>	<u>PY 2012</u>
Youth Placement in Employment or Education	70.0
Youth Attainment of Degree or Certificate	70.0
Youth Literacy and Numeracy Gains	57.0

Wagner-Peyser Act Performance Levels

<u>Measures</u>	<u>PY 2012</u>
Entered Employment Rate	53.0
Employment Retention Rate	82.8
Six-months Average Earnings	\$16,000

From: Baker, Michael [Michael.Baker@illinois.gov]
Posted At: Friday, September 14, 2012 12:06 PM
Conversation: New Illinois WIA & Wagner-Peyser State Plan
Posted To: WIA.PLAN

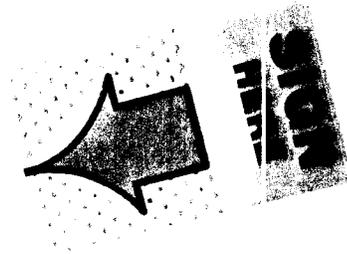
Subject: New Illinois WIA & Wagner-Peyser State Plan

Ms. Fleck,

Attached is the new WIA & Wagner-Peyser State Plan for the State of Illinois. The plan was approved by the State Board yesterday.

Regards,
Mike

Michael Baker
Manager – Planning Unit
Office of Employment & Training
DCEO



Attachment D
Waiver Requests

Workforce Investment Act Waiver Request Common Measures

Date:

June 28, 2012

State:

Illinois

Agency:

Illinois Department of Commerce and Economic Opportunity (DCEO), Office of Employment and Training (OET)

SUMMARY:

OET is requesting to extend its current waiver permitting the adoption of the WIA common measures. This waiver has afforded OET with the ability facilitate the integration of service delivery, reduce barriers to cooperation among programs, and enhance the ability to assess the effectiveness and impact of the workforce investment system.

The continuation of the waiver would allow OET to substitute the WIA common measures as defined in TEGL 17-05 for the existing WIA core measures as described in TEGL 17-05. This change would apply to Adult, Dislocated Worker, Youth, and Trade Act funding streams beginning with PY 2013 performance year.

Statutory and/or regulatory requirements to be waived

Specifically, OET is requesting a waiver from WIA Section 136 (b)(2)(A)(i)(IV), 136 (b)(2)(A)(ii) and Final Regulations 666.100(a)(1)(iv), 666.100(a)(2)(iv); and 666.100(a)(3).

Actions undertaken to remove state or local barriers

No state or local barriers exist.

Goals and expected programmatic outcomes of waiver

The requested waiver will support the following strategic objectives for Illinois' workforce system:

- Focus WIA training investments on responding to the critical needs of the labor market, including flexible strategies for training for high-demand jobs in key sectors. Position WIA Title I as primarily a targeted training program.
- Improve the management and accountability for workforce programs operated by OET, especially as this relates to supporting the other strategic objectives.

In addition, this waiver is consistent with the following national strategic priorities:

- Build a demand-driven system within a regional economic development context;
- Advance a vision for serving youth most in need;
- Increase the use of flexibility provisions in WIA to design innovative programs that fuel economic competitiveness and create employment opportunities for career seeker customers; and
- Utilize an integrated and enhanced performance accountability system.

Finally, adopting the common measures for WIA youth would have a significant positive effect on the delivery of this program. These new measures focus the program much more on basic skills and educational outcomes rather than labor market outcomes, such as employment and earnings. This will encourage more training, including academic remediation for out-of-school youth. This is consistent with the State's overall objective of increasing local investments in training that leads to employment in high-demand, good paying jobs. It also is consistent with the intent of the state to promote the types of program design changes that were intended by the new common measures. This includes increased emphasis on out-of-school youth, increased emphasis on skill attainments and verifiable improvements in basic skill levels.

Individuals impacted by the waiver

The waiver will have a positive impact, either directly or indirectly, on all statewide participant training customers by focusing the core purposes of the workforce system and supports service delivery within the programs while maintaining accountability. Furthermore, creating a common measures performance system adds flexibility in designing demand-driven strategies at the state and local level.

Process for monitoring progress in implementation

The OET has the appropriate safeguards in place to monitor the effectiveness of common measures and the impact the workforce system. From a programmatic perspective, staff routinely monitor where local areas are in meeting their negotiated performance goals.

In addition, because meeting performance is not indicative of the quality of service a customer receives, OET has implemented policies that address quality. Over the last several years, OET has issued policy on:

- Meeting a minimum training expenditure (40%) with adult and dislocated worker formula funds,
- Meeting the 40 percent minimum training expenditure to be eligible to receive performance incentive funds,
- Tying provider eligibility to demand occupations, and
- Program Exit Requirements.

OET will reissue policy regarding our 40% minimum expenditure requirement to maintain this level of direct training to customers, as we will no longer have incentive funds to encourage LWIAs to meet the requirement.

Compliance with these policies occurs through the Automation of Compliance Monitoring Events (ACME) system. This system has an additional mechanism to confirm a grantee's compliance against Federal, State, and local requirements and provide feedback when deficiencies have been identified to correct and improve their operations.

Notice to affected local boards

OET will inform the Illinois Workforce Partnership (IWP) of its intent for requesting a continuation of this waiver. Comprised of representatives from Illinois' 26 local workforce investment areas, the IWP represents the interests of the Workforce Investment Boards (WIBs) and its elected officials.

Public Comment

The waiver will be published as part of the State Plan, on the public website maintained by the Department of Commerce and Economic Opportunity, as well as on the Illinois workNet portal.

Workforce Investment Act Waiver Request Conducting Evaluations

Date:

June 28, 2012

State:

Illinois

Agency:

Illinois Department of Commerce and Economic Opportunity (DCEO), Office of Employment and Training (OET)

SUMMARY:

As provided within TEGL 09-11, Illinois is seeking a waiver from the requirement to conduct evaluations of workforce investment activities for adults, dislocated workers, and youth.

Statutory and/or regulatory requirements to be waived

The OET is requesting a waiver of WIA Section 134(a)(2)(B)(ii) and 20 CFR 665.200(d) requiring the conduct of evaluations of workforce investment activities for adults, dislocated workers, and youth.

Actions undertaken to remove state or local barriers

No state or local barriers exist.

Goals and expected programmatic outcomes of waiver

Our goal in seeking this waiver is to ensure that OET may prioritize the use of Governor's Reserve funds for the required activities essential to the basic functions of the workforce investment system.

The reduction to five percent in the WIA allotment for Program Year 2011 Governor's Reserve funds restricts OET's ability to effectively fund and carry out all of the required statewide workforce investment activities. Specifically, Governor's Reserve funding is insufficient to cover the cost of conducting evaluations. These reduced funds will cover the following required activities:

- Operating fiscal and management accountability information systems. However, it is important to note that as a cost saving measure, OET will be expanding its use of desk reviews rather than conducting on-site reviews.
- Submitting required reports.
- Disseminating the list of eligible training providers for adults, dislocated workers, and youth.

- The OET staff has been engaged in providing substantial technical assistance and direct staff support to address program and fiscal deficiencies to approximately 1/3 of our local areas. Most recently, it has been necessary to directly engage state staff and redirect federal funds from low performing local grantees receiving funds through the On-the-Job Training National Emergency Grant and the Statewide Energy Sector Partnership Grant.

Individuals impacted by the waiver

This waiver will provide OET with more flexibility in directing Governor's Reserve funds to those activities that best preserve basic functions of the statewide workforce investment system.

Process for monitoring progress in implementation

The OET has the appropriate safeguards in place to ensure the elimination of this activity via the waiver will not negatively impact the workforce system. From a programmatic perspective, our Automation of Compliance Monitoring Events (ACME) system provides the backend monitoring as it is a mechanism to confirm a grantee's compliance against Federal, State, and local requirements. In addition, when deficiencies have been identified, ACME generates a standardized course of action that is shared with the local areas to ensure the proper correction is made.

Fiscal monitoring occurs on a monthly basis to track the expenditures of the local area and compare costs reported to cash requested. On a quarterly basis, we are confirming revenues and expenditures to the trial balances of the sub grantees.

Notice to affected local boards

The OET has informed the Illinois Workforce Partnership (IWP) of its intent for requesting this waiver. Comprised of representatives from Illinois' 26 local workforce investment areas, the IWP represents the interests of the Workforce Investment Boards (WIBs) and its elected officials.

Public Comment

The waiver will be published as part of the State Plan, on the public website maintained by the Department of Commerce and Economic Opportunity, as well as on the Illinois workNet portal.

**Workforce Investment Act Waiver Request
Dissemination of Training Provider Performance and Cost Information**

Date:

June 28, 2012

State:

Illinois

Agency:

Illinois Department of Commerce and Economic Opportunity (DCEO), Office of Employment and Training (OET)

SUMMARY:

As provided within TEGL 09-11, OET is seeking a waiver from the requirement to disseminate training provider performance and cost information.

Statutory and/or regulatory requirements to be waived

The OET is requesting a waiver of 20 CFR 665.200 (b)(3) requiring the dissemination of training provider performance and cost information.

Actions undertaken to remove state or local barriers

No state or local barriers exist.

Goals and expected programmatic outcomes of waiver

Our goal in seeking this waiver is to ensure that OET may prioritize the use of Governor's Reserve funds for the required activities essential to the basic functions of the workforce investment system.

The reduction to five percent in the WIA allotment for Program Year 2011 Governor's Reserve funds restricts OET's ability to effectively fund and carry out all of the required statewide workforce investment activities. Specifically, Governor's Reserve funds are insufficient to cover the cost of providing training provider performance and cost information. These reduced funds will cover the following required activities:

- Operating fiscal and management accountability information systems. However, it is important to note that as a cost saving measure, OET will be expanding its use of desk reviews rather than conducting on-site reviews.
- Submitting required reports.
- Disseminating the list of eligible training providers for adults, dislocated workers, and youth.

- The OET staff has been engaged in providing substantial technical assistance and direct staff support to address program and fiscal deficiencies to approximately 1/3 of our local areas. Most recently, it has been necessary to directly engage state staff and redirect federal funds from low performing local grantees receiving funds through the On-the-Job Training National Emergency Grant and the Statewide Energy Sector Partnership Grant.

Individuals impacted by the waiver

This waiver will provide OET with more flexibility in directing Governor's Reserve funds to those activities that best preserve basic functions of the statewide workforce investment system. Furthermore, this will eliminate the need to try to meet a requirement that in practice is hard to achieve. Often publicly funded colleges are unable to provide the data needed to show the employment and retention performance measures of their students.

Process for monitoring progress in implementation

The OET has the appropriate safeguards in place to ensure the elimination of this activity via the waiver will not negatively impact the workforce system.

The Automation of Compliance Monitoring Events (ACME) is the OET system utilized to conduct ongoing desk and on-site reviews of the grantees to ensure proper certification of training providers and approval of training programs in demand occupations. Specifically, ACME addresses many areas related to the Training services for Adults, Dislocated Workers, and Youth including:

- Desk Reviews of reports found in the Illinois Workforce Development System (IWDS); on training programs currently approved, rejected, pending, or near recertification, and exits from training;
- On-Site reviews to ascertain proper retention of documentation of: provider/program accreditation, support of entry level requirements, programs pending initial certification or recertification, programs that have been rejected, and customer exits in demand/growth occupations;
- Conclusions of findings from the desk and on-site reviews; and
- Recommendations to comply with any deficiencies outlined in the conclusion report.

Additionally, on a monthly basis, monitoring of the expenditures of the local area and comparison of costs reported to cash requested is conducted. On a quarterly basis, revenues and expenditures to the trial balances of the sub grantees are confirmed.

Notice to affected local boards

The OET has informed the Illinois Workforce Partnership (IWP) of its intent for requesting this waiver. Comprised of representatives from Illinois' 26 local workforce investment areas, the IWP represents the interests of the Workforce Investment Boards (WIBs) and its elected officials.

Public Comment

The waiver will be published as part of the State Plan, on the public website maintained by the Department of Commerce and Economic Opportunity, as well as on the Illinois workNet portal.

**Workforce Investment Act Waiver Request
Extension of Incumbent Worker Training to Local Areas**

Date:

June 28, 2012

State:

Illinois

Agency:

Illinois Department of Commerce and Economic Opportunity (DCEO), Office of Employment and Training (OET)

SUMMARY:

Incumbent Worker Training (IWT) has been a proven tool in Illinois' economic recovery efforts to assist companies in upgrading skills of current workers and hiring additional employees through pipeline strategies. Given the fragile economic recovery and the limited resources available for job preservation and creation, OET is requesting to extend the current waiver that allows Local Workforce Investment Boards (LWIBs) to use up to 10 percent of the funds allocated to them in the same manner and fashion as statewide activity funds are used. Specifically, we are seeking a waiver to increase the approved 10 percent to 20 percent. This increase will enable LWIBs to develop a full continuum of training services to bolster layoff aversion. In addition, the increase in the funds available to support activities such as incumbent worker training, would provide the state and local areas with the flexibility to specifically target and allocate available funds to support the needs of adults and dislocated workers.

Statutory and/or regulatory requirements to be waived

The OET is requesting a waiver to allow local workforce investment boards (LWIBs) to use up to 20 percent of the funds allocated to them under WIA Sections 127, 128, 132, and 133 of WIA in the same manner and fashion as statewide activity funds are now used under WIA Section 134(a)(3)(iv)(I), which allows statewide reserve funds to be used for the "implementation of innovative incumbent worker training programs, which may include the establishment and implementation of an employer loan program to assist in skills upgrading".

Actions undertaken to remove state or local barriers

No state or local barriers exist.

Goals and expected programmatic outcomes of waiver

This waiver request is consistent with USDOL's national strategic priorities and policy direction to develop workforce development strategies that respond to both individual and employer customers. Furthermore, this waiver aligns with Illinois' workforce development strategies that align supply and demand for skilled workers through training in demand occupations and career pathways. These strategies are intended to develop a more integrated, efficient, and effective workforce system. The use of IWT will strengthen the connection between local workforce investment boards (LWIBs), industry associations, businesses, and post-secondary education institutions to respond to changes within their local areas.

Individuals impacted by the waiver

Granting LWIBs authority to increase the portion of their allocated funds for incumbent worker training programs will allow them to develop a full continuum of training services that address the needs of the existing workforce, the unemployed, underemployed, and new entrants to the labor force.

Process for monitoring progress in implementation

OET has operated a successful IWT program for many years and will continue with the policies and monitoring strategies currently in place. For example, current IWT program applications and the documentation of the program's progress occur in the State's incumbent worker tracking system (IWTS). This system automates the planning, tracking, and reporting of all WIA funded incumbent worker projects.

In addition, our Automation of Compliance Monitoring Events (ACME) system will provide the backend monitoring as it is a mechanism to confirm a grantee's compliance against Federal, State, and local requirements and provide feedback when deficiencies have been identified to correct and improve their operations.

Fiscal monitoring occurs on a monthly basis to track the expenditures of the local area and compare costs reported to cash requested. On a quarterly basis, we are confirming revenues and expenditures to the trial balances of the sub grantees.

Notice to affected local boards

OET will inform the Illinois Workforce Partnership (IWP) of its intent for requesting a continuation of this waiver. Comprised of representatives from Illinois' 26 local workforce investment areas the IWP represents the interests of the Workforce Investment Boards (WIBs) and its elected officials.

Public Comment

The waiver will be published as part of the State Plan, on the public website maintained by the Department of Commerce and Economic Opportunity, as well as on the Illinois workNet portal.

Workforce Investment Act Waiver Request Incentive Grants to Local Areas

Date:

June 28, 2012

State:

Illinois

Agency:

Illinois Department of Commerce and Economic Opportunity (DCEO), Office of Employment and Training (OET)

SUMMARY:

As provided within TEGL 09-11, OET is seeking a waiver from the requirement to provide incentive grants to local areas.

Statutory and/or regulatory requirements to be waived

The OET is requesting a waiver of WIA Section 134(a)(2)(B)(iii) and 20 CFR 665.200(e) requiring provision of incentive grants to local areas.

Actions undertaken to remove state or local barriers

No state or local barriers exist.

Goals and expected programmatic outcomes of waiver

Our goal in seeking this waiver is to ensure that OET is able to prioritize the use of Governor's Reserve funds for the required activities essential to the basic functions of the workforce investment system.

The reduction to five percent in the WIA allotment for Program Year 2011 Governor's Reserve funds restricts OET's ability to effectively fund and carry out all of the required statewide workforce investment activities. Specifically, Governor's Reserve funding is insufficient to cover the cost of providing incentives to local areas. These reduced funds will cover the following required activities:

- Operating fiscal and management accountability information systems. However it is important to note that as a cost saving measure, Illinois will be expanding its use of desk reviews rather than conducting on-site reviews.
- Submitting required reports.
- Disseminating the list of eligible training providers for adults, dislocated workers, and youth.

- The OET staff has been engaged in providing substantial technical assistance and direct staff support to address program and fiscal deficiencies to approximately 1/3 of our local areas. Most recently, it has been necessary to directly engage state staff and redirect federal funds from low performing local grantees receiving funds through the On-the-Job Training National Emergency Grant and the Statewide Energy Sector Partnership Grant.

Individuals impacted by the waiver

This waiver will provide OET with more flexibility in directing Governor's Reserve funds to those activities that best preserve basic functions of the statewide workforce investment system.

Process for monitoring progress in implementation

The OET has the appropriate safeguards in place to ensure the elimination of this activity via the waiver will not negatively impact the workforce system. From a programmatic perspective, staff routinely monitor where local areas are in meeting their negotiated performance goals.

In addition, because meeting performance is not indicative of the quality of service a customer receives, OET has implemented policies that address quality. Over the last several years, OET has issued policy on:

- Meeting a minimum training expenditure (40%) with adult and dislocated worker formula funds,
- Meeting the 40 percent minimum training expenditure to be eligible to receive performance incentive funds,
- Tying provider eligibility to demand occupations, and
- Program Exit Requirements.

OET will reissue policy regarding our 40% minimum expenditure requirement to maintain this level of direct training to customers, as we will no longer have incentive funds to encourage LWIAs to meet the requirement.

Compliance with these policies occurs through the Automation of Compliance Monitoring Events (ACME) system. This system has an additional mechanism to confirm a grantee's compliance against Federal, State, and local requirements and provide feedback when deficiencies have been identified to correct and improve their operations.

Fiscal monitoring occurs on a monthly basis to track the expenditures of the local area and compare costs reported to cash requested. On a quarterly basis, we are confirming revenues and expenditures to the trial balances of the sub grantees.

Notice to affected local boards

The OET has informed the Illinois Workforce Partnership (IWP) of its intent for requesting this waiver. Comprised of representatives from Illinois' 26 local workforce investment areas, the IWP represents the interests of the Workforce Investment Boards (WIBs) and its elected officials.

Public Comment

The waiver will be published as part of the State Plan, on the public website maintained by the Department of Commerce and Economic Opportunity, as well as on the Illinois workNet portal.

**Workforce Investment Act Waiver Request
OJT Reimbursement**

Date:

June 28, 2012

State:

Illinois

Agency:

Department of Commerce and Economic Opportunity (DCEO), Office of Employment and Training (OET)

SUMMARY:

This waiver is to support an increased use of On-the-Job Training (OJT) contracts. The OET is requesting a waiver to utilize a sliding scale of reimbursement to the employer of up to 90 percent of the wage rate and extraordinary costs as defined by the law.

Statutory and/or regulatory requirements to be waived

The OET is requesting a waiver of WIA Section 101(31)(B) and 20 CFR 663.700 to provide reimbursement to the employer for OJT of up to 50 percent of the wage rate of the participant, and for the extraordinary costs of providing for the training and additional supervision related to the training.

The OET is proposing a sliding scale of reimbursement to the employer of up to 90 percent of the wage rate and extraordinary costs as defined by the law, based on the following criteria:

- Up to 90 percent: Employers with 50 or fewer employees
- Up to 75 percent: Employers with 51-250 employees
- Up to 50 percent: Employers with more than 250 employees

Reimbursement to business and industry based on a sliding scale will increase employer participation in WIA On-the Job Training. OET will issue policy guidance, with input from the local workforce investment regions, regarding implementation of the sliding scale which will adhere to the principles of training workers in high-demand, higher skill, and higher wage occupations.

Actions undertaken to remove state or local barriers

There are no state or local statutory or regulatory barriers to implementing the proposed waiver. The OET policies are currently in compliance with Federal guidelines. However, upon notification of approval of this waiver request, OET will create or amend policy to comply with the terms of the waiver.

Goals and expected programmatic outcomes of waiver

The OET's request for this waiver includes attainment of the following goals and outcomes:

- Maximize the flexibility needed to ensure speedy implementation of formula and discretionary grants
- Increase business usage of the workforce system
- Provide greater incentives for employers to retain and retrain current employees to avoid layoffs and to create new jobs
- Create additional opportunities for new workers, and for unemployed and underemployed workers to speed their return to full-time employment
- Reduce the length of time for a UI claim, and reduce the need for usage of other public assistance benefits

Individuals impacted by the waiver

Individuals impacted by the approval of the requested waiver include:

- Unemployed and underemployed workers who do not have transferrable or marketable skills
- Individuals entering the workforce for the first time
- Hard-to-serve, low-income youth who are unable to compete for limited job openings
- Businesses needing to retain current workers, and/or hire additional workers to sustain their productivity, who do not have the resources to do so
- Local boards needing greater flexibility for timely implementation of funding programs and initiatives

Process for monitoring progress in implementation

The OET has the appropriate safeguards in place to ensure the elimination of this activity via the waiver will not negatively impact the workforce system. From a programmatic perspective, our Automation of Compliance Monitoring Events (ACME) system provides the backend monitoring as it is a mechanism to confirm a grantee's compliance against Federal, State, and local requirements. In addition, when deficiencies have been identified, ACME generates a standardized course of action that is shared with the local areas to ensure the proper correction is made.

Fiscal monitoring occurs on a monthly basis to track the expenditures of the local area and compare costs reported to cash requested. On a quarterly basis, we are confirming revenues and expenditures to the trial balances of the sub-grantees.

Notice to affected local boards

The OET has informed the Illinois Workforce Partnership (IWP) of its intent for requesting this waiver. Comprised of representatives from Illinois' 26 local workforce investment areas, the IWP represents the interests of the Workforce Investment Boards (WIBs) and its elected officials.

Public Comment

The waiver will be published as part of the State Plan, on the public website maintained by the Department of Commerce and Economic Opportunity, as well as on the Illinois workNet portal.

**Workforce Investment Act Waiver Request
State Rapid Response Funding**

Date:

June 28, 2012

State:

Illinois

Agency:

Illinois Department of Commerce and Economic Opportunity (DCEO), Office of Employment and Training (OET)

SUMMARY:

The OET is requesting a waiver to allow the use of up to 50 percent of the State rapid response funding described in WIA Sec. 133(a)(2) for use in developing statewide projects to improve job retention and avoid additional layoffs. This waiver will expand state resources to assist workers and companies to retain or retrain workers. Incumbent Worker Training (IWT) has been a proven tool in Illinois' economic recovery efforts to assist companies to upgrade skills of current workers and hire additional employees through pipeline strategies.

Statutory and/or regulatory requirements to be waived

The OET is requesting a waiver of WIA Section 133(a)(2) to allow up to a maximum of 50 percent of the funding described in Sec. 133 (a)(2) to be used for the described activities allowable under statewide activities described in 134(a).

Actions undertaken to remove state or local barriers

No state or local barriers exist.

Goals and expected programmatic outcomes of waiver

This waiver request is consistent with USDOL's national strategic priorities and policy direction to develop workforce development strategies that respond to both individual and employer customers. Furthermore, this waiver aligns with Illinois' workforce development strategies that align supply and demand for skilled workers through training in demand occupations and career pathways. These strategies are intended to develop a more integrated, efficient, and effective workforce system utilizing current policies like IWT. This type of training is utilized in conjunction with local workforce investment boards (LWIBs), industry associations, businesses, and post-secondary education institutions to respond to changes within their local areas. Flexibility in the use of State Rapid Response funding will further encourage these collaborations to address worker training.

Individuals impacted by the waiver

This waiver will provide OET with more flexibility to expand beyond the current projects and include additional workers at risk of losing jobs during the fragile recovery. These workers would receive needed skill enhancements that retain them within their current employment or prepare them for opportunities in new companies. An advantage includes the ability to target areas of the state most in need of services.

Process for monitoring progress in implementation

OET has operated a successful IWT program for many years and will align utilization of this waiver with the policies and monitoring strategies currently in place. For example, current IWT program applications and the documentation of the program's progress occur in the State's incumbent worker tracking system (IWTS). This system automates the planning, tracking, and reporting of all WIA funded incumbent worker projects.

In addition, our Automation of Compliance Monitoring Events (ACME) system will provide the backend monitoring as it is a mechanism to confirm a grantee's compliance against Federal, State, and local requirements and provide feedback when deficiencies have been identified to correct and improve their operations.

Fiscal monitoring occurs on a monthly basis to track the expenditures of the local area and compare costs reported to cash requested. On a quarterly basis, we are confirming revenues and expenditures to the trial balances of the sub grantees.

Notice to affected local boards

The OET has informed the Illinois Workforce Partnership (IWP) of its intent for requesting this waiver. Comprised of representatives from Illinois' 26 local workforce investment areas, the IWP represents the interests of the Workforce Investment Boards (WIBs) and its elected officials.

Public Comment

The waiver will be published as part of the State Plan, on the public website maintained by the Department of Commerce and Economic Opportunity, as well as on the Illinois workNet portal.

**Workforce Investment Act Waiver Request
Youth ITAs**

Date:

June 28, 2012

State:

Illinois

Agency:

Illinois Department of Commerce and Economic Opportunity (DCEO), Office of Employment and Training (OET)

SUMMARY:

OET is requesting an extension of its current waiver of the prohibition in the Workforce Investment Act final rule excluding the use of Individual Training Accounts (ITAs) for out-of-school youth participants ages 16 and above, regardless of school enrollment status. The request is made to permit LWIBs to use the state's list of eligible training providers to secure training for these youth. The waiver is designed to enhance informed customer choice, allow out-of-school youth to benefit from services provided by Illinois' certified training providers, and expand services without requiring Illinois workNet (One-Stop) operators to register participants in the adult program. Funds used for ITAs would be tracked separately for each funding stream.

Using ITAs also allows youth service providers an opportunity to promote and encourage training as another option to entry into an increasingly tough labor market. Approval of this waiver would allow out-of-school youth to select approved training programs from Illinois' list of demand occupation training programs.

Statutory and/or regulatory requirements to be waived

The statutes effected by this request are at Sec 122, Sec 13, Sec 129(c)(2) & (3)(A)(iii). The WIA statute at 129 does not provide youth access to ITAs. Regulations at 20 CFR Part 664.510 specifically prohibit the use of ITAs for youth participants unless the youth are at least 18 years of age and co-enrolled in either the Adult or Dislocated Worker program as set forth in 20 CFR Part 664.500.

Actions undertaken to remove state or local barriers

No state or local barriers exist.

Goals and expected programmatic outcomes of waiver

Providing occupational training to youth via an ITA will maximize the service delivery capacity of the WIA Youth Program by allowing those youth that are focused on employment rather than academics, to have the same access as adults and dislocated workers to the advantages of ITAs. In addition, this waiver will maximize flexibility based on youth customers' assessed needs in terms of training that leads to self-sufficiency in high growth industries and occupations.

Individuals impacted by the waiver

The waiver will positively impact the eligible youth population, youth service and eligible training providers, and the workforce system through access to a wider variety of providers for youth in pursuit of post-secondary education and training opportunities and flexibility of services offered by those providers. Current eligible training providers will be provided the opportunity to expand the population served by include eligible youth.

Process for monitoring progress in implementation

The OET has the appropriate safeguards in place to ensure the elimination of this activity via the waiver will not negatively impact the workforce system. From a programmatic perspective, staff routinely monitor where local areas are in meeting their negotiated performance goals.

Compliance with these policies occurs through the Automation of Compliance Monitoring Events (ACME) system. This system has an additional mechanism to confirm a grantee's compliance against Federal, State, and local requirements and provide feedback when deficiencies have been identified to correct and improve their operations.

Notice to affected local boards

OET will inform the Illinois Workforce Partnership (IWP) of its intent for requesting a continuation of this waiver. Comprised of representatives from Illinois' 26 local workforce investment areas, the IWP represents the interests of the Workforce Investment Boards (WIBs) and its elected officials.

Public Comment

The waiver will be published as part of the State Plan, on the public website maintained by the Department of Commerce and Economic Opportunity, as well as on the Illinois workNet portal.

The Extent to which Funding Levels are Insufficient to Carry Out the Required Activities

Congress’s decision to reduce funding for Statewide Activities from 15% to 5% has major and immediate financial consequences for Illinois DCEO’s Office of Employment and Training (OET). This decision is resulting in an OET operating budget deficit for PY12 WIA Statewide Activities.

Estimated Costs to carry out the Required Activity

The chart below summarizes the estimated costs to carry out the required activities for each waiver requested:

ACTIVITY	AMOUNT
Local Incentive Grants	Minimum of \$500,000
Evaluation	\$200,000 to \$1,200,000
Dissemination of Performance & Cost	Minimum of \$240,000

A portion of these estimated costs include the salaries of three full time staff people. Priorities and use of the remaining 15% statewide activities funding is below.

How Statewide Funds are being Used and Prioritized across Activities:

At its core, OET is responsible for guarding of public funds and providing a state level vision for the delivery of services throughout Illinois. This is a significant role given the recent merger of the three LWIA’s in Cook County and the City of Chicago and the on-going federal investigations of workforce activities at the former Presidents Office of Employment and Training in Cook County.

In addition, the state will focus its statewide funds on the priorities that support operational guidance and oversight including programmatic and fiscal monitoring of local grantees and providers. Specifically, the state is prioritizing statewide funds on activities and costs related to the development of policy, the State Plan, provider training eligibility, and reporting and performance management. However, it is important to note that the funding cuts will require Illinois to streamline monitoring, fiscal and programmatic monitoring.

Anticipated Impact of Not Funding the Activities and whether it may directly affect WIA participant services

It is not anticipated that eliminating the state’s need to conduct evaluations, provide incentive grants to local areas, and disseminate performance information on training providers will directly affect WIA participant services.

The state has strong policy in place that focuses training for participants on occupations that are in demand and requiring local areas to expend 40% of their adult and dislocated worker formula allocation on direct training services. These policies in concert should mitigate any direct negative impact on participant services.

**State of Illinois
Integrated Workforce
Plan for the Workforce
Investment Act
and Wagner-Peyser Act
July 1, 2012 - June 30, 2017**

Illinois Department of Commerce Economic Opportunity

Illinois Department of Employment Security

August 6, 2012 (Revised 10/23/12)

Introduction	(Note Table of Contents will be revised when all revisions are finalized)	3
Section I. State Workforce Strategic Plan		
Governor’s Vision		3
Economic and Workforce Information Analysis		6
Current Economic Analysis & Trends		8
Illinois Strategies		11
Partnerships		13
Leveraging Resources		14
Policy Alignment		14
Desired Outcomes: Quantitative Targets for WIA		15
Indicators and System Measures		18
Other Performance Goals		18
Examination of Broader Economic and Social Indicators		18
Section II. State Operational Plan		
Illinois Workforce System		21
IWIB Role in Development of State Plan		22
IWIB Vocational Rehabilitation (VR) Representative		23
Ongoing Role for IWIB		23
Local Area Designation		23
Interstate Regions		26
State Operating Systems Supporting Implementation of State Strategies		26
State Policies Supporting State Strategies		27
Alignment of Jobseeker and Employer Services Across Programs		28
Rapid Response Activities for Dislocated Workers		29
Common Data Collection and Reporting		31
State Performance Accountability System		32
State Strategies for Using Quarterly Wage Record Information		33
Services to State Target Populations		34
State Long-Term Strategy for Serving Individuals with Disabilities		36
Comprehensive Services for Eligible Youth		38
Wagner-Peyser Agricultural Outreach		38
Services to Employers		40
Expanding Business Participation in the Workforce Investment System		43
WIA Single-Area States Only		44
Waiver Requests		44
Trade Adjustment Assistance		44
Core Services for TAA Participants		45
Resources for Data Integration		45
SCSEP		46
Section III. Assurances		48
Attachments		
Attachment A	Program Administration Designees and Plan Signatures	A1
Attachment B	Labor Market Information	B1
Attachment C	Illinois Workforce Investment Board Member Listing	C1
Attachment D	Waiver Requests	D1
Attachment E	Illinois Agricultural Plan	E1
Attachment F	Public Comments	F1
Attachment G	IWIB Methods and Factors of WIA Formula Distribution	G1

Attachment H	DCEO Financial Management Manual Chapters Pertaining to WIA	H1
Attachment I	Joint DCEO and IDES Response Letter to DOL 12-21-2011	I1

Introduction

The Integrated Workforce Plan for the Workforce Investment Act (WIA) and Wagner-Peyser Act was developed by the Illinois Department of Commerce and Economic Opportunity (DCEO) and the Illinois Department of Employment Security (IDES) in cooperation with the Illinois Workforce Investment Board (IWIB) through its State Plan Task Force. The Illinois Workforce Partnership (IWP) was consulted in the process.

The plan is organized according to the 2012 state plan requirements issued by the Employment and Training Administration, U.S. Department of Labor. Each section of the plan begins with a summary of plan requirements in italics followed by the Illinois response to those requirements.

The plan contains five attachments including required signatures, labor market information reference tables, IWIB membership, requested waivers and the Wagner-Peyser (W-P) Agricultural Outreach plan.

Section I. State Workforce Strategic Plan

Governor's Vision

A state's plan must identify the programs included in the plan, and include the following key elements. Please note that, where appropriate, narratives in each section of the plan may contain Web links to external supporting documents.

Governor's Vision: This portion of the Integrated Workforce Plan must describe the governor's strategic vision for the state's economy and overarching goals for the state's workforce system. This vision should provide the strategic direction for the state workforce system and guide investments in workforce preparation, skill development, education and training, and major initiatives supporting the governor's vision. The plan also must specifically address the governor's vision for aligning efforts among workforce development partners to achieve accessible, seamless, integrated, and comprehensive service, and how programs and activities described in the plan will support the state's economic development needs and the employment and training needs of all working-age youth and adults in the state. The plan should include a description of the methods used for joint planning, and coordination of the programs and activities included in the plan. (WIA Sections 111(d)(2), 112(a)-(b), W-P Section 8(c).)

Illinois' Strategic Vision and Goals

Governor Pat Quinn has worked with public and private leaders to establish a clear vision and strategic direction to align economic development, workforce development and education initiatives and investments to achieve two overarching goals:

1. Create and retain jobs and meet the needs of Illinois employers, and;
2. Expand career opportunities for youth and adults throughout the state.

The key strategies for achieving these goals are:

- **Sector-Focus.** Align state, regional and local initiatives and investments around key economic sectors critical to state and regional economic development such as manufacturing and healthcare.
- **Public-Private Partnerships.** Meet employer needs and expand career opportunities for Illinois workers through state, regional and local public-private partnerships focused on targeted sectors and/or targeted populations, such as veterans and people with disabilities.
- **Credential Attainment.** Expand worker access to high-quality education degrees, industry-recognized certifications and other types of credentials. This strategy should expand access by providing a wider set of high-quality education, training and credentialing options throughout the state.
- **Flexible Education and Training Opportunities.** Expand access of employers and workers to a wide range of flexible education and training opportunities especially in high-demand occupations facing the most critical state and regional skill shortages. These opportunities include classroom and “learn-and-earn” models such as incumbent worker training, on-the-job-training, registered apprenticeship, customized pre-employment training and work-based learning. They also include integrated academic and technical instruction such as bridge programs, as well as redesigned programs of study leading to stackable credentials. Based on the future recommendations from the IWIB Entrepreneurship Task Force, they also will include entrepreneurship skills and education and training programs.
- **Integrated and Seamless Services.** Provide workforce services through the seamless and comprehensive integration of education, training and support services that are delivered through the public workforce system and supported by coordinated state agency policies and guidance as well as local service delivery agreements. These services will be supported through the advanced use of technology tools and resources including Illinois workNet® and IllinoisJobLink.com.
- **Employer and Jobseeker Services.** Improve access of employers and jobseekers to information and provide assistance in filling critical job openings with qualified jobseekers.
- **Data-Driven Solutions.** Improve the use of labor market information and job-posting systems as well as larger information portals and workforce and education data systems to anticipate and respond quickly to employer and worker needs as well as continuously improve the performance of state and regional initiatives and ongoing workforce services.

Addressing Economic Development and the Needs of Youth and Adults

The Governor's vision and strategies are designed to promote state economic development and meet employer needs while at the same time meeting the needs of working-age youth and adults in pursuing education and career opportunities and getting jobs. The vision and strategies align economic and workforce development through a sector strategy and a focus on public-private partnerships that include employers, industry associations, and state, regional, and local economic development and workforce organizations. As described below, Illinois Pathways is coordinating economic development, workforce development and education efforts around high-demand sectors that are most critical to economic development. These sectors are described in the economic analysis in this plan. These strategies also meet employer needs by providing a more flexible set of education and training options so that partners can develop more customized solutions.

The Governor's vision and strategies also were developed to address the changing needs of working-age youth and adults in Illinois. Many targeted youth and adult populations such as people with disabilities require special targeted efforts to meet their needs as is addressed later in the plan. However, almost all youth and adult populations require expanded access to a wider variety of flexible education and training opportunities to get jobs in high-demand sectors that require higher levels of technical, academic and employability skills as documented in the economic analysis in this plan. The most widespread need is for low-skill youth and adults to have more opportunities to gain the necessary academic or literacy skills to access education, training and credentialing opportunities for high-demand, high-skilled employment opportunities where Illinois is now facing the most severe skill shortages. This is discussed in the economic analysis below especially in references to large and growing needs for remediation. This widespread need is built into the design of Illinois Pathways through expanded bridge and orientation programs for low-skilled youth and adults that are embedded into the full spectrum of education and training options.

Methods for Joint Planning and Coordination

The Governor's Office and the Illinois Workforce Investment Board provide the major mechanisms for promoting joint planning and coordination around these goals and strategies in cooperation with other state coordinating boards and councils including the Illinois P-20 Council. The Governor's Office has direct line authority over the two major workforce development agencies — the Illinois Department of Commerce and Economic Opportunity (WIA Title I) and the Illinois Department of Employment Security (Wagner-Peyser and Unemployment Insurance (UI)) — as well as other major partners in the workforce system including the Illinois Department of Human Services and the Illinois Department on Aging. The Governor's Office also appoints the board members of the state education agencies with the approval of the Illinois Senate and conducts regular meetings with these agencies to coordinate economic development, workforce development and education initiatives. These education agencies include the Illinois State Board of Education, the Illinois Community College Board (ICCB), and the Illinois Board of Higher Education.

As described later in this plan, the IWIB engages a broader network of public and private partners at the state and local level to plan and coordinate workforce development in Illinois. The IWIB regularly reviews statewide initiatives to promote joint planning and coordination and establishes task forces to address the most pressing statewide needs. The IWIB established a state plan task force to develop and approve this five-year plan.

Governor Quinn recently launched the Illinois Pathways initiative to further these goals and strategies, improve joint planning and coordination with P-20 education, and increase credential attainment levels for working-age youth and adults throughout the state. Illinois Pathways provides a strategy to help achieve the P-20 Council's goal of 60 percent of all Illinois residents attaining a high-quality academic degree or industry recognized certificate or credential by 2025. This public-private P-20 education and workforce initiative will meet employer needs and expand career opportunities in nine Science, Technology, Engineering, and Mathematics (STEM)-related sectors, including priority areas identified by the IWIB, such as healthcare, manufacturing, information technology, transportation, distribution and logistics, and agriculture. The initiative has been developed and supported in partnership with the Illinois Business Roundtable and is coordinated and managed through the Illinois Pathways Interagency Committee (IPIC) consisting of all state economic development, workforce development and education agencies.

Illinois Pathways supports programs that empower students to explore their academic and career interests in STEM-related sectors while also supporting new statewide, public-private partnerships known as Learning Exchanges that better coordinate investments, resources and planning in each of the nine sectors. These new partnerships will fully engage industry associations, employers, unions, and economic development, education and workforce partners to build more effective career pathways leading to industry-recognized credentials for workers to fill critical skilled jobs throughout the state based on the most current labor market information.

Through Illinois Pathways, the state can coordinate many grant opportunities targeted to both youth and adults as well as disseminate best practices as part of a comprehensive approach to sector-based education and training. Utilizing the new interagency committee and statewide, sector-based Learning Exchanges, the State of Illinois DOL Workforce Innovation Fund (WIF) project will develop models for coordinating regional partnerships through the Illinois Pathways partnership network starting with manufacturing. This WIF-funded project is critical in addressing the major skill shortages in manufacturing throughout the state.

Illinois Pathways builds on established state workforce policies to increase training investment and flexibility in the use of WIA Title I resources in critical high-demand industries and occupations. It also builds on Illinois Shifting Gears and Accelerating Opportunities initiatives that expand access for low-income and low-skilled workers through bridge programs.

This effort will integrate the Illinois workNet portal into the larger Illinois Shared Learning Environment (ISLE) cloud infrastructure supporting both P-20 education and workforce development.

The effort is also being supported and complemented by the statewide implementation and unification around IllinoisJobLink.com as the state's official job board/labor exchange. IllinoisJobLink.com provides employers with immediate access to the skilled, qualified jobseekers they need. In instances where qualified candidates are not available, workforce partners such as LWIBs can utilize IllinoisJobLink.com to identify WIA-eligible participants for training programs. Perhaps, most importantly, IllinoisJobLink.com provides jobseekers with centralized, aggregated and easy-to-browse job postings from companies and employers.

Finally, Illinois Pathways will utilize the Illinois Workforce Data Quality Initiative (IWDQI) to improve the linkages between longitudinal data systems to support evidence-based practices and continuous improvement in meeting the needs of employers and workers throughout the state.

In summary, the ongoing coordination and joint operation of education, workforce and education programs and initiatives will be done through the IWIB and its task forces as well as the Illinois Pathways Interagency Committee (IPIC) consisting of all state economic development, workforce development and education agencies. Both the IWIB and IPIC have shared membership with all other critical boards and councils including the P-20 Council and related education boards. They also have representation from all education, workforce development and economic development state agencies. The IPIC also will be used to help coordinate state system integration (e.g., Illinois workNet, ISLE) in cooperation with a new state longitudinal data system governance body being established through IWDQI. The ongoing coordination and joint operation of education, workforce and economic development will be done through regularly scheduled meetings of the IWIB and its task forces as well as regularly scheduled meetings of the IPIC. Both the IWIB and IPIC also conduct special meetings and conferences of key stakeholders as necessary to address key issues and challenges. The IWIB and IPIC regularly develop and review joint initiatives to ensure policy, program and operational coordination and alignment such as the development of the Illinois Workforce Innovation Fund project and the Illinois Workforce Data Quality Initiative. This overarching coordination strategy will build on existing coordination and joint operation strategies between DCEO and IDES in workforce development as referenced later in the plan.

Economic and Workforce Information Analysis

Economic and Workforce Information Analysis: The Integrated Workforce Plan must describe the labor market and economic context in which the state's workforce system (including all the programs in the Integrated Workforce Plan) is operating, based on accurate and timely labor-market, demographic, and economic information, with particular attention given to high-need, under-served, under-employed, and/or low-skilled subpopulations. (WIA Sections 112(b)(4), 112(b)(17)(A)(iv), 112(b)(18), W-P Sections 8(b) and 15.) This description should include an assessment of the needs of constituents within the state who will become, or currently comprise, the state's workforce, particularly those needs which can be addressed by the programs included in the Integrated Workforce Plan.

As described in the Governor's vision, the key economic sectors are briefly described below. Tables 1-6 in Attachment B include high-demand occupations in these key economic sectors, particularly as they are related to STEM occupations. Average annual job openings from the 2008-2018 Employment Projections reveal high-demand jobs for Illinois. In addition, current demand for these occupations is indicated by the Conference Board's Help Wanted OnLine® (HWOL) series (unduplicated Online Job Ads) by occupation. Information on current demand is updated frequently since online job ads reveal information on labor market needs in real time.

Healthcare

As one of the largest industry sectors in Illinois in 2008, healthcare provided 692,000 jobs. Healthcare will generate 150,000 new jobs between 2008 and 2018, more than any other sector and double the state average. Twelve of the 20 fastest growing occupations in Illinois are healthcare related. Employment in this field is expected to grow much faster than the average through 2018. Employment in hospitals is expected to grow more slowly than in other health-care industries. An increasing proportion of sophisticated procedures, which once were performed only in hospitals, are being performed in physicians' offices and clinics as less expensive outpatient care.

Job opportunities, however, will remain plentiful because hospitals employ a large number of people. Home healthcare will also benefit from efforts to reduce healthcare costs by moving patients out of hospitals and nursing facilities as quickly as possible. The demand for dental care, vision care, chiropractic services, emergency medical services, psychiatric care, and treatment for drug and alcohol abuse should all continue to expand in Illinois. Most workers have jobs that require four years of college education or less, but health diagnosing and treating practitioners are highly educated. Table 1 in Attachment B lists high-demand healthcare occupations.

Manufacturing

The Manufacturing sector continues to be a significant contributor to both the Illinois economy and the employment picture. Manufacturing is projected to provide 8.6 percent of the total employment in the state through 2018. Many job openings will result from the need to replace experienced manufacturing workers who retire. Most manufacturing occupations have annual median wage rates higher than the average in other sectors. Numerous manufacturing occupations require skills acquired from previous positions and on-the-job training. Table 2 in Attachment B shows key occupations in the manufacturing sector.

Information Technology

Almost all organizations depend on Information Technology (IT) to conduct business and operate efficiently. Those businesses that do not have these resources available internally utilize the services of the establishments in this sector to effectively design, implement and manage their IT systems. Faster than average growth is expected for all industries within the IT sector. Nearly all of the occupations in this sector require a bachelor degree or higher and have median annual wage rates double the state's average wage rate for all occupations. The widespread use of the Internet and intranets has resulted in an increased focus on information technology and security. The expansive use of e-commerce highlights this concern, as firms use the Internet to exchange sensitive information. Many organizations are employing the services of security consulting firms, which specialize in all aspects of IT security. Table 3 in Attachment B lists high-demand occupations in IT.

Transportation, Distribution, & Logistics

Nationally, the Transportation, Distribution, and Logistics (TDL) industry provides over 4.2 million payroll jobs. Overall, more than 10 million people are employed in transportation and transportation-related occupations in the U.S. economy. Employment in the transportation and warehousing sector of this industry are strongly influenced by ups and downs in the national economy. Through 2018, the TDL industry will generate about 27,200 new jobs in Illinois. Many additional job openings will arise from the need to replace retiring workers. Several jobs in the industry require only a high school education but a bachelor's degree is becoming increasingly necessary especially for managerial and technical positions. See Table 4 in Attachment B.

Agriculture, Food & Natural Resources

The Agribusiness industry in Illinois employs over 163,000 and contributes \$13.5 billion to the state's economy. Given the domestic and export markets for its products, the industry is expected to remain a significant contributor in both jobs and product. Over 75 percent of the state's total land area is dedicated to farming. Illinois is a leading national producer of soybeans, corn and swine. The state's climate and soil types also enable farmers to grow and raise many other agriculture commodities including cattle, wheat, oats, sorghum, hay, sheep and poultry.

While employment in the traditional “on farm” agricultural production industry is expected to continue to decline, overall employment in agribusiness, food and natural resources is expected to grow about as fast as the average for all industries in Illinois. Specific segments within the agribusiness industry will experience average growth and many additional job openings will arise from the need to replace those workers who leave the labor force. For example, the landscape and horticultural services segment should have among the most rapid industry job growth in Illinois. Careers in agribusiness require a well-rounded educational background in specific areas (for example, agronomy, agricultural economics and business, natural resources conservation, horticulture, crop science, and animal science). Those interested in these areas who acquire the necessary education and skills should find ample opportunities for employment in Illinois and the Midwest. Table 5 in Attachment B lists occupations in the Agriculture, Food and Natural Resources sector.

Current Economic Analysis and Trends

The state’s analysis of the current economy and future trends of the economy forms the foundation for strategic planning. Using the workforce information produced by the state workforce agency, other data available from Federal, state, and private sector sources, and informed by the business representatives of the state workforce investment board (SWIB), the Integrated Workforce Plan must include the following specific information, consistent with Section 112(b)(4) of the Act:

- *An assessment of the current situation and projected trends of the state’s economy, industries and occupations, including major economic regions and sectors within the state and across state lines*
- *An assessment of the workforce skills and knowledge individuals need to find current and future employment in the state, particularly those skills and knowledge identified by employers as necessary for economic growth in the state*
- *A description of the characteristics and needs of the state’s population, and diverse sub-populations, including those from racial, ethnic, linguistic groups, older persons, and individuals with disabilities*
- *An assessment of the skill and education gaps for all individuals within the state, particularly for those individuals targeted by the programs included in the Integrated Workforce Plan*
- *An analysis of the challenges associated with the state’s population attaining the education, skills, and training needed to obtain employment*
- *A discussion of the ability of Integrated Workforce Plan programs to meet the skill needs of employers in the state and close any skill gaps*

Current Economy and Future Trends

The national economic recession (2007-2009) had a significant negative impact on Illinois employment conditions, with nonfarm payroll employment declining by 6.9 percent or by 412,600 jobs through December 2009. Declines were concentrated in four key sectors: manufacturing; professional and business services; trade, transportation and utilities; and construction.

A modest recovery began January 2010 and through June 2012, nonfarm payroll employment increased 2.0 percent or by 113,200 jobs. The recovery remains uneven. Professional and business services lost 93,600 jobs during the recession and have regained 74,600 positions in the industry. While the manufacturing recovery appears strong, with job gains of 42,900 in this 30-month period, this is roughly one-third of the jobs that were lost during the recession. Similarly, trade, transportation and utilities

have also regained 11,000 jobs, about one-tenth of the jobs lost during the recession. Finally, construction payrolls continue to shed jobs during the recovery.

Aside from professional and business services, leisure and hospitality payrolls have also recuperated more than four-fifths of their job losses. This sector has traditionally provided many initial employment opportunities for low-skilled workers as they entered the labor force. However, employers continue to list the lack of basic workplace skills and sufficient literacy skills to succeed in firm-specific technical training as a critical shortcoming.

Additionally, education and health services payrolls grew 3.9 percent during the recession and 3.6 percent during this recovery phase. While cost and efficiency concerns continue to force some downsizing in support services in the health care field, Illinois employers have not slowed their hiring pace for skilled workers in direct patient care occupations such as nursing and therapeutic services. Given the current training capacity and resulting supply of skilled applicants for the professional and paraprofessional occupations in the health care field, remedial education opportunities to solidify prerequisite skill levels and continuing education support programs need to be maintained and enhanced to meet both the volume of students and career changers looking to enter this pathway and the demands of employers throughout Illinois.

Looking at the regional variations in the state, the strongest recoveries were in the North Central (includes Peoria Metropolitan Statistical Area (MSA)), Northeast (includes Chicago-Naperville-Joliet MSA) and Northern Stateline (includes Rockford MSA) Economic Development Regions. The common element in these regions included strong recoveries in manufacturing and professional and business services as well as steady growth in the education and healthcare sectors. Trade, transportation and utilities also contributed to a more pronounced recovery in these areas. . Online job postings support the claims of many employers and business associations in these critical sectors that skilled workers are in high demand and a limited supply (see Tables 1-4 in Attachment B).

Looking at other Midwest states, manufacturing was the driving force in the states' economies. All the states touching on Illinois (Wisconsin, Iowa, Missouri, Kentucky, Indiana and Michigan) have seen healthy recoveries in their manufacturing industries. This export-driven resurgence in Midwest manufacturing industries is driving the demand and competitive hiring market for skilled workers such as welders, machinists, and computer-controlled machine tool operators (see Table 2 in Attachment B). In Illinois, many new entrants to the labor force are unaware of the opportunities for gainful employment in the advanced manufacturing industries. Among the basic skills that must be provided to youth are career exploration and job search skills. Better communication of career information - such as occupational training requirements, employment outlook and potential wages/earnings - must be supported in order to attract new entrants and career changers to these future opportunities as well as address any skill gaps these individuals may have for these occupations

Illinois long-term industry employment projections point to modest job growth overall, and uneven growth among various industry sectors. Within the professional and business services sector, professional, scientific and technical services are expected to post the strongest average annual growth (2.1 percent). In the educational and healthcare sector, healthcare and social assistance is expected to grow by an annual average pace of 2 percent, adding nearly one-quarter of the total jobs in Illinois by 2018.

Occupations with the most annual openings include some with fewer education requirements such as retail sales workers and food and beverage serving workers. However, high-demand occupations in Illinois also include those with middle skills and high skills such as teachers (especially those qualified in math and science), health practitioners, computer specialists, and many manufacturing production occupations.

While some believe that manufacturing is a declining industry, they forget that replacement demand is sometimes more important than growth. Many occupations at various skill and education levels in the manufacturing sector will need to be filled in the upcoming years. To assist traditional labor market information in identifying specific skill needs in the growing advanced manufacturing industries, Illinois will utilize the increased access to business associations and employers made possible by our Workforce Innovation Fund. These lists of critical skills will supplement not only our statewide, regional, and local economic development efforts to address current employer needs, but also augment our career information delivery systems to attract youth to this high-demand field.

Over the next several years, economists are predicting that unemployment rates will remain high in the U.S. Typically, the unemployment rate for Illinois moves in tandem with the U.S. rate, but is higher by 0.5 to 1.0 percentage points. Many forecasters expect national unemployment rates to remain above 8 percent in 2012, and fall only modestly each of the next few years. Illinois' rate will be moving in the same direction as the nation.

Workforce Skills Requirements and Population Characteristics

Job skills and knowledge for future job openings in both Illinois and the nation continue to shift toward occupations that require postsecondary education in order to acquire basic workplace skills and improve literacy levels. Long-term employment projections indicate that over 548,000 new jobs will be added to the Illinois economy from 2008 through 2018. Sixteen percent (16%) of these new jobs will require postsecondary training or an associate degree; and 33 percent will require at least a bachelor's degree. See Chart 1 in Attachment B for a detailed breakout by education requirement. The shift toward more education and training after high school in order to access more high-demand, good-paying jobs speaks to the same issues being raised by Illinois business associations, Chambers of Commerce and employers. To wit, the overarching skills gap for all workers to increase literacy levels, and basic workplace and technical skills across the board for all workers.

- More than 1.8 million of Illinois' 9.9 million adults have less than 12 grades of formal education, including about 713,000 people with less than a 9th grade education.
- Based on findings of the 2009 and 2010 American Community Surveys, nearly 42,000 or 15 percent of 19-to-24 year old youth in the city of Chicago did not have a regular high school diploma. The share of youth in the city of Chicago without a regular high school diploma (15%) was higher than that of the remainder of the Chicago Metro area (9.7%), state of Illinois (11.5%), and the entire U.S. (13.7%).

Forty-four to 51 percent of adults in Illinois demonstrated skills in the two lowest literacy levels (21 - 24 percent in Level 1, and 23 – 27 percent in Level 2).

According to the 2010 American Community Survey (ACS), Illinois had a civilian non-institutional population of 12,673,245 almost evenly divided by gender (female, 51.2 percent; male 48.8 percent).

By race, whites alone (not including Hispanic or Latino) accounted for 63.7 percent of the population; Black or African American alone accounted for 14.3 percent; Asian alone accounted for 4.6 percent; and Hispanic or Latino (of any race) accounted for 16 percent.

The majority of Illinois' residents (78 percent) speak only English. Among the remainder, 13 percent speak Spanish or Spanish Creole; 5.6 percent speak other Indo-European languages; 2.6 percent speak Asian and Pacific Island languages. After Spanish, Polish and Chinese are probably the most commonly spoken languages in the Chicago area.

According to the ACS, 10.2 percent of the civilian non-institutional population have a disability, with 8.0 percent of this population aged 18 to 64 years old. Roughly 1.5 percent of this population have a hearing difficulty; 1.2 percent have a vision difficulty; 3.2 percent have a cognitive difficulty; and 4.1 percent have an ambulatory difficulty.

According to the 2010 Census, 41.9 percent of the Illinois population is in the prime-age working years (aged 25 to 54); while 11.5 percent of the population is aged 55 to 64. During and after the Great Recession, many workers were retiring early (before 65), but also, many workers were working past 65 because they had lost income or wealth during the recession. In Illinois, the labor force participation rate for both men and women bottomed in 2001 and has steadily increased since then. In recent years, the labor force participation rate for 16 – 19 years olds and 20 – 24 year olds has decreased. The belief is that more young people are staying out of the labor force to attain additional certificates or degrees. The higher degree of schooling should ultimately lead to improved job possibilities and greater labor force participation as these young people (16 – 19 and 20 – 24) age.

Since 2008, poverty rates in Illinois have run about one percentage point below the national average. As indicated in Table 7 of Attachment B, poverty rates are closely related to educational attainment. Poverty rates for those with only a high school background or less are significantly higher than those with greater education levels. Similarly, earnings are also closely correlated with education levels as those with greater education and technical skill levels are able to garner higher earnings.

Comparing the supply of individuals in Table 7 of Attachment B to the number of job openings by educational requirement, it is not the bachelor's degree and above occupations that will experience shortages but rather the middle skill level occupations that require an associate's degree or short-term certificate (some college) that will be insufficiently supplied. These technical occupations that can be accessed with 6-24 months of technical skill training are a good fit for all targeted populations and should supply ample job opportunities as many of these occupations are among the high-demand occupations throughout Illinois (see Tables 1 - 6 of Attachment B).

Based on findings from the ACS compiled by the Center for Labor Market Studies at Northeastern University, the share of youth without a high school diploma is 13.7 percent in the U.S., but lower in the state of Illinois (11.5 percent). In the Chicago metro area excluding the city of Chicago, the share is 9.7 percent, but in the city of Chicago, it is 15 percent. In addition to at-risk youth as a major challenge, long-term unemployment duration among adult workers in Illinois is another issue that must be addressed. The average number of weeks unemployed in Illinois in 2011 was 45.3 compared to a national average duration of 39.3.

Both basic workplace skills and initial job skill training for youth and technical skills training and update for adult workers must be targeted to high-demand occupations in critical industries to successfully

address Illinois' major workforce, education and economic development challenges. Illinois' Pathways initiative and Workforce Innovation Fund, along with other related efforts of the P-20 Council and its partners, have already developed the analytic workforce information tools to target our efforts, identified necessary data and information improvements, and set in place work teams to address all data collection and compilation solutions.

Illinois Strategies

State Strategies: The Integrated Workforce Plan must describe the key strategies the state intends to implement, based on its economic analysis, to achieve the governor's vision and goals.

Cross-Program Strategies: The plan must discuss integrated cross-program strategies for specific populations and sub-populations identified in the discussion of the state's economic analysis, strategies for meeting the workforce needs of the state's employers, and regional and sectoral strategies tailored to the state's economy.

Cross-Program Strategies

Illinois is using two major cross-program strategies to address the needs of both employers and workers including specific targeted populations, the Illinois Pathways Initiative and the Workforce Data Quality Initiative. Both strategies are the result of ongoing collaboration between the WIA and Wagner-Peyser programs, as well as secondary and post-secondary education partners including the Illinois State Board of Education, the Community College Board, the Board of Higher Education and the Illinois Student Assistance Commission.

Sector Strategies

The Illinois Pathways initiative builds on a long history of sector initiatives in workforce development starting with the Critical Skill Shortages Initiative (CSSI) in 2003 and a series of sector task forces organized by the Illinois Workforce Investment Board. This initiative also builds on the related career cluster initiatives in career and technical education and the sector bridge programs initiatives in Shifting Gears. Illinois Pathways aligns state economic development, workforce development and education around nine key sectors. IDES provided the LMI data that serves as the foundation for each pathway's efforts. This data, along with active participation from private sector employers, is used to identify employer needs and opportunities for future occupational placements.

These sectors and the lead partners are:

- Agriculture, Food and Natural Resources – Illinois Foundation for FFA
- Architecture and Construction - TBD
- Manufacturing – Illinois Manufacturers Association Education Foundation
- Health Sciences – University of Illinois at Chicago
- Transportation, Distribution and Logistics – Illinois Chamber of Commerce Foundation
- Information Technology – CompTIA Workforce Development LLC
- Energy – Illinois State University
- Finance – Chicagoland Chamber of Commerce
- Research and Development – Illinois Science & Technology Institute

Illinois Pathways provides the framework for integrating services for both adults and youth within career pathways for these nine sectors. Over the last three years, Illinois has focused on promoting bridge programs for low-income and low-skilled adults to provide access to career pathways in these sectors as well as integrated orientation programs for high school students that provide more opportunities for in-school and out-of-school disadvantaged youth. In addition, Illinois has promoted increasing the levels of training and the more flexible use of training funds to meet the unique needs of unemployed and dislocated workers in these sectors including manufacturing and information technology. One example is Chicago Career Tech — an innovative model for serving unemployed workers and connecting them to job opportunities in information technology. These efforts will continue and expand under Illinois Pathways. As an example, Illinois recently was awarded an approximately \$12 million grant from the U.S. Department of Labor’s Workforce Innovation Fund to build on Illinois Pathways to provide improved and braided services for unemployed and disadvantaged adult workers in entering manufacturing career pathways in regions throughout the state.

DCEO and IDES are currently partnering with the Utility Workers Union, People’s Gas and Integrys to provide training for gas utility workers. This project provides contextual and experiential training that counts toward an associate degree and will help fill over seventy-five positions currently available in the City of Chicago. IDES, the local One-Stops and the Illinois Department of Veterans Affairs worked together to identify an eligible pool of veterans to participate in the training.

In addition, Illinois recently joined a multi-state collaborative led by the Center for Law and Social Policy (CLASP) to explore how to further integrate services to low-skill and low-income adults in career pathway initiatives. Based on the recommendations from the IWIB Agriculture Task Force, DCEO collaborated with the Illinois Community College Board (ICCB) and the Illinois State Board of Education to expand and improve education and training opportunities in agriculture education including an expanded focus on local and regional food systems. State and local partners will continue to improve coordinated service delivery through Illinois Pathways and related sector initiatives.

Targeted Population Strategies

Illinois has launched statewide initiatives in addressing the needs of specific populations facing barriers to employment through both IWIB task forces and state initiatives. Three major targeted population strategies have been launched to date and will continue over the coming years.

- **Individuals with Disabilities.** As described later in this plan, the first targeted population initiative — disabilityworks — was launched as a joint venture between state agencies and the City of Chicago to address the needs of individuals with disabilities. This effort was expanded statewide through U.S. Department of Labor funding of the Disability Program Navigator project and the Illinois Disability Employment Initiative (DEI) with infrastructure support provided by Illinois workNet.
- **Low-Skilled and Low-Income Adults.** The ICCB in cooperation with the DCEO and foundation funders have undertaken two major initiatives — Shifting Gears and Accelerating Opportunity — to develop sector-based “bridge” program models and develop state policies to coordinate adult education, career and technical education, and WIA Title I funding to support them through state and regional partnerships. These initiatives also have established bridge programs in over 51 community colleges and adult education providers and will provide an essential on-ramp for low-skilled adults in accessing career pathways under the larger Illinois Pathways initiative over

the coming years. Both initiatives are reviewed on a continuing basis by the IWIB to ensure seamless integration into Illinois Pathways and the public workforce system.

- **Veterans.** Illinois places a high priority in serving veterans. Veterans and covered persons will receive priority of service, as prescribed by federal law. The One-Stop centers (Illinois workNet centers) are committed to helping veterans find the job they want and the training they need. IDES employs veterans' employment representatives, fellow veterans who are specialists in providing employment services. Illinois veterans have been served over the years through targeted programs administered through IDES and the Illinois Department of Veterans Affairs in cooperation with other education and workforce agencies. IDES promotes participation of veterans in federally funded employment and training programs and cooperates with the Department of Veterans Affairs to identify and aid veterans who need work-specific prosthetic devices, sensory aids, or other special equipment to improve their employability. DCEO also makes significant investments in projects that provide employment and training opportunities to veterans in critical sectors. For example, over the last year, DCEO invested and facilitated proposals for over \$3 million in projects in agriculture and natural resources, healthcare, information technology, and the utility sector. Illinois established an IWIB Veterans Task Force to address the needs of Illinois veterans and identify strategies to improve services. Veterans will continue to be a major focus of Governor Quinn and all state education and workforce agencies over the coming years especially given the increasing number of veterans returning from deployment in Iraq and Afghanistan.

In addition to these three targeted populations, the IWIB will continue to engage stakeholders in addressing workforce barriers of special targeted populations and launch new task forces as needed to address problems requiring statewide action.

Partnerships

Partnerships – The plan must include a discussion of key strategic partnerships that are necessary to successfully implement the strategies, specify roles of specific state entities and programs, and discuss how the strategies will meet the needs of employers and of each sub-population. (WIA Sections 111(d)(2), 112(b)(8), W-P Section 8(c).)

Illinois has promoted public-private partnerships at both the state and regional levels to carry out both sector and targeted population strategies.

State and Regional Sector Partnerships

At the state level, Illinois Pathways will soon launch new statewide sector partnerships in five sectors — Healthcare, Manufacturing, Information Technology, Agriculture, and Research and Development — based on the longstanding Agriculture Education model and recommendations from the IWIB sector task forces. These partnerships will engage a wide array of stakeholders including employers, industry associations and chambers of commerce, unions, local workforce investment boards, universities, community colleges, high schools, and non-profit organizations. They will support regional and local sector partnerships by providing resources, information and staff support to improve sector pipeline performance at the state and regional levels based on sector pipeline performance measures developed through the Illinois Workforce Data Quality Initiative project.

In addition, Illinois will continue to promote regional sector partnerships as part of Illinois Pathways and related initiatives. Starting with the Critical Skill Shortages Initiative in 2003, Illinois has promoted regional partnerships based on major economic regions of the state. Since then, Illinois has provided innovation grant funding for continuing regional partnerships in healthcare including Connect SI in the southern economic region and the Metropolitan Chicago Healthcare Council in the northeast economic region and the Central Illinois Regional Collaborative Effort. The Illinois Workforce Innovation Fund (WIF)-funded project will promote similar regional sector partnerships in manufacturing in cooperation with the statewide manufacturing partnership. Illinois will work with the five new statewide sector partnerships to promote regional partnerships throughout the state over the coming years.

State and Regional Targeted Population Partnerships

Illinois also uses state and regional partnerships to pursue targeted initiatives for special populations and will continue to do so in the coming years. Illinois launched the disabilityworks initiative in cooperation with the Chicagoland Chamber of Commerce and is taking that same approach statewide.

The Illinois Shifting Gears and Accelerating Opportunities initiatives are being coordinated with the Illinois Pathways initiative to provide greater access for low-skilled and low-income adults to career pathways in key sectors. Veterans initiatives going forward will be coordinated through a statewide public-private partnership supported by the Illinois Department of Veterans Affairs in cooperation with other state agencies.

The aforementioned Utility Workers Union project is a good example of interagency collaboration to support a project that meets the immediate employment needs of the private sector while also impacting a targeted population, in this case veterans.

Leveraging Resources

Leveraging Resources – The plan must discuss how the state will coordinate discretionary and formula-based investments across programs and in support of the governor’s vision. The state’s planned commitment of Federal and non-Federal funds to these investments should be included. The plan should also describe how the state will use program funds to leverage other Federal, state, local, and private resources, in order to effectively and efficiently provide services. (WIA Section 112(b)(10).)

As described earlier, the Governor’s Office and the IWIB are the major mechanisms for managing and coordinating economic development, workforce development and education including coordinating discretionary and formula-based investments across programs and leveraging other funding sources in support of the governor’s vision. For example, IWIB task forces have developed recommendations for actions that help coordinate and integrate WIA Title I and other federal, state, and local funding sources for addressing the needs of targeted sectors and populations.

WIA State Discretionary funds were used to start the sector strategy approach to workforce development in Illinois. Starting in 2003 with the Critical Skill Shortages Initiative, discretionary funds supported an exploratory phase of developing interagency partnerships at the state and regional levels. Illinois sector strategies have always been built upon LMI data provided by IDES and engaging employers

to determine where best to invest workforce funds. These efforts led directly to the Illinois Pathways Initiative. Over the coming years, the Illinois Pathways initiative and the Illinois Pathways Interagency Committee will be another mechanism used to coordinate investments. This can clearly be seen in the launching of the five public-private partnerships. The IPIC awarded grants in each of the pathways after a competitive process. The agriculture, health science, information technology, manufacturing, and research and development sector partnerships submitting applications robust enough to receive an implementation grant to form sector learning exchanges. The energy, finance and transportation / distribution / logistics sectors received planning grants to pull together solid public-private partnerships.

All partnerships will be required to match federal and state investments coming from education and workforce with an equal amount of funding coming from industry and other public and private sources including foundations. This same philosophy is being applied to the encouragement of regional sector partnerships. For example, the WIF-funded Illinois Pathways project in manufacturing will require regional partnerships to work with the statewide manufacturing partnership and match federal and state funding with regional and public and private funding from multiple sources and will measure leveraged resources as one indicator of performance. This will continue with related Illinois Pathways initiatives.

Policy Alignment

Policy Alignment – The plan must discuss how the state will align policies, operations, administrative systems, and other procedures to assure coordination and avoid duplication of workforce programs and activities outlined in WIA Section 121(b). (WIA Sections 111(d)(2)(A), 112(b)(8)(A), 121(b), 20 CFR 661.205(b)(1).)

Policy Alignment and Service Coordination

In implementing the Governor’s vision and strategies for service integration, Illinois agency partners: (1) coordinate their policy development process, (2) integrate operations and service delivery and (3) and coordinate and integrate administrative and information systems.

Policy Development

State agency economic development, workforce development, and education partners meet regularly through the Governor’s Office, the IWIB, and major initiatives such Illinois Pathways to coordinate state policy development and guidance.

As described above, the Illinois Pathways Interagency Committee will provide a new mechanism for improving policy alignment and service coordination. The IPIC mission is to coordinate policies and investments in pursuit of the Governor’s vision to meet employer needs and expand career opportunities in the nine targeted sectors. This can be clearly seen with policy coordination going forward in the definition of career pathways and how resources can be integrated. This is also being done with the WIF-funded project in manufacturing with a stronger focus on adult unemployed and disadvantaged populations.

DCEO and IDES both participate in meetings of IWIB Task Forces as needed to form policy recommendations for IWIB consideration. There is also an ongoing IWIB Legislative Task Force that

meets regularly. This group reviews pending and approved legislation that impacts the workforce system and provides information state and local leaders and legislators.

Coordinated Operations and Service Delivery

Under WIA, a primary mechanism for achieving operational collaboration across programs is the Memorandum of Understanding (MOU) process required by WIA Section 121(c). Mandatory and optional partner agencies, in accordance with locally negotiated MOUs, collaborate to deliver services through the state's One-Stop centers. The state issues guidance to local areas in support of MOU negotiations and provides technical assistance to support local negotiations when requested.

Another strategy to integrate services is through technology including Illinois workNet and IllinoisJobLink.com. Illinois workNet uses the Internet to expand access to universal (core) services. Illinois workNet expands the delivery of core workforce services throughout the state. It also provides tools for self-assessment and improves access for persons with disabilities. By connecting online to an expanded network of agencies and partners (including community and faith-based organizations, technology centers, schools, libraries, and community colleges), Illinois workNet extends the reach and expands the services of physical One-Stop centers. As described earlier, IllinoisJobLink.com, as the state's official job board/labor exchange, will provide another mechanism for the integration of workforce services.

There are quarterly joint training events for Business Services and IllinoisJobLink.com staff. Cross training is provided regularly on service delivery for trade and rapid response to coordinate outreach and reach more customers.

Desired Outcomes: Quantitative Targets for WIA

Desired Outcomes: The Integrated Workforce Plan must describe and provide specific quantitative targets for the desired outcomes and results for the programs included in the plan. Table 1 may be used for WIA/W-P programs.

In Illinois, outcomes are reported for the WIA Title I Common Measures as approved by the USDOL/ETA Common Measures Waiver. This plan contains the State's PY 2012 targets for these nine common performance measure outcomes (see the *Proposed Targets for WIA Title I* table on page 18) and a description of how these targets were derived. Finally, this section contains a discussion of additional state indicators used to achieve the economic goals for Illinois and its citizens.

The development of the PY 2012 proposed levels of performance required references to past performance outcomes, the Government Performance and Results Act (GPRA) goals, and Regression Model Targets (RMT). These sources provide the informational foundation from which PY 2012 performance targets were set.

Averages for prior program year outcomes were computed (using the four prior program years plus the current program year through quarter three). Target values were established and set above these averages to encourage continuous program improvement.

These targets were compared RMT and GPRA goals. All exit based performance measures exceeded the RMT targets and seven of nine targets exceed the GPRA goal.

A trend analysis revealed fairly level outcomes for all but the adult entered employment measure. It continues to lag behind previous years' outcomes. Therefore, the adult entered employment target is the only proposed goal below the previous negotiated target but still well above the RMT and GPRA goals.

An analysis of the average earnings targets over the last five years after applying the annual Consumer Price Indexes (from DOL-BLS) compared with an average of prior outcomes was used to set average earnings targets. The proposed targets are above the state's average outcomes, above the RMT and in line with previous negotiated targets.

Illinois remains committed to continuous improvement of its performance within an overall framework that recognizes the importance of setting realistic and attainable goals that enable service to a broader range of individuals and to customers with barriers to employment. This year's targets are in line with prior year's negotiated targets. These proposed performance goals are at a level that demonstrates Illinois' commitment to continuous improvement.

The *Proposed Targets for WIA Title I* table is shown on the following page.

Illinois Integrated Workforce Plan for WIA & Wagner-Peyser

Proposed Targets for WIA Title I

	PY 2007*	PY 2008*	PY 2009*	PY 2010*	PY2011	PY2011 Goals	PY2011 IL Regression Model Targets ***	GPRA Goal 2012	Illinois Proposed Goals PY 2012
					Q3 **				
ADULTS									
Entered Employment Rate (AEER)	76.5	75.2	72.2	61.8	71.1	77	63.7	56.7	75
Employment Retention Rate (ARR)	83.8	82.7	79.6	82.8	82.2	84	83	80.1	84
Average Earnings (AAE)	\$11,802	\$12,341	\$11,741	\$12,627	\$12,997	\$11,300	\$12,864	\$14,450	\$12,900
DISLOCATED WORKERS									
Entered Employment Rate (DEER)	84.7	84	77.5	75.6	83.5	85	75.9	58.6	85
Employment Retention Rate (DRR)	89	89.5	85.7	89.7	90.8	91	89.5	82	91
Average Earnings (DAE)	\$16,358	\$16,235	\$15,728	\$17,086	\$19,002	\$15,400	\$17,466	\$18,346	\$17,500
YOUTH									
Placement in Employment and Education	****	****	67.2	57.7	70.7	56	61.5	59.7	66
Attainment of Degree/Certificate	****	****	69.7	56.2	73.2	45	58.5	59.6	67
Literacy/Numeracy Gains	****	****	52.1	57.7	52.5	33	57.8	40.8	55

* DOL Performance Results calculated from WIASRD records - Illinois.

** Illinois' WIA Quarterly Reports for first three quarters of PY 2011

*** DOL Regression Adjusted Departure Points – Illinois

Proposed Targets for Wagner-Peyser									
	PY 2007 ¹	PY 2008 ¹	PY 2009 ¹	PY 2010 ¹	PY 2011 ¹	PY2011 Goals	PY2011 IL Regression Model Targets	GPRA Goal 2012	Illinois Proposed Goals PY2012
Entered Employment Rate (EER)	66.2	60.5	47.9	49.9	49.7	66.8	N/A	49.9	52.5
Employment Retention Rate (ERR)	84.3	82.5	75.3	78.6	80.6	82.8	N/A	78.1	82.8
Average Earnings (AE)	\$14,807	\$15,260	\$15,437	\$16,650	\$15,930	\$14,150	N/A	\$14,510	\$15,700

¹ Performance Results from Illinois' ETA 9002 C Reports

Indicators and System Measures

The plan should also describe any additional established indicators and system measures, beyond those required by programs' authorizing statutes. (WIA Sections 112(b)(3), 136(b)(1)(A)(ii), (b)(2)(C), 20 CFR 666.110, 666.120(g), 666.300.)

Illinois maintains a list of growth and demand occupations as well as occupations associated with key sector industries available as training program occupation targets for certification. This list is based on labor market data within each economic development region and will become aligned with the Illinois Pathways initiative.

As part of its ongoing focus on economic growth, job creation, and the need to develop a skilled, trained workforce, Illinois has established an indicator for encouraging training in the adult and dislocated worker programs. All local areas must ensure that at least 40 percent of their formula-allocated program expenditures in a program year are used for adult and dislocated worker participant training. The local areas that meet this requirement are eligible to receive incentive awards based on the number of participants successfully completing training in demand occupations when those participants also are placed in employment in the training target occupation. Local areas are not eligible to receive incentive awards if they do not meet this 40 percent expenditure threshold for both adult and dislocated worker programs.

Other Performance Goals

In addition to the state's program performance goals, the state may also discuss the other goals it intends to achieve.

Illinois will put more focus on training that leads to industry recognized credentials by re-establishing the Adult and Dislocated Worker Credential Attainment Rates as state measures during program

year 2012. This is in line with the Secretary's high-priority goals issued in USDOL/ETA Training and Employment Notice, 49-11, June 6, 2012. Illinois is committed to increasing certificate and credential attainment rates as demonstrated by the increase in degree and certificate attainment in this program year's youth program.

Examination of Broader Economic and Social Indicators

Does the state examine broader economic and social indicators? For example, is the state attempting to increase the percentage of workers employed in family wage jobs; increase earnings to support a better quality of life; increase the number of employers with job opportunities; or increase high school and college graduation rates as metrics? In sum, the state should describe its desired results for the state workforce investment system and the metrics it is using to measure those results.

Illinois maintains a database of economic and social indicators by participant, allowing outcome reports to be generated by indicator. For adults, dislocated workers and youth programs, reports include outcomes for ethnicity, race, participants status in the labor force, educational level, and family size, along with participant barriers, including, individuals with disabilities, veterans, ex-offenders, homeless, economically disadvantaged, basic skills deficiencies, risk to dropout, runaway, foster child, and out-of-school youth.

Illinois is attempting to increase outcomes for veterans by providing programs such as technical training in computer and repair services targeted to veterans. Illinois has also developed an on-the-job training program which serves those individuals with barriers to employment and more at-risk of not connecting to the labor market. These programs outcomes are tracked to determine their impact on the effectiveness the workforce program.

A selection of LWIAs are participating in the Disability Employment Initiative which builds upon promising practices to improve the employment outcomes of individuals with disabilities served by Illinois workNet centers. The outcomes for these individuals will be tracked over the next two program years.

Illinois also encourages its local areas to serve the neediest youth, low-income youth, and especially out-of-school youth population and those in-school youth at risk of dropping out. Illinois has seen an increase in the percentage of participants in each of the above target youth populations over the last program year.

Illinois proposed performance targets for PY 2012 are in alignment with the vision and strategic goals described in the State Plan and will positively impact overall customer satisfaction. The proposed targets allow Illinois to serve a broader range of at-risk individuals and develop new initiatives, while showing continuous improvement in outcomes. Proposed goals provide for 75 percent of adult customers and 85 percent of dislocated worker customers being placed in employment by the first quarter after program participation. With the emphasis on training and credential attainment and the average earning targets, these placements will provide for family living wages and ensure an optimal return on investment of WIA funding. These levels of performance will encourage local workforce areas to provide improved program design.

Desired Outcomes: Quantitative Targets for Wagner-Peyser

IDES' proposed 2012 Wagner-Peyser Performance Goals are based on actual performance, chiefly for the period from PY 2009 to the present. From PY 2008 through PY 2011, the Department elected to accept ETA's option to retain rather than renegotiate its performance targets for the three Common Measures.

Entered Employment Rate. The rate has been recovering slowly and steadily by a fraction of a percent each quarter since the quarter ending (QE) September 30, 2010, however, the measure has not met its negotiated goal since the QE September 30, 2009. The negotiated goal of 66.8 percent was clearly too high given the economic conditions of the past several years. For PY 2012, IDES has adjusted the goal to a more attainable level (52.5 percent) that will still be a challenge to meet. The proposed EER goal exceeds the GPRA goal of 49.9 percent.

Employment Retention Rate. From QE June 30, 2009 forward, ERR performance has fallen within the 80 percent to 100 percent range for the negotiated goal (82.8 percent). As of QE June 30, 2012, performance was within 2.2 percent of the goal. IDES has decided to retain the goal for PY 2012. It is still slightly out of reach and quarter-to-quarter performance gains in the recent past have been small. The proposed ERR goal exceeds the GPRA goal of 78.1 percent.

Average Earnings. IDES performance has exceeded this measure's goal since the goal (\$14,150) became effective for PY 2008. Performance has been relatively stable, with only periodic quarterly dips. As of QE June 30, 2012, it was \$1,780 above goal. IDES has raised the proposed goal for PY 2012 to \$15,700, which is \$1,550 higher than the prior goal and \$1,190 higher than the GPRA goal of \$14,510.

Government Performance and Results Act (GPRA) Goals for PY 2012. IDES' performance is currently exceeding two of these national goals, Employment Retention and Average Earnings, while Entered Employment dropped below its GPRA counterpart by 0.2% at the end of PY 2011.

IDES is using IllinoisJobLink.com to assist in determining internal performance measures that will aid in meeting/exceeding the PY 2012 goals.

Section II. State Operational Plan

Illinois Workforce System

Overview of the Workforce System: The State Operational Plan must present an overview of the workforce system in the state.

Organization – The overview must describe organization and delivery systems at the state and local levels for the programs covered in the plan, particularly how this organization effectively supports the

coordination and alignment of the state's workforce programs and supports integrated service delivery. The overview must include a description of the key state administrative personnel of the programs described earlier in the Integrated Workforce Plan, and the organizational structure and membership roster of SWIB members and their organizational affiliation.

State Administration

- **WIA Title I — Therese McMahon, Deputy Director, Office of Employment and Training, DCEO.** At the state level, the WIA program is operated by DCEO's Office of Employment and Training. Key units of the office include: Fiscal, Monitoring (Fiscal and Program), Performance, Planning, Policy, Reporting, and Trade Adjustment Assistance. These units provide overall administrative control of WIA in Illinois, act as a catalyst for innovation, as well as provide guidance, oversight and technical assistance to local workforce development areas.
- **Wagner-Peyser — Jay Rowell, Director, IDES.** The Wagner-Peyser program is operated by the IDES. This department also provides Labor Market Information as well as various initiatives to help jobseekers find suitable employment. It also manages Unemployment Insurance funding to provide unemployment benefits to eligible individuals.

The WIA and Wagner-Peyser programs work together by engaging in ongoing and ad hoc meetings as necessary to review each program's role for implementing new initiatives and responding to employer needs. As mentioned previously, IDES provides situation specific LMI data when relevant for new and ongoing initiatives. DCEO has an inter-agency data sharing agreement with IDES to aid planning and reporting and provides WIA funding to help support the continued availability of LMI data.

DCEO, IDES and One-Stops have partnered to provide a coordinated response to employers needing skilled workers, such as People's Gas in Chicago and the Excel Foundry in Pekin. DCEO and IDES worked very closely to provide technical assistance to the governments of Cook County and the City of Chicago when they decided to consolidate three local workforce areas into one. Other local areas may wish to pursue consolidation and DCEO and IDES will work together to ensure any transitions occur as smoothly as possible.

IDES Regional Structure

IDES is divided into six regions comprised of 46 total local offices where Wagner-Peyser services are offered. Most locations are co-located with WIA and other workforce partners, enhancing the ease of collaboration on service delivery. All regions follow identical procedures, better ensuring consistent services and experiences for claimants and jobseekers across the state. In addition to unemployment insurance, the offices provide claimants and jobseekers localized labor market information including career information, job search and labor exchange services through workshops, one-on-one interviews, and IllinoisJobLink.com. Additionally, jobseekers seeking training or career advice are referred to local workforce partners and tracked via common participant ID's. All offices work with local employers to solicit job openings for qualified individuals, provide tax incentive information such as the Work Opportunity Tax Credit (WOTC), and educate them on the Unemployment Insurance program.

Local Workforce Investment Areas

Since the inception of WIA, the state has been partitioned into 26 Local Workforce Investment Areas (LWIAs). In spring 2012, the three LWIAs of Cook County began plans to merge into one LWIA that

covers the entire county. The new LWIA became active on July 1, 2012. The merger reduced the number of LWIAs in the state from 26 to 24. During a six-month transition period the new LWIA, known as the Cook County Workforce Partnership, will maintain the status quo with current providers and established service delivery systems. Starting in January 2013, the LWIA will begin to make adjustments as needed to enhance service delivery.

This organizational structure supports integrated service delivery by providing an overarching statewide framework. WIA program priorities of the state board are established in state policy developed, articulated and distributed by DCEO. This provides a consistent baseline of program delivery across the state while allowing the local workforce boards latitude to refine service delivery tailored to meet special local needs.

Illinois Workforce Investment Board

The IWIB is a 37-member board consisting of all federally required members along with industry representatives from key industry sectors from throughout the state. The IWIB has no standing committees but establishes task forces to address specific problems in industry sectors, special populations, and other domains as well as ongoing issues such as the development of a state benchmark report and the development of the state plan.

Current IWIB task forces are: (1) State Plan Task Force, (2) Legislative Task Force, and (3) Entrepreneurship Task Force. In addition, the IWIB receives regularly scheduled briefings on the implementation of previous task force recommendations and major ongoing initiatives such as Illinois Pathways.

The current membership of the IWIB and their organizational affiliations are listed in Attachment C.

IWIB Role in Development of State Plan

State Board – The State Operational Plan must describe how the SWIB effectively coordinates and aligns the resources and policies of all the programs included in the plan, and specifically, must include the following items related to the SWIB:

- *How the board collaborated in the development of the plan, and how it will collaborate in carrying out the functions described in WIA Section 111(d). (WIA Sections 111(a), (b), (d), 112(b)(1); 20 CFR 661.205.)*

As described earlier, the IWIB provides the major mechanisms for promoting joint planning and coordination around these goals and strategies in cooperation with other state coordinating boards and councils including the Illinois P-20 Council. The IWIB engages a broader network of public and private partners at the state and local level to plan and coordinate workforce development in Illinois. The IWIB regularly reviews statewide initiatives to promote joint planning and coordination and establishes task forces to address the most pressing statewide needs. This is accomplished as the IWIB chooses to focus its attention on selected areas of interest to the workforce system. Depending on the nature of the subject, the IWIB may create a subject matter task force. Upon the creation of a task force, the IWIB chair nominates a Task Force chair who is responsible for engaging IWIB members and key public and private sector stakeholders.

IWIB task forces thoroughly research the issue before them, using LMI data provided by IDES specifically for the task force, as well as input from the private sector members. The task force issues a report that includes its findings of fact and its recommendations for policy or programs to address the findings. DCEO and IDES participate in all task forces, ensuring alignment of policy and coordinated program implementation.

This Illinois State Plan was developed through an IWIB Task Force chaired by a private sector board member with other IWIB task force members and state agency representatives in cooperation with the Governor's office. The task force reviewed plan requirements and developed a working outline of the plan and approved the final draft posted for public comment and presented to the IWIB for approval.

IWIB Vocational Rehabilitation (VR) Representative

How the SWIB member who represents Vocational Rehabilitation (VR) will effectively represent the interests, needs, and priorities of the VR program and how the employment needs of individuals with disabilities in the state will be addressed. (Only applicable to states which: (1) do not have the state VR agency director on its SWIB; and (2) do not use an alternative entity as its SWIB as described in 20 CFR 661.210.) (WIA Sections 111(b)(1), 112(b)(8)(A)(iii), Rehabilitation Act Section 101(a)(2)(B), 20 CFR 661.200(i)(3), 661.205(b)(1).)

As described in the IWIB membership, Illinois has the state Vocational Rehabilitation Agency Director on the IWIB.

Ongoing Role for IWIB

How the state will ensure an ongoing role in the workforce investment system for any group not represented on the SWIB. This might be regularly scheduled consultations, opportunities for input into the Integrated Workforce Plan or other policies, or an advisory committee. (Only applicable to states which use an alternative entity as its SWIB as described in 20 CFR 661.210.) (WIA Section 111(e), 20 CFR 661.210(c).)

The IWIB holds four regularly scheduled public meetings per year throughout Illinois and includes an opportunity for open public comment and input at each meeting. In addition, the IWIB provides opportunities for stakeholders and interested parties to present information as part of the agenda to inform IWIB members. Finally, the IWIB establishes task forces to address specific high-priority issues involving outside stakeholders and experts resulting in reports and presentations for IWIB member consideration.

Local Area Designation

Local Areas – The State Operational Plan must also describe WIA title I local areas in the state, including:

- *An identification of local areas designated in the state, and the process used for designating local areas. (WIA Sections 111(d)(4), 112(b)(5), and 116(a), 20 CFR 661.205(d), 661.250-.270.)*

In accordance with the provisions of section 116 of the Act, former Governor George H. Ryan designated twenty-six (26) LWIAs for Illinois. The 26 areas were identical to the service delivery areas previously designated under the federal Job Training Partnership Act (JTPA).

On January 8, 1999 an application package was mailed to Illinois' chief elected officials (CEOs) with instructions for making their requests to the Governor for area designation under WIA. Responses were received from all CEOs by March 1, 1999, and all requested designation of local areas consistent with the boundaries of service delivery areas previously designated under JTPA.

An analysis was completed pursuant to the requirements of section 116 relating to: the consistency of the requested areas with labor market areas; geographic areas served by local and intermediate educational agencies, post-secondary educational institutions, and area vocational schools; and all other criteria identified in section 116(a)(1) in establishing area boundaries to assure coordinated planning. All areas were found to meet these criteria.

The IWIB provided oversight of the area designation process. The IWIB published a map consistent with the requests received from CEOs and undertook a series of efforts to solicit public comments regarding the requested LWIAs. Efforts included solicitation of public comment through placement of an advertisement in the state paper and notifications placed on the Internet websites of Illinois' workforce development agencies. Comments were accepted through electronic mail, regular mail, telephone, and through a public hearing.

Comments were collected from May 7, 1999 through June 4, 1999. A public hearing was held at the offices of the Illinois Community College Board (ICCB) on June 9, 1999. The IWIB received 44 letters, three e-mail notes, and written testimony submitted at the public hearing. Twenty individuals registered as guests at the public hearing. Twelve individuals provided oral testimony with six providing written testimony in support of their oral testimony.

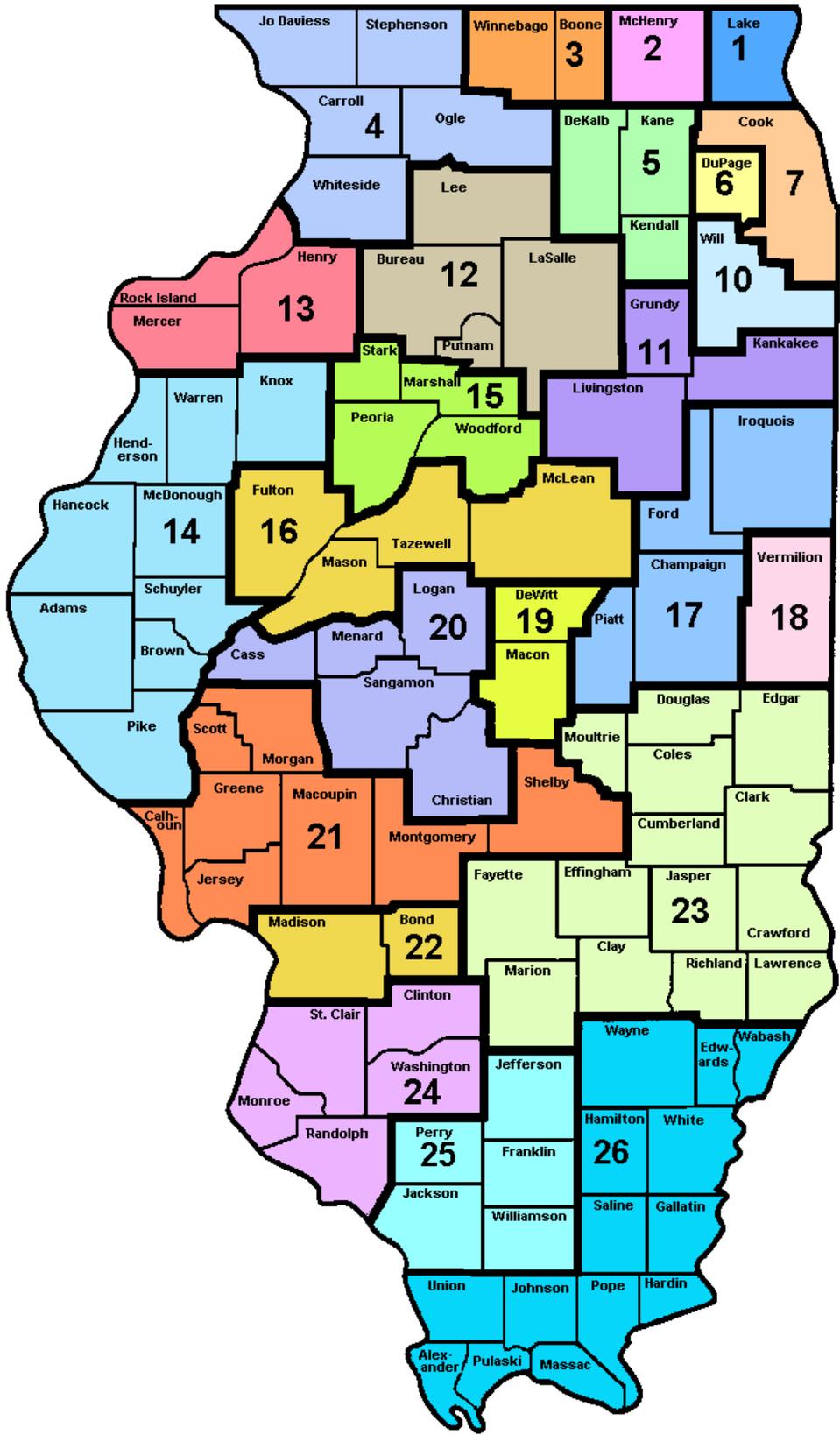
The IWIB considered all testimony at the June 22, 1999 meeting and recommended designation of the existing JTPA service delivery areas as LWIAs. The IWIB forwarded this recommendation to the Governor. Subsequently, former Governor George H. Ryan designated 26 local workforce investment areas for the state of Illinois. The designations were made on July 21, 1999.

No appeals to the State's designation process were received. At the time of the original designations appeals to area designations were to be made directly to the Deputy Governor for Education and Workforce Development. With the change of state administrations the process changed. If a designation process is undertaken during the period of this plan, appeals may be submitted to the Director of the Department of Commerce and Economic Opportunity.

The City of Chicago and Cook County made a presentation to the IWIB on their proposal to merge three LWIAs into one serving Cook County. The IWIB strongly endorsed the proposal and the new LWIA became active on July 1, 2012. This consolidation merges LWIAs 8 and 9 into LWIA 7. All three of these LWIAs served portions of Cook County – LWIA 7 covered Southern Cook, LWIA 8 covered Northern Cook, and LWIA 9 covered the City of Chicago. The consolidation was initiated by the LWIAs in order to be able to better serve customers in a more efficient, focused manner. This was done consistent with federal requirements.

This Cook County consolidation provides a model that can be used by other LWIAs in reducing administrative costs and improving service delivery.

The current LWIA map, including the Cook County consolidation, is shown on the following page.



Interstate Regions

The designation of intrastate regions and interstate regions, as defined in 20 CFR 661.290, and their corresponding performance measures. For interstate regions, describe the roles of the respective governors, and state and local workforce investment boards. (WIA Section 116(c).) States may also discuss other types of regional structures here.

In 2003, DCEO began a regional approach to economic and workforce development. This effort resulted in the state designating 10 economic development regions (EDRs). The economic development regions have served as a basis for regional workforce development initiatives involving multiple local workforce development areas, and continue to do so when opportunities arise for regional collaboration.

DCEO helped spur the development of a regional organization by supporting the Central Illinois Regional Collaborative Effort (CIRCLE), while also maintaining partnerships with established regional organizations such as ConnectSI, a collaborative that covers multiple local workforce development areas in deep southern Illinois.

As described earlier, Illinois Pathways will continue to encourage regional sector partnerships that build on existing regional economic development, workforce development and education partnerships throughout the state.

Illinois has not pursued interstate regions involving other states.

State Operating Systems Supporting Implementation of State Strategies

Operating Systems and Policies Supporting the State's Strategies: The State Operational Plan must describe:

- *State operating systems that support coordinated implementation of state strategies. (WIA Section 112(b)(8)(a).)*

As described earlier, the public workforce system and Illinois Pathways provide the two major operating systems for the coordinated implementation of the Governor's vision and strategies.

Public Workforce System

The public workforce system is administered through local workforce investment areas and their boards and the One-Stop system and IDES offices along with partners such as community colleges providing career and technical education and adult education services. Illinois workNet also provides support to over 1,200 system partners including libraries and community-based organizations providing additional services. The system is supported by statewide information and technology resources including Illinois workNet, IllinoisJobLink.com, and IDES labor market and career information services. This system will be enhanced over the coming years through more integrated state longitudinal data systems through the Illinois Workforce Data Quality Initiative (IWDQI).

State Response to TEGL 21-11, Change 1

Illinois' goal in 2004 was to implement a Career Center Network that is responsive to the needs of Illinois workers, makes effective use of current technology and expands access to those most in need. This led to the development of the Illinois workNet brand as a part of the overall strategy to increase access to workforce services in Illinois and to serve more Illinois citizens in need of those services. After several years and a significant investment of effort and resources, we have firmly established the Illinois workNet brand across the State of Illinois.

While acknowledging DOL's desire for a single brand for the nation's one-stops, to undertake a statewide rebranding effort in Illinois is not feasible at this time. The current budgetary climate is forcing Illinois to reduce and in some cases eliminate spending on items that were once considered vital to our core mission. At the local level, it would be unconscionable to divert ever-more-scarce funding from client serving activities to rebranding One-Stops.

Illinois' workforce system will continue to take the lead with innovation projects such as the regional sector partnerships that will address the growing skilled worker shortages in key sectors. Through the collaboration between the workforce system, education and employer partners to develop program training service pathways for key industry occupational targets, this initiative will increase the public's awareness of Illinois' workforce system, its centers and virtual resources. For the aforementioned reasons, Illinois has chosen to not implement the American Job Center brand at this time. Illinois will continue to use all means at our disposal to increase awareness of our Illinois workNet Centers and the virtual resources available within our Illinois workNet web portal.

Illinois Pathways

The Illinois Pathways and the Illinois Pathways Interagency Committee (IPIC) will guide the coordination and integration of education and workforce operating systems to support career pathways in key sectors. This will include the improved coordination of information systems in cooperation with the development of the Illinois Shared Learning Environment and improved linkages between state education and workforce longitudinal data systems through IWDQI.

State Policies Supporting State Strategies

*State policies that support the coordinated implementation of the state's strategies.
(WIA Section 112(b)(8)(a).)*

As described earlier, the IWIB, Illinois Pathways and IPIC provide major mechanisms for coordinating state policies to implement state strategies. The IPIC is focusing on coordinating state policies that can support the expansion of career pathway opportunities for all youth and adults in Illinois including youth and adults facing barriers to employment.

These efforts build on and leverage state WIA policies that promote flexible training options including bridge programs and the expanded use of technology. Illinois has been at the forefront of innovative solutions that hinge on the idea of public-private partnerships and help address critical skills shortages that face local and regional economies. Deliberate policy decisions were made to incentivize and encourage local areas to provide training services in demand sectors of the economy, requiring local areas to follow a strict 40 percent minimum training expenditure requirement on direct training services

and formalize a statewide definition for creating bridge programs that combine occupational training with academic instruction. In addition, Illinois has created policy that provides an integrated approach to workforce services through technology. These specific policies and waivers include:

- **04-PL-02 - Training through Contracts for Service**
Provides guidance on the use of on-the-job-training (OJT) and customized training contracts. Illinois is currently revising this policy to create a training manual that provides guidance on the types of training available through WIA funding and ideas for leveraging resources to create a comprehensive package of training services. The state is requesting a waiver as part of this plan that will incent employers to use OJT as a solution to worker shortages in demand sectors by providing a sliding scale for wage reimbursement.
- **07-PL-40, Ch 1 - Training Expenditure Requirement**
This policy provides instruction on the allowable costs toward implementing the 40 percent expenditure requirement for training leading to jobs in demand occupations for adults and dislocated worker formula funds.
- **07-PL-42 - Illinois workNet System**
Provides guidance on the acceptable methods by which WIA-mandated and other services may be made available through the LWIAs.
- **07-PL-33, Ch 4 - Incumbent Worker Training**
Provides grant recipients with guidance on implementing incumbent worker training (IWT) using either formula funds or awarded statewide discretionary funds. It also provides requirements that all projects outline the skill attainment goals and report the success of the incumbent worker. Since 2007, Illinois has had a waiver that allows local areas to use a portion of their formula allocation to support incumbent worker training projects. Continuation of this waiver is included in this plan.
- **09-PL-57, Ch1 - Training Provider Eligibility and Certification**
Outlines procedures for determining initial eligibility of training providers and certification of training programs as well as recertification of such training programs that lead to employment in demand occupations.
- **09-ARRA-03 - Training Programs**
Provides guidance on requirements for the use of class size training and bridge programs.

Alignment of Jobseeker and Employer Services Across Programs

How the delivery of services to jobseeker customers and employer customers, including Registered Apprenticeship sponsors, will be aligned across programs. (WIA Sections 111(d)(2), 112(b)(8).)

As described earlier, Illinois is using two major strategies to align jobseeker and employer services across economic development, workforce development and education programs.

Public Workforce System

The public workforce system is administered through local workforce investment areas and their boards and the One-Stop system and IDES offices along with partners such as community colleges providing career and technical education and adult education services.

Illinois is working to transform apprenticeship from reactive into a proactive program, identifying growth industries and specific, timely opportunities and more aggressively referring job-seekers to those opportunities via IllinoisJobLink.com. Registered apprenticeship is an important tool for workforce development. However, in Illinois there are still too many idle laborers due to the economic downturn. It would be imprudent to enroll individuals in apprenticeships only to have them join the ranks of laborers on the bench. With that being said, the program infrastructure is in place, and as the economy recovers Illinois will pursue and promote apprenticeship when appropriate to meet the needs of employers.

Illinois Pathways

The Illinois Pathways and the Illinois Pathways Interagency Committee will guide the coordination and integration of education and workforce operating systems to support career pathways in key sectors. This will include the promotion of regional partnerships such as ConnectSI and development of regional sector partnerships starting with manufacturing through the WIF-funded project. Illinois Pathways includes apprenticeship programs within each of the targeted sectors and identifies their relevance to major career pathways.

In addition, Illinois' State Energy Sector Partnership identified major opportunities to promote apprenticeship opportunities in the energy sector and is promoting these in projects throughout the state.

Rapid Response Activities for Dislocated Workers

How the state will provide WIA rapid response activities to dislocated workers from funds reserved under Section 133(a)(2), including designating a state rapid response unit. (WIA Section 112(b)(17)(A)(ii), 133(a)(2), 134(a)(2)(A).)

Rapid response serves as the critical connection to information and resources in order to facilitate transitions and minimize or alleviate the effects of a layoff on both the employee and employer. WIA requires the provision of rapid response activity by the state or an entity designated by the state, in the case of a permanent closure or mass layoff at a plant, facility, or enterprise, or a natural or other disaster that results in mass job dislocation, in order to assist dislocated workers in obtaining reemployment as soon as possible. Rapid response is mandatory for all trade events regardless of size.

WIA also provides for a statewide network of LWIAs that are responsible for ensuring the provision of WIA services through an established system of Illinois workNet Centers. The State of Illinois Regional Program Representative will take the lead role and coordinate with LWIAs as well as other programs and agencies offering services to dislocated workers. Special efforts are to be made to coordinate WIA services with IDES and other agencies based on the needs of the workers. Participants on the Rapid Response team may vary depending on the nature of the event. Representatives of each of these groups or organizations make up what is commonly referred to as the rapid response team. The plan is to use

Illinois workNet as the vehicle to certify, update and train rapid response team members on strategic modules that specify procedural information to ensure a cohesive and consistent message across Illinois.

The U.S. Department of Labor this year issued new guidelines (TEN 9-12) for administering and sustaining a high-performing Rapid Response system by emphasizing the need for layoff aversion. The State of Illinois is looking to expand Rapid Response and initiate Layoff aversion activities in order to proactively avert or minimize the effects of mass layoffs. A concentrated effort for Rapid Response services to be strategically offered to help workers retain their current jobs or smoothly transition into comparable new jobs as employers' needs or industry trends change. State Rapid Response staff assess each event individually, taking into consideration the condition of the regional economy where the event occurred.

The Regional Program Representative will assess the company and explain the Rapid Response process to the company's management and employee representative to :

1. clarify the expectations of and define the role of each member of the Rapid Response Team. (Specific information will be elicited from the company management and the Union which aids the Rapid Response Team in planning for services.)
2. obtain the commitment of management and the Union to actively participate in the planning and implementation of key activities, such as a waiver survey, Rapid Response workshops, peer outreach, and placement activities.
3. schedule the Rapid Response workshops for the dislocated workers.
4. explain the reemployment services that will be made available to employees to ease the transition to future employment.
5. ask management to provide information about employee demographics and what is occurring at the company for planning purposes.

This process will provide a timely, comprehensive reaction when the workforce system is notified or becomes otherwise becomes aware of a Rapid Response situation.

Illinois Rapid Response Procedures

Illinois' rapid response procedures are well established and provide a foundation for future improvements to the process as described below.

- **WARN Notice Processing.** The procedures to receive, process, record and respond in writing to each WARN (Worker Adjustment and Retraining Notification) notice received and maintain adequate records to support potential compliance related litigation. Develop procedures to provide for the dissemination of WARN information pursuant to requests made under state Freedom of Information Act (FOIA) requirements.
- **Initial On-Site Meeting.** In response to each report of a plant closing or substantial layoff, assemble an appropriate team of state and local service agency representatives to meet with management and labor at the affected work site to explain state and local services,

explore economic development alternatives and initiate planning for appropriate services. After the initial on-site meeting, a strategic meeting may be scheduled based on the complexity of the event. Data gathered from the initial contact is utilized by the point of contact to assemble a team of state and local service delivery partners to develop a strategy in preparation for the meeting with employees. At this meeting, the rapid response team will identify employer needs and potential barriers and develop customized rapid response delivery, if necessary, to meet the needs of the employer and affected employees.

- **Rapid Response Workshop.** Local workforce partners deliver information in a group setting to impacted workers that, at a minimum, covers required partner services. This rapid response team will present a standard agenda and marketing of rapid response services based on needs and the strategic meeting results. Those services include WIA; trade services (if applicable); testing and assessment; job search and placement assistance; employment statistics information; supportive services; Unemployment Insurance (UI)/Trade Readjustment Assistance (TRA) Claims Filing Information; individual counseling and career planning; case management; and training services.
- **Management of Services.** The procedures to record pertinent information regarding the response to each closing or substantial layoff in DETS (Dislocation Event Tracking System) and make this information available to all agencies participating in rapid response. Timely entries provide accurate and up-to-date information that is a key factor in assessing needs for financial assistance at state and federal levels. Expedited access to services is essential for impacted workers who are eligible for enrollment into local WIA and trade-funded programs. One-Stop systems must identify impacted employees as they access local centers and engage these workers in linking to immediate support systems via Illinois workNet, IDES, WIA, Employment Services (ES) and related programs. Services may include: resume writing, assistance with online job applications, career exploration, labor market information, testing/assessment, career planning, case management, skill upgrade, retraining, information on applying for employment benefits, job search and placement assistance. In 2010, IDES procured TORQ (Transferable Occupation Relationship Quotient), a web-based tool that allows jobseekers to translate their current occupational skills into potentially new in-demand occupations. The TORQ tool can be used for individuals, but also has a rapid response project too.

Layoff Aversion

In Illinois, layoff aversion involves actions to help save the company, including minimizing the number of employees that need to be laid off as well as lessening the impact that a layoff event or closure has. Actions include reducing the number of people who file for unemployment insurance, company match, which is linking laid-off employees with companies that need trained workers, linking on-the-job training programs with growing companies, or broader incumbent worker programs. Layoff aversion has expanded beyond simply attempting to save a company. Historically, at the point of rapid response, saving the company has not been possible in most cases. By pushing the emphasis of rapid response to the front end, it becomes a proactive strategy rather than reactive. The goal of layoff aversion is to minimize the impact on the affected workers by facilitating connections to demand occupations and working with the employer community to support new and growing staff shortages with and for other employers.

Continuous Staff Training

Illinois also places a strong emphasis on ensuring all rapid response staff understand the various processes, partners and tools. This includes a five-module training program addressing: (1) Rapid Response requirements from the U.S. Department of Labor, (2) Information Systems (Illinois Workforce Development System (IWDS)), DETS, Illinois workNet and local connections), (3) On-Site Transition Centers, Unemployment Insurance and Workshops/Services, (4) Layoff Aversion, (5) Understanding Assessment including demand occupations and state strategic goals.

Data Collection and Documentation

Illinois also places a strong emphasis on data collection to coordinate interventions and services and continuously evaluate and improve how rapid response is done throughout the state. Data collection addresses seven rapid response phases:

1. Research and Discovery – Early Warning
2. Activation – WARN and Other Notification Mechanisms
3. Company Contact/Layoff Announcement
4. Company Meeting
5. Determine Intervention Required – Employee Workshops
6. Service Implementation
7. Service Delivery Management and Planning

Data is collected and stored at each phase. How the data is collected and stored is determined by the time and funds available to build or modify a rapid response tracking system. Illinois' flexible solution is a computer database dedicated to the tracking and storage of rapid response data — one that currently supports report generation. Illinois uses a matrix to help collect suggestions, gain consensus, promote understanding of why a data element is included, and streamline the number of collected elements to those that users can justify. Illinois is working to ensure that all rapid response activity is tracked on DETS (Dislocation Event Tracking System) regardless of size. Ultimately, data collection culminates in the ability to produce useful reports that bring rapid response full circle and facilitate layoff aversion.

Common Data Collection and Reporting

Common data-collection and reporting processes used for all programs and activities present in One-Stop Career Centers. (WIA Section 112(b)(8).)

Illinois' data-collection systems provide for the coordination and sharing of data among partner programs as outlined in the WIA. DCEO, IDES and the Illinois Department of Human Services (DHS) all have longstanding data-sharing agreements in place. These agreements facilitate access to data between partner programs with common customers while minimizing duplicative systems costs. Data that is most often shared facilitates the coordination of services to customers, allows for common reporting, and provides for the calculation of performance outcomes. Service coordination is enhanced through the use of shared data to determine program eligibility, report on job placements, and track a customer's progression through the workforce development system. The current Workforce Data Quality Initiative is working toward better integrating customer data so that programs in the workforce system have the opportunity to provide a more streamlined continuum of services.

DCEO, which oversees Title I-B and Trade Act (training and case management) programs, has a robust Internet-based data system in place to facilitate service to customers. Customers, working with local workforce area case management staff, provide their application information (eligibility, education and work histories, interests, assessments, etc.) which is collected through and stored in the Illinois Workforce Development System (IWDS). Local workforce area case managers have direct access to IDES' Illinois Benefit Information System and Illinois JobLink (IJL) systems and DHS' TANF system to facilitate verification of eligibility and work history and Trade related benefit information.

Local case management staff also collect and enter each detailed service activity and case note during the customer's program enrollment, through follow-up after job placement and exit. In addition, IWDS makes employment services information available to local case managers with the nightly common-customer data exchange with IDES' IJL system. Customer resource room service activities entered by local workforce area staff and self-service activities which are gathered from direct customer access to the Illinois workNet System are also all made available to IWDS.

With this common participant data and the joining of IDES and WRIS employment information, the IWDS database contains the information needed to fulfill the required monthly, quarterly and annual reporting to US-DOL for the WIA, NEG, and TAA programs. This includes detailed information related to participation in other partner programs. This system also produces state and local administrative and requested ad hoc reports which can include information on common customers in partner programs.

DCEO's Illinois workNet portal and program utilizes partnerships and technology to expand seamless and real-time access to workforce development resources aimed at individuals, businesses and workforce professionals. Resources for individuals include those for identifying current interests and assessing and improving current skills; for exploring and mapping careers by required skills and training utilizing a interface to IDES' LMI information to identifying demand occupations by key sector; for locating training programs and training assistance; for locating transportation, child care and other support services; and for providing customized step-by-step re-employment assistance guides for laid off workers, veterans, and persons with disabilities. This portal self-service activity is tracked and combined with customer activity from IWDS for the most comprehensive view of WIA service delivery.

IDES, which administers the Employment Service programs in Illinois, uses the IllinoisJobLink (IJL) system to collect data on jobseeker and employer customers. IllinoisJobLink.com is an Internet-based system with a centralized database. Its integration with DCEO's IWDS customer information provides for presentation to case managers and for required reporting and also helps facilitate coordination of services across partner programs. This availability of near real-time sharing of customer information has been made possible by the recent establishment of a unique common participant identifier across partner programs of DCEO and IDES.

Jobseeker and employer customers establish their IJL user accounts and enter data directly into IJL. For jobseekers, information from the UI system is used to help establish their IJL account. Local IDES staff references IJL information to assist jobseekers and employers and to record staff assisted services that they provide. In addition, local IDES staff has access to the IWDS system to reference information to further support common customer laid-off workers co-enrolled in WIA training or with trade benefits related to training.

The same nightly common-customer data exchange with DCEO's IWDS provides the IJL system with the partner program information that it needs to report on common customers when creating required reporting for US-DOL.

DCEO and IDES will continue to develop processes, procedures and technological solutions to support effective One-Stop operations. One example is the Illinois Workforce Data Quality Initiative.

State Performance Accountability System

State performance accountability system developed for workforce investment activities to be carried out through the statewide workforce investment system. (WIA Sections 111(d)(2), (d)(6)-(8), 112(b)(3), 136; W-P Section 15; 20 CFR 666.205(f)-(h), 661.220(c), and 20 CRF part 666.)

Illinois implemented a process for evaluation of local performance that conforms to the requirement of WIA and closely follows the evaluation process implemented by DOL for states. The basis for the state's system was drawn from a review of the consultation papers and discussions with DOL's national and regional office staff at the implementation of WIA. Since then Illinois has established an additional state measure based on training expenditure levels for both adult and dislocated worker programs. The following points summarize the state's process.

- For each LWIA, a range of acceptable performance is established for each federal common performance measure. The top of the range reflects the level for each measure, as agreed to through negotiations with DOL. Multiplying the negotiated level for each measure by 80 percent sets the bottom of the range.
- The determination that the negotiated levels of performance for Title I-B programs were exceeded is based on the LWIA's cumulative achievement for each program area's (adults, dislocated workers and youth) measures and exceeding the state's training expenditure threshold measure. In order to be judged as having exceeded the goals, no individual program may have a cumulative average of less than 100 percent of the negotiated performance levels; and the LWIA must exceed the minimum 40 percent training expenditures for both adult and dislocated worker.
- The determination that the negotiated levels of performance for Title I-B programs were met is based on the LWIA's cumulative achievement for each program area's (adults, dislocated workers and youth) measures and meeting the state's training expenditure threshold measure. In order to be deemed to have met the goals, no individual program may have a cumulative average of less than 100 percent of the lower level of acceptable performance, as defined above; and the LWIA must meet the minimum 40 percent training expenditures for both adult and dislocated worker.
- The overall definition of success and failure for Title I-B programs is based on the required common measures of performance as defined by DOL and meeting the state measure that requires a minimum level of 40 percent training expenditure from formula funds for both adult and dislocated worker.

- Illinois continuously monitors the performance outcomes for each LWIA and provides technical assistance to each LWIA to assist local programs in meeting and exceeding their negotiated performance goals. This includes staff development and other training opportunities, participation in the state's continuous improvement efforts, and use of the IWDS system to provide client-level performance updates to all case managers.
- LWIAs failing to meet their goals for one year receive targeted technical assistance, which includes a determination of the reason(s) for failure and the development of a performance improvement plan designed to improve performance outcomes to acceptable levels. Modification of the local plan may also be undertaken at this point.
- LWIAs failing to meet their goals for two consecutive years in a particular program area (adults, dislocated workers and youth) are subject to the implementation of a reorganization plan in accordance with Section 136(h) of the Act. Such reorganization plan may (a) require the appointment and certification of a new local board, (b) prohibit the use of eligible providers and One-Stop partners identified as achieving a poor level of performance, or (c) other actions as determined by the Governor to be appropriate.
- Evaluation of common performance outcomes is integrated into Illinois' overall strategy for continuous improvement as described in this plan. LWIBs have been encouraged to integrate the use of the performance outcomes into their local continuous improvement planning.
- Illinois has an appeals process relating to the potential imposition of any reorganization plan, as required by Section 136(h)(2)(B) of the Act, after consultation with LWIBs and chief elected officials.

Wagner Peyser federal common performance measures were negotiated with DOL. The entered in employment rate is 53%, the employment retention rate is 82.8% and the average earnings is \$16,000.

State Strategies for Using Quarterly Wage Record Information

State strategies for using quarterly wage record information to measure the progress on state and local performance measures, including identification of which entities may have access to wage record information. (WIA Section 136(f)(2), 20 CFR 666.150)

A file identifying customers enrolled or exited from Illinois' WIA Title I-B and Trade Act programs is sent from DCEO to IDES each quarter. This file is matched with the statewide database of Unemployment Insurance (UI) covered wage records. Quarterly wage information is returned for all matches.

The UI wage data is incorporated into IWDS and is used along with quarterly WRIS wage information to calculate outcomes for applicable performance measures. All Illinois wages obtained via this process are viewable by each customer's case manager.

Each Illinois LWIA executes a Shared Data Agreement with IDES, which permits viewing of these records for their customers with appropriate protections for individual and employer privacy. Under these

agreements, LWIA and DCEO staff access a variety of UI and Trade Act data screens which are utilized for validating information related to eligibility.

In addition, DCEO and IDES are currently involved in the Illinois Workforce Data Quality Initiative (IWDQI) which includes state secondary and post-secondary education agencies. These agency partners have worked together over the last year to establish a common vision and plan of action for building a cost-effective education and workforce longitudinal data system under the direction of a statewide governance body. In this approach, Illinois workforce and education agency partners will take responsibility for building and maintaining their own longitudinal data systems internally or with university partners. They will enter into standardized agreements with one or more agency partners to exchange data in cooperation with university intermediaries as needed for approved long-term initiatives as well as more short-term projects. To make this distributed approach work effectively and efficiently, all education and workforce agency partners will use a shared Identification Management System to ensure consistently high levels of quality, reliability, and security in matching and managing individual-level data across all agency and university partners. These agencies and their university partners will adhere to common data quality and privacy/security requirements for managing longitudinal data systems that meet the most rigorous federal and state requirements for education and workforce data.

Services to State Target Populations

Services to State Target Populations: The State Operational Plan must describe how all the programs described in the plan will work together to ensure that customers who need a broad range of services receive them. This is an opportunity for the state to describe how One-Stop Career Center services will address more specific needs of targeted sub-populations identified in the economic analysis.

The State Operational Plan must describe how the state will:

- *Serve employment, re-employment, and training needs of unemployment compensation claimants; the long-term unemployed; the under-employed; dislocated workers (including trade-impacted dislocated workers and displaced homemakers); low-income individuals (including recipients of public assistance); migrant and seasonal farmworkers; veterans; individuals with limited English proficiency; homeless individuals; ex-offenders; older workers; individuals training for nontraditional employment; and individuals with multiple challenges to employment. (WIA Sections 112(b)(17)(A), (b)(17)(B), (b)(18)(A), (b)(8)(A), 20 CFR 652.207, 663.60-.640, 29 CFR part 37.)*

As described earlier, the Illinois workforce investment system is designed to provide access and services to a broad range of populations facing employment and training barriers including the disadvantaged and dislocated and special populations. Other sections of this plan describe more specific programs coordinated through this system including the Trade Adjustment Act (TAA) and youth services as well as targeted initiatives for individuals with disabilities, low-skilled, and low-income adults, and veterans. The Shifting Gears and Accelerating Opportunities initiatives and related efforts among partner agencies are being integrated into Illinois Pathways to specifically address the needs of low-skilled and low-income populations including those facing multiple challenges to employment such as the long-term unemployed, the underemployed, and individuals training for non-traditional employment and individuals with limited English proficiency. Illinois workNet also provides information and resource

support to over 1,200 partners including non-profit organizations that provide services to populations facing multiple challenges to employment.

The Illinois Migrant Council is represented on the IWIB and works with state education and workforce agency partners and provides a conduit in working with their affiliates throughout the state to address the needs of migrant and seasonal farmworkers. This also is addressed later in the plan involving the IDES Wagner-Peyser Agricultural Outreach.

IDES and DCEO work closely in addressing the employment needs of unemployed and dislocated workers through joint programs including TAA and dislocated worker programs and more targeted sector programs such as manufacturing and information technology. Some recent examples of cooperative projects between DCEO, IDES and the private sector include working with Best Buy to provide training for veterans to work as computer repair technicians and with People's Gas / Integrys to identify eligible candidates for gas utility technician training.

Veterans will receive Priority of Services in all Employment and Training Programs. Staff will be available to assist with the following:

The Incarcerated Veterans Transition Program offers Illinois' incarcerated veterans employment services during and after confinement. Veteran representatives provide services in the Illinois correctional facilities with the greatest number of incarcerated veterans. IDES coordinates with the Illinois Department of Corrections (IDOC) and Illinois Department of Veterans Affairs (IDVA) to provide employment workshops for inmates within 18 months of their maximum release date. Emphasis is on job search techniques and resources to help these veterans address the unique employment barriers and other obstacles they face when attempting re-enter the job market after their release.

In addition to the daily veteran program functions employment service and veteran staff also participate in various special initiatives such as Stand Downs and Unemployment Compensation for Ex-service members (UCX). Stand Downs are a collaborative event in which IDES, several state agencies, community business owners and others provide employment, resources and daily needs such as haircuts, health exams, glasses, food and clothing to Veterans and their families. The event is also designed to connect participants to various resources that will assist with housing, transportation, and other services following the event.

The UCX program is a pilot project designed by the Department of Labor, Department of Defense and US Army to address the employment needs of Army Regular, Reserve and Guardsmen immediately upon discharge. With a more targeted and aggressive effort to contact this population and engage them in services the objective is to decrease the number of unemployment insurance claims amongst this population. The goal is to significantly increase the population's exposure to employment workshops, training and employment opportunities within a shorter timeframe and ultimately obtain gainful employment.

In addition, IDES also invests in special programs that support Illinois' overall workforce strategy of serving those most in need, including youth and the formerly incarcerated. The Hire the Future and ReEntry Employment Services Program are funded annually thru the 7B program in the state of Illinois.

- **Hire the Future (HTF).** This statewide program encourages youth 16 to 24 years old to aspire to careers in professional and growth-oriented occupations. It provides employment

services to youth and introduces them to career opportunities.

- **Reentry Employment Services Program (RESP).** The RESP program provides job-finding workshops to both non-veteran and veteran individuals on parole or those soon-to-be released from penal institutions. The Incarcerated Veterans Transition Program (IVTP) workshops are conducted in Illinois correctional facilities by the Disabled Veterans Outreach Program (DVOP) specialists and provide techniques and resources to equip inmates with skills to address their unique employment barriers.
- **Veterans.** Illinois places a high priority in serving veterans. Illinois workNet Centers are committed to helping veterans find the job they want and the job training they need. Veterans and covered persons will receive priority of service, as prescribed by federal law. IDES has Veterans employment representatives, a fellow Veteran who is a specialist in providing employment services.
- **Reemployment Services (RES).** RES is a joint effort with the UI profiling program that provides certain profiled claimants with reemployment workshops. These workshops train claimants on interviewing techniques, provide job search instructions, and explain the many employment services and resources available.
- **Reemployment and Eligibility Assessment (REA):** REA's mission is to identify unemployment insurance claimants that have in-demand and or transferrable skills in order to facilitate their rapid reemployment. Reducing their period of unemployment lessens the draw on benefit payments from the UI Trust Fund, and their reentry into the workforce generates employer taxes. IDES offers one-on-one reemployment interviews to these claimants in an effort to offer support and assistance with their job search.
- **Transferable Occupation Relationship Quotient (TORQ).** In 2010, IDES procured TORQ, a web-based product that efficiently translates transferability of skills from low-demand occupations to high demand occupations. TORQ allows IDES staff to help jobseekers determine whether they can easily shift their job skills to new in-demand occupations or whether these jobseekers require additional training to attain in-demand jobs.

State Long-Term Strategy for Serving Individuals with Disabilities

Serve the employment and training needs of individuals with disabilities. The discussion must include the state's long-term strategy to improve services to and employment outcomes of individuals with disabilities, including plans for the promotion and development of employment opportunities, job counseling, and placement for individuals with disabilities. (W-P Section 8(b); WIA Section 112(b)(17)(A)(iv), 20 CFR 663.230, 663.640, 667.275(a).)

Through its disabilityworks initiative, Illinois workNet portal, coordination of the Disability Program Navigator project and oversight of the Illinois Disability Employment Initiative (DEI), DCEO has developed extensive relationships with disability advocacy organizations, as well as community providers of services to individuals with disabilities. For example, DCEO collaborated with five local community service providers to provide summer employment opportunities for youth with disabilities

as well as a highly successful partnership with Easter Seals that emphasized employment and employment support activities for returning veterans with disabilities.

Throughout the Disability Program Navigator project in Illinois, navigators continually provided training and resources to Illinois workNet Center and partner staff on such topics as disability sensitivity and awareness, assistive technology and community resources for individuals with disabilities (Centers for Independent Living, community service providers benefits planning, etc.). This has been continued in the DEI pilot sites.

DCEO and disabilityworks, as part of its Medicaid Infrastructure Grant (MIG) activities, developed a series of workshops that specifically targeted businesses to promote the employment of individuals with disabilities. Incorporating the "Business Case," as well as updated information regarding the Americans with Disabilities Amendments Act (ADAAA) and reasonable accommodations, these workshops also offered opportunities for businesses to learn from their peers of their experiences in employing individuals with disabilities. All the materials developed for these workshops are available online and will be added to the Illinois workNet portal.

Illinois workNet bridges virtual and physical resources across the state to connect individuals, businesses, and workforce professionals. Illinois workNet's Internet portal provides workforce development resources and services through a consumer-friendly, accessible web interface. A critical objective in the implementation of Illinois workNet is to ensure that individuals with disabilities have full access to the portal. Illinois workNet meets Illinois' current web accessibility standards as well as current Section 508 and W3C industry standards. The portal's ease of use makes it a frequent customer preference over transportation to a physical location, especially in areas of the state where public transportation is not readily available. With support from Illinois' Medicaid Infrastructure Grant (MIG), Illinois workNet's Disability Resources pathway provides users with information and resources related to work incentives, benefits planning (including an online "Benefits Estimator"), self-employment and transition and other services.

The Disability Resources pathway includes these web pages:

- **Work Incentives Planning and Assistance.** Locates counseling resources that can help individuals with disabilities go from Social Security benefits to work.
- **Disability Benefits Information.** Connect to benefits information for individuals with disabilities.
- **Your Rights and Advocacy.** Provides information to individuals about the rights of persons with disabilities.
- **Youth in Transition.** Helps high school students with disabilities to achieve success at working, living independently, and being an active community member.
- **Interactive Map.** Connects to a Work Incentive Planning and Assistance Program near the user.

In addition to being an active participant in the Governor's Task Force on Employment and Economic Opportunities for Persons with Disabilities, the Interagency Coordinating Council on Transition and the

Medicaid Infrastructure Grant (MIG) Strategic Planning Leadership Committee (SPLC), DCEO has also collaborated with public and private agencies and organizations that serve individuals with disabilities. DCEO was an active participant in the development of the state's application to become an "Employment First" protégé state through a U.S. Department of Health and Human Services grant opportunity. Although Illinois was not selected as one of the three grant recipients, it provided an opportunity for state agencies to work toward a common goal and a means for future collaborations.

Disabled Veterans Outreach Program Specialist (DVOP) will provide the following services to veterans as indicated below:

- Veterans with a VA or DOD service connected disability rating
- Homeless Veterans to include those living with friends, family, or shelters
- Veterans with educational, economic, mental, or physical barriers to employment
- Formerly Incarcerated Veterans to include those participating in the IVTP workshops
- VR&E Veterans both Pre- and Post- Referrals
- VRAP Veterans per TEGL 8-12
- Homeless / Indigent Veterans and eligible Persons attending Stand-Downs / Stand-Ups
- Outreach Services - In order to provide services to veterans described above, DVOPS will perform outreach activities to locate these veterans through the following contacts: Local veterans' service organizations; both U.S. and Illinois Departments of Veteran Affairs, community and faith base organizations and homeless shelters. Through these outreach activities, the DVOPS will ensure maximum impact for those veterans with barriers to employment by providing much needed services and referrals to supportive services, when applicable.

Future Strategies and Actions

Over the last decade, Illinois has made a priority of removing barriers to employment for individuals with disabilities through the development, implementation and support of innovative programs and initiatives, including the Disability Program Navigator (DPN) project Illinois workNet, disabilityworks, Medicaid Infrastructure Grant (MIG), Governor's Task Force on Employment and Economic Opportunities for Persons with Disabilities and the Disability Employment Initiative. Although the successes realized from these efforts have resulted in increased opportunities to create and support unique programs, as well as national recognition, the overarching lesson Illinois has learned is that the primary measure of success of any endeavor is contingent upon the extent and commitment level of its collaborations. Moving forward, we will continue to build on our successes, with the ultimate goal of creating a dynamic systems change model, ensuring that this lesson is inherent and embedded in the following strategies:

Maintain Education and Outreach for LWIA Accessibility Compliance

One of the most significant accomplishments of the Disability Program Navigator project was that the Navigators (and later, the disabilityworks Resource Coordinators) were able to work with the Illinois

workNet Centers to ensure that each Center was physically, programmatically and communications accessible. This included training staff on the use of assistive technology equipment as well as working with customers with disabilities (i.e., “disability awareness and sensitivity”). As funding to continue these services has ended, the need to maintain this level still exists, especially considering staff turnover, technology improvements and alterations within and outside of the physical locations.

Assimilate Disability Information and Resources into Illinois workNet

Since its establishment in 2009, the Illinois workNet Disability Services Pathway has been further expanded to include a Benefits Estimator that can be used by individuals between ages 16 – 64 who may qualify for state and federal disability benefits, or are receiving Social Security Disability Income (SSDI) and interested in moving from solely receiving benefits to earning an income from employment. Also, a new Self Employment area has been added that includes:

- Resources used with planned self-employment forums
- Two video accessible shorts to inspire individuals with disabilities to look into self-employment options.
- Information about upcoming self-employment forums on the website and disseminate it through monthly newsletter, email notifications, account messages and social media.
- Links to self-employment resources.

There is also direct linkage to the Illinois workNet benefits planning web site from the Department of Human Services (DHS) Intranet for use by the DHS Division of Rehabilitation Services Vocational Counselors.

Contingent upon available funding, DCEO will further integrate the disability-related information and resources content currently provided in the disabilityworks.org web site into the Illinois workNet portal, ensuring that Illinois workNet will continue to maintain its role as a comprehensive “one-stop” access point for individuals with disabilities who are looking for employment, training, transition, benefits and advocacy information.

Expand the Number of LWIA Employment Networks

There are currently four LWIAs and/or their designated service providers who are Ticket to Work Employment Networks (ENs) and are accepting Tickets. Although three other LWIAs initiated the EN certification process, they have yet to submit their applications, due to concerns over security requirements, perceived return on investment, etc. In September 2012, SSA approved a new “Workforce EN Payment Agreement” that effectively replaces the previous RFQ. Although clarification has been requested from SSA concerning some minor provisions, the new format is, overall, more streamlined and eliminates the security requirements. With these revisions, DCEO believes that more LWIAs may be willing to reconsider the option of applying to become an EN, and will advocate and market the new application process to them, as well as providing them with assistance in both completing the application process and understanding the Milestone and Outcome payment processes.

Explore Collaborative MFP Opportunities

Although the Medicaid Infrastructure Grant (MIG) has ended, the Illinois Department of Healthcare and Family Services (DHFS) oversees another Medicaid-funded program, “Pathways to Community Living”, which is the Illinois version of the “Money Follows the Person” (MFP) initiative. “MFP supports state long term care rebalancing by assisting eligible individuals to move from long-term care facilities

(nursing homes) and Intermediate Care Facilities for Persons with Developmental Disabilities (ICF/DD) to community settings.” Its over-arching goal is to promote greater independence for those individuals. Employment should be a significant component of that goal. However, since funding for supports is provided on an individual basis, accessing funds on a programmatic or project basis would require further investigation, including what other states have done to develop collaborative MFP programs, as well as reaching out to the designated state agency partners, the Departments of Human Services and Aging, and the Housing Development Authority. Becoming an MFP partner would be a first step in determining and/or promoting potential opportunities, including the creation of a pilot project, utilizing successful DEI strategies, in a designated LWIA where MFP recipients reside.

Expand Successful DEI Strategies

The Disability Employment Initiative (DEI) will be ending in September 2013. Prior to its conclusion, DCEO will summarize and evaluate the results (successes, barriers) and, contingent upon available funding, develop a proposal for expanding the successful DEI strategies, recommendations for addressing any additional barriers we encountered, along with other relevant factors, throughout the state.

Explore Opportunities to Expand Walgreens “REDI” Training Program

In partnership with disabilityworks, DCEO has developed strong relationships with businesses and employers that have resulted in the development and implementation of innovative initiatives, such as the Walgreens Retail Employees with Disabilities Initiative (“REDI”) program, where a retail training curriculum targeted to individuals with disabilities prepares qualified candidates for employment in store positions, as well as positions in any retail setting that requires similar skills. (In the event that an individual successfully completes the training program and there are no current openings in a Walgreens store, Walgreens works with other area retail businesses to facilitate employment opportunities for that individual.) This program is being piloted in the Northern Cook region as part of the DEI initiative, but successful outcomes could lead to expansion on a much broader basis.

Expand Disability Participation in Hi-Growth, Hi-Demand Sector Initiatives

Another project, piloted in the Northern Cook region, is the Manufacturing MCIP Internship Program (MCIP), which provides actual training and work opportunities for individuals, with and without disabilities, in manufacturing, a high-growth, high-demand sector. With the participation of local manufacturers, candidates are provided with background information, classroom instruction, site visits and paid internships. The original pilot, focusing on Youth and Young Adults, resulted in eleven of twenty participants who completed the program receiving and accepting job offers in manufacturing. A second project, partially supported through the DEI, is targeting individuals with disabilities. DCEO is exploring the feasibility of expanding this model to other areas of the state where there is a demand for qualified employees in the manufacturing sector.

Explore Benefits Planning Resource Options

As of 6/30/12, the Social Security Work Incentives Planning and Assistance (WIPA) project came to an end, as no additional funds were authorized. This project provided regional WIPA advisors who provided benefits planning information, resources and assistance to SSI and SSDI recipients. While there is some hope that the project might be refunded in the future, the prospects are not encouraging. In order to address this issue, the DEI was able to support the training of the four disabilityworks Resource Coordinators (dRCs), as well as workNet Center staff in each of the two DEI pilot sites that, upon successful completion, will certify them as Benefits Planners. Contingent upon the availability of funding,

we will be exploring strategies to determine how this expertise could best be applied to fill a critical service gap for individuals with disabilities.

Enhance Statewide Partnerships

While DCEO has been successful in developing collaborations for specific purposes, we have also recently begun to explore the potential for developing state-level partnerships that could ultimately result in significant systems-change accomplishments in terms of enhancing programs and services for individuals with disabilities. For example, the overall goals of the DEI's "Partnerships and Collaborations" strategy is to obtain buy-in, investment and commitment to ensure that the positive results achieved at the pilot sites can not only be sustained at that level but expanded in a cross-agency, cross-program approach. So although the primary focus of the DEI is to improve workforce outcomes in order to demonstrate that the DEI strategies are viable, the long-range intent is to build, expand and effect real, substantial and sustainable change.

As one of the benchmarks established by DOL for the DEI is the expectation that there will be a "state level or regional interagency committee with new and existing partners to build interagency partnerships and collaboration. This interagency committee can be new or it can be established from an existing group". In order to not duplicate prior efforts, the current Governor's Task Force on Employment and Economic Opportunities for Persons with Disabilities has unanimously agreed to function in this capacity, as its overall mission is closely aligned with the goals of the DEI. Its first tasks will be to investigate approaches for streamlining interagency referral processes and maximizing resources, and coordinating "physical, programmatic and communication access within workforce and partner systems. Collaborating with other state agencies to achieve mutually beneficial goals within an existing entity established by law would not only be cost-effective, but could ultimately result in the dissolution of traditional barriers.

Comprehensive Services for Eligible Youth

Deliver comprehensive services for eligible youth, particularly youth with significant barriers to employment. (WIA Section 112(b)(18)(A).) The discussion must include how the state coordinates youth activities, including coordination of WIA Youth activities with the services provided by the Job Corps program in the state. Job Corps services include outreach and admissions, center operations, and career placement and transition services. (WIA Sections 112(b)(18)(C), 129.)

Illinois Pathways is designed to provide a comprehensive approach for preparing all youth for both college and careers, including WIA-eligible youth. This initiative encourages students to enter career pathway programs of study in high school starting with orientation courses that explore career options and address academic and other barriers to successful high school graduation and transition to college and careers within major career pathways. DCEO collaborated with the Illinois State Board of Education and a local LWIA and school district on a health sciences pilot project that explored how WIA-eligible youth and other youth facing significant barriers to college and careers can be assisted through orientation courses and related services similar bridge programs for adults. This pilot is informing implementation of Illinois Pathways programs of study throughout the states across all sectors.

Job Corps is an active partner in several LWIAs, and where Job Corps is active, participates in the LWIB Youth Councils. WIA youth can receive some or all of the following services through Job Corps: social

skills, employability skills, vocational and industrial training, counseling, leadership training, mentorship programs, internship programs, health assessments, drug counseling and treatment, GED preparation and English as a Second Language (ESL) training.

In addition, Illinois continues to provide more targeted services for eligible youth as federal and state resources allow. This includes the ongoing youth programs provided through LWIAs and special statewide youth programs provide through state discretionary resources if this funding is restored. For example, DCEO now partners with the Department of Natural Resources to provide work experience opportunities to youth with barriers to employment.

- IDES also operates Hire the Future (HTF). HTF is a statewide program that encourages youth 16 to 24 years old to aspire to careers in professional and growth-oriented occupations. It provides employment services to youth and introduces them to career opportunities. The HTF program provides services and resources to assist youth in the areas of career development, job readiness, and employment assistance. Job seekers receive these services in the form of assistance with the agency's labor exchange system, occupational assessment tests, career plans, referrals to training programs, resume writing assistance, interviewing skills, job leads, workshops, presentations, train the trainer sessions, and other services.
- Illinois is part of a consortium of 21 states that utilizes the Career Information System (CIS), a web-based tool that provides information on careers and is customized for the state by incorporating our own information on occupational employment and wages. In Illinois, this tool is available online at no costs to students. The program is used to offer youth career path assessments to help them identify career and educational goals. Youth are engaged in 30 second interview training which teaches youth to market their employability in a more concise manner. Another aspect of youth services is the dress for success, mock interview, and retaining the job components. Each of these services are designed to build the confidence needed to get the job and keep the job.
- Much of the program's community and faith-based resource collaborations are concentrated in areas that are often underserved or overlooked in school environments such as disconnected and at-risk youth populations. Such collaborations consist of programs for example; the state's Job Corp programs and WIA funded training programs.

Wagner-Peyser Agricultural Outreach

Wagner-Peyser Agricultural Outreach: Each state workforce agency shall operate an outreach program in order to locate and to contact migrant and seasonal farmworkers (MSFWs) who are not being reached by the normal intake activities conducted by the local offices. To this end, each state agency must include in its State Operational Plan an annual agricultural outreach plan, setting forth numerical goals, policies, and objectives.

Regulations at 20 CFR 653.107 require that the outreach plan include the following elements:

- *Assessment of need*

- *Proposed outreach activities*
- *Services provided to agricultural employers and MSFWs through the One-Stop delivery system*
- *Numerical goals*
- *Data analysis*

Migrant Seasonal Farm Workers (MSFW)

IDES local offices and Illinois workNet Centers offer agricultural workers the full range of employment services, equal and qualitatively equal to those offered to non-Migrant Seasonal Farm Worker Program (MSFW) customers. IDES assures that staff is aware of the role and responsibility under U.S. Department of Labor (USDOL), Employment and Training Administration (ETA).

USDOL's mandate to serve MSFW customers requires bilingual trained staff at offices where significant agricultural activity occurs. Currently IDES has secured qualified staff who will continue to contribute to the development and implementation of the plan. Agricultural employers will be contacted through agricultural membership organizations such as the Farm Bureau and the Department of Agriculture. Recruitment of agricultural jobseekers to use our services will continue with expanded efforts to increase the number of employer contacts made including farm labor contractors and service providers who have an invested interest in serving this population.

Management and outreach staff manage employment services to both the employer and jobseeker communities throughout Illinois and other states. These services and related service goals are listed below:

- Increase MSFW registrations in IllinoisJobLink.com with a goal of meeting the employment needs of MSFWs. Increase registrations by 200 for a total of 2200.
- Complete field checks and report potential violations to federal or state compliance agencies and implement the Employment Service Complaint system as necessary. Provide 35 field checks which exceed the required 25, projecting 30 violations; double the amount from the previous year.
- Conduct employer contact opportunities to promote recruitment of workers through IllinoisJobLink.com and the Interstate Agricultural Recruitment System. Increase by 40 employer visits (10 for each of the four significant regions).
- Provide staff assisted services including referral to supportive services, job development, career guidance, and job placement. (Maintain above 65 percent compared to the 20 percent offered to Non-MSFW).
- Provide a training component for partners to educate them on the MSFW environment and culture (e.g., Illinois Migrant Council). Staff training increase from four to eight training sessions and six webinar one-hour training.

This is a program within Wagner Peyser 7A. IDES does not receive specific funding just for MSFW. In PY 2011 (July 2011 thru June 2012), IDES had 3.62 paid positions. Illinois, through its

outreach activities, plans to contact 6,000 MSFW or more during each of the program years beginning July 1, 2012.

IDES manages a seasonal program and advocates on improving employment experiences of customers seeking assistance from all IDES local offices and Illinois workNet Centers. The complete Wagner-Peyser (WP) Agricultural Outreach plan can be found in Attachment E.

Services to Employers

Services to Employers: The State Operational Plan must describe how the state will coordinate efforts of the multiple programs included in the plan to meet the needs of business customers of the One-Stop system in an integrated fashion, such as hiring plans, training needs, skill development, or other identified needs.

Serving Employer Customers in the One-Stop System

DCEO, IDES, Illinois Community College Board, LWIBs and other WIA partners will maximize outreach and delivery of services ultimately resulting in more jobseekers connecting with employers. Planning has begun to develop strategic partnerships among DCEO's regional economic developers, WIA Title I providers, community colleges and IDES business services teams at the local level to ensure that all local workforce areas and businesses are covered and that agencies are coordinating and aligning resources to avoid duplication of efforts. In addition, IDES IllinoisJobLink.com will be utilized to track and report on these joint efforts and provide shared accountability toward achieving common goals. Illinois workNet will also be used to support these partnerships through the online Business Pathway resources which will be available to both state and local partners.

Examples of Partnership activities:

- Professional development workshops for businesses and workforce providers
- Job fairs for specific groups (veterans, people with disabilities, etc.)
- Recruitment events for specific industries or employers
- Business expos
- Educational webinars for employers and jobseekers on available programs and services offered by all workforce partners

Examples of Partnership collaboration projects:

- Department of Natural Resources (DNR), DCEO/WIA, IDES and Illinois Department of Veterans Affairs (IDVA) Work Experience State Park Veterans project
- IDES, DCEO and a local WIA Title I partner used a IllinoisJobLink.com list of clients (Laid off from a call center) as a recruitment tool to attract an out-of-state business — 600 potential jobs
- DCEO, IDES, City Colleges of Chicago and the Teamsters collaborated on a project which served both the long-term unemployed and returning veterans by training them to become utility workers for a large regional utility company.

And to further support the partners, the IDES Bureau of Business Services will be working closely with employers to identify service delivery opportunities and develop relationships that benefit employers and jobseekers. Areas of focus will include training on IllinoisJobLink.com and providing no-cost human resource solutions, employment strategies and program advantages. The staff maximizes this effort using a direct outreach approach jointly with our LWIBs and other WIA partners to ensure that job-creators are aware of resources provided through partner agencies.

The methods of service delivery include, but are not limited to the following:

- Employer Workshops
- Letters
- Emails
- Training Sessions
- Partner Meetings
- Conference Speakers
- Legislative Outreach
- Media (PSA)

Additionally, IDES will continue to promote the utilization of IllinoisJobLink.com in an effort to get employers, WIA partners, chambers of commerce, economic groups, community based organizations and other employment-related entities access to the employer and client resources provided through IllinoisJobLink.com and their local One-Stop offices. The goal of this effort is to establish IllinoisJobLink.com as the main job matching source in Illinois for jobseekers, employers and workforce partners such as economic development agencies and not-for-profits.

To best implement these goals, the following IDES intake process will be followed that will leverage IllinoisJobLink.com to immediately match jobseekers with appropriate job openings and integrate Transferable Occupation Relationship Quotient (TORQ) to assess when WIA-funded training and other education and training is a more appropriate path for the jobseeker.

Jobseekers:

1. Register, develop and post resume publicly in IllinoisJobLink.com
2. Search for appropriate job matches in IllinoisJobLink.com
3. If no matches — administer TORQ assessment
4. Conduct new search in IllinoisJobLink.com based on TORQ results
5. If no matches — refer to LWIA and other education and training partners for training options/opportunities

Job-Creators:

1. Register company and post jobs on IllinoisJobLink.com (Self-Serve)
2. If can't find candidates, work with local IDES office and/or LWIA to conduct Staff Assisted Job Order (SAJO) including but not limited to:
 - a. Staff search of non-public Resumes/Registrants/UI Claimants
 - b. On-Site Hiring Event (at IDES/LWIA or company office)

3. If can't find candidates after SAJO, refer to/work with LWIA to find existing training or develop/approve new one
4. Work with IDES to certify for WOTC once appropriate hires are made

IDES and DCEO will work with other workforce partners to leverage IllinoisJobLink.com and align and integrate their processes with the IDES process to improve service effectiveness and coordination and prevent duplication of service. Some recent examples of cooperative projects between DCEO, IDES and the private sector include working with Best Buy to provide training for veterans to work as computer repair technicians and with People's Gas / Integrys to identify eligible candidates for gas utility technician training.

The new Workforce Innovation Fund will support regional approaches to meeting the workforce needs of manufacturing employers. Using LMI data and state and regional business services teams, the workforce system will match eligible candidates with employers in need of skilled workers and provide training to close their skill gaps and find employment opportunities. The regional learning exchanges of the Illinois Pathways Initiative will include private sector employers to ensure their needs are met.

Other employer programs that IDES offers are listed below.

Work Opportunity Tax Credit

The Work Opportunity Tax Credit (WOTC) is a federal program that provides tax savings to employers who hire people from certain target groups, including public assistance recipients, veterans, youth and ex-felons.

The purpose of this program is to enable these individuals to gradually move from economic hardship to steady employment, while participating employers are rewarded by being able to lower their federal income tax liability. Tax credits are available from \$1,200 up to \$9,600 depending on the category. IDES will continue to highlight this program and its potential tax savings to Illinois employers in outreach presentations.

IDES has developed and is educating stakeholders on a processing system, accessible from ILWOTC.com, for employers to send WOTC applications electronically. There are plans to expand an electronic data sharing relationship with the Illinois Department of Human Services while pursuing similar data sharing relationships with the Social Security Administration, the US Department of Veterans Affairs and the Illinois Department of Corrections.

International Registry Program

The International Registry Program is a professional placement service provided through partnerships with IDES and professional associations. The program strives to introduce global corporate, academic and governmental employers to global professional jobseekers for hiring purposes. It currently partners with the Allied Social Science Associations, a consortium of 37 related associations spearheaded by the American Economic Association. The program seeks to partner with other associations as it continues to expand and evolve.

The program provides job matching through the self-service use of IllinoisJobLink.com via the Internet. Employer and jobseeker association members are directed to follow customized IllinoisJobLink.com user guides containing required skills and talents pertaining to their specialized field(s), as approved by the association partner.

After registering and matching in IllinoisJobLink.com, both employers and jobseekers are encouraged to pursue, converse and schedule interview opportunities with their match result counterparts. Ongoing activity by employers and jobseekers participating in this program within the IllinoisJobLink.com system is orchestrated, monitored and reviewed by IDES and IllinoisJobLink.com staff to ensure matches lead to interview activity.

Expanding Business Participation in the Workforce Investment System

The State Operational Plan should also describe how the state will use program funds to expand the participation of business in the statewide workforce investment system. (WIA Sections 111(d)(2), 112(a), 112(b)(8), 112(b)(10), W-P Section 8, 20 CFR 661.205(b)(1).)

Illinois will utilize joint business service teams as described above as well as Illinois workNet and the Illinois Pathways initiative to support broader business participation in the workforce investment system.

Illinois workNet Business Pathway

Illinois' public workforce development system provides the framework for a unique national education, workforce preparation and employment system designed to meet both the needs of Illinois' businesses and its citizens. DCEO's Illinois workNet portal and program (www.illinoisworknet.com) utilizes partnerships and technology to expand seamless and real-time access to workforce development resources aimed at individuals, businesses and workforce professionals.

The Business Pathway provides business resources to help employers hire and train employees, while accessing business services to grow their business. Subsidized training programs, recruitment services and assessments, and tax incentives are just a few of the business services funded through Title I to keep local Illinois businesses competitive.

The Illinois workNet Business Pathway provides employers with information and resources to:

- Connect to the resources and services needed to hire and train employees
- Learn how to start, run, build, and manage a business
- Find the help they need to recruit and retain
- Information to job posting and matching with IllinoisJobLink.com
- Access to DCEO economic development initiatives, such as lending and trade
- Keep their company and employees competitive with subsidized training programs
- Build their brand with branding pages, social media, and more
- Find business service teams to provide assistance

The Illinois workNet portal has also led the way in providing real-time work readiness resources by utilizing social media in the workplace. The portal fosters a community of users that allows two-way communication with customers through interactions on Facebook, an integrated Twitter feed, collaboration on LinkedIn, and job readiness videos on YouTube.

Illinois Pathways

Finally, Illinois will use the Illinois Pathways public-private partnerships to expand business participation in the public workforce system. These partnerships will include industry leaders, DCEO, IDES, Illinois

Community College Board and the Illinois State Board of Education as well as Local Workforce Investment Board representatives. These state partners will work with local workforce boards to promote regional sector partnerships that expand business participation in the public workforce system.

WIA Single-Area States Only

WIA Single-Area States Only – Additional WIA Title I Requirements: In states where there is only one local workforce investment area, the governor serves as both the state and local chief elected official. In such cases, the state must submit with its State Operational Plan any information required in the local plan. Therefore, states with a single workforce area should also include in their State Operational Plan:

- *A copy of each memorandum of understanding between the local workforce investment board and each of the One-Stop partners concerning the operation of the One-Stop delivery system in the local area. (WIA Sections 112(b)(5), 116(b), 118(b)(2)(B), 20 CFR 661.350(a)(3)(ii).)*
- *Any comments from the public comment period that represent disagreement with the Plan. (WIA Sections 118(c)(3), 112(b)(9), 20 CFR 661.220(d), .350(a)(8).)*
- *The entity responsible for the disbursement of grant funds, as determined by the governor, if different from that for the state. (WIA Section 118(b)(8), 20 CFR 661.350(a)(9).)*
- *The type and availability of WIA title I Youth activities, including an identification of successful providers of such activities. (WIA Section 118(b)(6), 20 CFR 661.350(a)(7).)*

This section is not applicable to Illinois.

Waiver Requests

(Optional) WIA Waiver Requests: States wanting to request waivers as part of their Operational Plan submission must attach a waiver plan, as required by 20 CFR 661.420(c), that includes the following information for each waiver requested:

Statutory and/or regulatory requirements for which a waiver is requested.

- *A description of the actions the state or local area has undertaken to remove state or local statutory or regulatory barriers.*
- *A description of the goals of the waiver, how those goals relate to Integrated Workforce Plan goals, and expected programmatic outcomes if the waiver is granted.*
- *A description of individuals impacted by the waiver.*
- *A description of the processes used to monitor implementation, provide notice to any local workforce investment board affected by the waiver, provide affected local workforce investment boards an opportunity to comment on the waiver request, and ensure meaningful public comment, including comment from business and labor.*

Illinois Waiver Requests

Illinois waiver requests are summarized in Attachment D.

Trade Adjustment Assistance

Trade Adjustment Assistance (TAA): States must describe how TAA will coordinate with WIA/W-P to provide seamless services to participants and address how the state:

- *Provides early intervention (e.g. rapid response) to worker groups on whose behalf a TAA petition has been filed. (WIA Sections 112(b)(17)(A)(ii), 134(a)(2)(A), 20 CFR 665.300-.340.)*

Utilizing the Rapid Response Self-Assessment Tool as a starting point, the state's rapid response procedures were revised February 2012. The process of early intervention via rapid response is outlined in the revised procedures and includes the coordination of DCEO, IDES and local partners at every step from the initial notice of layoff/closure to the management of services. Dislocated workers in Illinois receive rapid response. Rapid response partners will assist in the completion of a TAA petition if it becomes clear at any point during rapid response that the cause of the layoffs/closure is in any way trade related. Upon the certification of a trade petition, trade-specific rapid response, orientations and workshops are held to inform customers of their benefits, rights and obligations under the trade program.

To ensure that early intervention begins when a TAA petition has been filed, on a daily basis, DCEO reviews the United States Department of Labor (DOL) Trade website to see what petitions have been filed and are currently pending. If DCEO does not receive a copy, DCEO requests a copy of the petition from DOL. DCEO maintains a database tracking all petitions with the DOL determination including certification, denial, termination or withdrawal. DCEO receives daily emails from DOL with all determinations of Trade petitions. After DOL has made a determination, a copy is sent to the WIA Title I grantee or designee, also known as Local Workforce Investment Area (LWIA); the Illinois Department of Employment Security (IDES); and the DCEO Regional Manager and Regional Program Representative (RPR) for rapid response. When rapid response is initiated established procedures are followed both at the State and Local level.

Core Services for TAA Participants

Provides core and intensive services to TAA participants, especially where TAA-funded case management services are not available. The description should provide detailed information on how assessments are utilized to identify participants' service needs, including whether participants need training according to the six criteria for TAA-approved training. (20 CFR 617.21(c), 617.22(a))

Under the current Illinois structure, the LWIAs co-enroll all trade customers in WIA. As required by trade regulations all customers are provided the eight mandated case management services including: comprehensive assessments, individual employment plan development, available training, information on financial aid, prevocational services, career counseling, employment statistics, and the availability of supportive services. Additional resources are available on Illinois workNet. Customers have full access to the LWIAs' resource room for staff assisted services including information on workshops, training providers, links to community services, jobseeker websites, and information on demand occupations. If the testing and assessment indicate a need for training, the customer is assisted in determining the training most appropriate for suitable employment. The State of Illinois Regional Program

Representative takes the lead role and coordinates with local LWIAs as well as other programs and agencies offering services to dislocated workers. Special efforts are made to coordinate WIA services with IDES and other agencies based on the needs of the workers. Representatives of each of these groups or organizations make up what is commonly referred to as the Rapid Response Team.

Resources for Data Integration

Has developed and managed resources (including electronic case management systems) to integrate data provided through different agencies administering benefits and services (TAA, Trade Readjustment Allowances, Unemployment Insurance, Employment Security, WIA, etc.) in order to ensure consistent program administration and fiscal integrity, as well as reliable fiscal and performance reporting. (May alternatively be discussed in "operating systems and policies" section of Operating Plan.) (WIA Sections 112(b)(8)(A), (B).)

Through DCEO's Illinois Workforce Development System (IWDS), WIA and trade case management and training service information is collected and stored on each customer. This IWDS TAA information is the primary source for the quarterly Trade Activity Participant Report (TAPR) file. Utilizing IDES - DCEO data sharing agreements, UI wage information, Trade Readjustment Allowance (TRA) and ATAA/RTAA participant/fiscal data is passed each quarter by IDES to DCEO for matching with IWDS participant data and inclusion in the TAPR file submission to USDOL.

Current quarter participant training costs are imported each quarter into IWDS by TAA payment processing entities from their fiscal systems. The imported training costs are reconciled to aggregate training cost amounts that have been reported by the TAA payment processing entities through the DCEO Grant Reporting System (GRS).

SCSEP

(Optional) SCSEP: States that include SCSEP in the Integrated Workforce Plan must include:

- *Long-term projections for jobs in industries and occupations in the state that may provide employment opportunities for older workers. (May alternatively be discussed in the economic analysis section of strategic plan.)*
- *A description of the state's long-term strategy for serving older workers under SCSEP. (May alternatively be discussed in the state strategies section of strategic plan.)*
- *A description of actions to coordinate SCSEP with other programs. This may alternatively be discussed in the state strategies section of the strategic plan, but regardless of placement in document, must include:*
 1. *Planned actions to coordinate activities of SCSEP grantees with WIA title I programs, including plans for using the WIA One-Stop delivery system to serve individuals, aged 55 and older.*
 2. *Actions to coordinate activities of SCSEP grantees with other Older Americans Act (OAA) activities carried out by the state.*
 3. *Actions to coordinate SCSEP with other private and public entities that provide services to older Americans, and planned actions to coordinate SCSEP with other job training initiatives.*

4. *Actions to ensure that SCSEP is an active partner in the One-Stop delivery system and the steps the state will take to encourage and improve coordination with the One-Stop delivery system.*
 - *The state's long-term strategy for engaging employers to develop and promote opportunities for the placement of SCSEP participants in unsubsidized employment. (May alternatively be discussed in the state strategies section of strategic plan.)*
 - *The state's long-term strategy for achieving an equitable distribution of SCSEP positions within the state that:*
 1. *Move positions from over-served to underserved locations within the state.*
 2. *Equitably serves rural and urban areas.*
 3. *Serves individuals afforded priority for service under 20 CFR 641.520. (20 CFR 641.302(a))*
 - *The ratio of eligible individuals in each service area to the total eligible population in the state. (20 CFR 641.325(a))*
 - *The relative distribution of eligible individuals who:*
 1. *Reside in urban and rural areas within the state*
 2. *Have the greatest economic need*
 3. *Are minorities*
 4. *Are limited English proficient.*
 5. *Have the greatest social need. (20 CFR 641.325(b))*
 - *A description of the steps taken to avoid disruptions to the greatest extent possible, when positions are redistributed, as provided in 20 CFR 641.365. (20 CFR 641.325(i))*
 - *A list of community services that are needed and the places where these services are most needed. Specifically, the plan must address the needs and location of those individuals most in need of community services and the groups working to meet their needs. (20 CFR 641.330)*
 - *A discussion of how the long-term job projections discussed in the economic analysis section of strategic plan relate to the types of unsubsidized jobs for which SCSEP participants will be trained and the types of skill training to be provided. (20 CFR 641.302(d))*
 - *The state's long-term strategy to improve SCSEP services, including planned longer-term changes to the design of the program within the state, and planned changes in the use of SCSEP grantees and program operators to better achieve the goals of the program. This may include recommendations to the Department as appropriate. (20 CFR 641.302(k))*
 - *The state's strategy for continuous improvement in the level of performance for SCSEP participants' entry into unsubsidized employment, and to achieve, at a minimum, the levels specified in OAA Section 513(a)(2)(E)(ii).*

NOTE: The Department's Fiscal Year 2012 Budget proposes to move SCSEP to the U.S. Department of Health and Human Services.

This section is not applicable to Illinois.

Section III. Integrated Workforce Plan Assurances and Attachments

This section provides a "check-the-box" table of assurance statements and a single signature sheet to certify that the information provided by the state, and submitted to the Department, in the following table is accurate, complete, and meets all legal and guidance requirements. The table below contains the assurance statements, the legal reference that corresponds to each statement, and a column for the state to provide a reference to the document(s) that it believes meets the stated assurance or where the statute requires documentation of a policy or procedure. Such a reference may be a hyperlink to an on-line document or it may be an attachment. Not all assurances require documents to be attached or referenced. Where an approved special exemption, waiver, or an approved alternate structure makes an assurance not applicable to your state, please insert the words "Not Applicable" in the reference column.

By checking each assurance, attaching the proper documentation or links, and signing the certification statement at the end of the document, the state is certifying it has met each of the legal planning requirements outlined in WIA law and regulations and in corresponding Department guidance. By checking each box and signing the certification statement, the state is also indicating that its supporting documentation meets all applicable Federal and state laws and regulations and is available for review. Any deficiencies in the documentation attached to each assurance identified during the state plan review process may result in additional technical assistance and a written corrective action as part of the Department's conditional approval of the state's Integrated Workforce Plan. Assurances that are part of the state's grant agreement are not duplicated here.

ASSURANCES AND ATTACHMENTS – PLANNING PROCESS AND PUBLIC COMMENT

	STATEMENT	REFERENCE	DOCUMENTATION and COMMENTS
1.	<input checked="" type="checkbox"/> The state established processes and timelines, consistent with WIA Section 111(g), to obtain input into the development of the Integrated Workforce Plan and to give opportunity for comment by representatives of local elected officials, local workforce investment boards, businesses, labor organizations, other primary stakeholders, and the general public.	WIA Sections 112(b)(9), 111(g) 20 CFR 661.207 20 CFR 661.220(d) 20 CFR 641.325(f) 20 CFR 641.325(h)	<i>Include a link or copy of a summary of the public comments received.</i> <i>See Attachment F.</i>
2.	<input checked="" type="checkbox"/> The state afforded opportunities to those responsible for planning or administering programs and activities covered in the Integrated Workforce Plan to review and comment on the draft plan.	WIA Sections 112(b)(9), 111(g) 20 CFR 661.207 20 CFR 661.220(d)	
3.	<input checked="" type="checkbox"/> The final Integrated Workforce Plan and State Operational Plan are available and accessible to the general public.		
4.	<input checked="" type="checkbox"/> The state afforded the State Monitor Advocate an opportunity to approve and comment on the Agricultural Outreach Plan.	WIA Sections 112(b)(9), 111(g) 20 CFR 661.207 20CFR 661.220(d) 20 CFR 653.108(f)	<i>Include a link or copy of comments received.</i> <i>State Monitor Advocate prepared the document.</i>
5.	<input checked="" type="checkbox"/> In the development of the plan, the state considered the recommendations submitted by the State Monitor Advocate in the annual summary of services to Migrant and Seasonal Farmworkers.	20 CFR 653.108(t)	
6.	<input checked="" type="checkbox"/> The state established a written policy and procedure to ensure public access (including people with disabilities) to board meetings and information regarding board activities, such as board membership and minutes.	WIA Sections 111(g), 112(b)(9), 117(e) 20 CFR 661.207	<i>Include a link or copy of the policy.</i> http://www.illinoisworknet.com/WIA/Policy Letter 11-PL-03

7. <input type="checkbox"/>	Where SCSEP is included in the Integrated Workforce Plan, the state established a written policy and procedure to obtain advice and recommendations on the State Plan from representatives of the state and area agencies on aging, and public and private nonprofit agencies and organizations providing employment services, including each grantee operating a SCSEP project within the state, except national grantees serving older American Indians or Pacific Island and Asian Americans, which are encouraged, but not required, to participate in the state planning process.	20 CFR 641.325(f) 20 CFR 641.325(h)	<p><i>Include a link or copy of a summary of the public comments received.</i></p> <p><i>Not Applicable</i></p>
-----------------------------	--	--	---

ASSURANCES AND ATTACHMENTS - REQUIRED POLICIES AND PROCEDURES

	STATEMENT	REFERENCE	DOCUMENTATION or COMMENTS
8. <input checked="" type="checkbox"/>	The state made available to the public state-imposed requirements, such as state-wide policies or guidance, for the statewide public workforce system, including policy for the use of WIA title I statewide funds.	WIA Sections 112(b)(2), 129, 134 20 CFR 665.100	<p><i>Include links or copies of the policies.</i></p> <p>http://www.illinoisworknet.com/DCEO/WIA Policy</p>
9. <input checked="" type="checkbox"/>	The state established a written policy and procedure that identifies circumstances that might present a conflict of interest for any state or local workforce investment board member or the entity that s/he represents, and provides for the resolution of conflicts. The policy meets the requirements of WIA Sections 111(f) and 117(g).	WIA Sections 112(b)(13), 111(f), 117(g)	<p><i>Include a link or copy of the policy.</i></p> <p>http://www.illinoisworknet.com/WIA Policy Letter 11-PL-03</p>
10. <input checked="" type="checkbox"/>	The state has established a written policy and procedure that describes the state's appeals process available to units of local government or grant recipients that request, but are not granted, designation of an area as a local area under WIA Section 116.	WIA Sections 112(b)(15), 116(a)(5) 20 CFR 661.280 20 CFR 667.700	<p><i>Include a link or copy of the policy.</i></p> <p><i>See Local Area Designation section of plan.</i></p>
11. <input checked="" type="checkbox"/>	The state established written policy and procedures that describe the state's appeal process for requests not granted for automatic or temporary and subsequent designation as a local workforce investment area.	20 CFR 667.640 20 CFR 662.280	<p><i>Include a link or copy of the policy.</i></p> <p><i>See Local Area Designation section of plan.</i></p>

Illinois Integrated Workforce Plan for WIA & Wagner-Peyser

12.	<input checked="" type="checkbox"/>	The state established a written policy and procedure that set forth criteria to be used by chief elected officials for the appointment of local workforce investment board members.	WIA Sections 112(b)(6), 117(b) 20 CFR 661.300(a), 20 CFR 661.325	<i>Include a link or copy of the policy.</i> http://www.illinoisworknet.com/WIA/Policy/Letter 11-PL-03
13.	<input checked="" type="checkbox"/>	The state established written policy and procedures to ensure local workforce investment boards are certified by the governor every two years.	WIA Sec 117(c) 20 CFR 661.325	<i>Include a link or copy of the policy.</i> http://www.illinoisworknet.com/WIA/Policy/Letter 11-PL-03
14.	<input type="checkbox"/>	Where an alternative entity takes the place of an SWIB, the state has written policy and procedures to ensure the alternative entity meets the definition under section 111(e) and the legal requirements for membership.	WIA Sections 111(e), (b) 20 CFR 661.210	<i>Include a link or copy of the policy.</i> <i>Not Applicable</i>
15.	<input type="checkbox"/>	Where the alternative entity does not provide representative membership of the categories of required SWIB membership, the state has a written policy or procedure to ensure an ongoing role for any unrepresented membership group in the workforce investment system.	WIA Sections 111(b), (e) 20 CFR 661.210(c)	<i>Include a link or copy of the policy.</i> <i>Not Applicable</i>
16.	<input checked="" type="checkbox"/>	When applicable, the state takes any action necessary to assist local areas in developing and implementing the One-Stop system.	WIA Sections 112(b)(14), 134(c) W-P Section 8(c)	http://www.illinoisworknet.com/WIA/Policy/Letter 07-PL-42
17.	<input checked="" type="checkbox"/>	The state established procedures for determining initial and subsequent eligibility of training providers.	WIA Sections 112(b)(17)(A)(iii), 122, 134(d)(4) 20 CFR 663.515, 663.535	<i>Include a link or copy of the policy.</i> http://www.illinoisworknet.com/WIA/Policy/Letter 09-PL-57 CHI
18.	<input checked="" type="checkbox"/>	All partners in the workforce and education system described in this plan will ensure the physical, programmatic, and communications accessibility of facilities, programs, services, technology, and materials for individuals with disabilities in One-Stop Career Centers.	WIA Section 188 W-P Section 8(b) 29 CFR part 37 20 CFR 652.8(j)	http://www.illinoisworknet.com/WIA/Policy/Letter 07-PL-42 http://www.illinoisworknet.com/WIA/Policy/Letter 09-PL-57 CHI

Illinois Integrated Workforce Plan for WIA & Wagner-Peyser

19.	<input checked="" type="checkbox"/>	The state ensures that outreach is provided to populations and sub-populations who can benefit from One-Stop Career Center services.	WIA Section 188 29 CFR 37	http://www.illinoisworknet.com/Technical Assistance and Information Letter 99-TAIL-08 http://www.illinoisbiz.biz/2010 Methods of Administration
20.	<input checked="" type="checkbox"/>	The state implements universal access to programs and activities to all individuals through reasonable recruitment targeting, outreach efforts, assessments, services delivery, partnership development, and numeric goals.	WIA Section 188 29 CFR 37.42	http://www.illinoisworknet.com/Technical Assistance and Information Letter 99-TAIL-08 http://www.illinoisbiz.biz/2010 Methods of Administration
21.	<input checked="" type="checkbox"/>	The state complies with the nondiscrimination provisions of section 188, including that Methods of Administration were developed and implemented.	WIA Section 188 29 CFR 37.20	http://www.illinoisworknet.com/Technical Assistance and Information Letter 99-TAIL-08 http://www.illinoisbiz.biz/2010 Methods of Administration
22.	<input checked="" type="checkbox"/>	The state collects and maintains data necessary to show compliance with nondiscrimination provisions of section 188.	WIA Section 185	http://www.illinoisworknet.com/Technical Assistance and Information Letter 99-TAIL-08 http://www.illinoisbiz.biz/2010 Methods of Administration
23.	<input type="checkbox"/>	For WIA Single-Area States only, the state has memorandums of understanding between the local workforce investment board and each of the One-Stop partners concerning the operation of the One-Stop delivery system in the local area.	WIA Sections 112(b)(5), 116(b), 118(b)(2)(B), 20 CFR 661.350(a)(3)(ii)	Include a link or copy of the MOUs. <i>Not Applicable</i>

ASSURANCES AND ATTACHMENTS - ADMINISTRATION OF FUNDS

	STATEMENT	REFERENCE	DOCUMENTATION and COMMENTS
24. <input checked="" type="checkbox"/>	The state established written policy and procedures that outline the methods and factors used in distributing funds, including WIA Adult, Dislocated Worker, and Youth formula and rapid response funds. The policy establishes a process for funds distribution to local areas for youth activities under WIA Section 128(b)(3)(B), and for adult and training activities under WIA Section 133(b), to the level of detail required by Section 112(b)(12)(a). In addition, the policy establishes a formula, prescribed by the governor under Section 133(b)(2)(B), for the allocation of funds to local areas for dislocated worker employment and training activities.	WIA Sections 111(d)(5), 112(b)(12)(A), (C), 128 (b)(3)(B), 133(b)(2)(B), 133(b)(3)(B) 20 CFR 661.205(e)	<i>Include a link or copy of the policy.</i> http://www.illinoisworknet.com/WIA/Notice 11-NOT-05
24a. <input checked="" type="checkbox"/>	For Dislocated Worker funding formulas, the state’s policy and procedure includes the data used and weights assigned. If the state uses other information or chooses to omit any of the information sources set forth in WIA when determining the Dislocated Worker formula, the state assures that written rationale exists to explain the decision.	WIA Section 133(b)(2)(B) 20 CFR 667.130(e)(2)(i)-(ii)	<i>Illinois allocates WIA dislocated worker funds using four of the six factors prescribed in section 133(b)(2)(B)(ii). Each of the following four factors makes up 25% of the total funds to be allocated - insured unemployment data, unemployment concentrations, declining industries data, and long-term unemployment data.</i>
25. <input checked="" type="checkbox"/>	The state established a written policy and procedure for how the individuals and entities represented on the SWIB help to determine the methods and factors of distribution, and how the state consults with chief elected officials in local workforce investment areas throughout the state in determining the distributions.	WIA Sections 111(d)(5), 112(b)(12)(A), 128(b)(3)(B) 20 CFR 661.205(e)	<i>Include a link or copy of the policy.</i> See Attachment G

Illinois Integrated Workforce Plan for WIA & Wagner-Peyser

26.	<input checked="" type="checkbox"/>	The state established written policy and procedures for any distribution of funds to local workforce investment areas reserved for rapid response activities, including the timing and process for determining whether a distribution will take place.	WIA Sections 133(a)(2), 134(a)(2)(A) 20 CFR 667.130(b)(2), (e)(4), 665.340	<p><i>Include a link or copy of the policy.</i></p> <p>http://www.illinoisworknet.com/Trade Adjustment Assistance Letter 11-TAA-01</p> <p>http://www.illinoisworknet.com/WIA Policy Letter 11-PL-01 CHI</p>
27.	<input checked="" type="checkbox"/>	The state established written policy and procedures to competitively award grants and contracts for WIA Title I activities.	WIA Section 112(b)(16)	<p><i>Include a link or copy of the policy.</i></p> <p>http://www.illinoisworknet.com/WIA Policy Letter 04-PL-02</p>
28.	<input checked="" type="checkbox"/>	The state established written criteria to be used by local workforce investment boards in awarding grants for youth activities, including criteria that the governor and local workforce investment boards will use to identify effective and ineffective youth activities and providers of such activities.	WIA Sections 112(b)(18)(B), 123, 129	<p><i>Include a link or copy of the policy.</i></p> <p>http://www.illinoisworknet.com/WIA Policy Letter 12-PL-01</p>
29.	<input checked="" type="checkbox"/>	The state established written criteria for a process to award a grant or contract on a competitive basis for Summer Youth Employment Opportunities element of the local youth program, where a provider is other than the grant recipient/fiscal agent.	WIA Sections 123, 129(c)(2)(C) 20 CFR 664.610.	<p><i>Include a link or copy of the policy.</i></p> <p>http://www.illinoisworknet.com/WIA Policy Letter 08-ARRA-01 CH3</p>
30.	<input checked="" type="checkbox"/>	The state distributes adult and youth funds received under WIA equitably throughout the state, and no local areas suffer unnecessarily significant shifts in funding from year-to-year during the period covered by this plan.	WIA Section 112(b)(12)(B)	<i>The state follows 128(b)(2)(A)(ii)</i>
31.	<input checked="" type="checkbox"/>	The state established written fiscal-controls and fund-accounting procedures and ensures such procedures are followed to ensure the proper disbursement and accounting of funds paid to the state through funding allotments made for WIA Adult, Dislocated Worker, and Youth programs, and the Wagner-Peyser Act.	WIA Sections 112(b)(11), 127, 132, 184 29 USC 49(h), (c) 20 CFR 652.8(b), (c)	<i>See Attachment H</i>
32.	<input checked="" type="checkbox"/>	The state ensures compliance with the uniform administrative	WIA Sections	<i>The State uses the ACME (Automated</i>

Illinois Integrated Workforce Plan for WIA & Wagner-Peyser

	requirements in WIA through annual, onsite monitoring of each local area.	184(a)(3), (4) 20 CFR 667.200, .400(c)(2), 667.410	<i>Compliance Monitoring Events) system to perform and document annual fiscal monitoring of all local areas. ACME provides assignment and due dates for all tasks, paperless document management, and validation of monitoring findings and events by supervisory personnel to promote compliance of local areas with federal regulations.</i>
33.	<input checked="" type="checkbox"/> The state follows confidentiality requirements for wage and education records as required by the Family Educational Rights and Privacy Act of 1974 (FERPA), as amended, WIA, and applicable Department regulations.	WIA Sections 136(f)(2), (f)(3), 122, 185(a)(4)(B) 20 USC 1232g 20 CFR 666.150 20 CFR part 603	<i>Include a link or copy of the policy, if available in the state. Documentation not required.</i> <u>TERMS AND CONDITIONS FOR USE OF ILLINOIS WORKFORCE DEVELOPMENT SYSTEM</u> <i>Also contained in Section 3.8 of the DCEO Policy Manual</i>
34.	<input checked="" type="checkbox"/> The state will not use funds received under WIA to assist, promote, or deter union organizing.	WIA Section 181(b)(7) 20 CFR 663.730	

ASSURANCES AND ATTACHMENTS - ELIGIBILITY

	STATEMENT	REFERENCE	DOCUMENTATION and COMMENT
35.	<input type="checkbox"/> Where the SWIB chooses to establish them, the state established definitions and eligibility documentation requirements regarding the “deficient in basic literacy skills” criterion.	WIA Sections 101(13)(C)(i) CFR 664.205(b)	<i>Include a link or copy of the policy.</i> <i>Not Applicable</i>

Illinois Integrated Workforce Plan for WIA & Wagner-Peyser

36. <input type="checkbox"/>	Where the SWIB chooses to establish them, the state established definitions and eligibility documentation requirements regarding “requires additional assistance to complete and educational program, or to secure and hold employment” criterion.	WIA Sections 101(13)(C)(iv) 20 CFR 664.200(c)(6), 664.210	<i>Include a link or copy of the policy.</i> <i>Not Applicable</i>
37. <input checked="" type="checkbox"/>	The state established policies, procedures, and criteria for prioritizing adult title I employment and training funds for use by recipients of public assistance and other low-income individuals in the local area when funds are limited.	WIA Section 134(d)(4)(E) 20 CFR 663.600	<i>Include a link or copy of the policy.</i> http://www.illinoisworknet.com/WIA/Technical Assistance and Information Letter 09-TAIL-06
38. <input checked="" type="checkbox"/>	The state established policies for the delivery of priority of service for veterans and eligible spouses by the state workforce agency or agencies, local workforce investment boards, and One-Stop Career Centers for all qualified job training programs delivered through the state's workforce system. The state policies: 1. Ensure that covered persons are identified at the point of entry and given an opportunity to take full advantage of priority of service; and 2. Ensure that covered persons are aware of: a. Their entitlement to priority of service; b. The full array of employment, training, and placement services available under priority of service; and c. Any applicable eligibility requirements for those programs and/or services. 3. Require local workforce investment boards to develop and include policies in their local plan to implement priority of service for the local One-Stop Career Centers and for service delivery by local workforce preparation and training providers.	WIA Sections 112(b)(17)(B), 322 38 USC Chapter 41 20 CFR 1001.120-.125 Jobs for Veterans Act, P.L. 107-288 38 USC 4215 20 CFR 1010.230, 1010.300-.310	<i>Include a link or copy of the policy.</i> http://www.illinoisworknet.com/WIA/Policy Letter 10-PL-59 http://www.illinoisworknet.com/WIA/Notice 08-NOT-38

ASSURANCES AND ATTACHMENTS - PERSONNEL AND REPRESENTATION

	STATEMENT	REFERENCE	DOCUMENTATION and COMMENTS
39. <input checked="" type="checkbox"/>	<p>The state assures that Migrant and Seasonal Farmworker (MSFW) significant office requirements are met.</p> <p>Note: The five states with the highest estimated year-round MSFW activities must assign full-time, year-round staff to outreach activities. The Employment and Training Administration designates these states each year. The remainder of the top 20 significant MSFW states must make maximum efforts to hire outreach staff with MSFW experience for year-round positions and shall assign outreach staff to work full-time during the period of highest activity.</p> <p>If a state proposes that its State Monitor Advocate work less than full-time, the state must submit, for approval by the Department, a plan for less than full-time work, demonstrating that the state MSFW Monitor Advocate function can be effectively performed with part-time staffing.</p>	<p>WIA Section 112(b)(8)(A)(iii), 112(b)(17)(A)(iv) W-P Sections 3(a), (c)(1)-(2) 20 CFR 653.107(a), 107(i), 653.112(a), 653.108(d)(1)</p>	<p><i>Attach plan for part-time Monitor Advocate, if applicable.</i></p>
40. <input checked="" type="checkbox"/>	<p>Merit-based public employees provide Wagner-Peyser Act-funded labor exchange activities in accordance with DOL regulations.</p>	<p>W-P Sections 3(a), 5(b) 20 CFR 652.215 Intergovernmental Personnel Act, 42 USC 4728(b)</p>	
41. <input checked="" type="checkbox"/>	<p>The state has designated at least one person in each state or Federal employment office to promote and develop employment opportunities, job counseling, and placement for individuals with disabilities.</p>	<p>W-P Section 8(b) 20 CFR 652.211</p>	
42. <input checked="" type="checkbox"/>	<p>If a SWIB, department, or agency administers state laws for vocational rehabilitation of persons with disabilities, that board, department, or agency cooperates with the agency that administers Wagner-Peyser services.</p>	<p>W-P Section 8(b) 20 CFR 652.211</p>	

STATEMENT OF ASSURANCES CERTIFICATION

The State, Commonwealth, or Territory of Illinois certifies on the 14 of September in 2012 year that it complied with all of required components of the Workforce Investment Act and Wagner-Peyser Act. The State, Commonwealth, or Territory also assures that funds will be spent in accordance with the Workforce Investment Act and the Wagner-Peyser Act and their regulations, written Department of Labor guidance implementing these laws, and all other applicable Federal and state laws and regulations.



Governor

September 14, 2012

Date

Attachment A

PROGRAM ADMINISTRATION DESIGNEES AND PLAN SIGNATURES

ATTACHMENT A

PROGRAM ADMINISTRATION DESIGNEES AND PLAN SIGNATURES

Name of WIA Title I Grant Recipient Agency: Illinois Department of Commerce and Economic Opportunity

Address: 500 E. Monroe Street
Springfield, Illinois 62701

Telephone Number: (217) 558-6423

Facsimile Number: (217) 558-2444

E-mail Address: michael.baker@illinois.gov

Name of State WIA Title I Administrative Agency (if different from the Grant Recipient):

N/A

Address: _____

Telephone Number: _____

Facsimile Number: _____

E-mail Address: _____

Name of WIA Title I Signatory Official: Mr. David Vaught, Director

Address: James R. Thompson Center
100 W. Randolph, Ste. 3-400
Chicago, Illinois 60601

Telephone Number: (312) 814-2811

Facsimile Number: (312) 814-1400

E-mail Address: david.vaught@illinois.gov

Name of WIA Title I Liaison: Ms. Therese McMahon

Address: James R. Thompson Center
100 W. Randolph, Ste. 3-400
Chicago, Illinois 60601

Telephone Number: (312) 814-6028

Facsimile Number: (312) 814-0999

E-mail Address: therese.mcmahon@illinois.gov

Name of Wagner-Peyser Act Grant Recipient/State Employment Security Agency:

Illinois Department of Employment Security

Address: 33 South State Street
Chicago, Illinois 60603

Telephone Number: (312) 793-9274

Facsimile Number: (312) 793-9834

E-mail Address: jay.rowell@illinois.gov

Name and Title of State Employment Security Administrator (Signatory Official):

Mr. Jay Rowell, Director

Address: 33 South State Street
Chicago, Illinois 60603

Telephone Number: (312) 793-9274

Facsimile Number: (312) 793-9834

E-mail Address: jay.rowell@illinois.gov

Name and Title of the State Labor Market, Workforce Information, or Research Director:

For LMI:

Ms. Evelina Loescher, Manager IDES Economic Information and Analysis Division

Address: 33 South State Street
Chicago, Illinois 60603

Telephone Number: (312)-793-5752

Facsimile Number: (312) 793-9834

E-mail Address: evelina.loescher@Illinois.gov

For Workforce Information:

Mr. Jerry Yeoward, Manager Reporting Unit

Address: 500 E. Monroe Street
Springfield, Illinois 62701

Telephone Number: (217) 558-2458

Facsimile Number: (217) 558-2444

E-mail Address: jerry.yeoward@illinois.gov

As the governor, I certify that for the State/Commonwealth/Territory of Illinois, the agencies and officials designated above have been duly designated to represent the State/Commonwealth/Territory in the capacities indicated for the Workforce Investment Act, title I, and Wagner-Peyser Act grant programs. Subsequent changes in the designation of officials will be provided to the U.S. Department of Labor as such changes occur.

I further certify that we will operate our Workforce Investment Act and Wagner-Peyser Act programs in accordance with this plan and the assurances herein.

Typed Name of Governor: Pat Quinn

Signature of Governor Pat Quinn Date September 14, 2012

Attachment B
Labor Market Information

**State of Illinois
High-Demand Healthcare Occupations**

TABLE 1

Standard Occupational Classification (SOC) Code Title		Emp. 2008	Employment Change 2008-2018		Average Annual Job Openings due to			Unduplicated Online Job Ads*	Median Annual Wage	Training/ Education Level
			Number	Percent	Growth	Replcmnts	Total			
<u>Therapeutic Services</u>										
29-1171	Nurse Practitioners	N/A	N/A	N/A	N/A	N/A	N/A	400	N/A	Master's degree
29-1111	Registered Nurses	110,739	23,033	20.80	2,303	1,935	4,238	12,099	\$63,917	Associate or Bachelor's degree
29-2061	Licensed Practical Nurses	24,693	5,003	20.26	500	773	1,273	1,526	\$41,851	Postsecondary vocational award
31-1012	Nursing Aides, Orderlies/Attendants	60,488	12,674	20.95	1,267	602	1,869	1,474	\$23,893	Postsecondary vocational award
31-1011	Home Health Aides	26,331	12,939	49.14	1,294	262	1,556	926	\$20,193	Short-term on-the-job training
29-1051	Pharmacists	10,249	1,153	11.25	115	227	342	558	\$107,312	First professional degree
29-2052	Pharmacy Technicians	16,795	4,008	23.86	401	424	825	634	\$27,851	Postsecondary vocational award
31-9095	Pharmacy Aides	2,146	-237	-11.04	0	24	24	4	\$23,203	Short-term on-the-job training
29-1060	Physicians & Surgeons	25,711	4,295	16.72	430	452	882	555	N/A	First professional degree
29-1071	Physician Assistants	2,089	672	32.17	67	38	105	1,251	\$69,740	Bachelor's degree
29-1020	Dentists & Dental Specialists	5,790	703	12.14	71	161	232	337	N/A	First professional degree
29-2021	Dental Hygienists	7,357	2,182	29.66	218	150	368	197	\$67,259	Associate degree
31-9091	Dental Assistants	12,401	3,615	29.15	362	233	595	864	\$32,378	Moderate-term on-the-job training
29-1123	Physical Therapists	7,406	2,166	29.25	217	89	306	4,726	\$81,181	Master's degree
31-2021	Physical Therapist Assistants	2,830	825	29.15	83	41	124	2,022	\$50,348	Associate degree
31-2022	Physical Therapist Aides	2,032	575	28.30	58	29	87	33	\$26,937	Short-term on-the-job training
29-1122	Occupational Therapists	4,396	1,250	28.43	125	80	205	4,884	\$73,786	Master's degree
31-2011	Occupational Therapist Assistants	1,890	452	23.92	45	27	72	3,145	\$56,553	Associate degree
31-2012	Occupational Therapist Aides	556	200	35.97	20	8	28	2	\$27,616	Short-term on-the-job training
<u>Diagnostic Services</u>										
29-2011	Med & Clinical Lab Technologists	5,732	442	7.71	44	109	153	367	\$51,623	Bachelor's degree
29-2012	Medical & Clinical Lab Technicians	7,598	643	8.46	64	144	208	345	\$38,475	Associate degree
29-2032	Diagnostic Medical Sonographers	1,900	221	11.63	22	28	50	196	\$71,716	Associate degree
29-2033	Nuclear Medicine Technologists	748	80	10.70	8	11	19	43	\$71,735	Associate degree
29-2034	Radiologic Technologists/Technicians	7,544	924	12.25	92	109	201	13	\$57,517	Associate degree
29-1199	Health Diag/Treat Practitioners, AO (including: Cytotechnologists)	3,879	527	13.59	53	71	124	31	\$64,562	Associate degree
29-2031	Cardiovascular Technolgsts/Techncns	2,115	452	21.37	45	31	76	277	\$46,425	Associate degree

Source: Illinois Department of Employment Security, Economic Information Analysis Division, The Conference Board

**State of Illinois
High-Demand Healthcare Occupations**

TABLE 1

Standard Occupational Classification (SOC) Code	Title	Emp. 2008	Employment Change 2008-2018		Average Annual Job Openings due to			Unduplicated Online Job Ads*	Median Annual Wage	Training/ Education Level
			Number	Percent	Growth	Replcmnts	Total			
<u>Health Informatics</u>										
11-9111	Medical & Health Services Managers (including: Clinical Account Managers; Health Information Mgmt. Administrators; and Utilization Managers)	8,984	10,385	15.59	140	171	311	4,983	\$77,274	Bachelor's degree plus experience
29-2071	Med Records & Health Info Technicians	7,359	8,586	16.67	123	150	273	1,065	\$31,885	Associate degree
31-9092	Medical Assistants	16,322	20,828	27.61	451	182	633	1,612	\$29,716	Postsecondary vocational award
31-9094	Medical Transcriptionists	3,756	4,143	10.30	39	42	81	73	\$34,790	Postsecondary vocational award
11-3011	Administrative Services Managers **	1,927	2,123	10.15	20	40	60	328	\$57,321	Bachelor's degree plus work exp.
31-9099	Healthcare Support Workers, AO (including: Certified Compliance Technicians; Reimbursement Specialists; and, Clinical Account Technicians/Coders/Data Specialists)	12,823	14,643	14.19	182	143	325	672	\$31,369	Long-term on-the-job training
43-3011	Bill and Account Collectors ** (including: Patient Account Technicians)	3,570	4,241	18.77	67	67	134	935	\$32,869	Postsecondary vocational award or Long-term on-the-job training
43-4171	Receptionists & Information Clerks **	17,755	19,773	11.36	202	479	681	1,464	\$26,267	Short-term on-the-job training
<u>Support Services</u>										
21-1014	Mental Health Counselors	4,878	1,286	26.36	129	99	228	167	\$39,174	Master's degree
21-1022	Medical Health Social Workers	3,871	4,659	20.36	79	97	176	282	\$48,522	Master's degree
21-1015	Rehabilitation Counselors	3,975	781	19.65	78	80	158	90	\$32,068	Master's degree
21-1011	Substnce Abuse/Bhvrl Dsrdr Counslrs	3,441	796	23.13	80	70	150	109	\$32,941	Master's degree
29-1031	Dietitians and Nutritionists	2,209	151	6.84	15	74	89	321	\$51,297	Bachelor's Degree
29-2051	Dietetic Technicians	2,230	389	17.44	39	56	95	27	\$43,799	Moderate-term on-the-job training
11-9051	Food Service Managers **	357	392	9.62	4	10	14	1,720	\$24,170	Work experience in a related occ.
35-1012	1st-Line Svrs/Mgrs, Food Prep/Serv **	1,231	1,265	11.81	3	12	15	7,301	\$31,069	Work experience in a related occ.
35-2012	Cooks, Institution and Cafeteria **	5,826	6,667	14.43	84	149	233	243	\$23,171	Moderate-term on-the-job training
<u>Biotechnology Research & Development</u>										
19-1040	Medical Scientists & Epidemiologists	2,192	648	30.88	64	42	106	1,317	\$92,829	Master's/Doctoral degree
19-1029	Biological Scientists, All Other	1,068	48	4.49	5	34	39	3	N/A	Master's/Doctoral degree
19-1022	Microbiologists	830	42	5.06	4	27	31	44	\$63,338	Doctoral degree
19-1021	Biochemists and Biophysicists	508	99	19.49	10	16	26	6	\$89,819	Doctoral degree

*Unduplicated Online Job Ads from The Conference Board Help Wanted Online Data Series for the 120-day period prior to July 25, 2012.

**Share in the Healthcare Industry.

STEM Manufacturing Occupations with Average Annual Job Openings and Recent Online Job Ad Volumes

TABLE 2

Standard Occupational Classification (SOC)		Emp. 2008	Employment Change 2008-2018		Average Annual Job Openings due to			Unduplicated Online Job Ads*	Median Annual Wage	Training/ Education Level
Code	Title		Number	Percent	Growth	Replcmnts	Total			
Production										
512092	Team Assemblers	62,408	625	1.00	63	1,406	1,469	131	\$24,533	Moderate-term on-the-job training
537064	Packers & Packers, Hand	54,293	-290	-0.53	-	903	903	174	\$19,604	Short-term on-the-job training
519199	Production Workers, All Other	33,969	-483	-1.42	0	787	787	47	\$28,725	Moderate-term on-the-job training
514121	Welders, Cutters, Solderers & Brazers	17,216	-636	-3.69	-	527	527	696	\$34,347	Long-term on-the-job training
511011	1st-Line Svrs/Mgrs, Prod. & Operating Workers	33,726	-1,761	-5.22	-	455	455	4,246	\$54,614	Work exp. in a related occupation
514041	Machinists	34,084	-1,624	-4.76	-	450	450	1,117	\$36,722	Long-term on-the-job training
512099	Assemblers & Fabricators, AO	17,362	452	2.60	45	391	436	325	\$27,468	Moderate-term on-the-job training
519111	Packaging & Filling Machine Operators & Tenders	20,812	147	0.71	15	349	364	223	\$24,267	Short-term on-the-job training
514031	Cutting, Punching & Press Machine Operators	15,092	-2,292	-15.19	-	298	298	260	\$29,006	Moderate-term on-the-job training
513021	Butchers & Meat Cutters	7,739	250	3.23	25	248	273	64	\$25,967	Long-term on-the-job training
514011	Computer-Controlled Machine Tool Operators	9,653	738	7.65	74	189	263	756	\$37,065	Moderate-term on-the-job training
513011	Bakers	9,022	-39	-0.43	-	231	231	56	\$23,035	Long-term on-the-job training
513022	Meat, Poultry & Fish Cutters & Trimmers	5,607	359	6.40	36	180	216	27	\$23,968	Short-term on-the-job training
519023	Mix/Blend Machine Setters, Operators & Tenders	6,517	991	15.21	99	111	210	90	\$34,266	Moderate-term on-the-job training
515023	Printing Machine Operators	9,984	-448	-4.49	-	209	209	401	\$31,449	Moderate-term on-the-job training
513092	Food Batchmakers	5,784	429	7.42	43	139	182	23	\$23,058	Short-term on-the-job training
513023	Slaughterers & Meat Packers	5,082	81	1.59	8	163	171	3	\$22,940	Moderate-term on-the-job training
514072	Molding/Cormakng/Casting Machine Operators	8,219	-514	-6.25	-	170	170	167	\$28,930	Moderate-term on-the-job training
519121	Coat/Paint/Spray Machine Setters & Operators	5,229	204	3.90	20	137	157	95	\$28,142	Moderate-term on-the-job training
512022	Electric/Electronic Equipment Assemblers	9,108	-1,804	-19.81	-	141	141	276	\$23,508	Short-term on-the-job training
513093	Food Cooking Machine Operators & Tenders	3,845	-78	-2.03	-	111	111	20	\$23,757	Short-term on-the-job training
519196	Paper Good Machine Setters, Operators & Tenders	5,238	-1,040	-19.85	-	110	110	55	\$35,149	Moderate-term on-the-job training
514081	Multiple Machine Tool Setters & Operators	5,251	-822	-15.65	-	103	103	99	\$31,557	Moderate-term on-the-job training
519041	Extrudng/Formng/Compctng Machine Operators	2,449	480	19.60	48	50	98	48	\$30,184	Moderate-term on-the-job training
537063	Machine Feeders & Offbearers	8,544	-1,488	-17.42	-	96	96	13	\$25,984	Short-term on-the-job training
514021	Extruding/Drawing Machine Setters & Operators	4,755	-317	-6.67	-	93	93	16	\$28,653	Moderate-term on-the-job training
519122	Painters, Transportation Equipment	2,352	255	10.84	26	62	88	73	\$44,206	Long-term on-the-job training
517011	Cabinetmakers & Bench Carpenters	3,788	-100	-2.64	-	85	85	64	\$37,350	Long-term on-the-job training
519032	Cutting/Slicing Machine Setters & Operators	3,631	-159	-4.38	-	78	78	64	\$30,863	Moderate-term on-the-job training
514034	Lathe/Turning Machine Tool Setters & Operators	4,682	-1,286	-27.47	-	77	77	109	\$34,045	Moderate-term on-the-job training
514193	Plating/Coating Machine Setters & Operators	2,709	-381	-14.06	-	73	73	15	\$27,678	Moderate-term on-the-job training
514122	Weld/Solder/Braz Machine Setters & Operators	2,323	-183	-7.88	-	71	71	19	\$33,468	Moderate-term on-the-job training
514033	Grind/Polish Machine Tool Setters & Operators	4,738	-850	-17.94	-	69	69	57	\$30,006	Moderate-term on-the-job training
514191	Heat Treating Equipment Setters & Operators	1,326	-145	-10.94	-	60	60	27	\$29,630	Moderate-term on-the-job training
515011	Bindery Workers	4,069	-690	-16.96	-	60	60	56	\$31,247	Short-term on-the-job training
519132	Photographic Processing Machine Operators	2,250	-726	-32.27	-	55	55	17	\$22,413	Short-term on-the-job training
512041	Structural Metal Fabrcators & Fitters	2,459	-25	-1.02	-	52	52	28	\$38,989	Moderate-term on-the-job training
515022	Prepress Technicians & Workers	3,754	-757	-20.17	-	47	47	63	\$39,501	Postsecondary vocational award
512023	Electromechanical Equipment Assemblers	2,560	-444	-17.34	-	40	40	85	\$31,394	Short-term on-the-job training
513091	Food Roast/Bake Machine Operators & Tenders	1,198	6	0.50	1	35	36	9	\$29,292	Short-term on-the-job training
514022	Forging Mach Setters, Operators & Tenders	1,800	-367	-20.39	-	35	35	29	\$33,865	Moderate-term on-the-job training
514023	Rolling Machine Setters, Operators & Tenders	1,672	-332	-19.86	-	33	33	35	\$33,715	Moderate-term on-the-job training
514111	Tool & Die Makers	5,404	-414	-7.66	-	32	32	140	\$49,157	Long-term on-the-job training
517042	Woodworking Machine Setters & Operators	1,019	43	4.22	4	21	25	5	\$23,669	Moderate-term on-the-job training

STEM Manufacturing Occupations with Average Annual Job Openings and Recent Online Job Ad Volumes

TABLE 2

Standard Occupational Classification (SOC)		Emp. 2008	Employment Change		Average Annual Job Openings			Unduplicated Online Job Ads*	Median Annual Wage	Training/ Education Level
Code	Title		2008-2018		due to					
			Number	Percent	Growth	Replcmnts	Total			
Manufacturing Production Process Development										
414011	Sales Reps, Whls/Mfg, Tech/SciProds	23,552	1,536	6.52	154	546	700	4,209	\$65,900	Moderate-term on-the-job training
151032	Computer Software Engineers, Systems	18,083	4,858	26.87	486	152	638	882	\$92,690	Bachelor's degree
151031	Computer Software Engineers, Applications	17,421	4,271	24.52	427	147	574	7,255	\$87,422	Bachelor's degree
151099	Computer Specialists, AO (Software Quality Assurance Engineers & Testers, Quality Control Technicians & Analytical Technicians)	17,182	1,053	6.13	105	370	475	6,415	\$76,690	Associate degree
519061	Inspectors, Testers, Sorters & Weighers	21,568	-769	-3.57	-	362	362	669	\$32,249	Moderate-term on-the-job training
172112	Industrial Engineers	8,359	1,346	16.10	135	214	349	5,397	\$70,781	Bachelor's degree
172199	Engineers, AO (including Robotics Engineers)	11,736	384	3.27	38	243	281	364	\$85,483	Bachelor's degree
172141	Mechanical Engineers	8,232	126	1.53	13	211	224	2,722	\$72,002	Bachelor's degree
113051	Industrial Production Managers	5,837	-527	-9.03	-	205	205	421	\$86,091	Work exp. in a related occupation
119041	Engineering Managers	6,982	56	0.80	6	142	148	1,083	\$112,145	Bachelor's degree, plus work exp.
172072	Electronics Engineers, exc Computer	4,146	283	6.83	28	95	123	591	\$83,866	Bachelor's degree
172071	Electrical Engineers	5,033	38	0.76	4	116	120	1,522	\$84,984	Bachelor's degree
194099	Life, Physical & Social Science Technicians, AO (Quality Control Analysts & Analytical Technicians)	1,877	137	7.30	14	81	95	75	\$46,299	Associate degree
192031	Chemists	2,583	5	0.19	1	86	87	342	\$66,155	Bachelor's degree
173023	Electrical & Electronic Engineering Technicians	4,330	-113	-2.61	-	82	82	477	\$56,099	Associate degree
194021	Biological Technicians	1,614	136	8.43	14	57	71	238	\$40,044	Associate degree
173026	Industrial Engineering Technicians	2,328	146	6.27	15	44	59	521	\$47,227	Associate degree
173029	Engineering Techs, exc Drafters, AO (Manufacturing Engineering & Manufacturing Engineering Technicians)	2,676	82	3.06	8	51	59	46	\$59,016	Associate degree
191012	Food Scientists and Technologists	1,181	89	7.54	9	41	50	155	\$56,728	Bachelor's degree
194031	Chemical Technicians	2,129	-71	-3.33	-	43	43	106	\$45,553	Associate degree
518091	Chemical Plant & System Operators	1,368	-298	-21.78	-	32	32	52	\$52,625	Long-term on-the-job training
191021	Biochemists & Biophysicists	508	99	19.49	10	16	26	6	\$89,819	Doctoral degree
172041	Chemical Engineers	1,048	-98	-9.35	-	26	26	336	\$81,036	Bachelor's degree
499069	Precision Instrument Equipment Repairers, AO (Electronic Instrument Technicians)	464	60	12.93	6	13	19	1	\$38,707	Moderate-term on-the-job training
173024	Electro-Mechanical Technicians	737	-62	-8.41	-	14	14	47	\$45,343	Associate degree
Maintenance, Installation & Repair										
499042	General Maintenance & Repair Workers	54,674	4,499	8.23	450	842	1,292	3,185	\$39,952	Moderate-term on-the-job training
491011	1st-Line Svrs/Mgrs, Mechanics/Installers	15,628	846	5.41	85	409	494	1,998	\$65,506	Work exp. in a related occupation
499041	Industrial Machinery Mechanics	9,171	1,151	12.55	115	132	247	954	\$48,004	Long-term on-the-job training
492022	Telecommunication Eqpt Installers & Repairers	11,659	416	3.57	42	204	246	804	\$60,716	Long-term on-the-job training
499043	Maintenance Workers, Machinery	5,394	258	4.78	26	83	109	23	\$46,725	Short-term on-the-job training
499062	Medical Equipment Repairers	1,223	302	24.69	30	35	65	199	\$38,495	Associate degree
492094	Electronic Repairers, Commercial & Industrial Eqpt (Robotics Technicians)	2,199	61	2.77	6	38	44	120	\$54,210	Postsecondary vocational award
173027	Mechanical Engineering Technicians (Maintenance Technicians)	1,141	-93	-8.15	-	22	22	71	\$49,341	Associate degree
Logistics & Inventory Control										
537062	Laborers & Freight/Stock Movers, Hand	131,260	1,748	1.33	175	4,224	4,399	1,824	\$23,500	Short-term on-the-job training
119199	Managers, AO (incl. Logistics Analysts)	90,860	6,091	6.70	609	2,344	2,953	1,185	\$90,157	Work exp. in a related occupation
131111	Management Analysts (incl. Logistics Analysts)	30,552	5,525	18.08	553	524	1,077	4,985	\$77,850	Bachelor's degree, plus work exp.
537051	Industrial Truck & Tractor Operators	30,851	1,520	4.93	152	920	1,072	903	\$30,849	Short-term on-the-job training
435071	Shipping Receiving & Traffic Clerks	37,106	-2,466	-6.65	-	921	921	698	\$28,787	Short-term on-the-job training
435061	Production, Planning & Expediting Clerks	12,604	-115	-0.91	-	310	310	1,007	\$42,251	Short-term on-the-job training
435032	Dispatchers	7,748	-209	-2.70	-	160	160	333	\$37,872	Moderate-term on-the-job training
131081	Logisticians	3,818	484	12.68	48	85	133	686	\$67,578	Bachelor's degree
113071	Transportation, Storage & Distribution Managers	4,609	-210	-4.56	-	127	127	861	\$84,179	Work exp. in a related occupation

* Unduplicated Online Job Ads from The Conference Board Help Wanted Online Data Series for the 120-day period prior to July 25, 2012.

Note: The Quality Assurance and Health, Safety and Environmental Assurance career pathways were not included in the cluster occupational analysis due to limited labor market information for the specialty occupations in these pathways.

STEM Technology Occupations with Average Annual Job Openings and Recent Online Job Ad Volumes

TABLE 3

Standard Occupational Classification (SOC) Code	Title	Emp. 2008	Employment Change 2008-2018		Average Annual Job Openings due to			Unduplicated Online Job Ads*	Median Annual Wage	Training/ Education Level
			Number	Percent Growth	Replcmnts	Total				
Integration Services										
15-1032	Computer Software Engineers, Systems	18,083	4,858	26.87	486	152	638	882	\$92,690	Bachelor's degree
15-1071	Network/Computer Systems Administrators	14,920	2,297	15.40	230	249	479	6,571	\$71,621	Bachelor's degree
15-1099	Computer Specialists, All Other	17,182	1,053	6.13	105	370	475	8	\$76,690	Associate degree
15-1021	Computer Programmers	23,914	-2,018	-8.44	0	450	450	4,283	\$70,959	Bachelor's degree
Technology and Information Services										
15-1031	Computer Software Engineers, Applications	17,421	4,271	24.52	427	147	574	7,255	\$87,422	Bachelor's degree
15-1099	Computer Specialists, All Other	17,182	1,053	6.13	105	370	475	8	\$76,690	Associate degree
15-1021	Computer Programmers	23,914	-2,018	-8.44	0	450	450	4,283	\$70,959	Bachelor's degree
15-1061	Database Administrators	4,906	665	13.55	67	82	149	2,624	\$69,149	Bachelor's degree
17-2072	Electronics Engineers	4,146	283	6.83	28	95	123	591	\$83,866	Bachelor's degree
17-2071	Electrical Engineers	5,033	38	0.76	4	116	120	1,522	\$84,984	Bachelor's degree
17-3023	Electrical & Electronic Engineering Techs	4,330	-113	-2.61	0	82	82	357	\$56,099	Associate degree
27-3042	Technical Writers	1,577	169	10.72	17	26	43	552	\$62,186	Bachelor's degree
17-3012	Electrical & Electronics Drafters	855	-44	-5.15	0	18	18	50	\$62,941	Postsecondary voc award
Infrastructure, Administration and Operations										
15-1041	Computer Support Specialists	20,865	1,374	6.59	137	578	715	7,310	\$47,828	Associate degree
15-1051	Computer Systems Analysts	18,490	2,161	11.69	216	399	615	12,576	\$78,692	Bachelor's degree
15-1081	Network Systems & Data Comm Analysts	8,257	3,777	45.74	378	148	526	1,778	\$71,158	Bachelor's degree
15-1071	Network/Computer Systems Administrators	14,920	2,297	15.40	230	249	479	6,571	\$71,621	Bachelor's degree
15-1099	Computer Specialists, All Other	17,182	1,053	6.13	105	370	475	8	\$76,690	Associate degree
11-3021	Computer & Information Systems Managers	13,677	1,217	8.90	122	222	344	3,201	\$111,829	Bach degree plus work exp.
15-2031	Operations Research Analysts	1,968	338	17.17	34	57	91	1,230	\$73,739	Master's degree
43-9011	Computer Operators	4,634	-1,090	-23.52	0	52	52	106	\$42,111	Moderate-term OJT
Research and Development										
15-1051	Computer Systems Analysts	18,490	2,161	11.69	216	399	615	12,576	\$78,692	Bachelor's degree
15-1081	Network Systems & Data Comm Analysts	8,257	3,777	45.74	378	148	526	1,778	\$71,158	Bachelor's degree
15-1099	Computer Specialists, All Other	17,182	1,053	6.13	105	370	475	8	\$76,690	Associate degree
17-2072	Electronics Engineers	4,146	283	6.83	28	95	123	591	\$83,866	Bachelor's degree
17-2071	Electrical Engineers	5,033	38	0.76	4	116	120	1,522	\$84,984	Bachelor's degree
15-2031	Operations Research Analysts	1,968	338	17.17	34	57	91	1,230	\$73,739	Master's degree
17-2061	Computer Hardware Engineers	1,378	27	1.96	3	38	41	193	\$92,283	Bachelor's degree
15-1011	Computer/Information Scientists, Research	903	176	19.49	18	20	38	126	\$99,412	Doctoral degree
25-1021	Computer Science Faculty (Postsecondary)	1,000	85	8.50	9	17	26	123	\$55,073	Doctoral degree
Unduplicated Total		183,539	19,524	10.64	2,281	3,318	5,599	51,338		

*Unduplicated Online Job Ads from The Conference Board Help Wanted Online Data Series for the 120-day period prior to July 25, 2012.

Source: Illinois Department of Employment Security, Economic Information Analysis Division, The Conference Board

STEM Transportation Occupations with Average Annual Job Openings and Recent Online Job Ad Volumes

TABLE 4

Standard Occupational Classification (SOC)		Emp. 2008	Employment Change 2008-2018		Average Annual Job Openings due to			Unduplicated Online Job Ads*	Median Annual Wage	Training/ Education Level
Code	Title		Number	Percent Growth	Replicmnts	Total				
Transportation Operations										
533032	Truck Drivers, Heavy & Tractor Trailer	70,055	9,860	14.07	986	1,253	2,239	12,304	\$40,573	Moderate-term on-the-job training
533033	Truck Drivers, Light & Delivery Services	45,396	2,925	6.44	293	812	1,105	1,953	\$29,953	Short-term on-the-job training
533022	School Bus Drivers	19,862	2,164	10.90	216	347	563	356	\$28,270	Short-term on-the-job training
533041	Taxi Drivers & Chauffeurs	7,977	1,266	15.87	127	141	268	608	\$22,644	Short-term on-the-job training
532011	Airline Pilots, Copilots, Flight Engineers	6,072	506	8.33	51	206	257	17	\$121,554	Bachelor's degree
396031	Flight Attendants	8,196	632	7.71	63	184	247	9	\$32,505	Long-term on-the-job training
533021	Bus Drivers, Transit & Intercity	8,364	712	8.51	71	146	217	75	\$46,778	Moderate-term on-the-job training
435032	Dispatchers	7,748	-209	-2.70	0	160	160	338	\$37,872	Moderate-term on-the-job training
113071	Transportation, Storage & Distribution Managers	4,609	-210	-4.56	0	127	127	15	\$84,179	Work exp. in a related occupation
534031	Railroad Conductors & Yardmasters	2,884	225	7.80	23	99	122	39	\$49,306	Moderate-term on-the-job training
534011	Locomotive Engineers	2,714	269	9.91	27	88	115	3	\$45,512	Long-term on-the-job training
534021	Railroad Brake, Signal, & Switch Operators	2,428	208	8.57	21	79	100	4	\$51,388	Moderate-term on-the-job training
535011	Sailors & Marine Oilers	1,002	173	17.27	17	43	60	35	\$31,027	Short-term on-the-job training
535021	Captains, Mates, Pilots of Water Vessels	862	207	24.01	21	36	57	4	\$55,878	Work exp. in a related occupation
532021	Air Traffic Controllers	1,082	-2	-0.18	0	37	37	15	\$142,287	Long-term on-the-job training
Logistics Planning and Management Services										
431011	1st-Line Supvrs/Mgrs, Office & Adm. Support Wkrs (Shipping & Receiving Manager, Supply Chain Manager, Import Coordinator)	50,818	3,970	7.81	397	1,146	1,543	5,435	\$50,059	Work exp. in a related occupation
131081	Logisticians (Logistics Coordinator, Logistics Planner, Logistics Analyst)	3,818	484	12.68	48	85	133	692	\$67,578	Bachelor's degree
113061	Purchasing Managers (Buyer/Planner, Materials Manager, Procurement Manager, Sourcing Manager)	3,346	-35	-1.05	0	95	95	1,190	\$82,786	Bachelor's degree plus work exp.
Warehousing and Distribution Center Operations										
537062	Laborers & Freight & Stock Movers	131,260	1,748	1.33	175	4,224	4,399	1,823	\$23,500	Short-term on-the-job training
435071	Shipping, Receiving, & Traffic Clerks (Shipping & Receiving Manager)	37,106	-2,466	-6.65	0	921	921	699	\$28,787	Short-term on-the-job training
511011	1st-Line Supvrs/Mgrs, Prod/Operating Workers (Production Control Manager, Production Planner, Supply & Operations Manager, Supply & Operations Team Leader)	33,726	-1,761	-5.22	0	455	455	4,259	\$54,614	Work exp. in a related occupation
172112	Industrial Engineers (Supply Chain Engineer)	8,359	1,346	16.10	135	214	349	5,425	\$70,781	Bachelor's degree
435061	Production, Planning, & Expediting Clerks (Production Planner, Production Scheduler)	12,604	-115	-0.91	0	310	310	1,014	\$42,251	Short-term on-the-job training
531021	1st-Line Supvrs/Mgrs, Helpers & Laborers	10,204	839	8.22	84	177	261	89	\$45,948	Work exp. in a related occupation
531031	1st-Line Supvrs/Mgrs, Trans. Machine Operators (Warehouse Supervisor)	7,638	-215	-2.81	0	132	132	2,046	\$57,138	Work exp. in a related occupation
113071	Transportation, Storage & Distribution Managers	4,609	-210	-4.56	0	127	127	389	\$84,179	Work exp. in a related occupation

Source: Illinois Department of Employment Security, Economic Information Analysis Division, The Conference Board

STEM Transportation Occupations with Average Annual Job Openings and Recent Online Job Ad Volumes

TABLE 4

Facility and Mobile Equipment Maintenance

493023	Automotive Service Technicians & Mechanics	34,214	4,358	12.74	436	653	1,089	1,386	\$38,562	Postsecondary vocational award
493031	Bus & Truck Mechanics & Diesel Eng. Specialists	9,211	792	8.60	79	211	290	1,064	\$44,148	Postsecondary vocational award
493021	Automotive Body & Related Repairers	7,242	1,020	14.08	102	187	289	465	\$41,412	Long-term on-the-job training
493093	Tire Repairers & Changers	3,950	237	6.00	24	82	106	62	\$22,084	Short-term on-the-job training
493011	Aircraft Mechanics & Service Technicians	2,984	39	1.31	4	58	62	110	\$57,852	Postsecondary vocational award
493043	Rail Car Repairers	2,380	104	4.37	10	45	55	25	\$44,483	Long-term on-the-job training
493022	Automotive Glass Installers & Repairers	886	81	9.14	8	18	26	96	\$30,298	Long-term on-the-job training
493052	Motorcycle Mechanics	731	104	14.23	10	15	25	54	\$32,255	Long-term on-the-job training

Transportation Systems/Infrastructure Planning, Mgt. and Regulation

172051	Civil Engineers	7,486	1,901	25.39	190	126	316	917	\$76,006	Bachelor's degree
131041	Compliance Officers	7,630	935	12.25	94	81	175	23	\$46,894	Long-term on-the-job training
173023	Electrical & Electronic Engineering Technicians	4,330	-113	-2.61	-	82	82	362	\$56,099	Associate degree
173022	Civil Engineering Technicians	1,956	400	20.45	40	37	77	91	\$49,373	Associate degree
173026	Industrial Engineering Technicians	2,328	146	6.27	15	44	59	521	\$47,227	Associate degree
173031	Surveying & Mapping Technicians	1,649	257	15.59	26	29	55	40	\$41,518	Moderate-term on-the-job training
173025	Environmental Engineering Technicians	1,040	218	20.96	22	20	42	75	\$47,340	Associate degree
536051	Transportation Inspectors	1,133	132	11.65	13	27	40	16	\$54,714	Work exp. in a related occupation
532021	Air Traffic Controllers	1,082	-2	-0.18	-	37	37	15	\$142,287	Long-term on-the-job training
193051	Urban & Regional Planners	835	104	12.46	10	16	26	58	\$65,645	Master's degree

Health, Safety and Environmental Management

131041	Compliance Officers	7,630	935	12.25	94	81	175	175	\$46,894	Long-term on-the-job training
172081	Environmental Engineers	2,099	391	18.63	39	44	83	298	\$82,040	Bachelor's degree
192041	Environmental Scientists & Specialists (Industrial Designers)	2,145	217	10.12	22	61	83	119	\$67,350	Master's degree
173025	Environmental Engineering Technicians	1,040	218	20.96	22	20	42	75	\$47,340	Associate degree
172111	Health & Safety Engineers	1,357	56	4.13	6	35	41	2	\$88,417	Bachelor's degree

Sales and Service

435011	Cargo & Freight Agents (Route Planners)	7,027	1,039	14.79	104	161	265	5	\$37,880	Moderate-term on-the-job training
434181	Reservation/Trans. Ticket Agents & Travel Clerks	6,298	490	7.78	49	142	191	90	\$41,627	Short-term on-the-job training

*Unduplicated Online Job Ads from The Conference Board Help Wanted Online Data Series for the 120-day period prior to July 25, 2012.

STEM Agriculture Occupations with Average Annual Job Openings and Recent Online Job Ad Volumes

TABLE 5

Standard Occupational Classification (SOC) Code	Title	Emp. 2008	Employment Change 2008-2018		Average Annual Job Openings due to		Undup Online Job Ads*	Median Annual Wage	Training/ Education Level	
			Number	Percent	Growth	Replcmnts				Total
Agribusiness Systems										
11-9012	Farmers & Ranchers	57,067	-4175	-7.32%	0	349	349	21	\$43,611	Long-term on-the-job training
11-9011	Farm, Ranch & Other Agricultural Managers	3,146	10	0.32%	1	64	65	9	\$30,771	Bachelor's degree plus work exp.
13-1021	Purchasing Agents & Buyers, Farm Products	745	-18	-2.42%	0	17	17	84	\$50,878	Work experience in a related occ.
51-1011	1st-Line Spvrs/Mgrs, Production Workers**	890	27	3.04%	3	13	16	4259	\$54,614	Work experience in a related occ.
11-2022	Sales Managers*	215	49	22.63%	5	5	10	7244	\$96,217	Bachelor's degree plus work exp.
11-3071	Transportation, Storage & Dist. Managers**	38	-4	-9.16%	0	1	1	15	\$84,179	Work experience in a related occ.
Animal Systems										
11-9012	Farmers & Ranchers	57,067	-4175	-7.32%	0	349	349	21	\$43,611	Long-term on-the-job training
29-2056	Veterinary Technologists & Technicians	1,941	565	29.11%	57	49	106	122	\$36,727	Associate degree
29-1131	Veterinarians	2,013	595	29.56%	60	35	95	71	\$73,599	First professional degree
31-9096	Vet Assistants & Lab Animal Caretakers	2,983	541	18.14%	54	33	87	157	\$22,525	Short-term on-the-job training
11-9011	Farm, Ranch & Other Agricultural Managers	3,146	10	0.32%	1	64	65	9	\$30,771	Bachelor's degree plus work exp.
45-2093	Farmworkers, Farm & Ranch Animals	1,083	-75	-6.93%	0	29	29	52	\$23,551	Short-term on-the-job training
25-1041	Agricultural Sciences Faculty	139	9	6.47%	1	2	3	39	\$52,810	Doctoral degree
Environmental Service Systems										
19-1013	Soil & Plant Scientists	316	22	6.96%	2	11	13	25	\$63,632	Bachelor's degree
Food Products & Processing Systems										
45-2011	Agricultural Inspectors	544	25	4.60%	3	11	14	4	\$46,641	Work experience in a related occ.
45-2041	Graders & Sorters, Agricultural Products	1,253	-30	-2.39%	0	26	26	8	\$20,189	Work experience in a related occ.
51-3023	Slaughterers & Meat Packers	5,082	81	1.59%	8	163	171	3	\$22,940	Moderate-term on-the-job training
51-3022	Meat, Poultry & Fish Cutters & Trimmers**	3,863	168	4.35%	17	123	140	28	\$23,968	Short-term on-the-job training
51-3021	Butchers & Meat Cutters**	872	52	5.98%	5	28	33	65	\$25,967	Long-term on-the-job training
17-2021	Agricultural Engineers	78	1	1.28%	0	2	2	13	\$72,813	Bachelor's degree
19-1012	Food Scientists & Technologists**	232	23	10.05%	2	8	10	157	\$56,728	Bachelor's degree
19-4011	Agricultural & Food Science Technicians	524	28	5.34%	3	18	21	1	\$34,321	Associate degree
13-1021	Purchasing Agents & Buyers, Farm Products	745	-18	-2.42%	0	17	17	84	\$50,878	Work experience in a related occ.
41-4012	Sales Reps, Whls/Mfg, exc. Tech/Sci. Products**	1,370	-22	-1.62%	0	31	31	6489	\$54,727	Moderate-term on-the-job training
41-4011	Sales Reps, Whls/Mfg, Tech/Scientific Products**	259	-6	-2.19%	0	6	6	4230	\$65,900	Moderate-term on-the-job training

Source: Illinois Department of Employment Security, Economic Information Analysis Division, The Conference Board

Natural Resources Systems

19-1031	Conservation Scientists	296	5	1.69%	1	3	4	1	\$64,814	Bachelor's degree
45-4011	Forest & Conservation Workers	264	20	7.58%	2	7	9	3	\$48,319	Moderate-term on-the-job training
19-4093	Forest & Conservation Technicians	250	12	4.80%	1	11	12	17	\$36,469	Associate degree

Plant Systems

17-1012	Landscape Architects**	113	30	26.70%	3	2	5	24	\$62,901	Bachelor's degree
37-1012	1st-Line Spvrs/Mgrs, Landscaping & Lawn Serv	7,013	1211	17.27%	121	76	197	133	\$41,855	Work experience in a related occ.
37-3011	Landscaping & Groundskeeping Workers	43,617	9703	22.25%	970	525	1,495	1,232	\$24,338	Short-term on-the-job training
37-3019	Grounds Maintenance Workers, All Other**	170	42	24.49%	4	2	6	12	\$23,172	Short-term on-the-job training
37-3013	Tree Trimmers & Pruners	971	226	23.27%	23	12	35	131	\$33,160	Short-term on-the-job training
37-3012	Pesticide Handlers, Sprayers & Applicators**	601	142	23.71%	14	8	22	28	\$29,291	Moderate-term on-the-job training
45-2092	Farmworkers & Laborers, Nursery/Greenhouse	8,874	-491	-5.53%	0	239	239	21	\$22,727	Short-term on-the-job training

Power Structural & Technical Systems

49-3041	Farm Equipment Mechanics	1,275	135	10.59%	14	24	38	47	\$33,734	Postsecondary vocational award
45-2091	Agricultural Equipment Operators	1,268	-79	-6.23%	0	34	34	92	\$28,904	Moderate-term on-the-job training
49-3031	Truck Mechanics & Diesel Engine Specialists**	134	10	7.11%	1	3	4	1064	\$44,148	Postsecondary vocational award
49-3042	Mobile Heavy Equipment Mechanics**	100	5	4.84%	0	2	2	119	\$52,823	Postsecondary vocational award
15-1041	Computer Support Specialists**	19	-1	-5.26%	0	0	1	7336	\$47,828	Associate degree

*Unduplicated Online Job Ads from The Conference Board Help Wanted Online Data Series for the 120-day period prior to July 25, 2012.

**Share in the Agribusiness Industry.

Occupational Employment Projections (2008-2018 Long Term)
High Demand Occupations (Ranked by Average Annual Job Openings)

TABLE 6

Predominant Industry Sector	Occupation Title	2008 Employment	2018 Employment	Employment Change		Annual Job Openings	Statewide		Training / Education Level
				2008 - 2018 Number	Percent		Median Annual Wage Range		
	Total, All Occupations	6,333,193	6,881,612	548,419	8.66	206,093	\$35,080		
Marketing, Sales & Service	Retail Sales Workers	353,588	374,065	20,477	5.79	14,370	\$19,030 - \$29,630	Short-term on-the-job training	
Hospitality & Tourism	Food & Beverage Serving Workers	229,709	266,375	36,666	15.96	12,827	\$18,550 - \$19,140	Short-term on-the-job training	
Business Mgt. & Adm.	Information & Record Clerks	237,738	255,997	18,259	7.68	9,434	\$21,010 - \$43,730	Short-term on-the-job training	
Education & Training	Primary/Sec./Special Ed School Teachers	217,354	252,237	34,883	16.05	8,830	\$26,270 - \$64,310	Bachelor's degree	
Business Mgt. & Adm.	Business Operations Specialists	227,448	256,526	29,078	12.78	7,996	\$48,600 - \$84,710	Bachelor's degree	
Health Science	Health Diagnosing & Treating Practitioners	197,448	236,162	38,714	19.61	7,519	\$49,200 - \$164,570	First professional degree	
Trans., Dist. & Logistics	Material Moving Workers	251,502	253,769	2,267	0.90	7,423	\$19,330 - \$62,850	Moderate-term on-the-job training	
Business Mgt. & Adm.	Other Management Occupations	222,533	230,932	8,399	3.77	5,519	\$29,320 - \$128,640	Bachelor's or higher, plus work exp	
Architecture & Const.	Construction Trades Workers	229,338	247,473	18,135	7.91	5,458	\$32,480 - \$76,320	Moderate-term on-the-job training	
Hospitality & Tourism	Cooks & Food Preparation Workers	131,398	147,088	15,690	11.94	5,430	\$18,580 - \$23,410	Short-term on-the-job training	
Trans., Dist. & Logistics	Material Records/Scheduling/Dispatch Occs	185,633	187,180	1,547	0.83	5,094	\$20,380 - \$54,570	Short-term on-the-job training	
Trans., Dist. & Logistics	Motor Vehicle Operators	170,212	188,697	18,485	10.86	4,879	\$23,940 - \$62,350	Short-term on-the-job training	
Health Science	Health Technologists & Technicians	115,870	136,201	20,331	17.55	4,719	\$24,770 - \$72,660	Associate degree	
Information Technology	Computer Specialists	144,941	163,555	18,614	12.84	4,657	\$47,010 - \$94,710	Bachelor's degree	
Finance	Financial Clerks	157,267	171,085	13,818	8.79	4,542	\$24,510 - \$37,860	Short-term on-the-job training	
Business Mgt. & Adm.	Other Office & Adm. Support Workers	197,070	200,683	3,613	1.83	4,314	\$24,820 - \$48,650	Short-term on-the-job training	
Human Services	Other Personal Care & Service Workers	95,598	117,437	21,839	22.84	4,175	\$19,550 - \$26,720	Short-term on-the-job training	
Finance	Financial Specialists	129,697	147,742	18,045	13.91	4,065	\$29,660 - \$87,340	Bachelor's degree	
Architecture & Const.	Building Cleaning & Pest Control Workers	156,526	166,845	10,319	6.59	3,970	\$19,590 - \$29,310	Short-term on-the-job training	
Business Mgt. & Adm.	Secretaries & Administrative Assistants	178,448	192,574	14,126	7.92	3,817	\$30,460 - \$43,180	Moderate-term on-the-job training	
Hospitality & Tourism	Other Food Prep & Serving Workers	61,475	69,244	7,769	12.64	3,795	\$18,500 - \$19,210	Short-term on-the-job training	
Health Science	Nursing, Psychiatric & Home Health Aides	87,639	113,390	25,751	29.38	3,448	\$21,080 - \$30,520	Postsecondary vocational award	
Manufacturing	Other Production Occupations	148,124	146,480	-1,644	-1.11	3,186	\$21,430 - \$53,470	Moderate-term on-the-job training	
Human Services	Counselors/Soc Wrkrs/Comm Service Specs	78,128	90,895	12,767	16.34	3,023	\$32,690 - \$64,810	Master's degree	
Manufacturing	Other Installation, Maint. & Repair Occs	105,580	114,963	9,383	8.89	2,831	\$26,840 - \$70,780	Moderate-term on-the-job training	
Law, Pub. Safety & Security	Other Protective Service Workers	65,296	72,939	7,643	11.71	2,650	\$18,790 - \$38,020	Short-term on-the-job training	
Manufacturing	Metal Workers & Plastic Workers	130,662	119,496	-11,166	-8.55	2,535	\$24,620 - \$50,380	Moderate-term on-the-job training	
Marketing, Sales & Service	Sales Representatives, Services	72,975	80,490	7,515	10.30	2,518	\$35,260 - \$64,450	Bachelor's degree	
Business Mgt. & Adm.	Top Executives	83,711	82,533	-1,178	-1.41	2,446	\$92,980 - \$141,400	Bachelor's or higher, plus work exp	
Marketing, Sales & Service	Sales Reps, Wholesale & Manufacturing	90,397	93,872	3,475	3.84	2,442	\$53,440 - \$68,070	Moderate-term on-the-job training	
Manufacturing	Assemblers & Fabricators	98,314	96,369	-1,945	-1.98	2,220	\$25,320 - \$34,210	Moderate-term on-the-job training	
Trans., Dist. & Logistics	Vehicle & Mobile Eqpt Mechanics & Installers	67,602	75,016	7,414	10.97	2,128	\$21,310 - \$55,170	Postsecondary vocational award	
Marketing, Sales & Service	Supervisors of Sales Workers	80,418	84,133	3,715	4.62	2,084	\$36,580 - \$64,120	Work exp. in a related occupation	
Education & Training	Other Education, Training & Library Occs	57,530	65,629	8,099	14.08	2,043	\$21,300 - \$53,860	Bachelor's degree	
Business Mgt. & Adm.	Operations Specialties Managers	72,213	76,146	3,933	5.45	1,991	\$59,410 - \$106,870	Bachelor's or higher, plus work exp	
Health Science	Other Healthcare Support Occupations	56,575	68,349	11,774	20.81	1,937	\$22,880 - \$33,730	Moderate-term on-the-job training	
Research & Development	Engineers	53,642	58,715	5,073	9.46	1,723	\$65,190 - \$110,050	Bachelor's degree	
Law, Pub. Safety & Security	Law Enforcement Workers	53,693	56,843	3,150	5.87	1,625	\$38,970 - \$78,630	Long-term on-the-job training	
Agriculture	Grounds Maintenance Workers	47,501	57,867	10,366	21.82	1,609	\$23,900 - \$37,470	Short-term on-the-job training	
Business Mgt. & Adm.	Supervisors of Office/Admin Support Workers	50,818	54,788	3,970	7.81	1,543	\$48,920	Work exp. in a related occupation	
Education & Training	Postsecondary Faculty	54,688	60,362	5,674	10.38	1,523	\$44,050 - \$86,200	Doctoral degree	
Education & Training	Other Teachers & Instructors	49,164	56,125	6,961	14.16	1,452	\$37,960 - \$51,780	Bachelor's degree	
Hospitality & Tourism	Entertainment Attendants & Related Workers	20,993	23,775	2,782	13.25	1,407	\$18,690 - \$35,210	Short-term on-the-job training	
Marketing, Sales & Service	Other Sales & Related Workers	51,847	51,736	-111	-0.21	1,388	\$19,030 - \$78,160	Moderate-term on-the-job training	
Manufacturing	Food Processing Workers	38,277	39,285	1,008	2.63	1,219	\$22,560 - \$28,290	Short-term on-the-job training	
Law, Pub. Safety & Security	Lawyers, Judges, & Related Workers	40,366	44,572	4,206	10.42	1,178	\$45,260 - \$122,890	First professional degree	
Research & Development	Social Scientists & Related Workers	24,723	29,585	4,862	19.67	1,173	\$31,260 - \$88,520	Master's degree	
Arts, A/V Tech. & Comm.	Art & Design Workers	30,651	33,266	2,615	8.53	1,161	\$22,560 - \$100,400	Bachelor's degree	
Marketing, Sales & Service	Advertising, Marketing, PR & Sales Managers	32,952	36,491	3,539	10.74	1,075	\$63,000 - \$101,130	Bachelor's or higher, plus work exp	

Source: Illinois Department of Employment Security, Economic Information & Analysis Division, The Conference Board

S1501: EDUCATIONAL ATTAINMENT

Supporting documentation on code lists, subject definitions, data accuracy, and statistical testing can be found on the American Community Survey website in the Data and Documentation section.

Sample size and data quality measures (including coverage rates, allocation rates, and response rates) can be found on the American Community Survey website in the Methodology section.

Although the American Community Survey (ACS) produces population, demographic and housing unit estimates, for 2010, the 2010 Census provides the official counts of the population and housing units for the nation, states, counties, cities and towns.

Subject	Illinois		
	Total	Male	Female
Population 18 to 24 years	1,251,474	637,802	613,672
Less than high school graduate	15.2%	18.1%	12.3%
High school graduate (includes equivalency)	27.5%	30.1%	24.8%
Some college or associate's degree	45.1%	41.8%	48.5%
Bachelor's degree or higher	12.2%	10.1%	14.5%
Population 25 years and over	8,465,762	4,058,518	4,407,244
Less than 9th grade	5.6%	5.6%	5.5%
9th to 12th grade, no diploma	7.5%	8.0%	7.1%
High school graduate (includes equivalency)	27.6%	28.1%	27.1%
Some college, no degree	21.3%	20.8%	21.8%
Associate's degree	7.2%	6.5%	7.8%
Bachelor's degree	19.2%	19.1%	19.4%
Graduate or professional degree	11.5%	11.8%	11.3%
Percent high school graduate or higher	86.9%	86.3%	87.4%
Percent bachelor's degree or higher	30.8%	30.9%	30.7%
Population 25 to 34 years	1,774,676	887,293	887,383
High school graduate or higher	88.6%	86.5%	90.8%
Bachelor's degree or higher	37.0%	32.1%	41.8%
Population 35 to 44 years	1,727,424	859,358	868,066
High school graduate or higher	88.9%	87.6%	90.1%
Bachelor's degree or higher	34.7%	33.0%	36.5%
Population 45 to 64 years	3,348,840	1,632,894	1,715,946
High school graduate or higher	88.8%	88.2%	89.3%
Bachelor's degree or higher	30.5%	31.1%	30.0%
Population 65 years and over	1,614,822	678,973	935,849
High school graduate or higher	78.9%	79.9%	78.1%

Source: 2010 American Community Survey 1-Year Estimates, Table S1501: EDUCATIONAL ATTAINMENT

Illinois Population by Age and Education Level

TABLE 7

Bachelor's degree or higher	20.1%	25.9%	16.0%
POVERTY RATE FOR THE POPULATION 25 YEARS AND OVER FOR WHOM POVERTY STATUS IS DETERMINED BY EDUCATIONAL ATTAINMENT LEVEL			
Less than high school graduate	24.3%	21.3%	27.2%
High school graduate (includes equivalency)	12.1%	10.7%	13.5%
Some college or associate's degree	9.7%	7.7%	11.5%
Bachelor's degree or higher	4.0%	3.4%	4.6%
MEDIAN EARNINGS IN THE PAST 12 MONTHS (IN 2010 INFLATION-ADJUSTED DOLLARS)			
Population 25 years and over with earnings	35,687	41,883	29,640
Less than high school graduate	20,413	22,648	16,145
High school graduate (includes equivalency)	26,860	32,052	21,776
Some college or associate's degree	32,067	40,780	26,825
Bachelor's degree	49,478	60,975	40,626
Graduate or professional degree	65,275	81,130	53,981

Source: 2010 American Community Survey 1-Year Estimates, Table S1501: EDUCATIONAL

Data are based on a sample and are subject to sampling variability. The degree of uncertainty for an estimate arising from sampling variability is represented through the use of a margin of error. The value shown here is the 90 percent margin of error. The margin of error can be interpreted roughly as providing a 90 percent probability that the interval defined by the estimate minus the margin of error and the estimate plus the margin of error (the lower and upper confidence bounds) contains the true value. In addition to sampling variability, the ACS estimates are subject to nonsampling error (for a discussion of nonsampling variability, see Accuracy of the Data). The effect of nonsampling error is not represented in these tables.

While the 2010 American Community Survey (ACS) data generally reflect the December 2009 Office of Management and Budget (OMB) definitions of metropolitan and micropolitan statistical areas; in certain instances the names, codes, and boundaries of the principal cities shown in ACS tables may differ from the OMB definitions due to differences in the effective dates of the geographic entities.

Estimates of urban and rural population, housing

Source: 2010 American Community Survey 1-Year Estimates, Table S1501: EDUCATIONAL ATTAINMENT

units, and characteristics reflect boundaries of urban areas defined based on Census 2000 data. Boundaries for urban areas have not been updated since Census 2000. As a result, data for urban and rural areas from the ACS do not necessarily reflect the results of ongoing urbanization.

Source: U.S. Census Bureau, 2010 American Community Survey

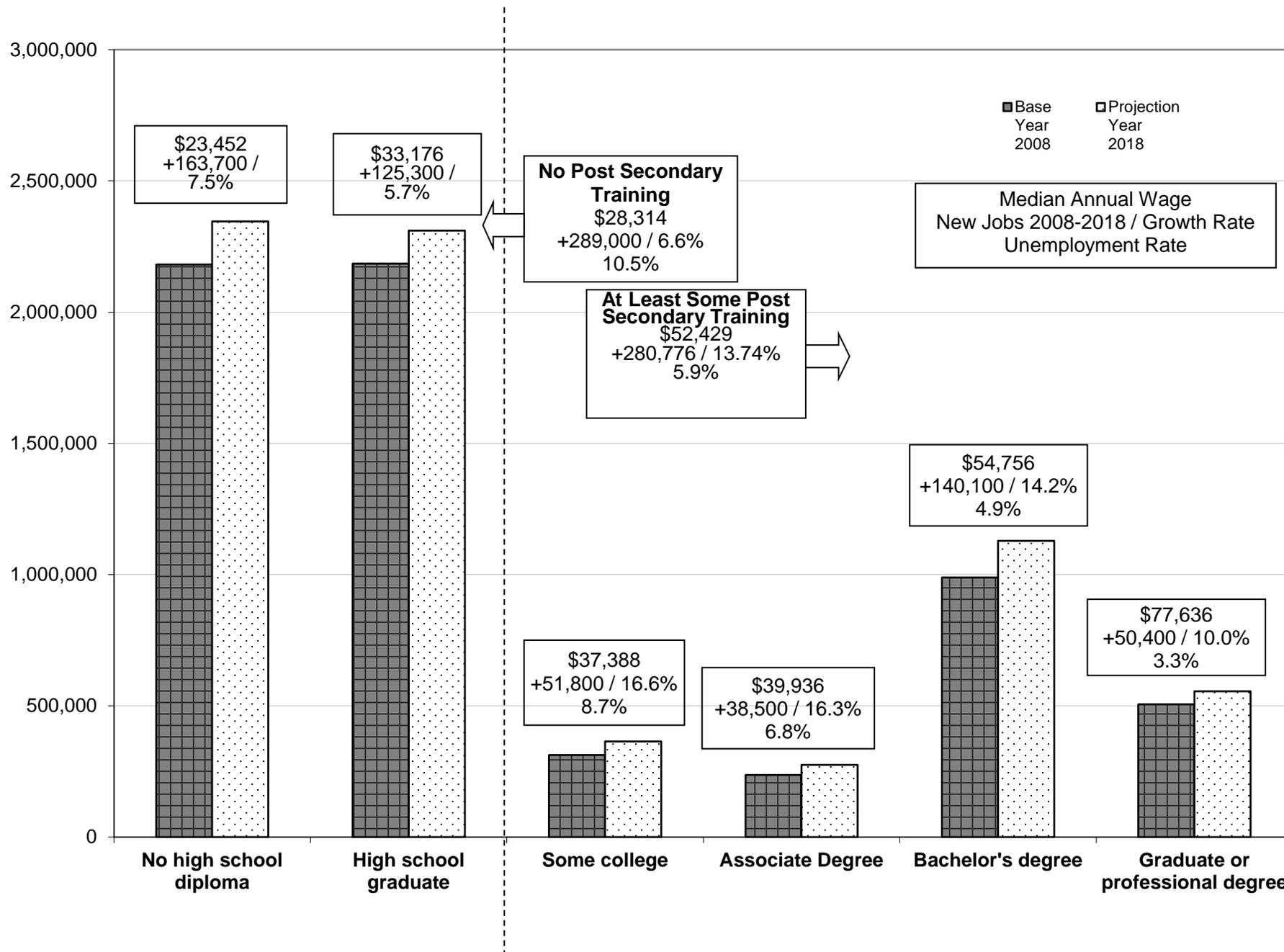
Explanation of Symbols:

1. An '**' entry in the margin of error column indicates that either no sample observations or too few sample observations were available to compute a standard error and thus the margin of error. A statistical test is not appropriate.
2. An '-' entry in the estimate column indicates that either no sample observations or too few sample observations were available to compute an estimate, or a ratio of medians cannot be calculated because one or both of the median estimates falls in the lowest

interval or upper interval of an open-ended distribution.

3. An '-' following a median estimate means the median falls in the lowest interval of an open-ended distribution.
4. An '+' following a median estimate means the median falls in the upper interval of an open-ended distribution.
5. An '***' entry in the margin of error column indicates that the median falls in the lowest interval or upper interval of an open-ended distribution. A statistical test is not appropriate.
6. An '*****' entry in the margin of error column indicates that the estimate is controlled. A statistical test for sampling variability is not appropriate.
7. An 'N' entry in the estimate and margin of error columns indicates that data for this geographic area cannot be displayed because the number of sample cases is too small.
8. An '(X)' means that the estimate is not applicable or not available.

Projected Occupational Employment Growth by Education Requirement



Source: Long-term Occupational Employment Projections; Illinois Department of Employment Security, Economic Information and Analysis Division

Attachment C
Illinois Workforce Investment Board
Member Listing

**2012
Illinois Workforce Investment Board
Member Listing**

John Rico (Co-Chair)	Rico Enterprises	Business
Vacant (Co-Chair)		
Tom Ashby	Coordinated Transportation Development, Inc.	Business
Honorable James Clayborne	Illinois State Senator	General Assembly
John Coliton	United Parcel Service	Business
Joseph Costigan	Illinois Department of Labor	State Official
Donald DeDobbelaere	John Deere	Business
Elizabeth Dickson	Engineered Glass Products, LLC	Business
Scott Frick	Kraft Foods	Business
Dr. John K. Holton	Illinois Department on Aging	State Official
Dr. Chris Koch	Illinois State Board of Education	State Official
Steve LaRocca	Sysco Central Illinois, Inc.	Business
Michael Massie	Massie and Rennick, Attorneys at Law	Business
Francisco Menchaca	MacNeal Hospital	Business
Earl "Sandy" Moldovan	CGN – Business Performance Consulting	Business
Sandeep Nain	SNTial Technologies, Inc.	Business
Geoffrey S. Obrzut	Illinois Community College Board	State Official
Barbara Oilschlager	Lake County Area Vocational System	Youth
Janet Payne	Provena United Samaritan Medical Center	Business
Teresa (Terri) Payne	AFL-CIO	Labor
Michael Perry	AFSCME Council 31	Labor
Honorable Sandra Pihos	State Representative	General Assembly
Tom Prinske	T. Castro Produce	Business

**2012
Illinois Workforce Investment Board
Member Listing**

Jeff Pritts	Marriott Bloomington/Normal Hotel and Conference Center	Business
Jay Rowell	Illinois Department of Employment Security	State Official
Michelle Saddler	Illinois Dept. of Human Services	State Official
Eloy Salazar	Illinois Migrant Council	Workforce
Juan Salgado	Instituto De Progreso Latino	Business
Sophia Siskel	Chicago Botanic Gardens	Business
Kristine A. Smith	Office of Rehabilitation Services - Illinois Department of Human Services	State Official
Shelley Stern-Grach	Microsoft	Business
David Stoecklin	Madison County Employment and Training	State Official/Local Workforce
Gary Swango	Growmark, Inc.	Business
Dr. George W. Reid	Illinois Board of Higher Education	State Official
Lawrence M. Walsh	Will County	CEO
Grover Webb	Tanglefoot Ranch	Business
Diane Williams	Safer Foundation	Workforce
Michael Williams	Rock River Training Corporation	Youth

Attachment D
Waiver Requests

Workforce Investment Act Waiver Request Common Measures

Date:

June 28, 2012

State:

Illinois

Agency:

Illinois Department of Commerce and Economic Opportunity (DCEO), Office of Employment and Training (OET)

SUMMARY:

OET is requesting to extend its current waiver permitting the adoption of the WIA common measures. This waiver has afforded OET with the ability facilitate the integration of service delivery, reduce barriers to cooperation among programs, and enhance the ability to assess the effectiveness and impact of the workforce investment system.

The continuation of the waiver would allow OET to substitute the WIA common measures as defined in TEGL 17-05 for the existing WIA core measures as described in TEGL 17-05. This change would apply to Adult, Dislocated Worker, Youth, and Trade Act funding streams beginning with PY 2013 performance year.

Statutory and/or regulatory requirements to be waived

Specifically, OET is requesting a waiver from WIA Section 136 (b)(2)(A)(i)(IV), 136 (b)(2)(A)(ii) and Final Regulations 666.100(a)(1)(iv), 666.100(a)(2)(iv); and 666.100(a)(3).

Actions undertaken to remove state or local barriers

No state or local barriers exist.

Goals and expected programmatic outcomes of waiver

The requested waiver will support the following strategic objectives for Illinois' workforce system:

- Focus WIA training investments on responding to the critical needs of the labor market, including flexible strategies for training for high-demand jobs in key sectors. Position WIA Title I as primarily a targeted training program.
- Improve the management and accountability for workforce programs operated by OET, especially as this relates to supporting the other strategic objectives.

In addition, this waiver is consistent with the following national strategic priorities:

- Build a demand-driven system within a regional economic development context;
- Advance a vision for serving youth most in need;
- Increase the use of flexibility provisions in WIA to design innovative programs that fuel economic competitiveness and create employment opportunities for career seeker customers; and
- Utilize an integrated and enhanced performance accountability system.

Finally, adopting the common measures for WIA youth would have a significant positive effect on the delivery of this program. These new measures focus the program much more on basic skills and educational outcomes rather than labor market outcomes, such as employment and earnings. This will encourage more training, including academic remediation for out-of-school youth. This is consistent with the State's overall objective of increasing local investments in training that leads to employment in high-demand, good paying jobs. It also is consistent with the intent of the state to promote the types of program design changes that were intended by the new common measures. This includes increased emphasis on out-of-school youth, increased emphasis on skill attainments and verifiable improvements in basic skill levels.

Individuals impacted by the waiver

The waiver will have a positive impact, either directly or indirectly, on all statewide participant training customers by focusing the core purposes of the workforce system and supports service delivery within the programs while maintaining accountability. Furthermore, creating a common measures performance system adds flexibility in designing demand-driven strategies at the state and local level.

Process for monitoring progress in implementation

The OET has the appropriate safeguards in place to monitor the effectiveness of common measures and the impact the workforce system. From a programmatic perspective, staff routinely monitor where local areas are in meeting their negotiated performance goals.

In addition, because meeting performance is not indicative of the quality of service a customer receives, OET has implemented policies that address quality. Over the last several years, OET has issued policy on:

- Meeting a minimum training expenditure (40%) with adult and dislocated worker formula funds,
- Meeting the 40 percent minimum training expenditure to be eligible to receive performance incentive funds,
- Tying provider eligibility to demand occupations, and
- Program Exit Requirements.

OET will reissue policy regarding our 40% minimum expenditure requirement to maintain this level of direct training to customers, as we will no longer have incentive funds to encourage LWIAs to meet the requirement.

Compliance with these policies occurs through the Automation of Compliance Monitoring Events (ACME) system. This system has an additional mechanism to confirm a grantee's compliance against Federal, State, and local requirements and provide feedback when deficiencies have been identified to correct and improve their operations.

Notice to affected local boards

OET will inform the Illinois Workforce Partnership (IWP) of its intent for requesting a continuation of this waiver. Comprised of representatives from Illinois' 26 local workforce investment areas, the IWP represents the interests of the Workforce Investment Boards (WIBs) and its elected officials.

Public Comment

The waiver will be published as part of the State Plan, on the public website maintained by the Department of Commerce and Economic Opportunity, as well as on the Illinois workNet portal.

Workforce Investment Act Waiver Request Conducting Evaluations

Date:

June 28, 2012

State:

Illinois

Agency:

Illinois Department of Commerce and Economic Opportunity (DCEO), Office of Employment and Training (OET)

SUMMARY:

As provided within TEGL 09-11, Illinois is seeking a waiver from the requirement to conduct evaluations of workforce investment activities for adults, dislocated workers, and youth.

Statutory and/or regulatory requirements to be waived

The OET is requesting a waiver of WIA Section 134(a)(2)(B)(ii) and 20 CFR 665.200(d) requiring the conduct of evaluations of workforce investment activities for adults, dislocated workers, and youth.

Actions undertaken to remove state or local barriers

No state or local barriers exist.

Goals and expected programmatic outcomes of waiver

Our goal in seeking this waiver is to ensure that OET may prioritize the use of Governor's Reserve funds for the required activities essential to the basic functions of the workforce investment system.

The reduction to five percent in the WIA allotment for Program Year 2011 Governor's Reserve funds restricts OET's ability to effectively fund and carry out all of the required statewide workforce investment activities. Specifically, Governor's Reserve funding is insufficient to cover the cost of conducting evaluations. These reduced funds will cover the following required activities:

- Operating fiscal and management accountability information systems. However, it is important to note that as a cost saving measure, OET will be expanding its use of desk reviews rather than conducting on-site reviews.
- Submitting required reports.
- Disseminating the list of eligible training providers for adults, dislocated workers, and youth.

- The OET staff has been engaged in providing substantial technical assistance and direct staff support to address program and fiscal deficiencies to approximately 1/3 of our local areas. Most recently, it has been necessary to directly engage state staff and redirect federal funds from low performing local grantees receiving funds through the On-the-Job Training National Emergency Grant and the Statewide Energy Sector Partnership Grant.

Individuals impacted by the waiver

This waiver will provide OET with more flexibility in directing Governor's Reserve funds to those activities that best preserve basic functions of the statewide workforce investment system.

Process for monitoring progress in implementation

The OET has the appropriate safeguards in place to ensure the elimination of this activity via the waiver will not negatively impact the workforce system. From a programmatic perspective, our Automation of Compliance Monitoring Events (ACME) system provides the backend monitoring as it is a mechanism to confirm a grantee's compliance against Federal, State, and local requirements. In addition, when deficiencies have been identified, ACME generates a standardized course of action that is shared with the local areas to ensure the proper correction is made.

Fiscal monitoring occurs on a monthly basis to track the expenditures of the local area and compare costs reported to cash requested. On a quarterly basis, we are confirming revenues and expenditures to the trial balances of the sub grantees.

Notice to affected local boards

The OET has informed the Illinois Workforce Partnership (IWP) of its intent for requesting this waiver. Comprised of representatives from Illinois' 26 local workforce investment areas, the IWP represents the interests of the Workforce Investment Boards (WIBs) and its elected officials.

Public Comment

The waiver will be published as part of the State Plan, on the public website maintained by the Department of Commerce and Economic Opportunity, as well as on the Illinois workNet portal.

**Workforce Investment Act Waiver Request
Dissemination of Training Provider Performance and Cost Information**

Date:

June 28, 2012

State:

Illinois

Agency:

Illinois Department of Commerce and Economic Opportunity (DCEO), Office of Employment and Training (OET)

SUMMARY:

As provided within TEGL 09-11, OET is seeking a waiver from the requirement to disseminate training provider performance and cost information.

Statutory and/or regulatory requirements to be waived

The OET is requesting a waiver of 20 CFR 665.200 (b)(3) requiring the dissemination of training provider performance and cost information.

Actions undertaken to remove state or local barriers

No state or local barriers exist.

Goals and expected programmatic outcomes of waiver

Our goal in seeking this waiver is to ensure that OET may prioritize the use of Governor's Reserve funds for the required activities essential to the basic functions of the workforce investment system.

The reduction to five percent in the WIA allotment for Program Year 2011 Governor's Reserve funds restricts OET's ability to effectively fund and carry out all of the required statewide workforce investment activities. Specifically, Governor's Reserve funds are insufficient to cover the cost of providing training provider performance and cost information. These reduced funds will cover the following required activities:

- Operating fiscal and management accountability information systems. However, it is important to note that as a cost saving measure, OET will be expanding its use of desk reviews rather than conducting on-site reviews.
- Submitting required reports.
- Disseminating the list of eligible training providers for adults, dislocated workers, and youth.

- The OET staff has been engaged in providing substantial technical assistance and direct staff support to address program and fiscal deficiencies to approximately 1/3 of our local areas. Most recently, it has been necessary to directly engage state staff and redirect federal funds from low performing local grantees receiving funds through the On-the-Job Training National Emergency Grant and the Statewide Energy Sector Partnership Grant.

Individuals impacted by the waiver

This waiver will provide OET with more flexibility in directing Governor's Reserve funds to those activities that best preserve basic functions of the statewide workforce investment system. Furthermore, this will eliminate the need to try to meet a requirement that in practice is hard to achieve. Often publicly funded colleges are unable to provide the data needed to show the employment and retention performance measures of their students.

Process for monitoring progress in implementation

The OET has the appropriate safeguards in place to ensure the elimination of this activity via the waiver will not negatively impact the workforce system.

The Automation of Compliance Monitoring Events (ACME) is the OET system utilized to conduct ongoing desk and on-site reviews of the grantees to ensure proper certification of training providers and approval of training programs in demand occupations. Specifically, ACME addresses many areas related to the Training services for Adults, Dislocated Workers, and Youth including:

- Desk Reviews of reports found in the Illinois Workforce Development System (IWDS); on training programs currently approved, rejected, pending, or near recertification, and exiters from training;
- On-Site reviews to ascertain proper retention of documentation of: provider/program accreditation, support of entry level requirements, programs pending initial certification or recertification, programs that have been rejected, and customer exiters in demand/growth occupations;
- Conclusions of findings from the desk and on-site reviews; and
- Recommendations to comply with any deficiencies outlined in the conclusion report.

Additionally, on a monthly basis, monitoring of the expenditures of the local area and comparison of costs reported to cash requested is conducted. On a quarterly basis, revenues and expenditures to the trial balances of the sub grantees are confirmed.

Notice to affected local boards

The OET has informed the Illinois Workforce Partnership (IWP) of its intent for requesting this waiver. Comprised of representatives from Illinois' 26 local workforce investment areas, the IWP represents the interests of the Workforce Investment Boards (WIBs) and its elected officials.

Public Comment

The waiver will be published as part of the State Plan, on the public website maintained by the Department of Commerce and Economic Opportunity, as well as on the Illinois workNet portal.

**Workforce Investment Act Waiver Request
Extension of Incumbent Worker Training to Local Areas**

Date:

June 28, 2012

State:

Illinois

Agency:

Illinois Department of Commerce and Economic Opportunity (DCEO), Office of Employment and Training (OET)

SUMMARY:

Incumbent Worker Training (IWT) has been a proven tool in Illinois' economic recovery efforts to assist companies in upgrading skills of current workers and hiring additional employees through pipeline strategies. Given the fragile economic recovery and the limited resources available for job preservation and creation, OET is requesting to extend the current waiver that allows Local Workforce Investment Boards (LWIBs) to use up to 10 percent of the funds allocated to them in the same manner and fashion as statewide activity funds are used. Specifically, we are seeking a waiver to increase the approved 10 percent to 20 percent. This increase will enable LWIBs to develop a full continuum of training services to bolster layoff aversion. In addition, the increase in the funds available to support activities such as incumbent worker training, would provide the state and local areas with the flexibility to specifically target and allocate available funds to support the needs of adults and dislocated workers.

Statutory and/or regulatory requirements to be waived

The OET is requesting a waiver to allow local workforce investment boards (LWIBs) to use up to 20 percent of the funds allocated to them under WIA Sections 127, 128, 132, and 133 of WIA in the same manner and fashion as statewide activity funds are now used under WIA Section 134(a)(3)(iv)(I), which allows statewide reserve funds to be used for the "implementation of innovative incumbent worker training programs, which may include the establishment and implementation of an employer loan program to assist in skills upgrading".

Actions undertaken to remove state or local barriers

No state or local barriers exist.

Goals and expected programmatic outcomes of waiver

This waiver request is consistent with USDOL's national strategic priorities and policy direction to develop workforce development strategies that respond to both individual and employer customers. Furthermore, this waiver aligns with Illinois' workforce development strategies that align supply and demand for skilled workers through training in demand occupations and career pathways. These strategies are intended to develop a more integrated, efficient, and effective workforce system. The use of IWT will strengthen the connection between local workforce investment boards (LWIBs), industry associations, businesses, and post-secondary education institutions to respond to changes within their local areas.

Individuals impacted by the waiver

Granting LWIBs authority to increase the portion of their allocated funds for incumbent worker training programs will allow them to develop a full continuum of training services that address the needs of the existing workforce, the unemployed, underemployed, and new entrants to the labor force.

Process for monitoring progress in implementation

OET has operated a successful IWT program for many years and will continue with the policies and monitoring strategies currently in place. For example, current IWT program applications and the documentation of the program's progress occur in the State's incumbent worker tracking system (IWTS). This system automates the planning, tracking, and reporting of all WIA funded incumbent worker projects.

In addition, our Automation of Compliance Monitoring Events (ACME) system will provide the backend monitoring as it is a mechanism to confirm a grantee's compliance against Federal, State, and local requirements and provide feedback when deficiencies have been identified to correct and improve their operations.

Fiscal monitoring occurs on a monthly basis to track the expenditures of the local area and compare costs reported to cash requested. On a quarterly basis, we are confirming revenues and expenditures to the trial balances of the sub grantees.

Notice to affected local boards

OET will inform the Illinois Workforce Partnership (IWP) of its intent for requesting a continuation of this waiver. Comprised of representatives from Illinois' 26 local workforce investment areas, the IWP represents the interests of the Workforce Investment Boards (WIBs) and its elected officials.

Public Comment

The waiver will be published as part of the State Plan, on the public website maintained by the Department of Commerce and Economic Opportunity, as well as on the Illinois workNet portal.

Workforce Investment Act Waiver Request Incentive Grants to Local Areas

Date:

June 28, 2012

State:

Illinois

Agency:

Illinois Department of Commerce and Economic Opportunity (DCEO), Office of Employment and Training (OET)

SUMMARY:

As provided within TEGL 09-11, OET is seeking a waiver from the requirement to provide incentive grants to local areas.

Statutory and/or regulatory requirements to be waived

The OET is requesting a waiver of WIA Section 134(a)(2)(B)(iii) and 20 CFR 665.200(e) requiring provision of incentive grants to local areas.

Actions undertaken to remove state or local barriers

No state or local barriers exist.

Goals and expected programmatic outcomes of waiver

Our goal in seeking this waiver is to ensure that OET is able to prioritize the use of Governor's Reserve funds for the required activities essential to the basic functions of the workforce investment system.

The reduction to five percent in the WIA allotment for Program Year 2011 Governor's Reserve funds restricts OET's ability to effectively fund and carry out all of the required statewide workforce investment activities. Specifically, Governor's Reserve funding is insufficient to cover the cost of providing incentives to local areas. These reduced funds will cover the following required activities:

- Operating fiscal and management accountability information systems. However, it is important to note that as a cost saving measure, Illinois will be expanding its use of desk reviews rather than conducting on-site reviews.
- Submitting required reports.
- Disseminating the list of eligible training providers for adults, dislocated workers, and youth.

- The OET staff has been engaged in providing substantial technical assistance and direct staff support to address program and fiscal deficiencies to approximately 1/3 of our local areas. Most recently, it has been necessary to directly engage state staff and redirect federal funds from low performing local grantees receiving funds through the On-the-Job Training National Emergency Grant and the Statewide Energy Sector Partnership Grant.

Individuals impacted by the waiver

This waiver will provide OET with more flexibility in directing Governor's Reserve funds to those activities that best preserve basic functions of the statewide workforce investment system.

Process for monitoring progress in implementation

The OET has the appropriate safeguards in place to ensure the elimination of this activity via the waiver will not negatively impact the workforce system. From a programmatic perspective, staff routinely monitor where local areas are in meeting their negotiated performance goals.

In addition, because meeting performance is not indicative of the quality of service a customer receives, OET has implemented policies that address quality. Over the last several years, OET has issued policy on:

- Meeting a minimum training expenditure (40%) with adult and dislocated worker formula funds,
- Meeting the 40 percent minimum training expenditure to be eligible to receive performance incentive funds,
- Tying provider eligibility to demand occupations, and
- Program Exit Requirements.

OET will reissue policy regarding our 40% minimum expenditure requirement to maintain this level of direct training to customers, as we will no longer have incentive funds to encourage LWIAs to meet the requirement.

Compliance with these policies occurs through the Automation of Compliance Monitoring Events (ACME) system. This system has an additional mechanism to confirm a grantee's compliance against Federal, State, and local requirements and provide feedback when deficiencies have been identified to correct and improve their operations.

Fiscal monitoring occurs on a monthly basis to track the expenditures of the local area and compare costs reported to cash requested. On a quarterly basis, we are confirming revenues and expenditures to the trial balances of the sub grantees.

Notice to affected local boards

The OET has informed the Illinois Workforce Partnership (IWP) of its intent for requesting this waiver. Comprised of representatives from Illinois' 26 local workforce investment areas, the IWP represents the interests of the Workforce Investment Boards (WIBs) and its elected officials.

Public Comment

The waiver will be published as part of the State Plan, on the public website maintained by the Department of Commerce and Economic Opportunity, as well as on the Illinois workNet portal.

Workforce Investment Act Waiver Request OJT Reimbursement

Date:

June 28, 2012

State:

Illinois

Agency:

Department of Commerce and Economic Opportunity (DCEO), Office of Employment and Training (OET)

SUMMARY:

This waiver is to support an increased use of On-the-Job Training (OJT) contracts. The OET is requesting a waiver to utilize a sliding scale of reimbursement to the employer of up to 90 percent of the wage rate and extraordinary costs as defined by the law.

Statutory and/or regulatory requirements to be waived

The OET is requesting a waiver of WIA Section 101(31)(B) and 20 CFR 663.700 to provide reimbursement to the employer for OJT of up to 50 percent of the wage rate of the participant, and for the extraordinary costs of providing for the training and additional supervision related to the training.

The OET is proposing a sliding scale of reimbursement to the employer of up to 90 percent of the wage rate and extraordinary costs as defined by the law, based on the following criteria:

- Up to 90 percent: Employers with 50 or fewer employees
- Up to 75 percent: Employers with 51-250 employees
- Up to 50 percent: Employers with more than 250 employees

Reimbursement to business and industry based on a sliding scale will increase employer participation in WIA On-the Job Training. OET will issue policy guidance, with input from the local workforce investment regions, regarding implementation of the sliding scale which will adhere to the principles of training workers in high-demand, higher skill, and higher wage occupations.

Actions undertaken to remove state or local barriers

There are no state or local statutory or regulatory barriers to implementing the proposed waiver. The OET policies are currently in compliance with Federal guidelines. However, upon notification of approval of this waiver request, OET will create or amend policy to comply with the terms of the waiver.

Goals and expected programmatic outcomes of waiver

The OET's request for this waiver includes attainment of the following goals and outcomes:

- Maximize the flexibility needed to ensure speedy implementation of formula and discretionary grants
- Increase business usage of the workforce system
- Provide greater incentives for employers to retain and retrain current employees to avoid layoffs and to create new jobs
- Create additional opportunities for new workers, and for unemployed and underemployed workers to speed their return to full-time employment
- Reduce the length of time for a UI claim, and reduce the need for usage of other public assistance benefits

Individuals impacted by the waiver

Individuals impacted by the approval of the requested waiver include:

- Unemployed and underemployed workers who do not have transferrable or marketable skills
- Individuals entering the workforce for the first time
- Hard-to-serve, low-income youth who are unable to compete for limited job openings
- Businesses needing to retain current workers, and/or hire additional workers to sustain their productivity, who do not have the resources to do so
- Local boards needing greater flexibility for timely implementation of funding programs and initiatives

Process for monitoring progress in implementation

The OET has the appropriate safeguards in place to ensure the elimination of this activity via the waiver will not negatively impact the workforce system. From a programmatic perspective, our Automation of Compliance Monitoring Events (ACME) system provides the backend monitoring as it is a mechanism to confirm a grantee's compliance against Federal, State, and local requirements. In addition, when deficiencies have been identified, ACME generates a standardized course of action that is shared with the local areas to ensure the proper correction is made.

Fiscal monitoring occurs on a monthly basis to track the expenditures of the local area and compare costs reported to cash requested. On a quarterly basis, we are confirming revenues and expenditures to the trial balances of the sub-grantees.

Notice to affected local boards

The OET has informed the Illinois Workforce Partnership (IWP) of its intent for requesting this waiver. Comprised of representatives from Illinois' 26 local workforce investment areas, the IWP represents the interests of the Workforce Investment Boards (WIBs) and its elected officials.

Public Comment

The waiver will be published as part of the State Plan, on the public website maintained by the Department of Commerce and Economic Opportunity, as well as on the Illinois workNet portal.

**Workforce Investment Act Waiver Request
State Rapid Response Funding**

Date:

June 28, 2012

State:

Illinois

Agency:

Illinois Department of Commerce and Economic Opportunity (DCEO), Office of Employment and Training (OET)

SUMMARY:

The OET is requesting a waiver to allow the use of up to 50 percent of the State rapid response funding described in WIA Sec. 133(a)(2) for use in developing statewide projects to improve job retention and avoid additional layoffs. This waiver will expand state resources to assist workers and companies to retain or retrain workers. Incumbent Worker Training (IWT) has been a proven tool in Illinois' economic recovery efforts to assist companies to upgrade skills of current workers and hire additional employees through pipeline strategies.

Statutory and/or regulatory requirements to be waived

The OET is requesting a waiver of WIA Section 133(a)(2) to allow up to a maximum of 50 percent of the funding described in Sec. 133 (a)(2) to be used for the described activities allowable under statewide activities described in 134(a).

Actions undertaken to remove state or local barriers

No state or local barriers exist.

Goals and expected programmatic outcomes of waiver

This waiver request is consistent with USDOL's national strategic priorities and policy direction to develop workforce development strategies that respond to both individual and employer customers. Furthermore, this waiver aligns with Illinois' workforce development strategies that align supply and demand for skilled workers through training in demand occupations and career pathways. These strategies are intended to develop a more integrated, efficient, and effective workforce system utilizing current policies like IWT. This type of training is utilized in conjunction with local workforce investment boards (LWIBs), industry associations, businesses, and post-secondary education institutions to respond to changes within their local areas. Flexibility in the use of State Rapid Response funding will further encourage these collaborations to address worker training.

Individuals impacted by the waiver

This waiver will provide OET with more flexibility to expand beyond the current projects and include additional workers at risk of losing jobs during the fragile recovery. These workers would receive needed skill enhancements that retain them within their current employment or prepare them for opportunities in new companies. An advantage includes the ability to target areas of the state most in need of services.

Process for monitoring progress in implementation

OET has operated a successful IWT program for many years and will align utilization of this waiver with the policies and monitoring strategies currently in place. For example, current IWT program applications and the documentation of the program's progress occur in the State's incumbent worker tracking system (IWTS). This system automates the planning, tracking, and reporting of all WIA funded incumbent worker projects.

In addition, our Automation of Compliance Monitoring Events (ACME) system will provide the backend monitoring as it is a mechanism to confirm a grantee's compliance against Federal, State, and local requirements and provide feedback when deficiencies have been identified to correct and improve their operations.

Fiscal monitoring occurs on a monthly basis to track the expenditures of the local area and compare costs reported to cash requested. On a quarterly basis, we are confirming revenues and expenditures to the trial balances of the sub grantees.

Notice to affected local boards

The OET has informed the Illinois Workforce Partnership (IWP) of its intent for requesting this waiver. Comprised of representatives from Illinois' 26 local workforce investment areas, the IWP represents the interests of the Workforce Investment Boards (WIBs) and its elected officials.

Public Comment

The waiver will be published as part of the State Plan, on the public website maintained by the Department of Commerce and Economic Opportunity, as well as on the Illinois workNet portal.

Workforce Investment Act Waiver Request Youth ITAs

Date:

June 28, 2012

State:

Illinois

Agency:

Illinois Department of Commerce and Economic Opportunity (DCEO), Office of Employment and Training (OET)

SUMMARY:

OET is requesting an extension of its current waiver of the prohibition in the Workforce Investment Act final rule excluding the use of Individual Training Accounts (ITAs) for out-of-school youth participants ages 16 and above, regardless of school enrollment status. The request is made to permit LWIBs to use the state's list of eligible training providers to secure training for these youth. The waiver is designed to enhance informed customer choice, allow out-of-school youth to benefit from services provided by Illinois' certified training providers, and expand services without requiring Illinois workNet (One-Stop) operators to register participants in the adult program. Funds used for ITAs would be tracked separately for each funding stream.

Using ITAs also allows youth service providers an opportunity to promote and encourage training as another option to entry into an increasingly tough labor market. Approval of this waiver would allow out-of-school youth to select approved training programs from Illinois' list of demand occupation training programs.

Statutory and/or regulatory requirements to be waived

The statutes effected by this request are at Sec 122, Sec 13, Sec 129(c)(2) & (3)(A)(iii). The WIA statute at 129 does not provide youth access to ITAs. Regulations at 20 CFR Part 664.510 specifically prohibit the use of ITAs for youth participants unless the youth are at least 18 years of age and co-enrolled in either the Adult or Dislocated Worker program as set forth in 20 CFR Part 664.500.

Actions undertaken to remove state or local barriers

No state or local barriers exist.

Goals and expected programmatic outcomes of waiver

Providing occupational training to youth via an ITA will maximize the service delivery capacity of the WIA Youth Program by allowing those youth that are focused on employment rather than academics, to have the same access as adults and dislocated workers to the advantages of ITAs. In addition, this waiver will maximize flexibility based on youth customers' assessed needs in terms of training that leads to self-sufficiency in high growth industries and occupations.

Individuals impacted by the waiver

The waiver will positively impact the eligible youth population, youth service and eligible training providers, and the workforce system through access to a wider variety of providers for youth in pursuit of post-secondary education and training opportunities and flexibility of services offered by those providers. Current eligible training providers will be provided the opportunity to expand the population served by include eligible youth.

Process for monitoring progress in implementation

The OET has the appropriate safeguards in place to ensure the elimination of this activity via the waiver will not negatively impact the workforce system. From a programmatic perspective, staff routinely monitor where local areas are in meeting their negotiated performance goals.

Compliance with these policies occurs through the Automation of Compliance Monitoring Events (ACME) system. This system has an additional mechanism to confirm a grantee's compliance against Federal, State, and local requirements and provide feedback when deficiencies have been identified to correct and improve their operations.

Notice to affected local boards

OET will inform the Illinois Workforce Partnership (IWP) of its intent for requesting a continuation of this waiver. Comprised of representatives from Illinois' 26 local workforce investment areas, the IWP represents the interests of the Workforce Investment Boards (WIBs) and its elected officials.

Public Comment

The waiver will be published as part of the State Plan, on the public website maintained by the Department of Commerce and Economic Opportunity, as well as on the Illinois workNet portal.

Attachment E
Illinois Agricultural Plan

Illinois Department of Employment Security

State of Illinois Migrant Seasonal Farm Worker Program Year 2012

Wagner-Peyser Act-Agricultural Outreach Plan

I. Activities Planned For Providing Services to Agricultural Employers and Migrant and Seasonal Farmworkers (MSFWs).

As required by 20 CFR Subpart B, 653.107, the *Illinois Department of Employment Security (IDES)* provides Wagner-Peyser Act-funded program services to migrant seasonal farm workers and Agricultural (Ag) employers. The goal of these efforts is to strengthen Ag employer relationships and their membership organizations. IDES Outreach team continues to reach out to workers by increasing participation at events with a “wholesale VS retail” approach. IDES follows a peak season calendar, coordination efforts with community based organizations, state and federal and local entities to ensure the levels of compliance are met. Following are the specifics that will guide us for PY 2012.

Ag Employers shall receive information on the Agricultural Recruitment System (ARS) for staffing recruitment options. The information will be available through membership organizations publications, events, and announcements. Currently Ag employers do not use the ARS system; instead, they contract Farm Labor Contractors to recruit, hire, and supervise farm labor. During PY 2012, IDES will review a current list of participating FLC reviewing current license status and the certification types. In addition, staff will work with employers known to use the FLC system and meet with them to promote the ILJOBLINK to recruit local workers and use the interstate ARS system. The goal for PY 2012 is to increase the number of Agricultural employers registrations by 100 and increase employer visits by 20%.

PY 2011 reported an estimated 35 Farm Labor Contractors (FLC) responsible for recruiting, transporting and housing more than 2,000 migrants to travel and work in Illinois. Limited access to FLC will improve in PY 2012 by coordinating efforts with contracting Growers. Employers participating in Foreign Labor Certification (H2A) program created approximately 900 job opportunities. IDES goal for 2012 is to increase the H2A job order referrals and placement of domestic workers by 25%. Statewide, there were twenty-five employers participating in the H2A program year. A safe projection for PY2012 is that the number of H2A job orders would remain the same.

As required by 20 CFR Subpart B, 653.101, IDES will ensure that MSFWs are offered the same range of employment services, benefits and protections as are provided to non-MSFWs. IDES has been consistent in meeting the four out of five Equity Indicators of Compliance, as well as four out of seven Minimum Service Level Indicators. Job placement in non-agricultural jobs, earning higher than minimum wage, historically remains a challenge. IDES seeks to increase referrals to WIA and other training opportunities and improving referral processes and follow-up. Coordinated efforts for job development and placement remain important.

IDES will continue to distribute bi-lingual employment service publications at community organizations employers, and events targeting to serve the MSFW. In PY 2011, Outreach staff, making contact with 1,074 MSFW and their families, attended twenty-two MSFW events. It is projected that the number will continue to grow by at least five events for PY 2011. New event opportunities will be identified to increase staff event participation and event offering a greater number of attendees will be submitted for approval.

Trained outreach staff has remained consistent in Murphysboro, Champaign, Peoria, and Kankakee. Non-significant offices who have participated in complaint resolution, event participation, employer visits, and other program activities include Jacksonville, Springfield, Decatur, Bloomington, and DeKalb. Our projection is that non-significant office staff will increase outreach activity based on a slight increase of new Spanish speaking staff.

II. Assessment of Need

Total MSFW participants in Illinois for PY 2011 were 1995 of these, 53% were referred to jobs, 67% were provided staff assisted services, 31% received referrals to supportive services, 22% received career guidance and 0% had job development. (Job Development numbers not available, merger glitch in IllinoisJobLink.)

NEED Great benefits and improved results would be to have Outreach staff available on a full-time basis during the peak season. In addition, part-time during the winters months so that they are able to promote the H2A jobs, non-AG employment, and WIA sponsored training. Noting that regional peak seasons vary, and that seasonal farm workers are significant in all of the regions mentioned. By promoting the ILJOBLINK and easy access to job information, we can project an increase of seasonal agricultural worker registrations and an increase of non-agricultural workers hired by H2A participating employers.

IDES Year to Date, quarter ending December 31, 2011 indicates that 4,874 migrants were contacted by Outreach staff. It was further noted that the estimate for the same period was 7,998.

NEED Review regional staff activity and MSFW needs and increase staff days accordingly based on # of MSFW estimates. PY 2011 review by Monitor Advocate indicates that an increase of staff days is required for three of the four regions.

Ag employers registered in the Illinois Job Link remains under 1,000. Of these, none participated in the Agricultural Recruitment System.

NEED Recognize that the national crisis including high unemployment figures has, has negatively affected employment and businesses especially in Illinois. IDES increased employer services to Ag employers through workshops, on-site recruitment, and information on tax credits and other money saving programs. In addition, the new Illinois Job Link is an excellent tool with special feature to review resumes while searching for the best job candidate.

Major crop activities continue to be with seed and grain companies and hog farms needing construction of hog confinements. Pumpkin and horseradish farms remain steady on the number of workers needed. Weather was challenging, for not only crops but also concerns of safety in the fields. There were three reported fatalities including and H2A worker. Employers adjusted work schedules to accommodate safety, but hot weather continued into the fall quarter. In Central region some migrant left sooner by at least two weeks. The demand for an increase of farm labor remains steady, primarily for seed and grain companies. While Illinois is a popular state, where the minimum state wage is \$8.25 and the 2011 hourly "Adverse Affect Wage Rate" rose to \$11.10, farm labor remains scarce. Employers continue to recruit through the Farm Labor Contract system. This is now a priority for IDES to discuss the role and responsibility of the FLC, the employee/employer relationship and ensure that the MSFW's are clear on the Terms offered prior to departing their place of permanent residence.

State highlights reported by US Department of Agriculture, NASS rank Illinois tenth based on number of farms; third in export sales; second in corn and soy production; third in cash receipts. IDES' "Economic Information and Analysis" unit projection that 2010-2012 report that "employment" in Ag, currently at 12,635 will decrease by 1.69%. This short-term projection anticipates an average of 369 job openings.

NEED As planned in PY 2011, it remains important to maintain updates on crop activity and work with labor supply states for recruiting farm labor to fill the increase in job openings and H2A job orders. This requires vigorous outreach by staff and cooperating agencies during the winter months. October to March is the peak of H2A job orders and recruitment. Success may be achieved by implementing the H2A referral process when the job orders are received.

H2A job orders received during PY2010 were 25. The State Work Force agency remains first point of contact and responsible for recruitment of domestic workers. All of the 25 applications were approved and seven domestic HIRES were reported. IDES plans to explore ways to improve placement of U.S. domestic workers in the H2A job orders.

NEED Complete timely processing of the job orders, increase marketing job orders to community organizations, implement aggressive recruitment, and monitor the referral process. There were 900 job openings including occupations as equipment operators and construction occupations but farm laborer remains the most common. The largest # of workers requested by one employer was 200 and most offered a ten-month work contract. The H2A activity begins in February and ends in December.

III. Outreach Services

IDES recognizes the need to continue outreach in remote areas where large numbers of farm workers are present and established locations where support by employer has been secured. Management at the regional and local offices minimally support outreach due to the need to serve the unemployed. Regional Employment Service Program Managers (ESPM) will remain active and participate at office review where decisions are made on upcoming season and the level of outreach that is anticipated. The decision at the local office level is critical in making Outreach staff available during the peak season. Once the priority outreach events are established, Outreach by region is entered into an MSFW program calendar. The calendar is as a unique reference of outreach state activity, any Administrator and management are aware of when and in what part of the state outreach is occurring. Follow-up on outreach staff or reminders by Central office staff and Monitor Advocate is common to ensure that the minimal outreach plan is being implemented. Concerns on limited outreach is addressed as it occurs and often timely resolved. IDES continues to recognize the need for “back up” Outreach staff. IDES will continue to identify areas where it will be beneficial to train or add qualified support staff. For PY 2012 Southern region secured hiring bi-lingual staff and available for training and performing outreach duties as needed.

1. Outreach Information

IDES maintains updated bi-lingual information and distributes thousands of copies during a program year. Priority items include:

- MSFW program brochure identifies services and staff contact information.
- Employment Service Complaint system and contact information.
- Illinois Migrant Council information and training eligibility.
- Illinois Skills Match brochure and registration form. (To be replaced with IJL.)

2. Self-Registration

Self-service registrations are easier to complete with our new IL Job Link. There are multiple search options, ability to be notified of new openings, a “Quick” search feature, and capable to send resume(s) to employers. Management reports will be available in real time allowing frequent migrant indicator reviews. As a result, full registrations (PLUS Account) will improve job searches and job placement. Once a job seeker account is established, IJL creates a personalized home page where the job seeker can manage a job search, create or upload a résumé, and maintain his/her job seeker profile and account preference. IJL is available in multiple languages including Spanish.

3. Assessment of MSFW Needs

A Plus account in IJL assigned to a case manager will assist case managers to identify accommodations and staff assisted service as required. Overall, our experience in serving the MSFW community indicates that they need extensive staff assisted services including completing registrations, referral to supportive services and information on the complaint system. In many cases, terms and conditions of employment are not provided at time of recruitment. Housing and health services are a problem as is labor law information and legal assistance.

4. Referrals to Supportive Services

Outreach Staff will make referrals to other community-based organizations or supportive services agencies including the Illinois Migrant Council (WIA-167) for training opportunities. Agency visits are encouraged, identifying Spanish speaking staff, business hours, and emergency services. In addition, staff is trained on Federal and State services including Wage and Hour, OSHA, Department of Justice, Department of Human Rights, and other compliance agencies.

IV. Wagner-Peyser Act Services Provided to MSFWs through the One-Stop Delivery System

- Employment information on Illinois Job Link
- Referral to Job Openings
- Job Seeking Skills
- Job Development
- Assessment Interview
- Referrals to Supportive Services
- Information on Employment and Training Opportunities
- Labor Market Information
- Tax Credit Programs
- Bi-lingual staff at significant offices
- Information on the Employment Service complaint system, filing and timely processing complaints.
- Complaint Specialists at local offices.
- Re Employment Service Program (RESP, ex-offenders services)
- Career Guidance

V. Wagner-Peyser Act Services Provided to Agricultural Employers through the One-Stop Delivery System.

- Agricultural Recruitment System (Local, Intrastate, Interstate)
- Housing Inspections
- Information and assistance on the Foreign Labor Certification process
- Farm Labor Contractor applications and information
- Illinois Skills Match self serve or staff assisted job orders and recruitment
- Information and Referral to agencies offering programs or services benefiting the business community
- Tax Credit Program information and certification of applicants
- Informational Meetings Unemployment Insurance, Wage/Hour, Migrant Law, Worker's Compensation, OSHA and Migrant Camp licensing, etc.
- Prevailing wage Ad-Hoc and Prevailing Practice Surveys are conducted annually
- Labor Market Information
- Job Fairs
- Local offices offer Conference room for recruitment purposes
- Field Checks and Visits
- Participate at New Employee Orientation meetings

VI. Monitor Advocate Services

A permanent, full-time State Monitor Advocate is currently on staff and performs the following duties:

- Conducts statewide reviews of the delivery of services and protections afforded to MSFWs.
- Completes annual office reviews at all significant local offices
- Consults with various divisions of the agency to ensure accurate reporting of MSFW data.
- Prepare and implement operating instructions including Policy and Procedures relating to MSFWs
- Prepare for and participate in Federal reviews
- Prepare an annual Outreach plan as required
- Identify statewide opportunities for recruitment of MSFW
- Monitor and report on the Employment Complaint System, process MSFW complaints as needed
- Participate at membership organizations, which serve the Ag community. (i.e. Farm Bureau, 167)
- Maintain communication with Outreach staff and management and address issues as they arise
- Serve as Advocate to improve services for MSFWs within the employment service system
- Manage the timeliness of field checks, housing inspections, employer visits and complaint processes

Field Duties

- Meet with farm worker groups and employers to promote the use of Employment Service.
- Conducts field visits to working and living locations of MSFWs.
- Collaborates with WIA 167 staff and participates in sponsored events.

The Monitor Advocate provides training for collaborating agency staff on the Monitor Advocate System, Outreach, provision of services to MSFWs and the Employment Service Complaint System, Migrant Labor camp Inspections and other topics as requested.

VII. Statement of Approval of the State Monitor Advocate

In accordance with 20 CFR Subpart B, 653.107 and as prescribed by Region V , the Monitor Advocate participated in the preparation of this agricultural plan and has been afforded the opportunity to approve and comment on the plan. Such review indicates that the plan has been prepared properly, omitting none of the prescribed requirements and properly describing the activities planned for providing services to both agricultural employers and migrant and seasonal farmworkers (MSFWs).

VIII. Review and Comment by WIA Section 167 Grantee

In accordance with 20 CFR Subpart B, 653.107(d) (1), (2), and (3), IDES submits draft copy to Illinois Migrant Council WIA-167 grantee, and Regional Managers for comments on the Services Plan. Comments and revisions will be submitted in writing and consideration given to make changes accordingly.

Attachment F
Public Comment

National Headquarters
55 E. Monroe St., Suite 1930
Chicago, IL 60603

Telephone 312.499.2600
Facsimile 312.499.2601

Website www.cael.org



Mr. David Vaught
Director
Department of Commerce and Economic Opportunity
James R. Thompson Center
100 W. Randolph Street
Chicago, IL 60601

August 31, 2012

Dear Mr. Vaught:

The Council for Adult and Experiential Learning (CAEL) appreciates the opportunity to comment on the Program Year (PY) 2012 – 2016 Workforce Investment Act (WIA)/Wagner-Peyser Act State Plan. We applaud the State Plan’s emphasis on strategies for workforce development that encompass credential attainment, including the creation of a “wider set of high-quality education, training and credentialing options throughout the state,” and the promotion of flexible education and training opportunities (p. 4). CAEL encourages the addition of more detailed explanations of how these strategies will be implemented to the State Plan. These should include Prior Learning Assessment (PLA), which can help workers complete training and degree programs faster by assessing their learning and recognizing, whether through college credit or advanced program standing, knowledge and competencies that they have gained outside of the classroom.

The growing need for workers with postsecondary credentials in Illinois is clear. The Georgetown University Center on Education and the Workforce’s projection that over 60% of jobs in 2018 will require some postsecondary education presents a great challenge to Illinois, where only 38.3% of working-age adults hold at least an associate degree. In order to reach the level of 60% by 2025, Illinois will have to increase its current college attainment rate by over 710,000 degrees (Lumina Foundation, *A Stronger Nation through Higher Education*, 2012).

As recognized by the United States Department of Labor in TEG15-10, PLA can be an effective tool in accelerating postsecondary credential attainment for Illinois workers. PLA is a process that includes a formal review of an individual’s learning outside the traditional classroom in order to award the individual college-level credit, advanced program standing, or other formal recognition of their learning. Prior learning refers to college-level knowledge and skills gained through work and life experiences, such as employer training programs, independent study, non-credit courses, open on-line courseware, the military, travel, civic activities, and volunteer service. An individual working toward a degree can potentially save both time and money through PLA. CAEL’s 2010 multi-institutional study, *Fueling the Race to Postsecondary Success*, found that students with PLA credits have higher graduation rates, greater persistence, and shorter times to degrees than students without PLA credits.

Veterans, who are identified in the State Plan as a “major focus of Governor Quinn and all state education and workforce agencies” (p. 12), especially stand to benefit from PLA. Many veterans have participated in

extensive and rigorous military training programs through which they have acquired significant college-level learning. Several tools for assessing that learning already exist, including DSSST examinations, individual learning portfolio assessment, and evaluation of military transcripts using credit recommendations by the American Council on Education's Military Evaluations Program, which conducts evaluations of formal military training and compares the learning content and outcomes to standard college courses. By recognizing what veterans have already learned and can do, PLA can accelerate degree completion while minimizing costs. These lowered costs for veterans using state and federal education benefits to obtain postsecondary credentials may promote efficiency in the use of available education and workforce development resources. The integration of PLA strategies into some state initiatives to train veterans for employment in critical sectors (pp. 12-13) may also enhance the efficiency of those programs.

In addition to its advantages for adult learners, PLA can have a positive impact on the performance of various state systems:

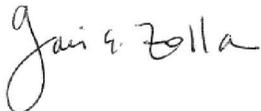
- the higher education system, which strives to improve degree completion and productivity;
- the economic development system, which depends upon a skilled and credentialed workforce to attract and retain employers in the state;
- the workforce development system, which recognizes the importance of skills and credentials in the employability of the state's citizens; and
- the career and technical education system, which can benefit from having its programs recognized as college-level, when appropriate, to open new opportunities for lifelong learning and eventual degree completion.

CAEL encourages state leaders to include in the State Plan a discussion of the importance of PLA as part of a detailed strategy to increase the number of workers with meaningful credentials in the Illinois labor market. This discussion might include the following language on the potential contributions of PLA to workforce development in Illinois:

Prior Learning Assessment (PLA) is a strategy that can improve rates of credential attainment and expand the available range of flexible education and training opportunities by enabling workers to earn academic credit for knowledge and competencies gained outside of traditional classrooms. PLA is a process that includes a formal review of an individual's learning outside the classroom, including work and military training, in order to award the individual college-level credit. By adding to the flexibility of education and training programs for workers and accelerating credential attainment, PLA can enhance the efficiency of state workforce development initiatives.

Thank you for the opportunity to submit this comment. If you have any questions or comments about PLA or the content of this letter, please do not hesitate to contact me at gzolla@cael.org or at 312-499-2637.

Sincerely,



Gabi Zolla
Acting CEO



Recommendations on the State of Illinois WIA Plan PY 2012-2016

The Chicago Jobs Council (CJC) makes the following recommendations on Illinois' Program Year (PY) 2012-2016 Workforce Investment Act (WIA)/Wagner-Peyser Act State Plan.

Recommendation 1: Incorporate and use existing state policy structures in the State Plan

There are already several state policies and structural resources that could be utilized to strengthen the state plan.

Build upon transitional jobs support: CJC recommends including transitional jobs (TJ) on the list of "Earn and Learn" models (p. 4). TJ is a practical workforce strategy that uses time limited, subsidized jobs that combine real work, skill development and supportive services, which helps participants rapidly and successfully enter the labor market. There is already widespread support for this program model, as demonstrated by the recommendation of the Illinois Commission on the Elimination of Poverty for the creation of a statewide TJ. Furthermore, the Illinois General Assembly demonstrated support by passing HB2927 which created a statewide subsidized employment program that included TJ as an allowable model.

21st Century Workforce Development Fund: We recommend including the 21st Century Workforce Development Fund (the Fund) as an innovative state strategy in the "Leveraging Resources" section. The State of Illinois created the Fund, like 23 other states, in order to raise flexible resources for workforce and economic development services. The Fund can receive public or private resources, making it a good vehicle for fulfilling the public-private partnership funding strategy (p. 14).

Illinois Pathways Initiative: Accelerating Opportunity and bridge programs are highlighted as the entry points for low-income, disadvantaged job seekers to the Illinois Pathways Initiative. CJC recommends adding more detail about how these initiatives will be coordinated with the Illinois Pathways Initiative to provide greater access for low-income and low-skilled adults to career pathways in key sectors (p. 14).

Recommendation 2: Make the prioritization of disadvantaged job seekers explicit and include specific strategies for serving them

Although the State Plan implies that low-income job seekers are an important target population, we suggest clearly identifying them in the plan.

Explicitly focus on disadvantaged job seekers: CJC recommends including low-income, disadvantaged job seekers to the list of special populations under the heading of "Public-Private Partnerships" (page four). Also, under the heading of "Employer and Jobseeker Services," we recommend adding language after "qualified jobseekers" about ensuring there are skill building opportunities for those who do not "qualify" (p. 4). We also suggest making the connection between available programs and unemployed job seekers more explicit (p. 4) rather than focusing primarily on employers and building the skills of incumbent workers.

Access to services: Because there is a range of technological literacy among job seekers, the plan should include strategies to provide assistance to job seekers who need help navigating the technology at Illinois workNet Centers. While the use of ISLE cloud infrastructure is effective for some individuals, we must also remember that there is a digital divide between some low-income job seekers and services that are primarily available through computers (p. 6). Reliance on technology alone can be problematic for less technologically savvy job seekers as well as some staff at Illinois workNet centers (p. 14).

Additionally, low-income job seekers need multiple locations to access services. While the State Plan emphasizes community colleges as the entry point for low-income job seekers (p. 14), but community colleges may not be accessible to all. We encourage the state to think more broadly about access points for services, including using community-based organizations and places that are welcoming and easily accessible in a community.

Range of service models: While we fully support Accelerating Opportunity and efforts to expand bridge programs, it is important to remember that this program model will not work well for all low-skilled job seekers (p. 12). There must be a continuum of services to meet the diverse needs of low-income job seekers including alternative employment and training options such as TJ and sector based training.

Taskforce on low-income job seekers: In light of the tough economy for all job seekers, we recommend the IWIB consider establishing a taskforce to focus on meeting the needs of low-income job seekers (p. 22). Such a group could develop strategies to: implement the Poverty Commission's recommendation to create a statewide TJ program, launch the state level subsidized employment program created by HB2927, and incorporate innovative approaches into the Illinois Pathways Initiative. If such a taskforce is created, CJC is willing to take a leadership role, participate and/or make recommendations about which organizations to include in order to ensure the taskforce is an asset to the IWIB.

About CJC

CJC works to ensure employment and career advancement opportunities for people living in poverty. Since its establishment in 1981, CJC's membership has grown to include over 100 organizations and individuals who—through advocacy, applied research, public education, and capacity building initiatives—work together to influence the development and reform of public policies and programs designed to move people into the workforce. CJC is a recognized leader in workforce development advocacy and is pioneering efforts to prepare frontline job development staff to better meet the needs of Chicago's employers and low-income job seekers. CJC's expertise lies in its ability to bring the voices and experiences of Chicago's poor and working poor families to bear on workforce development policies. Since 2003, we have expanded our organizing and advocacy efforts to include Rockford, Aurora, Decatur, DuPage County, the South Suburbs of Chicago, and Springfield.

For additional information or to follow up regarding these recommendations please contact:

Jennifer Keeling, Director of Policy
29 E. Madison Street, Suite 1700
Chicago, IL 60602
312-252-0466
jennifer@cj.net

Response to Public Comment

Response to comments submitted by the Council for Adult and Experiential Learning (CAEL)

We agree that Prior Learning Assessment (PLA) is one important strategy in providing a wider set of high-quality education, training and credentialing opportunities including those for veterans. The need for recognizing prior learning and skills for veterans was identified in the IWIB Veterans Task Force report. The State Plan is written as a broad blueprint with major strategies as described on page 4 but does not go into detail on more specific approaches in implementing the strategies. PLA will be included as one major strategy in moving forward on this plan as well as the larger Illinois Pathways initiative.

Response to comments submitted by Chicago Jobs Council

Recommendation 1: Incorporate and Use Existing State Policy Structures in the State Plan

Build Upon Transitional Jobs Support:

We agree that transitional jobs are an important option in providing flexible education and training opportunities. We have used the terminology of “work-based” learning in a broad sense that includes transitional jobs as well as other forms of work-based learning. However, we did not go into detail on all the major “learn and earn” options within the state plan.

21st Century WF Development Fund:

As described in the plan, the Illinois Pathways initiative is launching public-private partnerships, called Learning Exchanges, to better leverage and integrate public and private funding for education and workforce development in nine critical sectors. These partnerships are required to raise matching funding and present an immediate opportunity to better integrate and utilize existing public and private resources to get improved results. These partnerships are also being used to leverage additional federal resources as was done with the recent WIF-funded manufacturing initiative referenced in the plan.

We welcome all opportunities to expand the public and private resources available for building a stronger workforce in Illinois. DCEO continues to monitor the status of the Fund and looks forward to exploring how to utilize the fund in consultation with the IWIB after the advisory board is fully appointed and the fund receives its first round of public and private investments.

Illinois Pathways Initiative:

The state plan is written as an overall strategic blueprint and is not intended to provide more specific information about how strategies will be implemented. The Illinois Pathways leadership team regularly provides updates on how these strategies will be implemented to the IWIB as well as other boards and councils including the P-20 Council as well as statewide and regional meetings throughout Illinois. The Illinois Pathways website will also provide more detailed information to the general public.

Explicitly Focus on Disadvantaged Job Seekers:

Low income job seekers represent a key target population for Illinois WIA and Wagner-Peyser services as described in the plan (See Page 12). The workforce system utilizes several tools, including bridge programs, work experience and on-the-Job training to provide this population with skills to secure good paying jobs. While incumbent worker training is also important to the Illinois economy for its impact on layoff aversion, services to the unemployed, including the low-income unemployed, will remain a high priority. The reference to “qualified jobseekers” on page 4 must be seen in the context of one service strategy provided in combination with other strategies (See Flexible Education and Training

Opportunities) so that low-income, disadvantaged populations as well as other populations have many options in getting the skills necessary to be qualified for good jobs.

The Illinois State Plan presents a balanced approach to public-private partnerships that focus on both employers and incumbent workers as well as unemployed and disadvantaged populations. The plan is clear in the call to address the needs of unemployed and low-income job seekers. There are references throughout the plan to targeted populations and the key services strategies that provide more options in gaining skills and accessing job opportunities. The referenced quote on Page 4 must be seen in the context of the larger plan.

Recommendation 2: Make the prioritization of disadvantaged job seekers explicit and include specific strategies for serving them

Access to Services:

We agree that there is a wide range of technological literacy and all Illinois residents should be given the opportunity to gain the technology skills needed for success in education and training as well as employment. As described in the State Plan on page 15, Illinois workNet is supported through a wide network of partners that can provide assistance in using technology. This assistance is also provided for the use of IllinoisJobLink.com. These technology literacy gaps also will be addressed through bridge programs as described in the plan.

Community colleges are only one of many access points for job seekers. As described on page 15, Illinois workNet engages a broad network of partners at multiple locations including non-profit agencies, libraries, and state agency offices. The Office of Employment and Training works with the Office of Entrepreneurship, Innovation & Technology to link Illinois workNet to the Eliminate the Digital Divide initiative and its partners. This linkage provides additional opportunities to advance technological literacy.

Range of Service Models:

Current state policies referenced in the plan define bridge programs in ways that allow a wide variety of models appropriate for low-skilled job seekers based on the research and pilot-testing conducted by the Shifting Gears and Accelerating Opportunity projects. Also, the Illinois Pathways career pathway approach incorporates bridge programs as part of a continuum of services including technical training and work-based learning. This career pathway approach including bridge programs is evident in the current WIF-funded manufacturing initiative.

Taskforce on Low-Income Job Seekers:

Illinois has used the Shifting Gears initiative to address innovative strategies for addressing the needs of low-skilled and low-income adults in accessing education and training opportunities necessary to get good jobs in Illinois. Over the last three years, the IWIB has received regular updates on this initiative and how it is being incorporated into state career and technical education, adult education and workforce development policies. In order to continue this work, Illinois recently joined a national career pathways initiative sponsored by the Center for Law and Social Policy (CLASP). This project will involve statewide teams to share best practices in expanding opportunities to low-skilled and low-income workers. This project will be used to inform Illinois Pathways efforts to expand opportunities to this population. The IWIB will receive regular updates on this project. We welcome input on this effort from the Chicago Jobs Council and other organizations committed to expand opportunities for low-skilled and low-income populations.

Attachment G
IWIB Methods and Factors of WIA Formula
Distribution

IWIB Methods and Factors of WIA Formula Distribution

The Illinois Workforce Investment Board established the procedure for distributing WIA Title I-B formula funds to the Local Workforce Investment Areas taking into consideration labor market information provided by Economic Information and Analysis Division of the Department of Employment Security.

Illinois does not distribute youth program funds to local areas based on the youth discretionary allocation formula contained in Section 128(b)(3)(B) of the Workforce Investment Act (WIA). Utilizing the additional factors contained in Section 128(b)(3)(B) would, in our estimation, undermine decisions by the Governor and the IWIB regarding the local area boundaries within which WIA should operate locally. In many instances local areas would likely be left without the amount of funding necessary to allow them to operate viable youth programs.

Also, introduction of two additional variables into the allocation formula, and in particular variables which are based on “excess” numbers of the measures used in the statutory formula, are likely to accentuate the year-to-year variability in the formula. To do so would be, in our opinion, to contravene the requirement of Section 112(b)(12)(B) that the state plan assure that no local areas will suffer significant shifts in funding from year-to-year. Utilizing these variables would only serve to accentuate the volatility of local funding levels.

Illinois also does not distribute funds to local areas for adults based on the adult discretionary allocation formula contained in Section 133(b)(3)(B). As with the discretionary youth allocation described above, utilizing the additional factors contained in Section 133(b)(3)(B) would likely undermine the decisions by the Governor and the IWIB regarding the local workforce investment area boundaries. In many instances local areas would likely be left without the amount of funding necessary to allow them to operate viable adult programs.

Illinois allocates WIA dislocated worker funds on the basis of the formula described below, pursuant to section 133(b)(2)(B). Each of the following factors will be used to distribute 25% of the funds to be allocated:

- **Insured unemployment data:** Illinois Department of Employment Security (IDES) unemployment insurance (UI) claimant data for the most recently completed calendar year will be used. Each local workforce investment area’s share of the state total of such claimants is determined and the area is allocated that share of the funds apportioned by this factor.
- **Unemployment concentrations:** Unemployment figures for the most recently completed program year will be used. Only counties (or sub-county workforce investment areas) with unemployment rates above the statewide average (i.e., counties or sub-county workforce investment areas with “concentrations of unemployment”) will be included in the formula. Each workforce investment area’s share of the state total of such unemployment is determined and the area is allocated that share of the funds apportioned by this factor.

IWIB Methods and Factors of WIA Formula Distribution

- **Declining industries data:** For each workforce investment area, employment by three-digit North American Industry Classification System (NAICS) code is determined for the first calendar quarter (January-March) of the two most recent years for which data is available from IDES' ES-202 UI-covered employment report. The number of jobs lost within industries showing an employment loss from one year to the next is totaled for each area. Each workforce investment area's share of the state total of such employment loss is determined and the area is allocated that share of the funds apportioned by this factor.
- **Long-term unemployment data:** IDES data for the number of UI claimants who were unemployed for 15 or more weeks during the most recently completed calendar year will be used. Each workforce investment area's share of the state total of such long-term claimants is determined and the area is allocated that share of the funds apportioned by this factor.

The plant closing and mass layoff data and farmer-rancher economic hardship factors are given zero weighting under the WIA dislocated worker allocation formula, due to a lack of public use data sources with sufficient geographic detail to adequately serve the requirements of an allocation formula.

DCEO calculates the annual formula allocations and distributes by WIA Notice. This provides notification to Local Chief Elected Officials as well as other stakeholders and allows them the opportunity to seek clarification on how the annually updated LMI data factors impacted the local area.

Attachment H

DCEO Financial Management Manual

Chapters Pertaining to WIA

**Illinois Department of Commerce and Economic Opportunity
Financial Management - Policy and Procedure Manual**

**Cash Receipts
Contents of Chapter 1**

- I. [Overview](#)
 - A. [Applicable Statutes](#)
 - B. [Guiding Principles](#)
 - C. [Chapter Summary](#)

- II. [Infrastructure for Cash Instruments](#)
 - A. [Adding, Deleting or Reactivating Receipt Account Codes](#)
 - B. [Establishing Clearing Accounts](#)

- III. [Processing Cash Instruments](#)
 - A. [Overview of Basic Processing Procedures](#)
 - B. [Initial Processing for All Cash Instruments](#)
 - C. [Processing Credit Card Payments and Checks from Non-government Sources](#)
 - D. [Processing Government Checks, Treasurer's Drafts and Cash Deposits](#)
 - E. [Processing Approved Transfers and Approved \(Signed\) RDTs](#)
 - F. [Initiating Transfers](#)
 - G. [Treasurer's Drafts](#)
 - H. [Coding Process](#)
 - I. [Making Corrections](#)

- IV. [Federal Awards and Federal Draws](#)
 - A. [Set-up of Federal Awards](#)
 - B. [Automatic Draws](#)
 - C. [Establishing Infrastructure for Cash Analysis](#)
 - D. [Draws through Cash Analysis](#)
 - E. [Requested Draws](#)

I. Overview

A. Applicable Statutes

DCEO receives money for a variety of purposes and in a variety of forms, including checks, credit card charges, transfers from other state agencies, cash, Treasurer's drafts, and draws of federal funds. This money (referred to in this manual as cash instruments or cash receipts) is logged in, processed and accounted for by DCEO's Division of Financial Management (the Division.) DCEO also receives money as repayment for loans or grants. The policies and procedures governing these repayments are described in a separate chapter in this manual titled *Accounts Receivable*.

DCEO's cash receipts processing is governed by State laws. The most relevant statutory references include:

- A section of the State Comptroller Act ([15 ILCS 405/2](#)) providing that the Comptroller shall serve as the chief fiscal control officer of the State of Illinois, including the maintenance of the State's central fiscal accounts, and ordering of all payments into and out of the funds held by the State Treasurer.
- Another section of the Act ([15 ILCS 405/7](#)) requiring the Comptroller to develop and prescribe a uniform accounting system for use by all state agencies.
- The State Officers and Employees Money Disposition Act ([30 ILCS 230/2](#)) requiring state agencies to keep a detailed itemized account of all moneys received for on behalf of the State of Illinois. This section of the Act also specifies timeframes for the deposit of monies received into the State treasury. Accumulations of cash receipts of \$10,000 or more must be deposited within 24 hours of actual physical receipt, and accumulations of cash receipts over \$500 but less than \$10,000 must be deposited within 48 hours – disregarding holidays, Saturdays and Sundays. Single items of \$10,000 or greater, if received before 2:00 p.m., must be deposited on the day of receipt.

These are the major provisions of the State laws that provide the basis for DCEO's cash receipts processing policies and procedures.

[Return to Chapter Table of Contents](#)

B. Guiding Principles

The Division of Financial Management relies on all DCEO employees to support the agency in complying with all state laws and regulations governing the processing of cash receipts. All DCEO business unit managers must consult

with the Cash Manager if they anticipate any transfers of cash from another state agency, or are aware that the agency will be receiving cash for a new purpose or from a new source. The business unit manager should be prepared to describe the type of cash receipt expected, its purpose, the statutory authority for receiving it, and the fund to which the cash receipt should be deposited. DCEO employees are also subject to the following requirements:

- Contact the Cash Manager when a new type of cash receipt is anticipated, providing background on the type of cash receipt it is and the statutory basis for accepting the cash receipt.
- Contact the Budget Office if anticipating the receipt of a federal award.
- Immediately direct any cash received on behalf of DCEO to the Division of Financial Management. State law requires that any monies received by a state agency be deposited with the State Treasurer unless specific statutory authority exists to hold selected monies outside the State Treasury.
- Ensure that if any party submits a check to the agency, the check is made payable to the Illinois Department of Commerce and Economic Opportunity
- Contact the Cash Manager as soon as plans are developed to conduct a meeting or other function for which credit card registrations will be accepted.
- Notify the appropriate Accounting Supervisor immediately after receiving notification of an impending federal grant award.

[Return to Chapter Table of Contents](#)

C. Chapter Summary

All processing of cash receipts in DCEO is performed using the Grantee Reporting System (GRS.) GRS is used to establish and maintain the infrastructure for cash receipts processing, and to process cash as it is received. Detailed instructions for completing specific screens in GRS to accomplish these functions are available in the [Cash Management User Handbook for Accounting Staff](#) and the [Grantee Reporting System Screen Documentation](#).

[Section II](#) of this Chapter describes the procedures for maintaining the system infrastructure to manage cash receipts. It includes procedures used by the Division's Cash Unit for deleting or adding [Receipt Account Codes](#) with the State Comptroller when required, and establishing a new [clearing account](#) with the State Treasurer when required.

[Section III](#) of this Chapter describes the procedures used by Division of Financial Management employees to process cash receipts. Initial processing steps, including the logging process, are common to all types of cash receipts. After cash receipts are logged and forwarded to the Cash Unit, processing steps vary somewhat, depending on the type of cash receipt. Section III identifies how each type of cash receipt is treated by the Cash Unit, how Accountants code cash receipts, and how corrections are made to any errors that might occur in accounting for cash receipts.

[Section IV](#) of this Chapter describes the Division's role in establishing the infrastructure for federal awards, and requesting and/or receiving federal draws.

[Return to Chapter Table of Contents](#)

II. Infrastructure for Cash Instruments

DCEO establishes and maintains the system infrastructure that is required to log, process and account for all cash instruments received by the agency. The purpose of this section is to describe the steps to establish and maintain this required infrastructure.

A. Adding, Deleting or Reactivating Receipt Account Codes

When a new type of cash receipt is being processed, the Cash Manager reviews established [Receipt Account Codes](#) (RACs) for the appropriate fund on GRS Screen 624, to determine whether there is a need to add, delete or reactivate a Receipt Account Code. If so, the Cash Manager may initiate a request to the Comptroller to do so using the following steps:

Step 1: The Cash Manager completes the [Chart of Accounts Maintenance and Inquiry form \(Form C-45.\)](#) A separate form is required for each Receipt Account Code being requested, deleted or reactivated.

Step 2: The Cash Manager sends the form to the Comptroller for review and approval.

Step 3: The Comptroller returns a copy of the approved form to the Cash Manager, with the account number and the title of the account that has been added or deleted.

⇒ If the Comptroller does not approve an establishment or reactivation, they inform the Cash Manager and DCEO management determines an alternate method to record the cash receipt.

Step 4: The Cash Manager enters the information on GRS Screen 624, prints a copy of the screen and attaches it to the approved Form C-45.

Step 5: The Cash Manager maintains the forms and supporting documents in the fund folder.

[Return to Chapter Table of Contents](#)

B. Establishing Clearing Accounts

Certain cash instruments received by DCEO must first be deposited in a Treasurer's Clearing Account so that a draft from the Treasurer in the amount of the deposits (a Treasurer's Draft) may be issued to DCEO. When business unit managers anticipate a new type of cash receipt, they are required to contact the Cash Manager, describe the purpose of the cash receipt and provide the statutory citation giving the agency authority to receive the monies. The Cash Manager reviews the statutory citations and determines whether a new Clearing Account is needed. A new Clearing Account is established if the type of cash receipt does not fit the purpose of an existing Clearing Account, or if there is a desire to maintain a separate account for the type of deposit being received. As an example, it may be important to separate certain types of payments (such as credit card payments) in order to allow refunds to be processed more easily.

The following steps describe how to establish a new [Clearing Account](#).

Step 1: The Cash Manager prepares [a letter to the Treasurer](#) describing the need for a new Clearing Account, using the information provided by program staff.

Step 2: The Cash Manager sends the letter to the Treasurer for review and approval.

Step 3: The Treasurer provides a letter to DCEO assigning the new Clearing Account number.

⇒ If the Treasurer does not approve a new Clearing Account, they inform DCEO, and management determines an alternate method to address the need for a separate account.

Step 4: The Cash Manager enters the new Clearing Account number on GRS Screen 625.

Step 5: The Cash Manager files the Treasurer's letter in the Clearing Account Set-Up/ Deletion folder.

[Return to Chapter Table of Contents](#)

III. Processing Cash Instruments

DCEO receives money for a variety of purposes and in a variety of forms, including checks, credit card charges, transfers from other state agencies, cash, Treasurer's drafts, and draws of federal funds. This money (referred to in this manual as cash instruments or cash receipts) is logged in, processed and accounted for by DCEO's Division of Financial Management (the Division.) The purpose of this section is to describe the tasks and responsibilities associated with the processing of cash receipts by the Division.

A. Overview of Basic Processing Procedures

In most cases, the process begins with the opening, date stamping and delivery of all Division mail to appropriate staff in the Division. Cash instruments are delivered to a Log Unit employee. The Log Unit employee sorts the cash instruments by type, logs the cash receipts in the GRS system, copies the receipts, and forwards the original of each cash receipt to the Cash Unit. The Log Unit employee also forwards a copy of each cash receipt to the Accountant assigned to that program area, along with supporting documentation.

When a Cash Unit employee receives the original cash receipt from the Log Unit employee, the Cash Unit employee ensures that its characteristics are consistent with the information entered in GRS by the Log Unit employee, acknowledges its receipt in the GRS system, and waits for the Accountants to code the cash receipt in GRS.

After the cash receipt is coded by Accounting, the Cash Unit employee reviews the Journal Entry in GRS that was produced through the coding provided by the Accountant, prints the GRS screen reflecting the Journal Entry, establishes the print queue and then prints the [Receipt Deposit Transmittals](#) (RDTs) or [Expenditure Adjustment Transmittals](#) (EATs) required for the Comptroller. The required number of copies of the RDT or EAT are printed overnight or "on demand," and are available to the Cash Unit the next working day, or sooner if "on demand."

After picking up the printed RDTs or EATs, the Cash Unit employee stamps the Cash Manager's signature on all copies, initials the top copy, and sends the appropriate number of copies to the Comptroller for processing. The Cash Unit employee makes an entry in GRS indicating the transmittal was sent to the Comptroller, forwards a copy of

the RDT or EAT to the appropriate Division staff, and files the remaining copy in a pending folder. As soon as the Cash Unit employee receives a signed copy of the RDT or EAT from the Comptroller they file the signed copy and other relevant documents in the monthly fund receipt folder, and record the receipt of the RDT or EAT in GRS.

For some types of cash receipts, certain aspects of these basic procedures vary. As an example, checks from non-government sources and credit card payments must first be deposited in a Treasurer's Clearing Account. This requires the Cash Unit to perform additional steps for these checks in order to obtain a Treasurer's draft ([See Section II B.](#))

The following subsection presents a description of the initial processing steps that occur for all cash receipts. The subsections immediately following Subsection B provide detailed descriptions of procedures associated with each type of cash receipt received by DECO.

[Return to Chapter Table of Contents](#)

B. Initial Processing for Cash Instruments

Step 1: A Financial Management Support Staff (FMSS) opens, date stamps and delivers the mail within the Division.

- ⇒ If cash is received, the FMSS immediately hand carries the cash to the Cash Manager. The Cash Manager creates a deposit ticket for the cash, and ensures that a Cash Unit employee deposits it immediately. The Cash Manager provides the yellow copy of the deposit ticket to the Log Unit, along with any documentation supporting the purpose of the cash payment.

- ⇒ Credit card charges reflected on conference registration forms or screen-prints from on-line conference registrations are also forwarded to the Log Unit employee through the mail or by program staff.

- ⇒ The FMSS delivers all other cash instruments received to a Log Unit employee.

Step 2: The Log Unit employee ensures that sufficient documentation accompanies each cash receipt to obtain information and documentation that will assist in making a determination of how to classify the payment.

- ⇒ If the information accompanying the cash receipt is not sufficient for the Log Unit employee to determine how to classify it, the Log Unit employee conducts research within the Division (and with program staff if necessary) to make that determination.

- ⇒ If the Log Unit employee cannot make that determination, they log the cash receipt as “released to Supervisor” and hand carry it to the Cash Manager for review and further instructions. The Cash Manager works with the Log Unit employee to obtain sufficient information for the Log Unit employee to assign the cash receipt to an individual staff member for coding. If they are unable to obtain sufficient information, the Cash Manager returns the item to the remitter accompanied by a [standardized letter signed by the Accounting Manager](#). The Log Unit employee reflects that on GRS Screen 601 (Cash Log.)

If the cash receipt is a credit card payment, go to Step 3.

For all other cash receipts, go directly to Step 4.

Step 3: For credit card payments, the Log Unit employee enters the payment information into the credit card machine, to obtain authorization that the credit card account is valid, and that charges may be processed against that account. If authorization is provided, the Log Unit employee prints three (3) copies of the credit card transaction. If authorization is *not* provided, the transaction is referred to the Cash Manager, who follows up with appropriate program staff to obtain payment.

Step 4: The Log Unit employee logs the cash receipt on GRS Screen 601 (Cash Log), and presses F1 to generate the log number for that cash receipt. This entry also populates GRS Screen 602 (Documents Waiting to be Coded) and GRS Screen 607 (Acknowledge Receipt.)

Step 5: The Log Unit employee writes the log number on the face of the cash instrument, and makes one copy of the cash instrument (except for credit card charges, DCEO-generated RDTs and Treasurer’s Drafts), along with the supporting documentation that explains the purpose of the payment.

⇒ If the cash receipt is a check, the Log Unit employee also endorses each check using an agency stamp.

Step 6: The Log Unit employee forwards the original of each cash receipt to the Cash Unit and a copy of each, along with supporting documentation, to the appropriate Accountant. ([Subsection H describes the Coding Process.](#))

This completes initial cash processing steps. For continued processing of specific types of cash instruments:

See [Subsection C](#) for processing credit card payments and checks from non-government sources.

See [Subsection D](#) for processing government checks, cash deposits and treasurer's drafts.

See [Subsection E](#) for processing transfers and RDTs.

[Return to Chapter Table of Contents](#)

C. Processing Credit Card Payments and Checks from Non-government Sources

DCEO receives checks as a form of payment from sources other than the state or federal government. These checks may, for example, represent a payment for conference fees, payments on an outstanding loan, a grant refund, or employee reimbursements to the agency. DCEO also receives credit card payments for conference fees or other agency-sponsored events. These checks and credit card payments must first be deposited into a [Treasurer's Clearing Account](#) so that a [Treasurer's Draft](#) may be issued to DCEO. This subsection describes the steps involved in processing checks from non-government sources and credit card payments *after the initial processing steps described in [Subsection B](#).*

Step 1: After receiving the check or credit card payment from the Log Unit employee, the Cash Unit employee ensures that the information entered to describe the cash receipt (log number, document date, and amount) is consistent with the information the Log Unit employee entered on GRS Screen 601. The Cash Unit employee resolves any discrepancies with the Log Unit employee, and the Log Unit employee makes required corrections on GRS Screen 601.

Step 2: The Cash Unit employee acknowledges receipt of the check or credit card payment in the GRS system on GRS Screen 607.

- ⇒ If the cash receipt is a check for less than \$10,000, the Cash Unit employee secures the cash receipt overnight, waiting for the Accountant to code the transactions in GRS ([see Subsection H for Coding Process.](#))
- ⇒ If the cash receipt is a single check for \$10,000 or more, or if there is an accumulation of cash receipts of \$10,000 or more, the Cash Unit employee proceeds immediately to Step 3.
- ⇒ If the cash receipt is a credit card payment, the payment is automatically deposited in the Treasurer's clearing account. The Cash Unit employee files it in a pending file, to await receipt of Treasurer's Draft.

This completes the processing of credit card payments until a Treasurer's Draft is received. Steps 3, 4 and 5 of this subsection apply only to checks.

Step 3: The following morning (or the same day for checks of \$10,000 or more) the Cash Unit employee determines whether the coding of the check is reflected on GRS Screen 608. If the Accountant has not yet coded the payment, the Cash Unit works with the Accountant to identify the proper clearing account number and selects that clearing account number on GRS Screen 608. The Cash Unit requests the system to prepare three (3) copies of a deposit slip for that clearing account.

Step 4: The Cash Unit employee copies each check, and places the copy of the check and one copy of the deposit slip in a clearing account binder located in the Cash Unit.

Step 5: The Cash Unit employee attaches two copies of the deposit slip to the original of the check, and prepares the package for delivery to the Treasurer's Office. The Treasurer will deposit the money in the appropriate clearing account and issue a non-negotiable draft to DCEO.

This completes processing of credit card payments and checks from non-government sources. Subsection D describes how the Treasurer's drafts are handled after these cash instruments are deposited in a clearing account.

[Return to Chapter Table of Contents](#)

D. Processing Government Checks, Treasurer's Drafts and Cash Deposits

The following types of cash instruments are described in this subsection:

- [Government checks](#): DCEO receives checks as a form of payment from the federal government, or as a State Warrant issued by the Comptroller.
 - ⇒ Uncashed DCEO warrants returned to the agency are treated in a manner similar to the treatment of government checks, but the coding produces [Warrant Action Requests](#) (WARs.) The treatment of WARs is addressed in this subsection.
- [Treasurer's Drafts](#): Monies that were received earlier by DCEO in the form of checks were delivered to the State Treasurer for deposit in the Treasurer's Clearing Account and collection ([See Subsection C.](#)) The Treasurer returns these collected funds to DCEO using a cash instrument known as a Treasurer's Draft. In certain circumstances, DCEO requests demand drafts from the Treasurer.
- [Cash deposits](#): Under some circumstances DCEO may receive payments in the form of cash. For example, cash may be received as payment for conference fees, as reimbursement from an employee for non-business expenses, or in the form of a donation to the Digital Divide program.

This subsection describes the steps involved in processing these types of cash receipts *after the initial processing steps described in [Subsection B.](#)*

Step 1: After the Log Unit employee provides to the Cash Unit employee a Treasurer's Draft, government check, cash deposit ticket or DCEO check that was not cashed, the Cash Unit employee ensures that the information entered to describe the cash receipt (log number, document date, and amount) is consistent with the information the Log Unit employee entered on GRS Screen 601. The Cash Unit employee resolves any discrepancies with the Log Unit employee, and the Log Unit employee makes required corrections on GRS Screen 601.

Step 2: The Cash Unit employee acknowledges receipt of the cash receipt in the GRS system on GRS Screen 607, and secures the documents, waiting for the Accountant to code the transactions in GRS ([see Subsection H for Coding Process.](#))

If the cash receipt is a Treasurer's Draft, go to Step 3.

If the cash receipt is a government check, cash deposit ticket or DCEO check not cashed, go directly to Step 4.

Step 3: The Cash Unit employee completes GRS Screen 611 to match the deposit made previously ([see Subsection C](#)) with the Treasurer's Draft. This entry auto-populates GRS Screen 615.

Step 4: The Cash Unit employee selects the appropriate entry for the coded payment on GRS Screen 615, prints a "preview" Journal Entry, and reviews the Journal Entry to ensure it is correct and appropriate.

⇒ If the Journal Entry is incorrect, the Cash Unit employee works with the Cash Manager to determine what is needed to correct it. The Cash Manager consults with the Accountant, who corrects the information that generated the Journal Entry.

Step 5: The Cash Unit employee creates and prints the final Journal Entry using GRS Screen 615, and files it with related documents for that cash receipt. *Note:* If the Cash Unit employee intends to order RDTs or EATs, they must go *immediately* to

Step 6 before leaving GRS Screen 615. Failure to do so jeopardizes the production of a summary report, and *possibly* printing of an RDT or EAT.

Steps 6 through 13 of this subsection describe the preparation of [Receipt Deposit Transmittals \(RDTs\)](#) and [Expenditure Adjustment Transmittals \(EATs\)](#) to be sent to the Comptroller.

- Most cash receipts are transmitted using an RDT. The purpose of the RDT is to request the Comptroller to order monies into designated receipt accounts in the State Treasury.
- When the Accountant determines that a check remitted to DCEO is a refund due to the agency, an EAT is required. The purpose of the EAT is to transfer the refunded amount to the Comptroller and request them to credit selected accounts for the refund amount. The EAT is produced using the information coded by the Accountant on GRS Screen 605.

Step 6: The Cash Unit employee creates a print queue to prepare RDTs and/or EATs for each cash receipt. The RDT may contain up to nine (9) receipt accounts within the same fund on one form. Multiple RDTs may be used when one draft or government check is to be deposited into more than nine (9) receipt accounts or into receipt accounts from different funds.

Step 7: The Cash Unit employee orders the system to print the RDTs and/or EATs using GRS Screen 277.

Step 8: Overnight or on demand, the system produces seven (7) copies of each RDT and eight (8) copies of each EAT. A Cash Unit employee receives them from Office of Information Management (OIM) the following morning if requested overnight, or the same day if on demand.

- ⇒ If the EAT is a refund for a current year expenditure, the system also generates two copies of an [Obligation Reconciliation Notice \(ORN\)](#). The ORN reinstates the amount of the refund to the obligation from which it was originally paid.

Step 9: The Cash Unit employee stamps the Cash Manager's signature on each copy of the RDT and/or EAT, and initials the top copy.

Step 10: The Cash Unit employee prepares five (5) copies of the RDT and six (6) copies of the EAT for transmittal to the Comptroller and keeps a copy in their pending file. The Cash Unit employee attaches the government check or the draft to the RDT or EAT before sending the documents to the Comptroller. If this is a cash deposit, the Cash Unit employee attaches the yellow deposit ticket and receipt to the RDT.

Step 11: The Cash Unit employee makes an entry in GRS Screen 626 to show that the RDTs and/or EATs were sent to the Comptroller. A copy of all RDTs is forwarded to the Accountant for their files. A copy of all EATs is forwarded to the Fiscal Operations Office (if an administrative EAT) or the appropriate Accountant (if a grant-related EAT.)

Step 12: The Cash Unit employee files a copy of the RDTs and/or EATs along with the supporting documents in a pending file. If an ORN has been produced ([see Step 8](#)) the Cash Unit employee also maintains it in a pending file until the EAT is returned from the Comptroller.

Step 13: After the Comptroller and the Treasurer have processed the RDT and/or EAT, a copy signed by both is returned to DCEO. A Cash Unit employee attaches the approved RDTs and/or EATs to the information in the pending file for that transaction, makes an entry on GRS Screen 627 that the RDT and/or EAT has been processed, and files all documents in the monthly fund receipt file.

⇒ If the EAT in the pending file had an ORN attached, the Cash Unit returns a copy of a signed EAT, attached to the ORN, to the Comptroller.

The following describes the steps involved for a [Warrant Action Request \(WAR\)](#) following the journal entry in [Step 5](#):

Step 6a: The Cash Unit employee creates a print queue to prepare a WAR for any state warrant returned un-cashed.

Step 7a: The Cash Unit employee orders the system to print the WAR using GRS Screen 277.

Step 8a: Overnight or on demand, the system produces three (3) copies of each WAR. A Cash Unit employee receives them from Office of Information Management (OIM) the following morning if ordered overnight, or the same day if on demand.

Step 9a: The Cash Unit employee stamps the Cash Manager's signature on each copy of the WAR, and initials the top copy.

Step 10a: The Cash Unit employee attaches the returned check to one copy of the WAR for transmittal to the Comptroller.

Step 11a: The Cash Unit employee makes an entry in GRS Screen 626 to show that the WAR was sent to the Comptroller. A copy of each WAR is forwarded to the Voucher Unit Supervisor as back-up for the voucher that was produced originally.

Step 12a: The Cash Unit employee files one copy of the WAR in a pending file and monitors SAMS to determine whether the check was voided, or whether a stop-payment action occurred.

Step 13a: The Cash Unit employee makes an entry on GRS Screen 627 indicating the date the WAR was processed by the Comptroller.

[Return to Chapter Table of Contents](#)

E. Processing Approved Transfers and Approved (Signed) RDTs

When DCEO deposits checks or credit card payments into the Treasurer's clearing account, they are converted to Treasurer's drafts. RDTs are created from these drafts and sent to the Comptroller. The RDTs are countersigned by the State Treasurer and signed by the Comptroller, indicating the Comptroller's deposit date and deposit order

number. The Treasurer and Comptroller also sign RDTs produced from a request for federal draw. [\(See Section IV for procedures on federal draws.\)](#) The Comptroller returns these RDTs to DCEO for final processing.

Other types of cash instruments are also countersigned by the Treasurer and signed by the Comptroller and forwarded to DCEO. These include:

- RDTs from other agencies (e.g., share of tax revenues from Illinois Department of Revenue), and
- Approved transfers from or to other agencies or between DCEO funds. [\(See Subsection F for procedures to initiate transfers.\)](#)

Although the types and sources of these cash receipts are very different, they are processed in a very similar manner. This subsection describes the steps involved in completing the Journal Entry for these types of cash receipts *after the initial processing steps described in [Subsection B](#)*.

Step 1: After receiving an RDT (including those from other agencies) or a signed [C-55 \(Fund Transfer Notification\)](#) from the Log Unit employee, the Cash Unit employee ensures that the information entered to describe the RDT or C-55 (log number, document date, and amount) is consistent with the information the Log Unit employee entered on GRS Screen 601. The Cash Unit employee resolves any discrepancies with the Log Unit employee, and the Log Unit employee makes required corrections on GRS Screen 601.

Step 2: The Cash Unit employee acknowledges receipt of the RDT or C-55 in the GRS system on GRS Screen 607, and places the documents in a locked cabinet overnight, waiting for an Accountant to code the receipt in GRS. [\(See Subsection H for Coding Process.\)](#)

Step 3: The Cash Unit employee selects the appropriate entry for the coded payment on GRS Screen 615, prints a “preview” Journal Entry, and reviews the Journal Entry to ensure it is correct and appropriate.

- ⇒ If Journal Entry is incorrect, the Cash Unit employee works with Cash Manager to determine the necessary corrective actions. The Cash

Manager consults with the Accountant, who corrects the information that generated the Journal Entry. This information was entered during the coding process described in Subsection H.

Step 4: The Cash Unit employee prints a new preview Journal Entry, then creates and prints the final Journal Entry using GRS Screen 615, attaches it to the RDT or C-55, and files it in the receipt fund folder.

[Return to Chapter Table of Contents](#)

F. Initiating Transfers

Transfers may be initiated within DCEO to move money from one fund to another (an internal transfer.) Transfers may also be initiated to move money to or from DCEO by action of the General Assembly, by the Court of Claims, by request of an agency, or by request of the Office of the Governor. This subsection describes the steps involved in processing both types of transfers.

Internal Agency Transfers

Based on internal accounting information, the Accounting Supervisor may identify a need to transfer funds from one DCEO account to another, or to initiate a draw of federal funds.

Step 1: Using GRS Screens 631 and 632, the Accounting Supervisor prepares a [Fund Transfer Notification \(C-55\)](#) required by the Comptroller to request the transfer. The Accounting Supervisor forwards it to the Cash Manager for approval.

Step 2: The Cash Manager reviews and signs the C-55, and forwards it to the Accounting Manager for signature and approval.

⇒ If the Cash Manager does not approve, they work with the Accounting Supervisor to resolve any issues and proceed accordingly.

Step 3: After the Accounting Manager approves, the signed C-55 is returned to the Cash Manager.

⇒ If the Accounting Manager does not approve, they work with the Cash Manager to resolve any issues and proceed accordingly.

Step 4: The Cash Manager forwards the signed C-55 to a Cash Unit Employee to initiate the request for transfer with the Comptroller.

⇒ If the C-55 indicates a need to draw federal funds, the Cash Unit employee takes appropriate steps to initiate the draw ([see Section IV](#)) before completing Step 5.

Step 5: The Cash Unit employee makes one copy of the C-55 and forwards the original to the Comptroller for approval.

Step 6: In most instances, the Comptroller returns the processed C-55 to the Cash Unit, but if the C-55 is *not* returned, the Cash Unit employee monitors SAMS to determine when it has been processed. When the Comptroller has completed processing, the Cash Unit employee prints a copy of the screen reflecting the transfer, attaches it to the file copy of the C-55, and forwards it to the Log Unit employee to log into the cash system.

Transfers To or From an Outside Entity

When a determination is made to transfer funds *from* DCEO *to* another state entity or *to* DCEO *from* another state entity, the C-55 is used by the transferring entity to initiate the transfer. The transferring entity forwards the C-55 to the Comptroller for processing, with a copy to the receiving entity. (*Note:* The only exception to these procedures is for the transfer of payments *from* DCEO *to* the Court of Claims. The procedures to process payments to the Court of Claims are described in Steps 1a through 4a.)

Step 1: When the Cash Manager receives the unsigned copy of the C-55 from the other agency or DCEO initiator, the Cash Unit monitors SAMS to determine when it has been processed by the Comptroller.

Step 2: When the Comptroller has completed processing, a Cash Unit employee prints a copy of the screen reflecting the transfer, attaches it to the file copy of the C-55, and forwards it to the Log Unit employee to log into the cash system.

Payments to Court of Claims

Chapter Four, Section VI of this manual describes the process used by a vendor to seek payment from DCEO through the Court of Claims. When such payment is awarded by the Court of Claims, the Court pays the amount of the invoice directly to the vendor and seeks reimbursement from DCEO. The steps below describe processing of the transfer from DCEO to reimburse the Court of Claims for the vendor payment.

Step 1a: The Court of Claims initiates appropriate Court documents to request a transfer of the amount of the vendor payment from DCEO to the Court of Claims fund.

Step 2a: The Court of Claims forwards these documents to the Comptroller.

Step 3a: As soon as the Cash Unit becomes aware that Court of Claims documents have been forwarded to the Comptroller to request the transfer, a Cash Unit employee forwards to the Log Unit a screen print from SAMS showing the dollar amount that was transferred from DCEO to the Court of Claims, along with the Court documents (if the Cash Unit has received those documents.)

Step 4a: The Log Unit and the Cash Unit process the transfer to the Court of Claims in the same way as processing occurs for all other transfers to or from other government entities.

[Return to Chapter Table of Contents](#)

G. Treasurer's Drafts

Certain cash instruments received by DCEO (checks from non-government sources and credit card payments) must first be deposited in a Treasurer's Clearing Account so that a Treasurer's Draft may be issued to DCEO. The Treasurer automatically produces drafts once a week, after clearing the non-government checks and credit card payments that were deposited in the [Clearing Accounts](#). These drafts are forwarded to DCEO, logged into the cash system, and handled as described in Subsection D of this chapter.

DCEO may also need to request the amount of a Treasurer's Draft instead of automatically receiving one. This is called a Demand Draft, and its purpose is to ensure that a draft does not mix RDTs with EATs. The steps below describe the steps required to request a Demand Draft from the Treasurer.

Step 1: When the need for a Demand Draft is identified (usually weekly), a Cash Unit employee creates a request for Demand Draft by entering required information on GRS Screen 628. This entry generates a [letter to the Treasurer requesting the Demand Draft](#), and containing a control number that has been assigned by the system.

Step 2: The Cash employee stamps the letter with the Cash Manager's signature, initials it and forwards the letter to the Treasurer.

Step 3: After the Treasurer creates the draft and forwards it to DCEO, it is given to the Log Unit employee to log into the cash system. See [Subsection D](#) for a description of procedures for processing Treasurer's Drafts.

[Return to Chapter Table of Contents](#)

H. Coding Process

Accountants receive copies of each cash instrument and supporting documentation after they are logged by the Log Unit employee. Accountants also receive the [Expenditure Adjustment Transmittals \(EATs\)](#) that support grant refunds. The Log Unit employee routes each of these documents to a specific Accountant based on the [Accounting Assignment Sheet](#) that identifies the DCEO programs for which that Accountant has

been assigned responsibility. This subsection describes the steps taken by the Accountants to code cash receipts for deposit in the proper fund.

Step 1: The Accountant receives a copy of cash instrument and supporting documentation from the Log Unit employee. They identify the cash receipt or refund on GRS Screen 602.

Step 2: The Accountant enters the type of cash instrument on GRS Screen 603. This provides a high level view of the type of cash instrument.

Step 3: The Accountant then completes entry on GRS Screen 604, 605 or 606 depending on the type of cash receipt, refund or transfer.

If the cash receipt is a transfer or RDT from an outside source, the Accountant files it in the monthly reconciliation or grant file, and the coding process is complete.

For other types of cash receipts or for refunds, the Accountant files the documents until they receive their copy of the RDT or EAT from the Cash Unit. Then they attach the RDT or EAT with supporting documents and the coding process is complete.

[Return to Chapter Table of Contents](#)

I. Making Corrections

If an error is discovered in the accounting for cash receipts, it is necessary to correct that error by preparing and approving a journal entry to reverse the transaction. This subsection describes two sets of procedures for these corrections, depending on whether it is necessary to correct the Comptroller's records as well as agency records.

Corrections Not Requiring Notification of Comptroller

Step 1: The Accountant notifies the Cash Manager that an error has been discovered and a correction is required. The Accountant supplies the log number for the transaction in question, and the reason for the correction.

Step 2: The Cash Manager makes an entry to GRS Screen 623 to reverse the entry for that transaction. The entry auto-populates GRS Screen 602 and “uncodes” the transaction.

Step 3: The Accountant makes corrections on GRS Screen 602 and 603, then on Screens 604, 605 or 606. The Accountant notifies the Cash Manager when the corrections are complete.

Step 4: The Cash Manager updates GRS Screen 623, marking the change as “complete.” The entry auto-populates GRS Screen 615.

Step 5: The Cash Manager prints a preview of the Journal Entry on GRS Screen 615 and reviews it for appropriateness.

Step 6: The Cash Manager prints the final Journal Entry, attaches it to the original document and files.

Corrections Requiring Notification of Comptroller

If the error also has to be corrected in the Comptroller’s records, the first six (6) steps are performed, followed by Steps 7 through 16 to produce and submit an RDT or EAT:

Step 7: The Cash Manager creates a print queue to prepare an RDT or EAT for each required correction.

Step 8: The Cash Manager orders the system to print the RDT or EAT using GRS Screen 277.

Step 9: The Cash Manager prepares a [letter to the Comptroller identifying the correction\(s\) required](#).

Step 10: The system produces seven (7) copies of each RDT or eight (8) copies of each EAT overnight, or the same day if on demand.

Step 11: A Cash Manager receives them from Office of Information Management (OIM) the following morning, or the same day if on demand.

Step 12: The Cash Manager stamps the Cash Manager's signature on each copy, and initials the top copy.

Step 13: The Cash Manager prepares five (5) copies of the RDT or six (6) copies of the EAT for transmittal to the Comptroller. They attach them to one copy of each original RDT or EAT that generated the earlier transaction. The Cash Manager keeps two (2) copies of the new RDT or EAT for their files.

Step 14: The Comptroller provides a letter to the Cash Unit confirming that their records have been corrected.

Step 15: A Cash Unit employee batches and files the letter from the Comptroller with DCEO's letter of request and the [RDTs](#) or [EATs](#).

Step 16: The Cash Manager provides a copy of the entire package to the appropriate Accountant.

[Return to Chapter Table of Contents](#)

IV. Federal Awards and Federal Draws

A. Set-Up of Federal Awards

The set-up for a federal award is initiated when DCEO receives notification of the federal award. If a DCEO program manager receives notification first, they are expected to contact the appropriate Accounting Supervisor as soon as they are notified. The following steps describe the process used by the Division of Financial Management to set up a federal award:

Step 1: The Accounting Supervisor inputs required data on GRS Screen 617 (including the program year, program code, program fund, and grant award number.) Through this screen, a grant award is recorded in the applicable general ledger.

Step 2: The Accounting Supervisor forwards the award notification to the Cash Unit.

- ⇒ For grant awards that *do not* utilize a federal draw system, the Cash Unit can proceed immediately with Step 3.

- ⇒ For grant awards that *do* utilize a federal draw system, the Cash Unit must confirm that dollars are available in the cash system before proceeding to Step 3.

Step 3: A Cash Unit employee inputs the data required on GRS Screens 618 and 619 to create a method of ordering a draw and to create a bank control number.

Step 4: The entries in GRS Screens 618 and 619 auto-populate GRS Screen 621, prompting the system to create a Daily Cash Analysis Report for the grant award.

[Return to Chapter Table of Contents](#)

B. Automatic Draws

For some types of grant awards, the federal government sends a draw to the Treasurer automatically each month, or on some other scheduled basis. In these situations, the following steps apply:

Step 1: The Treasurer notifies the Cash Unit that federal funds have been received.

Step 2: The Cash Unit contacts the Accounting Supervisor for that program, who identifies the type of cash receipt.

Step 3: The Cash Unit enters information on GRS Screen 614 to create an RDT.

Step 4: The Cash Unit employee orders the system to print the RDTs on demand using GRS Screen 277.

Step 5: The system produces seven (7) copies of each RDT. A Cash Unit employee receives them from Office of Information Management (OIM) on the same day.

Step 6: The Cash Unit employee stamps the Cash Manager's signature on each copy of the RDT, and initials the top copy.

Step 7: The Cash Unit employee prepares five (5) copies of the RDT for transmittal to the Treasurer and keeps a copy in their pending file.

Step 8: The Cash Unit employee checks SAMS to determine when the RDT has been posted.

Step 9: When SAMS shows the RDT as posted, the Cash Unit employee makes a screen print of the SAMS system that shows the posting, attaches it to a copy of the RDT, and delivers it to the Log Unit employee.

Step 10: The Log Unit employee treats the RDT as any other cash receipt is treated, using the initial processing steps described in Section III, Subsection B of this chapter. After initial processing steps are completed, the RDT is delivered to the Cash Unit.

Step 11: After receiving the RDT from the Log Unit employee, the Cash Unit employee ensures that the information entered to describe the RDT (log number, document date, and amount) is consistent with the information the Log Unit employee entered on GRS Screen 601. The Cash Unit employee resolves any discrepancies with the Log Unit employee, and the Log Unit employee makes required corrections on GRS Screen 601.

Step12: The Cash Unit employee acknowledges receipt of the RDT in the GRS system on GRS Screen 607.

Step 13: The Cash Unit employee elects the appropriate entry for the coded payment on GRS Screen 615, prints a “preview” Journal Entry, and reviews the Journal Entry to ensure it is correct and appropriate.

⇒ If Journal Entry is incorrect, the Cash Unit employee works with Cash Manager to determine what is needed to correct it.

Step 14: The Cash Unit employee creates and prints the final Journal Entry using GRS Screen 615, attaches it to the RDT, files it in the receipt fund folder and gives a copy of the RDT to the Accountant.

[Return to Chapter Table of Contents](#)

C. Establishing Infrastructure for Cash Analysis

For federal grants that do not have an automatic draw, the Cash Unit must anticipate the amount of federal funds that must be drawn to meet specific needs for that program, and draw the funds in sufficient time to meet those needs. To facilitate this process, the Cash Unit must first establish the infrastructure used to create input for the cash analysis report. The following steps are required to establish this infrastructure:

Step 1: Before the beginning of each fiscal year, the Cash Unit obtains state and federal [holiday schedules](#) from the Illinois Department of Central Management Services and enters these holidays on GRS Screen 637.

Step 2: The Cash Unit determines from the Comptroller the dates that money must be deposited in the necessary funds, in order for the Comptroller to process payrolls on a timely basis. The Cash Unit enters those dates on GRS Screen 638.

Step 3: The Cash Unit makes a screen print of GRS Screen 638 and files it attached to the payroll schedule.

[Return to Chapter Table of Contents](#)

D. Draws Through Cash Analysis

[Cash Request and Analysis Reports](#) are generated daily through GRS. These reports are used to analyze and determine the amount of funds to be drawn electronically by the Cash Unit for specific federal programs. The Cash Unit analyzes each of these federal program funds two times each week. This subsection describes the steps performed in the cash analysis process:

Step 1: The Cash Unit employee assigned to a particular fund accesses the Cash Request and Analysis Report for that fund.

Step 2: The Cash Unit employee reviews the information in the report summarizes the federal draw needed, and verifies it against sub-ledger detail reports and information in SAMS.

- ⇒ If the draw is from the Integrated Disbursement and Information System (IDIS), the Cash Unit employee inputs a request for cash in IDIS before proceeding to Step 3.
- ⇒ If the draw is from another federal system, the Cash Unit employee proceeds directly to Step 3.

Step 3: After verifying the information in the report, the Cash Unit employee inputs the amount of cash needed in GRS Screen 614. The entry creates a transmittal number for the cash draw request.

Step 4: The Cash Unit employee writes the transmittal number on the Cash Request and Analysis Report, initials it and forwards it, along with supporting information, to the Cash Manager.

Step 5: The Cash Manager reviews the information, and signs and dates it to show approval.

- ⇒ If the Cash Manager has any questions about the draw or discovers additional information through a review of SAMS, those questions are resolved with the Cash Unit employee who completed the report.

Step 6: The Cash Manager returns the Report to the Cash Unit employee, who goes to GRS Screen 277 to order RDTs on demand.

- ⇒ If the draw is from IDIS, the Cash Unit employee approves IDIS before proceeding to Step 7.
- ⇒ If the draw is from another federal system, the Cash Unit employee orders cash from that federal system before proceeding to Step 7.

Step 7: The system produces seven (7) copies of each RDT. A Cash Unit employee receives them from Office of Information Management (OIM) on the same day.

Step 8: The Cash Unit employee stamps the Cash Manager's signature on each copy of the RDT, and initials the top copy.

Step 9: The Cash Unit employee prepares five (5) copies of the RDT for transmittal to the Treasurer and keeps the Cash Unit copy and the Accountant copy in their pending file.

Step 10: The Cash Unit employee checks SAMS to determine when the RDT has been posted.

Step 11: When SAMS shows the RDT as posted, the Cash Unit employee makes a screen print of the SAMS system that shows the posting, attaches it to a copy of the RDT, and delivers it to the Log Unit employee.

Step 12: The Log Unit employee treats the RDT as any other cash receipt is treated, using the initial processing steps described in Section III, Subsection B of this chapter. After initial processing steps are completed, the RDT is delivered to the Cash Unit.

Step 13: After receiving the RDT from the Log Unit employee, the Cash Unit employee ensures that the information entered to describe the RDT (log number, document date, and amount) is consistent with the information the Log Unit employee entered on GRS Screen 601. The Cash Unit employee resolves any discrepancies with the Log Unit employee, and the Log Unit employee makes required corrections on GRS Screen 601.

Step 14: The Cash Unit employee acknowledges receipt of the RDT in the GRS system on GRS Screen 607.

Step 15: The Cash Unit employee elects the appropriate entry for the coded payment on GRS Screen 615, prints a "preview" Journal Entry, and reviews the Journal Entry to ensure it is correct and appropriate.

⇒ If the Journal Entry is incorrect, the Cash Unit employee works with the Cash Manager to determine what is needed to correct it.

Step 16: The Cash Unit employee creates and prints the final Journal Entry using GRS Screen 615, attaches it to the RDT, attaches the approved RDT to the working copy of the RDT, and files the documents in the receipt fund folder. The Cash Unit employee also gives a copy of the RDT to the Accountant.

[Return to Chapter Table of Contents](#)

E. Requested Draws

The draw down process for some federal grants is a manual process, requiring submission of a [Request for Advance or Reimbursement \(SF 270\)](#) to the federal agency. The following steps describe that process:

Step 1: When determining that there is cash owed to the agency by a federal program, (but no less frequently than once each quarter) the Accountant for the program completes a Request for Advance or Reimbursement (SF 270) reflecting the amount of the grant that has been spent, as well as the amount needed for draw.

Step 2: The Accountant makes required entries on GRS Screen 614.

Step 3: The Accountant sends the SF 270 to the Accounting Manager for the Director's signature.

Step 4: The Accounting Manager signs the SF 270 and returns it to the Accountant.

Step 5: The Accountant sends the original of the SF 270 to the appropriate federal agency and keeps a copy.

Step 6: The federal agency processes the draw and sends the requested money to the Treasurer via wire transfer.

Step 7: The Treasurer notifies the Cash Unit that federal funds have been received.

Step 8: The Cash Unit contacts the Accounting Supervisor for that program, who identifies the type of receipt.

Step 9: A Cash Unit employee enters the fund number on GRS Screen 614, and checks “manual.”

Step 10: The Cash Unit employee verifies the entry, and switches “manual” to “regular” on GRS Screen 614 to generate the RDT on demand.

Step 11: The system produces seven (7) copies of each RDT. A Cash Unit employee receives them from Office of Information Management (OIM) on the same day.

Step 12: The Cash Unit employee stamps the Cash Manager’s signature on each copy of the RDT, and initials the top copy.

Step 13: The Cash Unit employee prepares five (5) copies of the RDT for transmittal to the Treasurer and keeps a copy in their pending file.

Step 14: The Cash Unit employee checks SAMS to determine when the RDT has been posted.

Step 15: When SAMS shows the RDT as posted, the Cash Unit employee makes a screen print of the SAMS system that shows the posting, attaches it to a copy of the RDT, and delivers it to the Log Unit employee.

Step 16: The Log Unit employee treats the RDT as any other cash receipt is treated, using the initial processing steps described in Section III, Subsection B of this chapter. After initial processing steps are completed, the RDT is delivered to the Cash Unit.

Step 17: After receiving the RDT from the Log Unit employee, the Cash Unit employee ensures that the information entered to describe the RDT (log number, document date, and amount) is consistent with the information the Log Unit employee entered on GRS Screen 601. The Cash Unit employee resolves any

discrepancies with the Log Unit employee, and the Log Unit employee makes required corrections on GRS Screen 601.

Step18: The Cash Unit employee acknowledges receipt of the RDT in the GRS system on GRS Screen 607.

Step 19: The Cash Unit employee elects the appropriate entry for the coded payment on GRS Screen 615, prints a “preview” Journal Entry, and reviews the Journal Entry to ensure it is correct and appropriate.

⇒ If the Journal Entry is incorrect, the Cash Unit employee works with the Cash Manager to determine what is needed to correct it.

Step 20: The Cash Unit employee creates and prints the final Journal Entry using GRS Screen 615, attaches it to the RDT, attaches the approved RDT to the working copy of the RDT, and files the documents in the receipt fund folder. The Cash Unit employee also gives a copy of the RDT to the Accountant.

Illinois Department of Commerce and Economic Opportunity
Financial Management - Policy and Procedure Manual

Voucher Processing
Contents of Chapter 4

- V. [Overview](#)
 - D. [Applicable Statutes](#)
 - E. [Guiding Principles](#)
 - F. [Chapter Summary](#)

- VI. [Processing Vendor Payment Requests](#)
 - A. [Initial Processing of Vendor Payment Requests](#)
 - B. [Detailing Vendor Invoices](#)
 - C. [Pre-Audit of Facsimile Vouchers](#)
 - D. [Posting and Request to Print Final Vouchers](#)
 - E. [Transmittal of Final Vouchers to Comptroller](#)

- VII. [Processing Travel Vouchers](#)
 - A. [Receipt and Pre-Audit of Travel Vouchers](#)
 - B. [Preparation and Submission of Travel Vouchers to Comptroller](#)

- VIII. [Processing Petty Cash Vouchers](#)
 - A. [Preparing Employee Reimbursement from Petty Cash](#)
 - B. [Preparation and Submission of Petty Cash Vouchers to Comptroller](#)

- IX. [Processing Vouchers for Imprest Accounts](#)

- X. [Processing Payments Through Court of Claims](#)
 - A. [Notifying Vendor of Court of Claims Process](#)
 - B. [Responding to Court of Claims Complaints](#)
 - C. [Completing Processing for Court of Claims Payments](#)

- XI. [Review of Telecommunications Bills](#)

- XII. [Maintenance of Voucher Processing Function](#)
 - A. [Vendor Maintenance for Administrative Expenditures](#)
 - B. [Grantee Maintenance](#)
 - C. [Voucher Adjustments](#)
 - D. [Lapse Period Procedures](#)

II. Overview

D. Applicable Statutes

DCEO's voucher processing activities are designed to fulfill the agency's responsibility to process payments of bills or invoices for goods or services furnished to the department by vendors. DCEO must also ensure that these payments are legal and proper, and accurately recorded in the agency's accounting system. The agency has similar responsibilities to process reimbursements to DCEO employees and vendors for business-related travel expenses. The most relevant state statutes governing DCEO's voucher processing responsibilities include:

- Section 9 of the [State Comptroller Act \(15 ILCS 405/9\)](#) requiring DCEO to pre-audit all payment requests before presenting them to the Comptroller for payment authorization. The pre-audit function includes an examination to ensure the proposed payment is legal and proper.
- The [State Finance Act \(30 ILCS 105/9\)](#) containing provisions that establish and enforce the requirement that only those with established signature authority within DCEO may sign vouchers.
- The [State Prompt Payment Act \(30 ILCS 540/1\)](#) stipulating that a vendor's bill or invoice for goods or services and approved for payment must be paid within 60 days of the receipt of the proper bill. Any bill or invoice that is not paid within the prescribed timeframe shall include an interest penalty of 1% per month, until final payment is made.
- The [Illinois Procurement Code \(30 ILCS 500/1 et seq\)](#) governing the purchase of goods and services by state agencies through competitive bidding and economic procurement practices.
- The [Court of Claims Act \(705 ILCS 505\)](#) setting forth the conditions under which a vendor may file with the Court of Claims and conditions for payment of awards by the Court of Claims.

Although there are additional statutes that affect the voucher processing function, these are the major provisions of the State laws that serve as the foundation for DCEO's policies and procedures to process vouchers promptly, and to ensure that payment is legal and proper.

B. Guiding Principles

The SAMS manual requires all state agencies to approve proper bills or deny bills with defects, in whole or in part, within 30 days after receipt. In order to ensure the agency's ability to meet these requirements, the Division relies on DCEO business unit managers *and* DCEO employees for assurance that required approvals are sought and received before expending agency funds, and that all purchases are consistent with DCEO's procurement policies and procedures.

More specific responsibilities of DCEO business unit managers and DCEO employees are described below:

- Make required entries in the agency's Expenditure Planning and Control (EPC) system and secure required approvals of all proposed expenditures *before* the expenditure is made.
- For all purchases that require Expenditure Authorization documents (EA documents), make required entries in the agency's EPC system accurately and completely and ensure that the required EA documents are produced, signed and filed as required.
- Respond promptly when asked by the Division of Financial Management to provide clarification or complete missing information on an EA document. Failure to do so delays the payment authorization process and can jeopardize the agency's ability to meet the 60 day payment requirement identified in the [State Prompt Payment Act](#).
- Inform vendors about how to properly complete and submit invoices, including the use of the correct billing address and the requirement that all costs identified on the invoice be legal and appropriate.
- Inform vendors about the need to complete and submit the [Non-State Employee Reimbursement Report](#) when seeking payment for business travel expenses.
- Ensure that vendors are aware of and comply with the requirement to submit invoices to DCEO for all costs incurred during the State fiscal year before the

date specified by the Comptroller as the last date to process lapse period expenditures.

- Ensure that all invoice vouchers are thoroughly reviewed, properly approved, and returned to the Fiscal Operations Office within the requested time frames.

The goal of the Division of Financial Management (the Division) is to process all employee Travel Vouchers within four business days of receipt, if the Travel Voucher is complete and valid, and if all required approvals have been secured. The Division relies on DCEO business unit managers *and* DCEO employees for assurance that proper authorizations are sought and received before business travel expenses are incurred, and that all travel is consistent with the policies and procedures set forth by the Office of the Governor, the Illinois Department of Central Management Services (CMS), the Comptroller and DCEO management.

More specific responsibilities of DCEO business unit managers, DCEO employees and Fiscal Liaisons with respect to business travel requests and reimbursement for business travel are described below:

- Review and comply with all provisions in the most recent copy of [A Travel Guide for State of Illinois Employees](#) as well as memoranda providing information updating the Guide.
- Submit annually the insurance liability forms required by the Comptroller, and if using a vehicle for business, file a statement certifying that the driver is licensed and has an active auto liability insurance policy at the required minimum amounts.
- Comply with all requirements for obtaining prior supervisory approval for in-state travel, and (with limited exceptions) submit required travel exception requests in advance of travel. Examples of travel exception requests include Waiver to Permit Personal Vehicle Usage, letters requesting exceptions for excess lodging or excess transportation costs, and any other expenses exceeding rates established by state travel requirements.
- Comply with all requirements for obtaining prior approval of the Director and the Governor's Office of Management and Budget for out-of-state travel, and, for out-of-country travel, secure prior approval of the Governor's Travel Control Board as well.

- Submit Travel Vouchers that are properly completed and on a schedule prescribed by agency management. If travel includes direct billing expenses, submit within 14 days of the completion of the trip. Attach all supporting documentation and secure all required signatures. Review the DCEO Employee Travel Voucher Checklist and ensure compliance with the checklist before submitting the Travel Voucher.

- Comply with agency policies regarding reimbursement for hosting a business meal involving non-state employees, including the completion and submission of the Business Meal Reimbursement Request.

- Request reimbursement using a Petty Cash Voucher *only* when it is impractical or impossible to follow normal procurement procedures, and *only* when it is intended as reimbursement for incidental out-of-pocket, non-travel or emergency expenditures of \$50 or less, and is supported by a paid receipt.

- Submit Travel Vouchers for travel occurring during a fiscal year before the date specified by DCEO's Chief Financial Officer (CFO) as the last date to receive lapse period vouchers.

The Division of Financial Management works with the DCEO Telecommunications Coordinator to ensure that each of the line charges on the telecommunications invoices received from the Illinois Department of Central Management Services (CMS) are charged to the correct employee, and that the coding assigned by CMS (reflecting each employee's appropriation code and SUBA) is correct. The Division *and* the DCEO Telecommunication Coordinator need the full cooperation of each DCEO business unit to review the telecommunications invoices on a monthly basis, and report any discrepancies. Each business unit is also responsible for ensuring that the SUBA is current and correct for each employee under their jurisdiction.

[Return to Chapter Table of Contents](#)

C. Chapter Summary

[Section II](#) of this chapter describes the functions performed by the Division to pay invoices from agency vendors, beginning with the receipt of the vendor payment request and ending with the transmittal of final vouchers to the Comptroller for payment.

Travel Vouchers from DCEO staff, Petty Cash Vouchers and Imprest Account Reimbursements are all handled somewhat differently than the routine processing of vendor invoices. [Sections III, IV and V](#) of this chapter describe how these transactions are handled within the Division.

[Section VI](#) of this chapter describes the Court of Claims procedures involved when a vendor waits until after the close of the lapse period to present an invoice for goods or services provided in the previous fiscal year.

The Division works closely with DCEO's Telecommunications Coordinator to ensure that agency telecommunications charges are correct, and that they are paid from the correct SUBA. [Section VII](#) describes the review processes involved for telecommunications invoices received from the Department of Central Management Services.

[Section VIII](#) provides an overview of the on-going tasks performed by the Division to maintain vendor files, and to monitor lapse period spending.

[Return to Chapter Table of Contents](#)

II. Processing Vendor Payment Requests

Vendors request payment from DCEO by submitting invoices to the agency. The Fiscal Operations Office within the Division of Financial Management (the Division) is responsible for receiving and reviewing vendor invoices to be certain that they are correct and complete, that proper authorization exists for the payment, and that ultimately, the payment requests are properly posted in the agency's accounting system and submitted to the Comptroller. The Fiscal Operations Office conducts pre-audits of each voucher to be sent to the Comptroller, conducts final posting of these vouchers in the accounting system, and requests production of final vouchers, files and reports to be submitted to the Comptroller. The Fiscal Operations Manager signs all submissions to the Comptroller on behalf of the Director, signifying the Director's approval to proceed with payment. The purpose of this section is to describe the tasks and responsibilities associated with the processing of vendor payments. Reimbursements for travel, petty cash and imprest accounts, as well as payments through the Court of Claims, are addressed in subsequent sections of this chapter.

A. Initial Processing of Vendor Payment Requests

Initial processing of payment requests from vendors includes the steps that occur from the time an invoice or payment request is received, until it is logged into the Expenditure Planning and Control System (EPC.) This subsection describes these initial processing steps.

Step 1: A Financial Management Support Staff (FMSS) opens, date stamps and delivers the mail within the Division. All mail that appears to be related to accounts payable is delivered to the Fiscal Operations Office and placed in the basket marked "Fiscal Ops Mail." A Voucher Unit employee in the Fiscal Operations Office sorts accounts payable mail and identifies invoices that have been presented to the agency for payment. These invoices are placed in the basket marked "Invoices to be Logged."

- ⇒ If an invoice is for goods or services purchased in a previous fiscal year and the lapse period has expired, the Voucher Unit employee provides the invoice to the Fiscal Operations Manager who works with the Chief Financial Officer to determine whether the request for payment must be referred to the Court of Claims. (See Section VI for a description of the Court of Claims process.)

Step 2: Every invoice must contain a Taxpayer Identification Number (TIN.) The TIN for an individual is their Social Security Number, and for a business entity it is the nine-digit federal identification number for the business. The Voucher Unit employee reviews each invoice to determine if a TIN is present. If the TIN is not present, the Voucher Unit employee accesses EPC Screen 401. If the TIN is not in EPC, the Voucher Unit employee accesses the statewide vendor database within SAMS to locate the TIN.

- ⇒ If the TIN can be located in EPC or the statewide vendor database, the Voucher Unit employee writes it on the invoice and proceeds to Step 3.
- ⇒ If the Voucher Unit employee is unable to locate the correct TIN, the employee contacts the vendor by telephone, obtains the TIN, writes it on the invoice and proceeds to Step 3.

When the TIN is not present on the invoice and cannot be located in EPC, or if the address on the invoice differs from the address in EPC, Voucher Unit employees are to refer to [Section VIII](#) of this chapter for steps to be taken to update the EPC Vendor File, in addition to completing the steps described below:

Step 3: The Voucher Unit employee accesses the statewide vendor database within SAMS to determine if the vendor is certified by the Comptroller.

- ⇒ If the Vendor is certified, the Voucher Unit employee ensures the vendor is also certified in EPC and updates the entry when necessary. The Voucher Unit employee then skips Step 4 and goes directly to [Step 5](#).
- ⇒ If the Vendor is not certified, the Voucher Unit employee provides the invoice for that vendor to the Voucher Unit Supervisor (see Step 4.)

Step 4: The Voucher Unit Supervisor reviews the invoice to determine if the payment is 1099 reportable (i.e. if tax reporting is required for that vendor.)

- ⇒ If tax reporting is required, the Voucher Unit Supervisor notifies the Voucher Unit employee, who prepares a letter requesting the vendor to complete an Internal Revenue Service Form which is a [W-8 Form](#) (for foreign vendors) or [W-9 Form](#) (for U.S. vendors) and return it to the Fiscal Operations Office. The Voucher Unit employee mails the letter, a blank Form W-8 or W-9, and a copy of the vendor's invoice to the vendor. The

Voucher Unit employee also sends a copy of the letter and the original invoice through the logging process described in Step 5, and places a copy of the letter and the vendor invoice in a pending file, awaiting a completed Form W-8 or W-9 from the vendor.

⇒ If tax reporting is not required, the Voucher Unit Supervisor returns the invoice to the Voucher Unit employee, who proceeds to Step 5.

Step 5: The Voucher Unit employee makes an entry on EPC Screen 271 to log receipt of the invoice. The invoice date is the date the invoice was received in the Division and represents “Day 1” in the measurement of whether the invoice has been processed within the 60 day time limit imposed by law.

Step 6: The Voucher Unit employee marks each invoice that has been logged on EPC Screen 271 with a red “L” and places the invoice in the basket marked “Logged.”

Step 7: Overnight, the system transfers information entered on EPC Screen 271 onto EPC Screen 274, and produces a Split Coding Control Report that contains a summary of each invoice logged on the previous day, and a separate control sheet (titled Split Coding Sheet) for each invoice.

This completes the logging process for invoices. The following day, Fiscal Operations Office Support Staff enter additional details from the vendor invoice into EPC (referred to in this Chapter as “detailing.”) The detailing process is described in Subsection B below.

[Return to Chapter Table of Contents](#)

B. Detailing Vendor Invoices

After receipt of the Split Coding Control Report on the day following logging of an invoice, a Fiscal Operations Support Staff (FOSS) matches each invoice to its Split Coding Sheet, identifies Expenditure Authorization (EA) documents for each invoice, and enters detailed information about the invoice into the EPC system. This subsection describes the steps involved in this part of the process.

Step 1: The FOSS matches a Split Coding Sheet to each invoice.

- ⇒ If there is a letter to a vendor requesting a [W-8 Form](#) or [W-9 Form](#) attached to the invoice, the FOSS forwards the invoice to the Obligations Supervisor to hold until the Form W-8 or W-9 is received.

Step 2: The FOSS identifies any invoices for travel or telecommunications and forwards them to the Voucher Unit for further processing. (See Section III for Travel Voucher Processing and Section VII for Review of Telecommunications Bills.)

Step 3: The FOSS identifies all invoices for which an EA document is *not* required, based on the document titled “CAT Codes Not Requiring EA Documents.”

Step 4: Using the vendor’s TIN, the FOSS accesses EPC Screen 505 to determine whether an EA document is on file for each of the remaining invoices.

- ⇒ If a completed EA document is not on file, the FOSS notifies the business unit involved that a completed EA document is required, and places the invoice in pending status until that EA document has been received. The FOSS pends the invoice for up to five business days, and if the completed EA document has not been received, the invoice is forwarded first to the Unit Supervisor, and then to the Fiscal Operations Manager for follow-up with the appropriate business unit.
- ⇒ As soon as a completed EA document is on file, the FOSS proceeds to Step 5.

Step 5: The FOSS identifies the open EA (PR, CO, DP or TR) associated with each invoice and writes the specific EA number on the Split Coding Sheet for that invoice. The FOSS pulls the EA document(s) for the invoice from the file drawer and determines from the EA document(s) whether the payment is to be from a single source, or from multiple sources.

- ⇒ If payment is from a single source, the FOSS completes the Split Coding Sheet and proceeds to Step 10.

- ⇒ If payment is from multiple sources, the FOSS details the split payment information on the Split Coding Sheet and makes one copy of the invoice for each funding source and, if the EA document is a PR or unobligated DP, one copy of that document. The original Split Coding Sheet, invoice and a copy of the EA document is filed in a Split File. The FOSS highlights a single funding source on each copy of the Split Coding Sheets, and proceeds to Step 10.

Step 6: Using EPC and open PR files, the FOSS identifies and pulls the PRs authorizing the expenditures for those invoices paid from a PR.

- ⇒ If the invoice is a final billing or a complete billing, the original PR is attached to the invoice for detailing. The amount of the PR is adjusted to the total of all invoices for this PR, if necessary.
- ⇒ If the invoice is a partial billing, the FOSS copies the PR and attaches the copy to the invoice for detailing. The original PR is returned to the open PR files awaiting future invoices or manual closure.

Step 7: Using EPC and the open unobligated DP files, the FOSS identifies and pulls the unobligated DPs authorizing the expenditures for those invoices paid from an unobligated DP.

- ⇒ If the invoice is a final billing or a complete billing, the original unobligated DP is attached to it for detailing. If the complete billings result in an unexpended balance, the amount of the DP is adjusted to the total of all invoices for this DP if necessary.
- ⇒ If the invoice is a partial billing, the FOSS copies the unobligated DP and attaches the copy to the invoice for detailing. The original unobligated DP is returned to the open unobligated DP files awaiting future invoices or manual closure.

Step 8: Using EPC and the contract files (COs and obligated DPs) the FOSS identifies the COs or obligated DPs authorizing the expenditures for those invoices paid from contracts or obligated DPs. At this time, the FOSS ensures that the goods or services billed are consistent with the terms and conditions of the contract.

- ⇒ The FOSS writes the specific CO or DP number on the Split Coding Sheet.
- ⇒ Using EPC and the contract file, the FOSS identifies the specific contract sequence number (seq) from which to process the voucher, verifies that there is enough unexpended balance on the contract to cover the invoice, and notes the seq on the Split Coding Sheet. Consideration is given to: whether the invoice must be processed against a specific seq (travel money), the specific SUBA responsible for funding the purchase, and the specific funds in which there is an unexpended balance.
- ⇒ If the funding on the contract is sufficient, proceed to [Step 10](#).
- ⇒ If the funding on the contract is *not* sufficient, the invoice is given to the Obligation Unit Supervisor for follow-up with the responsible business unit.

Step 9: Non-State Employee Reimbursement Reports from vendors who have incurred business travel expenses are forwarded to the Voucher Unit Supervisor for audit, to confirm that the reports have been completed in a manner that is consistent with the provisions of the vendor's contract, if applicable, and with all relevant state travel regulations. The Voucher Unit Supervisor resolves any errors. When correct, the Non-State Employee Reimbursement Report is given to the Voucher Unit employee, who proceeds to Step 10.

The following invoices are forwarded by the FOSS to one of the Fiscal Operations Unit Supervisors for further handling:

- If the corresponding EA has a status in EPC other than "Obligated"
- If there is not enough remaining balance on the EA to process the invoice
- All other invoices that cannot be detailed or voided.

The following steps apply to all remaining invoices:

Step 10: The FOSS selects an invoice to be detailed from EPC Screen 274, and proceeds with entry of the required detail on EPC Screen 271.

- ⇒ If the invoice is for equipment, the Obligation Unit Supervisor must confirm in CIS that the item has been received before proceeding with detailing.
- ⇒ If the invoice is for programmers, the Obligation Unit Supervisor must confirm in CIS that the programmers' hours have been approved before proceeding with detailing.

Step 11: In most cases, the FOSS enters the following information on EPC Screen 271: the Appropriation Account Code, the EA identification number, the period of service, the Detail Object Code (DOC) if a single DOC is being used for the voucher, and a description of the payment as it should appear on the attachment to the warrant used to pay the vendor for this invoice.

- ⇒ If the invoice does not require an EA document (see Step 3) the FOSS enters the CAT Code instead of the EA ID on screen 271, and they enter the SUBA instead of the EA ID on screen 272.

- ⇒ Invoices for vendors included in DCEO's Market Tracking System are entered on EPC Screen 271 only. The following fields are completed:

- | | |
|---------------------|------------------------|
| ▪ FY | ▪ Estimate number |
| ▪ FEIN | ▪ DTL – place an 'X' |
| ▪ Invoice number | ▪ Total invoice amount |
| ▪ Invoice date | ▪ DOC |
| ▪ Period of service | ▪ Description |
| ▪ EA ID | |

- ⇒ The FOSS presses F13 to add estimate.

Step 12: After completing EPC Screen 271, the FOSS continues to make entries for the invoice on EPC Screen 272 providing additional detail about the invoice. The information entered includes the invoice amount, the DOC if not already entered, the EA identification number and sequence, and the amount applied to the specific EA. The FOSS marks items "special" or EDP as appropriate.

- ⇒ If the invoice does not require an EA document (see Step 3) the FOSS enters the SUBA instead of the EA ID on screen 272.

Step 13: After completing EPC Screens 271 and 272, the FOSS marks the Split Coding Sheet for that invoice with a “D”, and places it, the invoice, and the EA in the basket marked “Detailed.”

- ⇒ Invoices paid from “Special” PRs (those marked with “CRO” or “OMR”) may require manual closure. They are closed on the EPC Screen 215 by placing an “X” in the Close PR field. If the closure results in an unexpended balance on the PR, that amount cannot be adjusted off until a decreasing entry is made in IGPS by the State Purchasing Officer (SPO.) The FOSS contacts the Fiscal Liaison to initiate this process.

Step 14: Overnight, the system draws on the information entered on EPC Screens 271 and 272 to produce facsimile vouchers.

This completes the detailing process for invoices. The pre-audit process that occurs on the following day, after the production of facsimile vouchers, is to ensure that all information to be sent to the Comptroller for payment processing is correct before it is sent. The pre-audit process is described in Subsection C below.

[Return to Chapter Table of Contents](#)

C. Pre-Audit of Facsimile Vouchers

The Comptroller requires that a pre-audit of the vouchering process be conducted at two levels – first by each agency and then by the Comptroller. SAMS describes agency-level pre-auditing as an examination by the agency head or designee for the purpose of determining the legality and propriety of a proposed transaction or a transaction in process. By affixing their signature to a voucher or agency file balancing report, the responsible agency official certifies that the voucher is legal and proper. This subsection describes the pre-audit steps undertaken by DCEO before transmitting final vouchers to the Comptroller.

Step 1: The FOSS attaches a facsimile voucher to each invoice that was detailed, and groups the facsimile vouchers and invoices in batches to be sent to DCEO business units for review and signature. The FOSS attaches a separate batch sheet for each business unit or group of business units with an assigned recipient (referred to as the batch recipient.)

Step 2: The FOSS forwards these batch sheets and associated invoices and facsimile vouchers to the Fiscal Operations Manager for review.

Step 3: The Fiscal Operations Manager reviews the materials to identify “critical conditions” – conditions in which a facsimile voucher needs unique or immediate attention. Examples of a critical condition would include an invoice that is nearing the agency’s 30-day limit for processing, or a voucher that requires approval from multiple divisions. The Fiscal Operations Manager takes any necessary steps required for the vouchers with critical conditions.

Step 4: The Fiscal Operations Manager divides the vouchers, grouped by batch sheets, among the Fiscal Operations Unit Supervisors for further review.

Step 5: The Fiscal Operations Unit Supervisors review their set of facsimile vouchers for accuracy. Review includes verification that:

- the vendor/payee name and remit address on the voucher matches the entity on the invoice
- the invoice number and date on the voucher match the invoice
- the voucher description adequately portrays the goods or services billed
- the correct DOC, EA number, appropriation account code and SUBA are present
- the amount of the facsimile vouchers equals the amount of the invoice, or the amount funded by that appropriation
- if applicable, the PR or unobligated DP is attached, and
- if applicable, receiving documents are attached.

If the facsimile vouchers are error free, the FMSS forwards the batched vouchers to the appropriate batch recipient for review and signature.

- ⇒ If a Fiscal Operations Unit Supervisor identifies any errors on the facsimile voucher, they access that voucher from EPC Screen 276, and make required corrections on EPC Screens 271 and 272. A revised facsimile voucher is produced that night, and included with the other facsimile vouchers produced for review the following day. That review process will begin at [Step 1 of Subsection C](#).

Step 6: The batch recipient forwards each voucher to an appropriate staff person who reviews it and, if everything is correct, signs on the line as Approved for Payment. If the payment is for goods rather than services, the staff person signs as Receiving Officer.

Step 7: The staff person in the business unit forwards the voucher to the Head of Unit or designee for approval, and after the signature as Head of Unit is obtained, the voucher is returned to the Fiscal Operations Office. Those signing as Head of Unit for each business unit must be authorized to do so and cannot be the same staff person who signed on the “Approved for Payment” or “Receiving Officer” line. This authorization process is described in *Chapter Thirteen: Signature Authorization*.

This completes the pre-audit process for facsimile vouchers. The process to post and request a final voucher to be printed occurs daily as signed vouchers are returned to Fiscal Operations.

[Return to Chapter Table of Contents](#)

D. Posting and Request to Print Final Vouchers

Signed facsimile vouchers are returned to the Fiscal Operations Office for posting. This subsection describes the steps taken within that office to post payment requests and obtain a final, numbered voucher.

Step 1: Vouchers returned to the Fiscal Operations Office by the business units are date stamped by the FMSS and placed in the basket marked “Fiscal Ops Mail.”

Step 2: The Voucher Unit employee identifies facsimile vouchers that have been signed and returned by the business units and places them in the basket marked “Admin to be Posted.”

Step 3: One of the Fiscal Operations Unit Supervisors retrieves the vouchers, and reviews them to ensure that the signatures on the vouchers are completed by individuals with signature authority, as described in *Chapter Thirteen: Signature Authorization*.

Step 4: The Fiscal Operations Unit Supervisors identify vouchers returned for correction and make required revisions. Corrected vouchers are returned to the "Detail" basket and are pre-audited again the following day.

Step 5: The Fiscal Operations Unit Supervisor reviews the information on the voucher to determine whether Cash Unit approval is required before posting the voucher and sending it to the Comptroller for payment. Cash Unit approval *is* required if:

- The voucher is for \$10,000 or more and is to be paid from one of the following funds: 017, 023, 235, 387, 404, 636, 820, 851, 859, 871, 875, or 883, or
- The voucher is for \$5,000 or more and is to be paid from fund 726 or 913.

If Cash Unit approval is not required, the Fiscal Operations Unit Supervisor proceeds directly to Step 8.

If Cash Unit approval is required, Steps 6 and 7 must be completed before proceeding to Step 8.

Step 6: The Fiscal Operations Unit Supervisor completes and delivers the Voucher Draw Request Memo, and provides it, along with a copy of the facsimile voucher, to the Cash Unit. The Supervisor places the voucher and a copy of the memo in the basket marked "Admin to be Posted" while awaiting Cash Unit approval.

Step 7: The Cash Unit reviews and approves the draw request, signs the Voucher Draw Request Memo, and returns it to the basket marked "Admin to be Posted." The Fiscal Operations Unit Supervisor retrieves the facsimile vouchers from the "Admin to be Posted" basket and proceeds with processing. The approved Voucher Draw Request Memo is attached to the voucher and the copies are discarded.

Step 8: The Fiscal Operations Unit Supervisor posts each facsimile voucher on EPC Screen 276. As part of the posting process, the Fiscal Operations Unit Supervisor enters the batch number assigned to the facsimile voucher, and inquires to be sure the information on the facsimile voucher matches the information on the Screen. If so, posting is completed.

Step 9: The Fiscal Operations Unit Supervisor enters the Voucher Production Print Request for Administrative Vouchers on EPC Screen 277. If notified by the Cash Unit that grant vouchers are also scheduled for release, the Supervisor also enters the Voucher Production Print Request for grant vouchers on EPC Screen 277.

Note: The Comptroller prefers at least ten (10) vouchers to be processed for each file transfer. Therefore, the Fiscal Operations Unit Supervisor usually requests Voucher Print Production after at least ten (10) vouchers are accumulated.

Step 10: Overnight, the system prepares the paperless voucher listings and final vouchers where required, along with administrative reports, and grant reports if ordered.

This completes the process for posting and requesting final vouchers to print. The process to transmit final vouchers to the Comptroller occurs the next day. This process is described in Subsection E below.

[Return to Chapter Table of Contents](#)

E. Transmittal of Final Vouchers to Comptroller

Most vouchers can be submitted to the Comptroller electronically, without paper and without supporting documentation. DCEO is required to maintain the supporting documentation to substantiate these expenditures. This subsection describes the steps taken within DCEO's Fiscal Operations Office to transmit vouchers to the Comptroller electronically. Travel Vouchers, Petty Cash payments and vouchers to reimburse agency imprest accounts must be submitted in paper form, with documentation attached. Details for processing these paper vouchers are described in subsequent subsections of this Chapter.

Step 1: A Financial Management Support Staff (FMSS) signs for reports from the Office of Information Management (OIM), and delivers them to the Financial Management work room.

Step 2: A Voucher Unit employee picks up the reports and separates them into MHDADMIN and MHDGRANT. The MHDADMIN report is further separated into the following components:

- Admin Invoice Voucher Listing
- Agency File Balancing Report
- Cash Tape/Voucher Balancing Report
- Paper vouchers, and
- C-12 Schedules for Travel Vouchers, Imprest Vouchers and Petty Cash Vouchers.

When an MHDGRANT report is present, the Voucher Unit employee separates it into the following components:

- Listing of Grant Vouchers Processed
- Paperless Voucher Listing
- Agency File Balancing Report
- Cash Tape/Voucher Balancing Report

If the report is paperless and for Admin vouchers, the Voucher Unit employee retains one copy of the Admin Invoice Voucher Listing in the Fiscal Operations Office. If the report is for grants, the Voucher Unit employee retains one copy of the Listing of Grant Vouchers Processed in the Fiscal Operations Office and sends the other copy to the accountant assigned to that grant program.

Step 3: For the vouchers covered by the MHDADMIN Agency File Balancing Report, the Voucher Unit employee retrieves all facsimile vouchers from the basket marked "Posted Admin" and matches them against the list of vouchers on the Admin Invoice Voucher Listing, to be sure that all facsimile vouchers approved the previous day have been included in the report.

If paper vouchers are prepared, see Section III of this chapter for Travel Vouchers, Section IV for Petty Cash Vouchers, and Section V for Imprest Accounts.

Step 4: The Voucher Unit employee stamps two copies of the MHDGRANT Agency File Balancing Report with the Director's signature and provides them to the Fiscal Operations Manager for review.

- ⇒ If the report is correct, the Fiscal Operations Manager signs and returns it to the Voucher Unit employee.
- ⇒ If the report has errors, the Fiscal Operations Manager pursues and corrects the errors.

Step 5: The Voucher Unit employee provides two copies of the Cash Tape/Voucher Balancing Reports (both grants and admin) to the Cash Manager for review.

- ⇒ If the Cash Manager confirms that there are sufficient funds to cover the voucher request, they file one copy of the report, initial and date the other copy, and forward the initialed copies to the Voucher Unit employee.
- ⇒ If the Cash Manager determines that there are *not* sufficient funds to cover the voucher request and the voucher is to be paid from Federal funds, the Cash Manager works with Cash Unit staff to order enough funds to fulfill the voucher request.
- ⇒ If the voucher is to be paid from other funds, the Cash Manager works with the Budget Office to identify sufficient funds to cover the request.

After sufficient funds have been identified, the Cash Manager initials and dates one copy of the report, and forwards it to the Voucher Unit employee.

Step 6: The Voucher Unit employee retains one signed copy of the MHDADMIN Agency File Balancing Report and one signed copy of the MHDGRANT Agency File Balancing Report and files it in chronological order. The Voucher Unit employee also retains one copy of the Cash/Tape Voucher Balancing Reports from the Cash Unit.

Step 7: The Voucher Unit employee files the final voucher and original back-up documentation in the vendor files, in alphabetical order by vendor.

Step 8: The Voucher Unit employee prepares separate envelopes addressed to the Comptroller. One envelope contains one signed copy of the MHDADMIN Agency File Balancing Report, Petty Cash Vouchers, Travel Vouchers and Imprest Vouchers; one envelope contains one signed copy of the MHDGRANT Agency File Balancing Report.

Step 9: The Voucher Unit employee leaves these two envelopes in the Division's workroom for pick-up and delivery to the Comptroller.

This completes the process to produce and submit vouchers for payment to vendors. Processing of vouchers for travel, petty cash and imprest accounts is described in the next three sections.

[Return to Chapter Table of Contents](#)

III. Processing Travel Vouchers

As soon as a DCEO employee determines the need for business-related travel, the employee secures the necessary approvals for the trip, and asks the Fiscal Liaison for their business unit to enter the trip information into the Expenditure Planning and Control system (EPC), prepare a Trip Request (TR) and obtain required signatures on the TR. After the trip, the employee prepares a Travel Voucher (C-10) following instructions in SAMS and from agency management, obtains required signatures on the Travel Voucher, attaches the signed TR and required receipts, and submits the package to the Division of Financial Management (the Division) to request reimbursement for travel-related expenses.

Processing of Travel Vouchers for DCEO employees begins with the receipt of the Travel Voucher by the Division. The purpose of this section is to describe the tasks and responsibilities associated with the Division's processing of Travel Vouchers.

A. Receipt and Pre-Audit of Travel Vouchers

Unlike most other types of invoices, Travel Vouchers are not logged into the EPC system before the pre-audit process begins. As soon as a Financial Management Support Staff (FMSS) opens, date stamps and delivers the mail within the Division, they identify all employee Travel Vouchers and forward them to a Voucher Unit employee responsible for conducting an initial review of the Travel Voucher, and the following steps occur:

Step 1: The Voucher Unit employee conducts a review of each Travel Voucher, focusing on Items 1 through 8 of the Travel Voucher Audit Checklist.

Step 2: A Fiscal Operations Support Staff (FOSS) conducts a final pre-audit of all Travel Vouchers, focusing on Items 9 through 32 of the Travel Voucher Audit Checklist, and initials and dates the Vendor File copy of the Travel Voucher.

⇒ If discrepancies or questions are identified in Step 1 or 2, the FOSS highlights the areas in question.

Step 3: The FOSS forwards the Travel Vouchers to the Voucher Unit Supervisor for review, highlighting any discrepancies.

Step 4: The Voucher Unit Supervisor determines whether the Travel Voucher can be processed for payment.

- ⇒ If the Travel Voucher is error-free, the Voucher Unit Supervisor initials and dates the Vendor File copy of the Voucher, and places it in the basket marked "Travel Vouchers to be Posted." **To complete the process for error-free Travel Vouchers, proceed directly to [Step 9](#).**
- ⇒ If the Travel Voucher has any errors, the Voucher Unit Supervisor confirms the error and returns it to a Voucher Unit employee, who proceeds to Step 5.

Step 5: A Voucher Unit employee records the rejected voucher in the Travel Voucher Database, selecting the error on the Voucher from a dropdown list of the most common errors.

Step 6: Using the database, the Voucher Unit employee produces a memo to the business unit, identifying the reason the Travel Voucher was rejected.

Step 7: The Voucher Unit employee attaches the memo identifying the reason for rejection to the original Travel Voucher and all supporting documentation, and returns the entire package to the originating business unit for correction. The Voucher Unit employee retains a copy of the Travel Voucher and memo in a pending file, awaiting the return of the corrected Voucher.

Step 8: The Voucher Unit employee updates the database when the corrected Travel Voucher is returned to the Voucher Unit, and matches the returned Travel Voucher to the copy retained in the pending file. All corrected Travel Vouchers undergo pre-audit, beginning with Step 1 of this subsection. After the Voucher Unit has approved the corrected Travel Voucher, it is placed in the basket marked "Travel Vouchers to be Posted."

Step 9: The Voucher Unit employee retrieves all Travel Vouchers from the basket marked "To Be Posted" and posts each on EPC Screen 279, creating a voucher number for each.

Step 10: The Voucher Unit employee writes the voucher number and the date the posting occurred on all copies of the Travel Voucher, and places it in the basket marked "Posted Admin."

[Return to Chapter Table of Contents](#)

B. Preparation and Submission of Travel Vouchers to Comptroller

Travel Vouchers must be submitted to the Comptroller electronically and in paper form, with documentation attached. This subsection describes the steps taken within DCEO's Fiscal Operations Office to transmit Travel Vouchers to the Comptroller.

Step 1: Overnight, the system produces an MHDADMIN report that contains a number of components, including the C-12 schedule that is to serve as the transmittal document for the Comptroller's copy of the Travel Vouchers and voucher documentation.

Step 2: The Voucher Unit employee retrieves all Travel Vouchers from the basket marked "Posted Admin" and attaches the C-12 schedule to the original Travel Vouchers and a copy of all supporting documentation.

Step 3: The Voucher Unit employee stamps the paper vouchers and two copies of the MHDADMIN Agency File Balancing Report with the Director's signature and provides them to the Fiscal Operations Manager for review.

- ⇒ If the report and paper vouchers are correct, the Fiscal Operations Manager signs and returns them to the Voucher Unit employee.
- ⇒ If the report or paper vouchers have errors, the Fiscal Operations Manager pursues and corrects the errors.

Step 4: The Schedules with attachments are forwarded to the Comptroller, along with the MHDADMIN Agency File Balancing Report to be processed for payment in SAMS.

Step 5: If the Voucher does *not* have an entry marked as “Direct Bill,” a copy of the Voucher and the original supporting documentation are placed in the Vendor File. If the Voucher *does* have an entry marked “Direct Bill,” the Vendor File copy is given to a designated Voucher Unit employee.

This completes the process to pre-audit and submit Travel Vouchers to the Comptroller for payment, unless the Travel Voucher is marked as “Direct Bill.” The following additional step applies to “Direct Bill” Travel Vouchers:

Step 6: The Voucher Unit employee determines whether the item referenced on the Travel Voucher as “Direct Bill” has been processed for payment.

- ⇒ If the item has been processed for payment, a copy of the voucher paying the Direct Bill is attached to the Travel Voucher and placed in the Travel Voucher file.
- ⇒ If the item has *not* been processed for payment, the Voucher Unit employee obtains an invoice from the vendor, or detaches it from the Travel Voucher if the invoice was included as Travel Voucher documentation. The Direct Bill invoice is processed like other administrative invoices. The Travel Voucher is placed in the pending file until the Direct Bill voucher has been processed and attached. Both are then placed in the Travel Voucher file.

[Return to Chapter Table of Contents](#)

IV. Processing Petty Cash Vouchers

DCEO employees are permitted to request reimbursement using a Petty Cash Voucher when the purchase is for an incidental out-of-pocket, non-travel or emergency expenditure of \$50 or less, and when it is impractical or impossible to make a purchase following normal procurement procedures. The purpose of this section is to describe the tasks and responsibilities associated with Petty Cash processing beginning with the Division of Financial Management's receipt of an approved Petty Cash Voucher from a DCEO employee, and concluding with the processing of the voucher that is prepared to reimburse the Petty Cash Fund.

A. Preparing Employee Reimbursement From Petty Cash

When a DCEO employee makes a purchase to be reimbursed from Petty Cash, they prepare a Petty Cash Voucher, obtain their supervisor's signature on the Voucher, and submit it to the Cash Unit in Springfield or the Petty Cash Custodian in Chicago along with receipts and/or other supporting documentation. This subsection describes the steps involved in preparing the reimbursement checks for the employee.

Step 1: Upon receipt of the Petty Cash Voucher, the Chicago Petty Cash Custodian/Springfield Cash Unit employee forwards it to DCEO's State Purchasing Officer for review and approval.

Step 2: After approving each Petty Cash Voucher, the State Purchasing Officer returns it to the Petty Cash Custodian in Chicago, who keeps approved Petty Cash Vouchers from Chicago-based employees and forwards the others to the Cash Unit in Springfield.

⇒ If the State Purchasing Officer does not approve a Petty Cash Voucher, the Voucher is returned to the Petty Cash Custodian in Chicago or Springfield, and they notify the employee that the request was not approved.

Step 3: The Chicago Petty Cash Custodian/Springfield Cash Unit employee holds the Petty Cash Vouchers until their cumulative total reaches approximately \$100. At that time, they prepare checks to reimburse employees using Quickbooks software. They reference the purpose of the reimbursement in the memo field of the check.

Step 4: The Petty Cash Custodian/Cash Unit employee prints the checks.

- ⇒ In Springfield, the Cash Unit employee provides the checks, original Petty Cash Voucher and supporting documentation to the Springfield Petty Cash Custodian for signature. The Springfield Petty Cash Custodian signs the checks and returns them to the Cash Unit employee. The Cash Unit employee holds the checks until they are approved for release, as described in [Subsection B, Step 9](#).
- ⇒ In Chicago, the Petty Cash Custodian reviews and signs the checks, makes copies and places the checks in a safe until they are approved for release, as described in [Subsection B, Step 9](#).

[Return to Chapter Table of Contents](#)

B. Preparation and Submission of Petty Cash Vouchers to Comptroller

The Chicago Petty Cash Custodian/Springfield Cash Unit is responsible for preparing the voucher used to reimburse the agency's Petty Cash Fund so that it can be submitted to the Comptroller for payment. This subsection describes the steps required to prepare and submit the voucher.

Step 1: The Chicago Petty Cash Custodian/Springfield Cash Unit employee transfers the individual employee check information in Quickbooks onto an Excel spreadsheet.

Step 2: The entries in the Excel spreadsheet are copied onto the invoice used to initiate reimbursement of the Petty Cash fund.

Step 3: The Petty Cash Custodian in Chicago or Springfield sends the original and one copy of the Petty Cash Voucher and supporting documentation to the Obligations Supervisor, and retains a copy.

Step 4: The Obligations Supervisor forwards the invoice to a FOSS to be detailed. The detailing process is used to indicate the source of funding for the invoice through entries on EPC Screens 271 and 272. **See [Section II, Subsection B](#) for comprehensive instructions on the detailing process.**

Step 5: Overnight, the system draws on the information entered on EPC Screens 271 and 272 to produce the facsimile voucher to reimburse the agency's Petty Cash fund.

Step 6: After receiving the facsimile voucher the FOSS attaches it to the detailed invoice and groups it with other invoices that are to be forwarded to the Chief Financial Officer (CFO.)

Step 7: One of the Fiscal Operations Unit Supervisors reviews the facsimile voucher for accuracy and forwards it to the CFO's Office for review and signature.

Step 8: Two individuals within the CFO's Office review and sign the facsimile voucher, and the CFO approves the expenditures and returns the facsimile voucher to the Fiscal Operations Office.

Step 9: The CFO's Office notifies the Petty Cash Custodian in Chicago and the Cash Unit in Springfield that the checks to reimburse employees can be released.

Step 10: One of the Fiscal Operations Unit Supervisors reviews the facsimile voucher to ensure it was signed by an authorized individual, and posts the voucher on EPC Screen 276. As part of the posting process, the Fiscal Operations Unit Supervisor ensures that the information on the facsimile voucher matches the information on the screen. If so, posting is completed.

Step 11: The Fiscal Operations Unit Supervisor enters the Voucher Production Print Request on EPC Screen 277, including the request for Petty Cash vouchers.

Step 12: Overnight, the system produces an MHDADMIN report that contains a number of components, including the C-12 schedule that is to serve as the transmittal document for the Comptroller's copy of the Petty Cash Voucher and voucher documentation.

Step 12: The Voucher Unit employee attaches the C-12 schedule to the Comptroller's copy of the Petty Cash Vouchers and a copy of all supporting documentation.

Step 13: The Voucher Unit employee stamps the paper vouchers and two copies of the MHDADMIN Agency File Balancing Report with the Director's signature and provides them to the Fiscal Operations Manager for review.

- ⇒ If the report and paper vouchers are correct, the Fiscal Operations Manager signs and returns them to the Voucher Unit employee.
- ⇒ If the report or paper vouchers have errors, the Fiscal Operations Manager pursues and corrects the errors.

Step 14: The Voucher Unit employee prepares and distributes paper vouchers and supporting documentation as follows:

- Comptroller copy of voucher and copy of receipts to Comptroller
- Vendor File Copy attached to the original Petty Cash Voucher and receipts to the Vendor file
- Remittance copy of voucher to the Petty Cash Custodian in Chicago and the Cash Unit in Springfield.

Step 15: The Schedule, Comptroller's copy of the voucher, the Petty Cash Voucher and supporting documentation are forwarded to the Comptroller, along with the MHDADMIN Agency File Balancing Report to be processed for payment in SAMS.

This completes the process to pre-audit and submit Petty Cash Vouchers to the Comptroller for payment.

[Return to Chapter Table of Contents](#)

V. Processing Vouchers for Imprest Accounts

An imprest account is a cash account with an assigned and limited balance. DCEO uses imprest accounts to support the operations of its foreign offices, in order to accommodate the payment in foreign currency of expenditures necessary to operate these offices.

A separate manual titled Financial Management Imprest Manual describes in detail all of the key administrative and financial policies and procedures that apply to DCEO's stateside responsibilities to administer imprest accounts, including the steps performed by the Imprest Manager in the Division of Financial Management. These steps include the following:

- posting of expenditures in EPC
- preparing the required number of drop-down sheets and supporting documentation submitted by foreign offices to support their expenditures
- creating invoice vouchers to reimburse imprest accounts, and
- assigning an invoice number to each voucher.

After receiving required documents from the Imprest Manager, a Voucher Unit employee prepares and distributes the vouchers and supporting documentation as follows:

- Original of voucher and copy of dropdown sheets to Comptroller. (If the imprest voucher is for travel, a copy of the Travel Voucher and one copy of the receipts are also forwarded to the Comptroller.)
- Original signed dropdown sheet and original of supporting documentation to vendor file
- Remittance copy of voucher to Reconciliation Unit.

The complete process of preparing vouchers to reimburse foreign office imprest accounts and submitting the vouchers for payment is described in the Financial Management Imprest Manual.

VI. Processing Payments Through Court of Claims

The State Finance Act provides that “outstanding liabilities as of June 30, payable from appropriations that have otherwise expired, may be paid out of the expiring appropriations during the two-month period ending at the close of business on August 31. This two month period is defined as the lapse period. If an invoice for goods or services purchased in a previous fiscal year is delivered to the Division of Financial Management and the lapse period has expired, the Voucher Unit employee forwards the invoice to the Fiscal Operations Manager. The Fiscal Operations Manager works with the Chief Financial Officer to determine whether the request for payment must be referred to the Court of Claims. The purpose of the section is to describe the steps required to process invoices received too late to be processed during the lapse period.

A. Notifying Vendor Of Court of Claims Process

When the Fiscal Operations Manager receives an invoice for a previous fiscal year from a Voucher Unit employee, the following steps are taken:

Step 1: The Fiscal Operations Manager verifies that the invoice is valid, identifies the Expenditure Authority (EA) document for that invoice and confirms the fiscal year in which the expenditure occurred, and the appropriation and SUBA.

Step 2: The Fiscal Operations Manager consults with the Chief Financial Officer to determine whether the invoice can be paid from current fiscal year funds.

- ⇒ If the invoice *can* be paid from current year funds, the Fiscal Operations Manager returns the invoice to the Voucher Unit for processing as described in Section II of this chapter.

- ⇒ If the invoice *cannot* be paid from current year funds, the Fiscal Operations Manager proceeds to Step 3.

Step 3: The Fiscal Operations Manager prepares a letter to the vendor explaining the need to seek payment through the Court of Claims, and attaches relevant documents, including a complaint form and instructions for filing.

Step 4: The Chief Financial Officer reviews and signs the letter, and the letter is mailed.

Step 5: The Fiscal Operations Manager, who maintains a status report on DCEO's potential and actual Court of Claims cases, adds the name of the vendor and other relevant information to the status report and prepares a file on that vendor.

[Return to Chapter Table of Contents](#)

B. Responding to Court of Claims Complaints

Vendors required to file with the Court of Claims are given a time limit for filing with the Illinois Attorney General. Those vendors who *do not* file within the time limit have no further options for seeking reimbursement for goods or services provided to DCEO. The following steps apply to those vendors who *do* file within the established time limit:

Step 1: The Attorney General notifies DCEO's Legal Division that a Court of Claims complaint has been filed. DCEO has 60 days to respond to the Attorney General with detailed information about the invoice that generated the complaint.

Step 2: The attorney within the Legal Division who is assigned to the case sends a copy of the Attorney General's notice to the Fiscal Operations Manager.

Step 3: The Fiscal Operations Manager conducts necessary research, and completes DCEO's Departmental Report to the Attorney General.

Step 4: The Fiscal Operations Manager sends the report and required supporting documentation to the attorney within DCEO's Legal Division who is assigned to the case.

Step 5: The Fiscal Operations Manager prepares a case file, identifies it as an open Court of Claims case and updates the status report on DCEO's potential and actual Court of Claims cases.

[Return to Chapter Table of Contents](#)

C. Completing Processing for Court of Claims Payments

DCEO's Legal Division reviews and forwards the completed report to the Attorney General, who acts as DCEO's representative in the Court of Claims. The Attorney General's office reviews the report and forwards it to the Court of Claims for deliberation. After the decision is made by the Court of Claims, that decision is posted in a report that is provided monthly to DCEO's Fiscal Operations Manager. If the Court of Claims awards payment to the vendor, the Court pays the vendor directly and initiates a transfer from DCEO to the Court to obtain reimbursement.

The following steps describe how Court of Claims cases are tracked, and how payments are handled when the Court of Claims awards payment to a DCEO vendor:

Step 1: The Fiscal Operations Manager reviews the monthly Agency Report provided by the Court of Claims to verify the status of all cases referred by DCEO to the Court of Claims process.

- ⇒ If there is no indication that a case has been closed, the Fiscal Operations Manager continues to monitor that case.
- ⇒ If there is an indication that a case has been closed, the Fiscal Operations Manager proceeds to Step 2.

Step 2: The Fiscal Operations Manager files the vendor information in a “case closed” file and updates the status report on DCEO’s potential and actual Court of Claims cases.

Step 3: If the Court of Claims approves payment, the Court pays the amount of the invoice directly to the vendor, and initiates paperwork to transfer reimbursement from DCEO to the Court of Claims fund for the amount of the vendor payment.

Step 4: The Reconciliation Unit within the Division of Financial Management identifies the date the transfer occurred while performing the monthly reconciliation of DCEO funds, and notifies the Cash Unit.

Step 5: The Cash Unit processes transfers from DCEO to the Court of Claims in the same manner that other transfers are handled, as described in *Chapter One: Cash Receipts*.

This completes the procedures required to handle invoices received for a previous fiscal year, after the lapse period has expired.

VII. Review of Telecommunications Bills

The Illinois Department of Central Management Services (CMS) oversees telecommunications services for all state agencies, and bills each agency monthly for the telecommunications charges the agency incurred the previous month. CMS uses AU Codes to track orders and billing for each specific telecommunications line charge. The AU codes for DCEO are based on the appropriation code and SUBA to which the telecommunications lines should be charged.

The Division of Financial Management works with each business unit and with the DCEO Telecommunications Coordinator to ensure that telecommunications invoices received from CMS are charged to the correct employee, and that the AU Code (agency appropriation code and SUBA) assigned to the employee is correct. This is accomplished through each business unit's review of their monthly telecommunications invoice, and quarterly reviews initiated by a Fiscal Operations Support Staff (FOSS.)

A telecommunications invoice from CMS may contain incorrect information for one of the following three reasons:

1. Telecommunications lines are being charged to the wrong DCEO employee because that employee has changed offices and assumed a new telephone number, has transferred line charges to another employee, or because the telecommunications line was originally assigned to the employee in error.
2. Telecommunications lines are being charged to the wrong DCEO employee because the employee has transferred to a new function or organizational unit and their AU Code should have been changed in CIS but was *not*.
3. An employee has transferred to a new function or organizational unit, and their AU Code has changed in CIS but the change has not yet been reported to CMS.

The monthly processing function provides an opportunity for business units to review monthly telecommunications invoices and identify changes to be made as a result of #1 or #2 above. The quarterly verification function provides an opportunity for the Division

of Financial Management to identify any adjustments that are required as a result of #3, or any errors that were not detected and reported by the appropriate business unit. The Division then works with the DCEO Telecommunications Coordinator to make the adjustments and/or correct the errors.

[Return to Chapter Table of Contents](#)

Monthly Processing

Monthly processing of telecommunications invoices begins after the invoice has been logged and a Split Coding Sheet produced as described in [Section II](#) of this chapter. The invoice and attached Split Coding Sheet are forwarded to a designated FOSS, who performs the following steps:

Step 1: The FOSS completes the Split Coding Sheet for the telecommunications invoice and proceeds with the remaining detailing steps as described in [Section II, Subsection B](#) of this chapter.

Step 2: Overnight, the system draws on the information entered during the detailing process to produce facsimile vouchers.

Step 3: The following day, the FOSS identifies the portion of the telecommunications bill that pertains to each DCEO business unit, and forwards the facsimile voucher along with the Allocation Detail and AU Allocation Summary to the telecommunications contact person (Telecom Liaison) in each business unit for review and approval, with a request to return the approved facsimile voucher to the Fiscal Operations Office within 5 days of receipt. If the Telecom Liaison is unable to review the bill within 5 days of receipt, they retain a copy for future review.

- ⇒ If the Telecom Liaison determines that the bill is correct, they obtain the “Approved for Payment” and “Head of Unit” signatures on the facsimile voucher and return it to the Fiscal Operations Office. ***This completes the monthly review process undertaken by Telecom Liaisons.***
- ⇒ If the Telecom Liaison determines that the bill is incorrect, they obtain the Approved for Payment and Head of Unit signature on the facsimile voucher and return it to the Fiscal Operations Office. They also identify the errors on the Allocation Detail or the AU Allocation Summary that caused the error, and proceed to Step 4.

Step 4: The Telecom Liaison identifies the required corrections on the Telecom Change Request form and forwards it to the DCEO Telecommunications Coordinator. The information on this form is used as the basis for notifying CMS of

needed changes, and making any required corrections in CIS and/or accounting records, as described in the following steps.

Step 5: The DCEO Telecommunications Coordinator contacts the Department of Central Management Services with a request to change their records, and notifies the FOSS that a change has been made.

Step 6: The FOSS makes changes in CIS if there is a need to correct an employee's appropriation account code or SUBA in CIS.

Step 7: The Voucher Unit Supervisor or designee performs voucher maintenance to adjust the funding source on the vouchers that may have previously allocated telecommunications line charges to the wrong SUBA.

[Return to Chapter Table of Contents](#)

Quarterly Verification

Each March, June, September and December, the FOSS performs a more intensive review of the telecommunications invoices received from CMS for the previous month. The purpose of this review is to detect and correct any situations in which an employee's telecommunications expenses may have been charged to the wrong AU Code (appropriation and SUBA.) The following steps describe this review:

Step 1: Before beginning the review, the FOSS orders a print-out from CIS that identifies each DCEO employee's name, AU Code (appropriation and SUBA), and the phone numbers for the telecommunications lines assigned to that employee.

Step 2: When the monthly telecommunications invoice is received, the FOSS manually cross-matches the information on the CIS report produced in Step 1 with the information on the AU Allocation Summary included with the invoice. The FOSS

identifies any discrepancies between an employee's AU Code on CIS and the AU Code in the AU Allocation Summary.

Step 3: The FOSS completes the Split Coding Sheet for the telecommunications invoice and proceeds with the remaining detailing steps as described in [Section II, Subsection B, Step 11](#) of this chapter and forwards the facsimile voucher to the appropriate business unit for approval.

- ⇒ If there were no discrepancies identified in Step 2, the quarterly review process is concluded.

- ⇒ If there were discrepancies identified in Step 2, the FOSS proceeds to Step 4.

Step 4: The FOSS provides detail about changes needed on the [Telecom Change Request](#) form and forwards it to the DCEO Telecommunications Coordinator.

Step 5: The DCEO Telecommunications Coordinator contacts the Department of Central Management Services with a request to change their records, and notifies the FOSS that a change has been made.

Step 6: The FOSS makes changes in CIS if there is a need to correct an employee's appropriation account code or SUBA.

Step 7: Using the information identified through the cross-match in Step 2, the FOSS prepares a spreadsheet with the names of employees for whom there were differences between the AU Codes on CIS and the AU Codes on the invoice. The FOSS identifies the date the new AU Code was entered in CIS for each employee, and includes that on the spreadsheet. The FOSS provides the spreadsheet to the Voucher Unit Supervisor to make any adjusting journal entries that might be required.

Step 8: The Voucher Unit Supervisor or designee performs voucher maintenance to adjust the funding source on the vouchers that were previously charged to the wrong

SUBA. (See *Section VIII* of this chapter for further discussion of voucher maintenance.)

This concludes the procedures related to the review of telecommunications bills.

VIII. Maintenance of Voucher Processing Function

In addition to processing vendor payments and selected payments to DCEO employees, the Division of Financial Management is responsible for performing a number of additional tasks designed to maintain the efficient flow of payments, and ensure that DCEO's and the Comptroller's records of expenditures are coded properly and consistently. This section describes the three most essential tasks.

A. Vendor Maintenance for Administrative Expenditures

As part of the steps required to log an invoice received in the Division of Financial Management (described in detail in *Section II* of this chapter) Voucher Unit employees are required to access EPC Screen 401 to ensure that the vendor is included in the agency's on-line vendor file within the EPC system. This helps to ensure that reportable payments are processed against certified vendors and that the vendor name matches that which is on file in SAMS. Inquiries on EPC Screen 401 can be initiated using the TIN or the vendor name. If there is not an exact match between the TIN and address in EPC and that which is included on the invoice, Voucher Unit employees perform the following functions, depending on the situation:

Situation 1: If the vendor is present in EPC and the vendor's TIN, name *and* address in EPC match the TIN, name and address on the invoice, no further action is required for maintenance of the on-line vendor file.

Situation 2: If the TIN on the invoice matches the TIN in EPC but the address differs, the Voucher Unit employee determines whether there is an indication that the address on the invoice is a new address for the vendor, or whether both addresses are valid. A phone call to the vendor may be required to obtain clarification.

⇒ If the address has changed, the Voucher Unit employee accesses the appropriate EPC Screen to make necessary adjustments.

- ⇒ If both addresses are valid, the Voucher Unit employee establishes a second record for the vendor in EPC Screens 401 and 402 with the address included on the invoice.

Situation 3: If the vendor cannot be located in EPC using the TIN on the invoice, the Voucher Unit employee searches for the vendor in SAMS.

- ⇒ If the vendor can be located in SAMS, the Voucher Unit employee establishes the vendor in EPC on Screens 401 and 402.
- ⇒ If the vendor cannot be located in SAMS, the Voucher Unit employee consults with the Voucher Unit Supervisor to determine whether the payment requested on the invoice is reportable.
 - If it is reportable, the Voucher Unit employee prepares a letter requesting the vendor to complete an Internal Revenue Service, W-8 Form (for foreign vendors) or W-9 Form (for U.S. vendors) and return it to the Fiscal Operations Office. (See Section II, Subsection A, Step 4 for further details.)
 - If it is not reportable, the Voucher Unit employee adds the vendor to EPC as a vendor that is not certified.

[Return to Chapter Table of Contents](#)

B. Grantee Maintenance

Section III in Chapter Seven: Grant Program Administration contains a section that describes the procedures used by program staff to enter information about grantees in CIS. As a part of this process, program staff are required to obtain approval from the Fiscal Operations Office before completing the CIS entries for first-time grantees. The steps performed to establish and maintain correct TINs for grantees are as follows:

Step 1: On a daily basis or upon the request of program staff, a staff person from the Fiscal Operations Office accesses CIS and identifies those grantees pending Fiscal Operations approval.

Step 2: Fiscal Operations staff review the information about that grantee in CIS, and search for the grantee in SAMS.

- ⇒ If the grantee can be located in SAMS and if the information in CIS matches the information in SAMS, the staff member approves the TIN for the grantee that was entered in CIS. This approval action adds the TIN to the on-line vendor file within the EPC system.

- ⇒ If the grantee cannot be located in SAMS or if the information in SAMS is not totally consistent with that provided in CIS, the staff member contacts program staff to resolve the issue.

[Return to Chapter Table of Contents](#)

C. Voucher Adjustments

The Division coordinates the voucher adjustment process that must occur when DCEO or the Comptroller discovers that there is a need to correct information maintained in the EPC system and/or information provided to the Comptroller as part of a voucher transaction. This subsection describes the five major types of voucher adjustments, and the steps involved in each.

1. Corrections to Expenditure Authority Accounts or Fiscal Years

The Expenditure Transfer Request (SCO-415) or ETR is submitted by DCEO to the Comptroller when it is discovered that a paid voucher has been charged to the wrong Expenditure Authority Account or the wrong fiscal year. The purpose of the ETR is to correct the account number or fiscal year in the Comptroller's records.

Step 1: All errors of this type are referred to the Fiscal Operations Manager, whether discovered by the Comptroller, by someone within the Division or by someone in another business unit within DCEO. Any documentation providing background and/or supporting the need for correction is forwarded as well.

Step 2: The Fiscal Operations Manager completes the ETR and prints out a copy of the original paid voucher from the WH01 Screen in SAMS.

Step 3: The Fiscal Operations Manager makes entries on EPC Screens 282 and 283 to correct the expenditure account and/or fiscal year.

Step 4: The Fiscal Operations Manager obtains the Director's signature on the ETR, sends the completed ETR and a copy of the original paid voucher to the Comptroller, and maintains a file copy of the ETR and relevant supporting documentation.

Step 5: The Comptroller makes the requested change in the Expenditure Authority Account in SAMS, enters a transaction number on the ETR, and returns the ETR to the Fiscal Operations Manager as a way of confirming that the change was made.

Step 6: The Fiscal Operations Manager enters the transaction number on EPC Screen 513, discards the copy of the ETR that was previously on file, and makes the appropriate number of copies of the ETR bearing the transaction number, along with supporting documentation.

Step 7: The Fiscal Operations Manager distributes the ETR bearing the transaction number as follows:

- ⇒ If the ETR adjusts a payroll transaction and the request was initiated by the EPC Unit, the original ETR with the transaction number is forwarded to the EPC Unit, and a copy of the ETR, along with supporting documentation, is forwarded to the Budget Office. The Fiscal Operations Manager files a copy of the ETR and supporting documentation in the Voucher Maintenance File.

- ⇒ If the ETR adjusts a payroll transaction and the request was initiated by the Budget Office, the original ETR with the transaction number is forwarded to the Budget Office, and a copy of the ETR, along with supporting documentation, is forwarded to the EPC Unit. The Fiscal Operations Manager files a copy of the ETR and supporting documentation in the Voucher Maintenance File.

- ⇒ If the ETR adjusts an administrative voucher, the Fiscal Operations Manager attaches the original ETR with the transaction number to the voucher and files it, along with supporting documentation, in the Vendor File. A copy of the ETR and a 513 screen print of the voucher are also placed in the Voucher Maintenance File.
- ⇒ If the ETR adjusts a grant voucher, the Fiscal Operations Manager attaches the original ETR with the transaction number to the paperless voucher listing and files it, along with supporting documentation, in the Paperless Voucher Listing File. A copy of the ETR and a 513 screen print of the voucher are also placed in the Voucher Maintenance File.

[Return to Chapter Table of Contents](#)

2. Corrections to Obligation Number

The Obligation Reconciliation Notice (C-80-A) or ORN is submitted by DCEO to the Comptroller when it is discovered that a paid voucher has been charged to the wrong obligation number *within an* Expenditure Authority Account. The purpose of the ORN is to correct the obligation in the Comptroller's records.

Step1: All errors of this type are referred to the Fiscal Operations Manager, whether discovered by the Comptroller, by someone within the Division or by someone in another business unit within DCEO. Any documentation providing background and/or supporting the need for correction is forwarded as well.

Step 2: The Fiscal Operations Manager completes the ORN and prints out a copy of the original paid voucher from the WH01 Screen in SAMS.

Step 3: The Fiscal Operations Manager makes entries on EPC Screens 282 and 283 to correct the obligation number.

Step 4: The Fiscal Operations Manager obtains the Director's signature on the ORN, sends the completed ORN and a copy of the original paid voucher to the Comptroller, and maintains a file copy of the ORN and relevant supporting documentation.

Step 5: The Comptroller makes the requested change in the Obligation Number in SAMS.

Step 6: The Fiscal Operations Manager monitors SAMS to determine when the change has been made, and as soon as that occurs, the Fiscal Operations Manager attaches a copy of the ORN to the voucher (if it is an administrative transaction) or to the paperless voucher listing (if it is a grant) and files it, along with supporting documentation, in the Paperless Voucher Listing File or Vendor File. A copy of the ORN and the voucher are also placed in the Voucher Maintenance File.

Note: The Obligation Reconciliation Notice is also required by the Comptroller to reinstate the amount of a refund received by DCEO to the obligation from which it was originally paid. That type of transaction is described in Chapter One: Cash Receipts.

[Return to Chapter Table of Contents](#)

3. Corrections to Detail Object Codes

The Object Correction Request (C-90) or OCR is submitted by DCEO to the Comptroller when it is discovered that a voucher has been charged to the wrong detail object account. The purpose of the OCR is to correct the detail object account number in the Comptroller's records.

Step1: All errors of this type are referred to the Fiscal Operations Manager, whether discovered by the Comptroller, by someone within the Division or by someone in another business unit within DCEO. Any documentation providing background and/or supporting the need for correction is forwarded as well.

Step 2: The Fiscal Operations Manager completes the OCR and prints out a copy of the original paid voucher from the WH01 Screen in SAMS.

Step 3: The Fiscal Operations Manager makes entries on EPC Screens 282 and 283 to provide the correct detail object account number.

- ⇒ If the detail object account number requiring correction is for a grant voucher, it is not possible to make the correction in EPC. However, because the correction must be reported to the Comptroller, the remaining steps apply.

Step 4: The Fiscal Operations Manager sends the completed OCR and a copy of the original paid voucher to the Comptroller, and maintains a file copy of the OCR and relevant supporting documentation.

Step 5: The Comptroller makes the requested change in the detail object account number in SAMS.

Step 6: The Fiscal Operations Manager monitors SAMS to determine when the change has been made, and as soon as that occurs, the Fiscal Operations Manager attaches a copy of the OCR to the voucher (if it is an administrative transaction) or to the paperless voucher listing (if it is a grant) and files it, along with supporting documentation, in the Paperless Voucher Listing File or Vendor File. A copy of the OCR and the voucher are also placed in the Voucher Maintenance File.

[Return to Chapter Table of Contents](#)

4. Responses to Vouchers in the Comptroller's Suspense File

The PV Modification Document is submitted by DCEO to the Comptroller to correct any information on a voucher that has been submitted to the Comptroller but has not been paid, and is indicated to be in "held" or "reject" status in the SAMS Suspense File. The purpose of the PV Modification Document is to instruct the Comptroller what action is to be taken on the voucher to allow processing to continue. **Note: Vouchers on the SAMS Suspense File remain there up to four days, giving each agency time to resolve the issues that prevented the Comptroller from paying the voucher. If resolution does not occur in four days, the Comptroller deletes the voucher from the Suspense File and returns it to the appropriate agency.**

Step 1: The FMSS monitors the SAMS Suspense File daily, to obtain a listing of the vouchers on the Suspense File and the reason each voucher has not been paid.

Step 2: On a daily basis, the Fiscal Operations Manager investigates each of the vouchers on the Suspense File and prepares a PV Modification Document for each.

Step 3: The Fiscal Operations Manager obtains the Director's signature on each PV Modification Document, and sends it to the Comptroller via fax.

Step 4: The Fiscal Operations Manager makes entries on EPC Screens 282 and 283 if the corrections identified on the PV Modification Document cause a change in the voucher's detail object code or Expenditure Authorization document.

Step 5: The Fiscal Operations Manager monitors SAMS to determine when the voucher is removed from the Suspense File, and as soon as that occurs, the Fiscal Operations Manager attaches the PV Modification Document to the voucher (if it is an administrative transaction) or to the paperless voucher listing (if it is a grant) and files it, along with supporting documentation, in the Paperless Voucher Listing File or Vendor File. A copy of the PV Modification Document and the voucher are also placed in the Voucher Maintenance File.

[Return to Chapter Table of Contents](#)

5. Corrections to SUBAs

The Voucher Maintenance Form is used by DCEO to change the SUBA for a paid voucher *if* the Expenditure Authority Account does not change. SUBA changes do not have to be reported to the Comptroller, but must be made in DCEO's own accounting system. The purpose of the Voucher Maintenance Form is to correct the SUBA in DCEO's records.

Step1: All errors of this type are referred to the Fiscal Operations Manager on a completed Voucher Maintenance form, whether discovered by someone within the Division or by someone in another business unit within DCEO. Any documentation providing background and/or supporting the need for correction is forwarded as well.

Step 2: The Fiscal Operations Manager makes entries on EPC Screens 282 and 283 to correct the SUBA.

Step 3: The Fiscal Operations Manager makes copies of the posted Voucher Maintenance Form and distributes the copies as follows:

- ⇒ If the SUBA adjustment is made to a payroll voucher, the original is returned to the initiating business unit, a copy is given to either the Budget Office or the EPC Unit (whichever one did not initiate the request) and a copy, along with supporting documentation, is placed in the Voucher Maintenance File.
- ⇒ If the SUBA adjustment is made to a grant voucher, the original, along with supporting documentation, is attached to the Paperless Voucher Listing, and a copy is placed in the Voucher Maintenance File.
- ⇒ If the SUBA adjustment is made to an admin voucher, the original, along with supporting documentation, is attached to the voucher, and a copy is placed in the Voucher Maintenance File.

[Return to Chapter Table of Contents](#)

D. Lapse Period Procedures

The State Finance Act provides that “outstanding liabilities as of June 30, payable from appropriations that have otherwise expired, may be paid out of the expiring appropriations during the two-month period ending at the close of business on August 31.” This two month period is defined as the lapse period. It is the role of the Division of Financial Management to monitor expenditure authorization documents to ensure that all payments are made before the lapse period expires. Activities of Division staff begin early, and intensify during the lapse period. Examples of these activities include the following:

- Mid-way through the fiscal year, EPC staff and Fiscal Operations Office staff begin to review EA documents in EPC, focusing on “Open EAs” - those that were established early in the fiscal year and do not yet have any associated expenditure activity or those

that have an unexpended balance remaining. Staff make inquiries of the appropriate business units, to determine whether expenditures are anticipated before the end of the fiscal year, or whether the EA document should be cancelled.

- Beginning in June of each fiscal year, EPC staff and Fiscal Operations staff print “Open EA” reports and initiate discussions with the affected business units, to determine whether expenditures are anticipated, and whether vendor invoices should be expected. Staff may also contact vendors directly, or if a TR is involved, they may contact the traveler. If the “Open EA” is a contract, staff attempt to determine whether additional services will be provided before the end of the fiscal year and when any additional billings under the contract are expected.

- Approximately five weeks before the end of the fiscal year, the Comptroller distributes to all agency Chief Financial Officers an Accounting Bulletin providing instructions and identifying the cut-off dates for submitting vouchers to the Comptroller for expenditures made and costs incurred during that fiscal year. The Accounting Office within the Division of Financial Management establishes internal agency cut-off dates based on the cut-off dates established by the Comptroller, and communicates these internal cut-off dates to every DCEO business unit.

This completes the procedures related to the maintenance of the voucher processing function.

Illinois Department of Commerce and Economic Opportunity
Financial Management - Policy and Procedure Manual

Grant Program Administration
Contents of Chapter 7

- XIII. [Overview](#)
 - A. [Applicable Statutes](#)
 - B. [Guiding Principles](#)
 - C. [Chapter Summary](#)

- XIV. [Establishing Infrastructure for Grant Programs](#)
 - A. [Initial Steps to Establish Infrastructure](#)
 - B. [Establishing General Ledger](#)
 - C. [Establishing Remaining Infrastructure for Federal Awards](#)

- XV. [Grantee Solicitation and Approval](#)
 - A. [Solicitation and Approval of Grantee Applicants](#)
 - B. [Packaging and Review of Grantee Agreement Documents](#)

- XVI. [Grantee Certification and Grant Obligation](#)
 - A. [Accounting Office Review and Certification](#)
 - B. [Grant Obligation](#)

- XVII. [Grantee Cash Request and Cost Reporting](#)
 - A. [Communicating Cash Requests or Cost Reports via the Internet](#)
 - B. [Communicating Cash Requests or Cost Reports Manually](#)
 - C. [Processing Payments to Grantees](#)

- XVIII. [Accounting Support for Grant Programs and Grantees](#)
 - A. [Maintenance of General Ledgers](#)
 - B. [Accounting Support to Program Staff](#)
 - C. [Support for Individual Grantees](#)

- XIX. [Grant Modifications](#)
 - A. [Initial Review and Approval of Grant Modifications](#)
 - B. [Certification of Grant Modifications](#)
 - C. [Obligation of Grant Modifications](#)

- XX. [Grant Closeout Process](#)
 - A. [Initiating Internet Closeout Packages](#)
 - B. [Initiating Closeout Packages Manually](#)
 - C. [Processing Closeout Packages](#)
 - D. [Follow-Up on Unreturned Closeout Packages](#)

I. Overview

A. Applicable Statutes

DCEO receives federal and state funding to administer a variety of grant programs. Each of these programs is governed by a separate set of laws and regulations.

[Return to Chapter Table of Contents](#)

B. Guiding Principles

It is essential for program staff, Accountants and staff within the Budget Office to maintain open communications about the following:

- anticipated federal grant awards, and receipt of award letters
- anticipated DCEO appropriations for state grant programs, and passage of legislation authorizing these grant programs
- anticipated and actual changes to grant program requirements
- anticipated and actual changes to the status of a grantee, or of a grant agreement

[Return to Chapter Table of Contents](#)

C. Chapter Summary

DCEO may receive funding to administer federal or state grants, and each grant is subject to its own unique requirements. Staff within the Department fulfill a number of responsibilities related to the administration of grants, and this chapter describes the steps required to fulfill these responsibilities:

[Section II](#) describes the steps performed by the Budget Office and the Division of Financial Management to establish the infrastructure for each grant award received by the agency.

Although some grant program requirements may vary, [Section III](#) describes the steps that are *generally* followed within DCEO beginning with grantee selection and ending with notification to a grantee that they have been approved for funding.

After grantees have been selected and grant agreements have been prepared and signed by the grantee, the Division of Financial Management is responsible for reviewing the grant package, certifying the grant in the Grantee Reporting System (GRS), and preparing a Contract Obligation Document (COD) to

encumber the grant funds in the Statewide Accounting Management System (SAMS.) [Section IV](#) describes those responsibilities in more detail.

Although the timetable and other specific requirements for grantees to submit cash requests and report costs varies with the type of grant, the procedures followed within the Division of Financial Management to process those actions are essentially the same. [Section V](#) describes those procedures.

Federal and state grant programs, once established, require ongoing maintenance to help ensure that each program and each grantee is able to function as efficiently and effectively as possible while accomplishing grant program goals. Accountants within the Division of Financial Management maintain general ledgers for most DCEO grant programs, and they provide ongoing support to grantees and to the program staff who administer grants. [Section VI](#) describes this support in more detail.

Modifications to existing grant agreements may be required for a variety of reasons. [Section VII](#) describes the steps that are generally followed to modify an existing grant agreement.

Grantees are responsible for completing and submitting a final Grant Closeout Report to DCEO, on forms and within a timeframe specified by the Department. Although specific grant programs may vary somewhat, [Section VIII](#) describes the steps that are *generally* followed by the grantee, and steps generally followed by DCEO to complete the closeout process and submit a closeout package at the end of the grant period.

[Return to Chapter Table of Contents](#)

II. Establishing Infrastructure for Grant Programs

The use of the term grant award in this manual refers to the funding received by DCEO to administer a federal or state grant program. This section describes the steps performed by the Budget Office and the Division of Financial Management to establish the infrastructure for each grant award received by the agency.

A. Initial Steps to Establish Infrastructure

Initial notifications of grant awards are usually handled in one of two ways:

- For state grant awards, Budget Office staff enter the amount of the appropriation request on GRS Screen 801 as soon as that request for a state grant program is initiated. Staff from the Budget Office and from the Division of Financial Management meet after the agency appropriation has been passed to discuss any issues involved in state grant programs, and, if the General Assembly passes the appropriation. Budget Office staff adjust the entry in GRS Screen 801 to reflect the final appropriation and the amount of funds available for spending.
- For federal grants, program staff who oversee the grant program generally receive the grant award or the notice of award, and forward the original of the award notice to the Accountant assigned to that program.

After this initial notification, Accountant Supervisors in the Accounting Office establish the grant infrastructure for both federal and state awards:

Step 1: The Accountant Supervisor uses information from the grant award or state appropriation to enter required information about the grant program on GRS Screens 382 and 386. These screens set up the parameters and infrastructure for the program for the year. For grant programs that are recurring programs, the Accountant Supervisor inquires, reviews and updates the information that existed previously for that program, and adds the information as a new record. For new grant programs, the Accountant Supervisor establishes a new record.

Step 2: The Accountant Supervisor uses information from the previous year, or information from program staff, to enter the Program Contract Series Identification and other required information on GRS Screen 383. These entries can include any restrictions on the amount of funds available, and for grant awards using Internet closeouts, whether data entered by the grantee at closeout should be reviewed by the Accountant Supervisor before the closeout report is printed.

Step 3: The Accountant Supervisor uses available information and information from program staff to enter the Expenditure Code Identification

information on GRS Screen 321, including all budget lines for the program, any allowable flexibility, and whether cash can be requested against these lines initially.

Step 4: The Accountant Supervisor updates the Cash Request Batch Cycle Schedule on GRS Screen 384, indicating the day of the week that a particular program's cash request will be collected and processed by the Cash Unit.

Step 5: The Accountant Manager enters the program approval code on GRS Screen 387 after an overall review of the system infrastructure setup in the GRS and CIS.

Step 6: The Accountant Supervisor and Accounting Manager determine whether the grant award requires the establishment of a general ledger.

- ⇒ If a general ledger is not required, there are no further steps required to establish the infrastructure for that grant award.
- ⇒ If a general ledger is required, the Accountant Supervisor performs the steps identified in Subsection B of this section.

[Return to Chapter Table of Contents](#)

B. Establishing General Ledger

Some grant awards require DCEO to maintain a general ledger. All federal grant awards are required to have a ledger. Following are the steps involved in establishing the required infrastructure for the general ledger:

Step 1: The Accountant Supervisor enters required information on GRS Screen 701, to set up the chart of accounts for the general ledger. This may involve adding a set of accounts for a new year for an existing program, or creating a set of accounts for a new program.

Step 2: The Accountant Supervisor enters required information on GRS Screen 617 to record federal grant awards and state appropriations in the applicable general ledgers.

Step 3: The Accountant Supervisor enters required information on GRS Screen 702, used to distribute grant amounts across specific fund balance lines.

- ⇒ If the grant is a state grant, there are no further steps required to establish the infrastructure for that grant award.
- ⇒ If the grant is a federal award, the Accountant Supervisor performs the steps identified in Subsection C of this section.

Note: After program staff establish the spending plan in the Expenditure Planning and Control system (EPC) the Accountant Supervisor also makes the required entries to GRS Screen 706, to direct the posting of administrative type vouchers to the proper program year and program code ledger. This may or may not be at the time the general ledger information is established, depending on whether the expenditure plan has been entered in EPC. However, the entries to GRS Screens 382, 386 and 383 (described in Subsection A) must occur before the grant spending plan can be entered. Grant spending plans can be at a series level or even at an individual grant level, depending on the circumstances and the nature of the grant.

[Return to Chapter Table of Contents](#)

C. Establishing Remaining Infrastructure for Federal Awards

For all federal awards, the Accountant Supervisor must determine whether indirect cost allocations are to be computed, whether the program is eligible for the allocation of a portion of the costs of internal auditors, or whether the program is eligible for the allocation of a portion of the costs of the Office of Information Management (OIM.) The Accountant Supervisor takes the following actions:

- If indirect cost allocations are to be computed for the program, the Accountant Supervisor sets up the indirect cost allocation infrastructure on GRS Screen 731. This permits monthly a monthly report to be generated on-demand, based upon payroll information. This report is able to calculate indirect charges for review prior to posting to the ledgers.
- If the program is eligible for the allocation of a portion of the costs of internal auditors, the Accountant Supervisor sets up the audit allocation infrastructure on GRS Screen 711. This permits time sheet information provided by the internal auditors to be entered to the system for calculating charges. The Cash Unit Supervisor inputs the timesheet data to the screen.
- If the program is eligible for OIM allocation, the Accountant Supervisor sets up the allocation infrastructure on GRS Screen 712. This permits monthly entry of cost information provided by the Budget Office.

[Return to Chapter Table of Contents](#)

III. Grantee Solicitation and Approval

The Department offers grants to a variety of entities for a number of diverse purposes, ranging from grants to not-for-profit developers to pay for energy efficient improvements for new or rehabbed housing, to grants to for-profit businesses to support the costs of enhanced-skill training for current employees. Although specific grant programs may vary, this section describes the steps that are *generally* followed within DCEO beginning with grantee selection and ending with notification to a grantee that they have been approved for funding.

Note: Some of DCEO's grant programs are considered recurring programs, and do not require annual or biennial solicitation. Others are formula-based grants from the federal government. The approval process for these programs is much more abbreviated.

[Return to Chapter Table of Contents](#)

A. Solicitation and Approval of Grantee Applicants

Program staff oversee the proposal process and forward approved grantee applications to the Director for approval. This subsection describes that process.

Step 1: Program staff determine whether the grant program exceeds \$10,000.

- ⇒ If the grant program exceeds \$10,000, they initiate a Procurement Business Case (PBC) and obtain all required approvals before proceeding to Step 2.
- ⇒ If the grant program does not exceed \$10,000, program staff proceed immediately to Step 2.

Step 2: If the grant process requires formal solicitation, the program staff having overall responsibility for a grant program (referred to in this chapter as program staff) issue a Request for Proposal (RFP) to attract potential applicants. They describe the RFP process and promote the availability of grant funds using the DCEO website, as well as through the publication of notices in newspapers and trade magazines.

Step 3: In most cases, program staff host grantee information sessions for those interested in bidding or submitting proposals.

Step 4: After proposals are received, program staff enter information about each potential grantee and proposal into DCEO's Customer Information System (CIS.) This information is used to provide applicant data for required documents as an approved grant moves through the obligation process.

Step 5: Program staff review and score proposals, and make recommendations on potential grantees and funding amounts.

- ⇒ If program staff recommend that a proposal be funded, they proceed to Step 5.
- ⇒ If program staff determine that a proposal should *not* be funded, they prepare a letter to the applicant, informing them that their application has not been approved. They obtain the signature of the Deputy Director for that program on the rejection letter, and send the letter to the applicant. The mail date for these letters is generally coordinated with the mail date for the commitment letters described in Step 11 of this subsection.

Step 6: Program staff make additional entries about the potential grantee in CIS, including a description of the proposal, the proposed budget, and the legislative districts to be served with grant funds, and Prevailing Wage Act information if required.

Note: After completing Step 1, and concurrent with one of the next five steps described above, the program staff enter a spending plan for the grant in the Expenditure Planning and Control system (EPC.) The exact timing for the EPC entry varies with the program and the nature of the grant. However, the entries to GRS Screens 382, 386 and 383 (described in Section II, Subsection A) must occur before the grant spending plan can be entered. Grant spending plans can be at a series level or even at an individual grant level, depending on the circumstances and the nature of the grant. The approved PBC must be forwarded to the EPC Manager to initiate the review and approval of grant plans.

Step 7: The grantee information entered in CIS transfers (“prepares”) to the Grantee Reporting System (GRS) when the “Prepare to GRS” button is pressed in the CIS. GRS produces the following for each grant applicant:

- a Grant Program Summary Form summarizing key information about the grant program overall, and about the specific grantee applicant. The information on the form is intended to be comprehensive enough to support an informed funding decision by the Director. These forms must be approved and signed by appropriate program staff, Legal Counsel, and the Director’s Office.
- a commitment letter to the grantee to be signed by the Director, and
- for selected types of grants, a Development Assistance Letter to be signed by the Director.

Step 8: Program staff sign and submit the Grant Program Summary Forms and letter(s) to Legal Counsel and the Director's Office for approval.

Step 9: The Director or designee reviews the grantee recommendation packet and signs the Grant Program Summary Form and letters to indicate approval of each grant application.

⇒ The Director or designee contacts the appropriate program staff to resolve any questions about a specific grantee applicant.

Step 10: The Director or designee enters a "Y" on GRS Screen 388 to signify approval of each grantee application that has been approved and returns all documents to the program staff associated with that grant program.

⇒ If the Director does *not* approve a grantee application, the Director notifies program staff, and program staff prepare a letter to the applicant, informing them that their application has not been approved. They obtain the signature of the Deputy Director for that program on the rejection letter, and send the letter to the applicant. The mail date for these letters is generally coordinated with the mail date for the commitment letters described in Step 12 of this subsection.

Step 11: Program staff ensure that the line item budget for each approved grantee application is entered on CIS Screen 21, and certifies all grantee information on CIS Screen 21. Completion of the certification process prevents anyone in the agency from making further modifications to the grant information in CIS or GRS without first uncertifying.

Step 12: Program staff mail the commitment letter to the grantee, stating the Department's intent to fund the program. (Note: Release of the letters from the Deputy Director denying grantee applications are timed to coincide with the release of commitment letters.)

For some grant programs, the required detailed budget for the grantee may not be available until after the commitment letter is sent. In these instances, the commitment letter described in Step 12 must be mailed to the grantee before the certification described in Step 11 can occur.

Step 13: Program staff submit required grant information to the Governor's Office using the Governor's Office On-line Grant Tracking System. They also may submit information to the Director's Office or the DCEO Communications Office.

This concludes the description of the steps required in the solicitation, review and approval of applications from DCEO grantees.

[Return to Chapter Table of Contents](#)

B. Packaging and Review of Grantee Agreement Documents

All grants receiving the Director's approval must be packaged and reviewed by the Legal Division before sending the entire grant package to the grantee for signature. This subsection describes the steps involved in grant packaging and review, following the Director's approval of the grantee application for funding.

Step 1: Program staff incorporate budget and program details in Parts 1, 2, 3 and 4 of the standard grant agreement and print final grant documents, including the following:

- Notice of Grant Award
- Part 1 – Budget (generated from GRS)
- Part 2 – Special Grant Conditions
- Part 3 – Scope of Work
- Part 4 – Program Terms and Conditions
- Part 5 – General Provisions
- Part 6 – Required Certifications
- Prevailing Wage Act information if applicable

Step 2: Program staff assemble these documents into a “grant package” and forward the package to the Legal Division. **Note: Program staff often gather all grant packages for the same grant program and forward them to the Legal Division as a group.**

Step 3: A staff person within the Legal Division logs each grant package in GRS Screen 234 as it is received.

Step 4: An attorney in the Legal Division reviews each grant package to ensure that all required language is included in the grant documents.

- ⇒ If the attorney identifies errors, omissions or other problems with the grant package, they consult with the appropriate program staff who take steps to resolve it. If it cannot be immediately resolved, the program staff access CIS Screen 21 to remove certification of the grant until the issue can be resolved. After resolution, the program staff recertify the grant on CIS Screen 21 and return the grant package to the Legal Division.

Step 5: After confirming that the grant package meets all requirements, Legal Division staff make an entry in Screen GRS 234 that logs out the grant package and prevents anyone in the agency from making further modifications to the grant information in CIS or GRS.

Step 6: The Legal Division returns the grant package to program staff.

Step 7: Program staff mail the entire grant package to the grantee to be signed and returned to DCEO for final processing.

- ⇒ If the grantee promptly signs grant documents and returns them to program staff without making any changes in the grant agreement, ***the steps to process the grant package are complete.*** See Section IV of this chapter for the steps performed by the Accounting Office to review the grant and finalize grant processing.
- ⇒ If the grantee makes changes to the grant agreement, program staff discuss those changes with grantee and/or with the attorney who reviewed the package. Depending on the nature and scope of the changes, the grant may need to be re-packaged beginning with Step 1 of this section.
- ⇒ If the grantee does not sign and return grant documents, program staff contact the grantee by phone to follow up and determine the reason for the delay. If the grantee still does not sign and return grant documents, program staff proceed with Steps 8, 9 and 10.

For grantees that do not return grant documents:

Step 8: Program staff make an entry in CIS Screen 21 to remove grant certification, and they make an entry in CIS Screen 22 to release the grant funds associated with that grant.

Step 9: Program staff request the Director's Office to remove the "Y" from GRS Screen 388, which has the impact of reversing Director's approval of the grantee application.

Step 10: Program staff make an entry in CIS 21 to void the grant application. This has the impact of removing from the Grantee Reporting System the amount of the grant committed to the grantee.

This concludes the steps required to package and review grants. Proceed to Section IV for the steps performed by the Offices of Accounting and Fiscal Operations to review the grant and finalize grant processing.

[Return to Chapter Table of Contents](#)

IV. Grantee Certification and Grant Obligation

After grantees have been selected and grant agreements have been prepared and signed by the grantee, the Division of Financial Management is responsible for reviewing the grant package, certifying the grant in the Grantee Reporting System, and preparing a Contract Obligation Document (COD) to encumber the grant funds in the Statewide Accounting Management System (SAMS.) This section describes those responsibilities in more detail.

[Return to Chapter Table of Contents](#)

A. Accounting Office Review and Certification

Step 1: Program staff forward the original and three copies of the grant package to the Accountant within the Accounting Office who has been assigned responsibility for that grant program.

Step 2: The Accountant compares the entries in GRS to the information in the grant package, to ensure that the two sources of information are consistent. If the Accountant identifies any inconsistencies, they resolve them with the appropriate program staff before proceeding to Step 3.

Step 3: The Accountant assesses the grant package using the appropriate grant-specific checklist.

- ⇒ If the grant package conforms with the requirements on the checklist, the Accountant proceeds to Step 4.
- ⇒ If the grant package does *not* conform with the requirements on the checklist, the Accountant contacts the appropriate program staff to discuss the issue. If the issue cannot be immediately resolved, the program staff accesses CIS Screen 21 to remove certification of the grant until the issue can be resolved. After resolution, the program staff recertifies the grant on CIS Screen 21 and returns the grant package to the Legal Division. The Legal Division begins the review process described in Section III, B, Steps 3 through 7.

Step 4: The Accountant certifies the grant by pressing “PF7” in GRS Screen 331.

Step 5: The Accountant holds the grant package during the obligation processing.

This concludes the Accounting Office’s review of the grant package. The grant obligation process is described in the next subsection.

[Return to Chapter Table of Contents](#)

B. Grant Obligation

Step 1: Overnight or on demand, the system draws on the information entered on GRS Screens 331 through 335 to produce three copies of a Contract Obligation Document (COD) for each grant, a letter to the grantee from the Director providing final approval of the grant application, and an MHDAPDR Tape Report. These documents are picked up from OIM each morning by FM staff and delivered to the Grant Packaging Staff.

Step 2: The Grant Packaging Staff (GPS) verify that a COD and letter have been produced for each grant agreement that was certified since the last COD request.

Step 3: The GPS provides all copies of the COD to the Accountant assigned to that grant program, along with the Director's letter to the grantee.

Step 4: The Accountant reviews all information related to the grant and verifies that the information on the COD is correct.

- ⇒ If the COD is correct, the Accountant proceeds to Step 5.
- ⇒ If the COD has an error, the Accountant works with the appropriate staff to resolve the issue.

Step 5: The Accountant forwards the original grant package and three copies and related materials to the GPS.

Step 6: The GPS reviews the COD to ensure that the legal code, class codes, detail object codes, addresses, FEIN and zip code are correct.

Step 7: The GPS provides the COD and the grant package to the Accounting Manager for review.

- ⇒ If the COD and the package are correct, the Accounting Manager proceeds to Step 8.
- ⇒ If there are errors on the COD or in the package, the Accounting Manager works with the GPS to resolve before proceeding to Step 8.

Step 8: The Accounting Manager stamps the Director's signature, co-signs, and prints their name and title on the original Notice of Grant Award/Grant Agreement and the letter to the grantee from the Director, and returns the entire package to the GPS.

Step 9: The GPS makes three copies of the grant signature pages and two copies of the Director's letter to be distributed to each of the recipients identified below:

- *Grantee*: copy of grant package and original, signed letter from Director
- *Comptroller*: copy of grant package and COD
- *Responsible program staff*: copy of grant package and a copy of the letter from the Director to the grantee
- *Responsible accountant*: a copy of the COD
- *File*: original grant package and copy of letter from Director to grantee, and COD

Step 10: The GPS posts each COD on GRS Screen 232 to release the electronic data file for submittal to the Comptroller.

Step 11: The GPS forwards the a copy of the grant package and the Comptroller copy of the CODs to the Fiscal Operations Office, and for further processing as described in *Chapter Three: Expenditure Authorizations and Obligations, Section IV, beginning at Step 6*. The GPS forwards the MHDAPDR Tape Report to the Fiscal Operations Office.

[Return to Chapter Table of Contents](#)

V. Grantee Cash Request and Cost Reporting

Although the timetable and other specific requirements for grantees to submit cash requests and report costs varies with the type of grant, the procedures followed within the Division of Financial Management to process those actions are essentially the same. This section describes those procedures.

A. Communicating Cash Requests or Cost Reports via the Internet

Many DCEO grantees are able to enter their own costs into the Grantee Reporting System (GRS) using the Internet. These grantees, who access GRS using an assigned ID and password, may enter costs by budget line on GRS Screen 351 (Expenditure Reporting) and certify the costs on GRS Screen 352 (Expenditure Summary.) If funds are due to the grantee for costs incurred, the grantee enters the cash request on GRS Screen 353 (Cash Request). **Note: If the grant is not on a cost reimbursement basis, the grantee may request cash on GRS Screen 353 without first reporting and certifying costs on GRS Screen 351 and 352.**

[Return to Chapter Table of Contents](#)

B. Communicating Cash Requests or Cost Reports Manually

Grantees who do not use the Internet for cash requests or cost reporting submit their costs and expense reports in hard copy. DCEO program staff review the information and if it is approved, they enter costs by budget line on GRS Screen 351 (Expenditure Reporting) and certify the costs on GRS Screen 352 (Expenditure Summary.) If funds are due to the grantee for costs incurred, DCEO program staff enter the cash request on GRS Screen 353.

[Return to Chapter Table of Contents](#)

C. Processing Payments to Grantees

After each grantee's cost reports and/or cash requests are entered in GRS, the steps required to process those requests are identical, regardless of whether the information was communicated in hard copy or over the Internet:

Step 1: Based on the Cash Request Batch Cycle Schedule on GRS Screen 384, a report is prepared for any pending cash requests entered by the grantee or by program staff on GRS Screen 353.

Step 2: These pending cash requests are posted to GRS Screens 355, 356, 357 and 358.

Step 3: The Accountant assigned to the grant program reviews the pending cash request report for appropriateness.

- ⇒ If the Accountant determines that the cash request is appropriate, they enter approval for the cash request using GRS Screens 355, 356 and 357.
- ⇒ If the Accountant denies a cash request, the Accountant notifies program staff, who must also deny the cash request. If the problem causing the denial can be immediately corrected, the denials can be changed to approvals.
- ⇒ If the cash request is for a grant paid with federal money from a federal draw system, the Accountant also signs or initials the report, writes on the report the federal program year and bank account number if needed, and places the report in the “In Box” for the Cash Unit for use during cash analysis (described in more detail in *Chapter One: Cash Receipts.*)

Step 4: The program staff assigned to the grant review the cash request and enter approval for the cash request using GRS Screens 355, 356 and 357.

Note: The Accountant and program staff must agree on denial or approval before a cash request moves to the next step.

Step 5: The Cash Manager reviews cash requests at a fund level and if sufficient cash is available they access GRS Screen 358 to release the amount required to go on the voucher file created that night, and to go to the Comptroller the following day.

Step 6: Release of the cash request on GRS Screen 358 creates a voucher number for each request and displays it on GRS Screen 354 for each individual grant. Release of the cash request also removes the cash request from GRS Screen 358.

Note: The Cash Manager coordinates the voucher production described in Steps 5 and 6 with the federal draw process described in Chapter One, Section IV, to avoid excessive cash balances of federal monies.

[Return to Chapter Table of Contents](#)

VI. Accounting Support for Grant Programs and Grantees

Federal and state grant programs, once established, require ongoing maintenance to help ensure that each program and each grantee is able to function as efficiently and effectively as possible while accomplishing grant program goals. This section describes the types of support provided by the Accounting Office for federal and state grant programs, and for grantees.

A. Maintenance of General Ledgers

In addition to preparing required financial status reports for federal grant programs and the cost allocations described in Section II, the Accounting Office performs monthly maintenance of general ledgers for DCEO grant programs, including:

- Balancing of cash in the general ledger
- Balancing the general ledger with the voucher and obligation side of the Grantee Reporting System (GASOBL58)
- Reconciliation of general ledger
- Balancing of indirect costs in general ledger
- Analyzing and adjusting fund balance allocations

[Return to Chapter Table of Contents](#)

B. Accounting Support to Program Staff

The Accounting Office also provides on-going support to the program staff who manage grant programs. Program and accounting staff work together to ensure that each grant program is in compliance with the federal and/or state rules and regulations governing the program, and that any issues that might threaten compliance are resolved quickly and effectively. Accountants review each grant agreement using criteria that are specific to the requirements of that grant program and they meet regularly with program staff to respond to questions and resolve issues. Accountants also provide accounting and other financial information to federal or state auditors or to DCEO program staff during outside examinations or reviews of state or federally-funded programs.

[Return to Chapter Table of Contents](#)

C. Support for Individual Grantees

The Accountants assigned to grant programs also provide regular assistance to grantees beginning with approval of the grant application and continuing through the grant closeout process. Although the specific assistance may vary with the nature of the grant and the experience of the grantee, types of assistance often include the following:

1. Establishment of individual grant in the Grantee Reporting System, including the establishment of fund availability, infrastructure establishment for cost reporting and cash requests, and determination of whether the grantee will report cost, cash requests, and closeout information manually or using the Internet.
2. Determination of how grantee will receive their funds (monthly, reimbursement, percentage advance, etc.) and arrangements for direct deposit if requested by the grantee.
3. Assistance with Internet access to the Grantee Reporting System, including initial training, and help in resetting or obtaining a new password, or establishing a new ID.
4. Processing changes reported by the grantee, including changes in e-mail address or in the personnel authorized to access GRS for cost reporting and cash requests.
5. Processing modifications to existing grants.
6. Tracking of missing warrants.
7. Assistance in entering costs and cash requests.
8. Assistance to grantees in completing closeout forms, whether completed manually or via the Internet. Assistance with Internet closeouts including help with accessing and printing out the closeout forms.

[Return to Chapter Table of Contents](#)

VII. Grant Modifications

Modifications to existing grant agreements may be required due to a change in scope, increase or decrease in total budget, a change in the budget allocation among line items, or a change in the termination date for the grant. Program staff or the grantee often are the first to recognize the need for a grant modification, but accounting staff may also identify this need – particularly at closeout. If accounting staff identify the need for a modification, they access GRS Screen 153 to generate a notice to program staff that a modification is required. This section describes the steps that are followed to modify an existing grant agreement.

A. Initial Review and Approval of Grant Modifications

Program staff oversee the process to initiate a modification to a grant agreement, and to seek required approvals from appropriate levels of program management, as well as from the Director or Deputy Director, and the Legal Division. This subsection describes that process.

Step 1: The program staff having overall responsibility for the grant program prepare a Transmittal Cover Sheet, a Request for Mod/Waiver and a Budget Line Item Activity Change Form if required. They prepare a package that includes the required forms and supporting documentation, and route it within the Division to obtain required signatures. If the approval of the Director is required, they forward the package to the Director's Office. The Director's approval is always required if there is an increase or decrease in the grant amount. All other modifications may proceed without the Director's approval, unless the Legal Division identifies a specific situation in which the Director's approval should be required.

Step 2: Program staff forward the grant modification package to the Legal Division for review and approval.

Step 3: A staff person within the Legal Division logs each grant modification package in GRS Screen 234 as it is received.

Step 4: An attorney in the Legal Division reviews each grant modification to ensure that all required language is included in the modification, and that all required approvals have been secured.

Step 5: The Legal Division staff makes an entry in Screen GRS 234 that logs out the grant modification package and prevents anyone in the agency from making further modifications in CIS or GRS.

Step 6: The Legal Division returns the grant package to program staff.

Step 7: Program staff review the approved grant modification for any changes made pursuant to the review by the Legal Division. If it responds to a request for a modification submitted in writing by the grantee, they determine whether all provisions of the modification are consistent with the original request.

- ⇒ If the modification *is* consistent with the request, program staff proceed directly to the certification process described in the Subsection B.
- ⇒ If the modification is *not* consistent with the request, program staff obtain the signature of the grantee acknowledging the revision before proceeding to the certification process described below.
Note: The signature of an official authorized to sign on behalf of the grantee is required in these instances, except if the grantee requested an extension of time and the approval grants a shorter extension of time than was originally requested.

[Return to Chapter Table of Contents](#)

B. Certification of Grant Modifications

The Division of Financial Management is responsible for reviewing the grant modification package, certifying the modification in GRS, and preparing a Contract Obligation Document (COD.) This subsection describes those responsibilities in more detail.

Step 1: Program staff forward the original grant modification package to the Accountant within the Accounting Office who has been assigned responsibility for that grant program.

Step 2: The Accountant compares the entries in GRS to the information in the grant modification package, to ensure that the two sources of information are consistent. If the Accountant identifies any inconsistencies, they resolve them with the appropriate program staff before proceeding to Step 3.

Step 3: The Accountant assesses the grant modification package using the checklist for grant modifications.

- ⇒ If the grant modification package conforms with the requirements on the checklist, the Accountant proceeds to Step 4.
- ⇒ If the grant package does *not* conform with the requirements on the checklist, the Accountant contacts the appropriate program staff to resolve the issue.

Step 4: The Accountant certifies the grant modification by striking “PF7” in GRS Screen 344.

[Return to Chapter Table of Contents](#)

C. Obligation of Grant Modifications

Step 1: Overnight or on request, the system draws on the information entered on GRS Screens 341 through 344 to produce three copies of a Contract Obligation Document (COD) for each grant modification, as well as a letter to the grantee from the Director providing final approval of the grant modification.

Step 2: The GPS matches the grant modification with the COD and letter, to be sure that a COD and letter has been produced for each grant modification.

Step 3: The GPS provides all copies of the COD to the Accountant assigned to that grant program, along with the Director’s letter to the grantee.

Step 4: The Accountant reviews the all information related to the grant modification and verifies that the information on the COD is correct.

- ⇒ If the COD is correct, the Accountant proceeds to Step 5.
- ⇒ If the COD has an error, the Accountant works with the appropriate staff to resolve the issue.

Step 5: The Accountant returns the grant modification and related materials to the GPS.

Step 6: The GPS reviews the COD to ensure that the legal code, class codes, detail object codes, addresses, FEIN and zip code are correct. After verifying this, the GPS affixes a “sign here” sticker to the letter and the grant signature page on the original grant modification. (Some programs have additional signature pages as well.)

Step 7: The GPS provides the COD and the grant modification package to the Accounting Manager for review.

- ⇒ If the COD and the package are correct, the Accounting Manager proceeds to Step 8.
- ⇒ If there are errors on the COD or in the package, the Accounting Manager works with the GPS to resolve before proceeding to Step 8.

Step 8: The Accounting Manager stamps the Director's signature, co-signs, and prints their name and title on the original grant modification document and the letter to the grantee from the Director, and returns the entire package to the GPS.

Step 9: The GPS makes three copies of the grant modification signature pages and two copies of the Director's letter to maintain in the Division's grant files.

Step 10: The next business day or on-demand, the GPS prepares the following documents for each of the recipients identified below:

- *Grantee*: grant modification package and original, signed letter from Director
- *Comptroller*: grant modification package and COD
- *Responsible program staff*: grant modification package and a copy of the letter from the Director to the grantee
- *Responsible accountant*: a copy of the COD
- *File*: original grant modification package and copy of letter from Director to grantee

Step 11: The GPS posts each COD on GRS Screen 232 to release the electronic data file for submittal to the Comptroller.

Step 12: The GPS forwards a copy of the grant modification package and the Comptroller copy of the CODs to the Fiscal Operations Unit to obtain the signature of the Fiscal Operations Manager on the CODs, and for further processing as described in *Chapter Three: Expenditure Authorizations and Obligations*.

[Return to Chapter Table of Contents](#)

VIII. Grant Closeout Process

Entities receiving a grant from DCEO are responsible for completing and submitting a final Grant Closeout Report to the Department, on forms and within a timeframe specified by the Department. Although specific grant programs may vary somewhat, this section describes the steps that are *generally* followed by the grantee and DCEO to complete and submit a closeout package at the end of the grant period.

A. Initiating Internet Closeout Packages

For some grant programs, the Accounting Office within the Division of Financial Management is able to prepare a grant closeout package electronically, using information previously reported by the grantee in the Grantee Reporting System as the basis for the document. The grantee then has the opportunity to update, change and/or confirm the closeout information in GRS through the Internet before the closeout package is uploaded to a website for their review and signature. The following steps begin with the preparation of the closeout package through GRS and end when the grantee has a printed copy of the closeout document in their possession.

Step 1: The Grantee Reporting System is capable of generating the Tentative Closeout Mailing List, containing a list of grants tentatively scheduled to end within 30 days. These are the grants that will require the submission of a closeout package. A Closeout Unit employee in the Accounting Office requests this list on GRS Screen 177 at end of each week, or more often if required. All of those grants on the list become immediately accessible on GRS Screens 153 and 151. Internet grant closeout packages are identified with an "I" on GRS Screen 151.

Step 2: The Closeout Unit employee reviews the list and distributes it to each of the Accountants with responsibility for one or more of the grantees tentatively scheduled for closeout. The list is grouped by Accountant name.

Step 3: The Legal Division may "lock-out" a grant if that grantee has been selected for recovery action. The Accountant reviews their individual list, and checks GRS Screen 144 to see if the grant has been "locked out" by the Legal Division – preventing the Accountant from undertaking closeout activities. The Accountant provides the list to the Accountant Supervisor with their recommendations of whether to send a close-out or mark it for an extension.

- ⇒ If the grant has been "locked-out" by the Legal Division, the Accountant notifies the Accountant Supervisor and the production of a closeout package for that grant is suspended until further notice.

Step 4: The Accountant Supervisor reviews the list of potential closeouts and provides it to the program staff having overall responsibility for a grant program (referred to in this chapter as program staff.)

Step 5: Program staff review the list of potential closeouts as well as the cost and cash request entries for each affected grant in GRS, they correct contact information or other relevant information in GRS if required, and if there are no special circumstances that would delay closeout, they notify the Accountant Supervisor to proceed with the closeout process by returning the list with appropriate sign-off.

- ⇒ If the program staff identify any special circumstances or extensions that would delay the closeout date for a particular grant, they notify the Accountant Supervisor and the production of a closeout package for that grant is suspended until further notice. The Accountant Supervisor enters the appropriate code on GRS Screen 151 to suspend the closeout.

Step 6: The Accountant Supervisor accesses GRS Screen 151 and marks an “L” next to those grants that are ready for closeout. This triggers overnight processing to produce an e-mail notice to the grantee, informing them of a planned grant closeout. The Accountant assigned to the program and program staff also receive a copy of this e-mail. The e-mail notice includes instructions to the grantee on how to access grant information on the Expenditure Summary (GRS Screen 352) and to press F6 when the grantee is prepared to certify that the total dollar amount on the Expenditure Summary reflects actual costs incurred. Pressing F6 prohibits further access to the cost and cash request functions by the grantee. All grants that were marked with an “L” on GRS Screen 151 will appear as a “P” the next day, following processing of the e-mail notice.

Some grants require the Accountant to review the costs certified by the grantee in Step 6 before the GRS notifies the grantee to print the closeout document. The need for a review is established on GRS Screen 383 when the system infrastructure is established, as described in Section II of this chapter.

- ⇒ If an Accountant’s review of the costs *is not* required, the system automatically generates an e-mail to the grantee, asking them to print the closeout document, and no additional steps are required to initiate the closeout document.
- ⇒ If the Accountant *is* required to review costs entered by the grantee the Accountant proceeds to Step 7.

Step 7: The Accountant accesses GRS Screen 352 or 362 to review the costs entered by the grantee.

- ⇒ If the Accountant confirms that the cost information is correct, they enter “Y” on GRS Screen 151 beside the grant number and press F2, then proceed to Step 8.
- ⇒ If the cost information is not correct, the Accountant works with the grantee until corrected costs are identified and entered on GRS Screen 352. Then the Accountant enters “Y” on GRS Screen 151 beside the grant number and presses F2, then proceeds to Step 8.

Step 8: Through an over-night process the GRS sends an e-mail to the grantee asking them to print the closeout document.

[Return to Chapter Table of Contents](#)

B. Initiating Closeout Packages Manually

Those grantees who are unable to utilize Internet close-outs prepare close-out packages in paper form and mail or fax them to the Department. This section describes the steps required to produce the manual closeout package, and mail it to the grantee for review and signature.

Step 1: The Grantee Reporting System is capable of generating the Tentative Closeout Mailing List, containing a list of grants tentatively scheduled to end within 30 days. These are the grants that will require the submission of a closeout package. The Closeout Unit employee in the Accounting Office requests this list on GRS Screen 177 at end of each week, or more often if required.

Step 2: The Closeout Unit employee reviews the list and distributes it to each of the Accountants with responsibility for one or more of the grantees tentatively scheduled for closeout. The list is grouped by Accountant name.

Step 3: The Accountant reviews their individual list, and checks GRS Screen 144 to see if the grant has been “locked-out” by the Legal Division – preventing the Accountant from undertaking closeout activities. The Accountant provides the list to the Accountant Supervisor with their recommendations of whether to send a close-out or mark it for an extension.

- ⇒ If the grant has been “locked-out” by the Legal Division, the Accountant notifies the Accountant Supervisor and the production of a closeout package for that grant is suspended until further notice.

Step 4: The Accountant Supervisor reviews the list of potential closeouts and provides it to the program staff having overall responsibility for a grant program (referred to in this chapter as program staff.)

Step 5: Program staff review the list of potential closeouts as well as the cost and cash request entries for each affected grant in GRS, they correct contact information or other relevant information in GRS if required, and if there are no special circumstances that would delay closeout, they notify the Accountant Supervisor to proceed with the closeout process by returning the list with appropriate sign-off.

- ⇒ If the program staff identify any special circumstances or extensions that would delay the closeout date for a particular grant, they notify the Accountant Supervisor and the production of a closeout package for that grant is suspended until further notice. The Accountant Supervisor enters the appropriate code on GRS Screen 151 to suspend the closeout.

Step 6: The Accountant Supervisor enters a “Y” on GRS Screen 151 to approve printing of the closeout package.

Step 7: As part of the tasks performed daily by the Closeout Unit employee, they access GRS Screen 177 to request printing of the closeout packages approved by the Accountant Supervisor. **Note: In most circumstances, overnight printing is requested. It is possible, however, to request that a closeout package be printed on demand rather than overnight.**

Step 8: The next morning or on demand, the GRS generates one copy of each closeout package, three copies of a closeout notification letter for that closeout package, and a Control Sheet that lists all closeout packages that were produced. The Closeout Unit employee matches the three copies of the closeout notification letter to the copy of each closeout package.

Step 9: The Closeout Unit employee provides each closeout package and set of closeout notification letters to the Accountant for review and approval.

- ⇒ If the Accountant finds a problem with a closeout package, they consult with the Accountant Supervisor, who attempts to resolve any problems and, if the problem cannot be resolved quickly, the production of a closeout package for that grant is suspended until further notice. The Accountant Supervisor enters the appropriate code on GRS Screen 151 to suspend the closeout.

Step 10: The Accountant initials the last page of the file copy of the closeout notification letter and returns the closeout package and letters to the Closeout Unit employee.

Step 11: The Closeout Unit employee logs the return of each closeout package on the Control Sheet generated by the system to ensure that there is a closeout package for every grantee on the list. They forward the Closeout Packages to the Closeout Unit Supervisor for final review.

- ⇒ If the Closeout Unit Supervisor finds a problem with a closeout package, they consult with the Accountant Supervisor, who attempts to resolve any problems and, if the problem cannot be resolved quickly, the production of a closeout package for that grant is suspended until further notice. The Accountant Supervisor enters the appropriate code on GRS Screen 152 to send the close-out back to the tentative stage.

Step 12: The Closeout Unit Supervisor signs the letters to accompany the closeout packages, and returns them to the Closeout Unit employee. The Closeout Unit employee mails the original closeout package (including the letter) to the grantee, and provides a copy of the letter to program staff and to the Accountant assigned to the grant program.

Step 13: The Closeout Unit employee updates GRS Screen 152 to indicate that the closeouts are being mailed for the grantees identified. This entry prompts each grant to appear on the Closeout Tracking Screen (GRS Screen 153) on the following day.

[Return to Chapter Table of Contents](#)

C. Processing Closeout Packages

All grant closeout packages are signed by the grantee and returned to DCEO in hard copy, regardless of whether the closeout was initiated manually or over the Internet. This subsection describes the steps undertaken by the Division of Financial Management after the closeout package has been mailed to the grantee for signature, or the grantee was notified to print the package from the Internet.

Step 1: A Financial Management Support Staff opens the closeout package, stamps the date it was received, and forwards it to the Accountant assigned to that grant program.

Step 2: The FMSS determines whether the grantee provided a refund along with the closeout package.

- ⇒ If a refund was included, the FMSS forwards the refund and the close-out package to the Cash Unit for cash receipts processing as described in *Chapter One: Cash Receipts*. The Accountant cannot

complete final processing of the closeout package until the refund is fully processed.

Step 3: The FMSS distributes the close-out package to the appropriate Accountant

Step 4: The Accountant logs receipt of the closeout package on the Closeout Tracking Screen (GRS Screen 153.)

Step 5: The Accountant reviews the closeout package to ensure it is complete, prints the closeout reconciliation and reviews it for errors.

For Internet closeout packages:

- ⇒ If the Accountant identifies any errors, they press F10 on GRS Screen 352 to remove approval and contact the grantee, requesting them to correct the error. After the grantee reviews and corrects the error, the grantee presses F6 to certify that the total dollar amount on the Expenditure Summary reflects actual costs incurred, and the Accountant proceeds to Step 6.

For manual closeout packages:

- ⇒ If the Accountant identifies minor errors in the closeout reconciliation they may be able to make the correction themselves, print the corrected closeout reconciliation, notify the grantee that a minor error was detected and corrected and proceed to Step 6. Examples of minor errors might include the entry of a number in the wrong place on the form or failure to use the most up-to-date grant information.
- ⇒ If the Accountant identifies more substantive errors in the closeout reconciliation, they prepare a letter to the grantee identifying the errors and requesting the grantee to resubmit the closeout package.
- ⇒ If the Accountant determines that the closeout reconciliation is error-free, they forward the closeout package to the Accountant Supervisor including the initialed close-out checklist.

Step 6: The Accountant Supervisor compares the entries in the Grantee Reporting System to the closeout reconciliation, to ensure they are consistent.

- ⇒ If the Accountant Supervisor identifies substantive errors, the Accountant Supervisor enters a denial date on GRS Screen 153

and returns the close-out package to the Accountant. The Accountant prepares a letter to the grantee identifying the errors and requesting the grantee to resubmit the closeout package.

- ⇒ If the Accountant Supervisor does not find any errors, they enter a date in the Supervisor Approved field on GRS Screen 153 and return the closeout package including the initialed close-out checklist to a Closeout Unit employee.

Step 7: The entry of an approved date on GRS Screen 153 triggers the system to generate overnight three copies of a letter to the grantee approving the grant closeout.

Step 8: The Closeout Unit employee picks up the letters from the Office of Information Management, stamps them with the signature of the Closeout Unit Supervisor, and distributes them as follows:

- mails original to grantee
- copy to closeout file
- copy to appropriate program staff

Step 9: The GPS files the completed closeout package in the master file.

Note: Each Accountant uses a Closeout Checklist throughout the closeout process, to ensure that all closeout activities are occurring as required. The completed Closeout Checklist is filed in the master file, along with the remaining components of the completed closeout package.

[Return to Chapter Table of Contents](#)

D. Follow-Up on Unreturned Closeout Packages

The Closeout Tracking Screen identifies those closeout packages that have not been returned by the grantee within an established period of time. The following steps describe the procedures within DCEO to follow-up when a closeout package has not been returned within the prescribed period of time:

Step 1: Seven days after the due date for a closeout package, the Grantee Reporting System generates a letter to the grantee providing a deadline for submitting the closeout package, and describing the consequences for not returning the closeout package by the deadline.

Step 2: If the closeout package is received and the Accountant logs it in on GRS Screen 153 before the deadline, processing of the closeout package continues as described in subsection C. If the closeout package is not received before the deadline in the first letter, proceed to Step 3.

Step 3: The Grantee Reporting System generates a second letter to the grantee informing them that the matter has been formally referred to the Legal Division for recovery action.

This concludes the steps required for grant closeouts.

Illinois Department of Commerce and Economic Opportunity
Financial Management - Policy and Procedure Manual

Cost Allocation
Contents of Chapter 9

- XXI. Overview
 - A. Applicable Laws and Regulations
 - B. Guiding Principles
 - C. Chapter Summary

- XXII. Developing the Cost Allocation Plan

- III. Calculating and Reporting OIM Allocations

- IV. Calculating and Reporting Audit Allocations

I. Overview

A. *Applicable Laws and Regulations*

Cost allocation plans are prepared in accordance with the policies and procedures specified in OMB Circular A-87, Cost Principles for State, Local and Indian Tribal Governments. This Circular establishes principles and standards to:

- determine costs for Federal awards carried out through grants, cost reimbursement contracts, and other agreements with State and local governments and federally-recognized Indian tribal governments, and
- promote effective program delivery, efficiency, and better relationships between governmental units and the Federal Government.

The principles specified in OMB Circular A-87 are for determining allowable costs only. They are not intended to identify the circumstances or to dictate the extent of Federal and governmental unit participation in the financing of a particular Federal award.

IX. B. Guiding Principles

All DCEO employees are expected to comply with information requests that support the efforts of the Budget Office to develop and manage the DCEO cost allocation plan.

X. C. Chapter Summary

The Budget Office is responsible for developing and implementing the cost allocation plan that distributes central service overhead costs throughout the Department of Commerce and Economic Opportunity (DCEO). The purpose of the cost allocation plan is to:

- Claim indirect costs associated with federal programs
- Charge other state funds for services provided
- Determine the full costs of departments providing user-fee related services to the public, and
- Obtain financial management information related to how the agency carries out its programs.

Section II of this chapter describes the roles and responsibilities associated with developing the cost allocation plan.

Sections III and IV of this chapter provide an overview of the process of calculating and reporting Office of Information Management (OIM) and audit allocations.

II. Developing the Cost Allocation Plan

Administrative units that generally provide services to other governmental departments rather than to the general public are termed *central services units*. Examples of central services units in DCEO include the Director's Office, Legal and Financial Management. Expenses associated with DCEO's central services units are distributed to program units through the cost allocation plan. Examples of program units include the Bureau of Business Development, the Bureau of Technology and Industrial Competitiveness, and the Office of Coal Development.

The following sections describe the high-level roles and responsibilities of the Budget Office in developing the cost allocation plan in conjunction with an outside contractor. (For detailed information regarding this function, refer to the process flow document entitled Oversight of Plan Development.)

Step 1: A cost allocation consultant is selected through the agency's approved procurement process to assist the Budget Office in developing the DCEO cost allocation plan.

Step 2: The Budget Analyst and the cost allocation consultant assess structural, functional and programmatic changes since the last fiscal year to determine the impact to the current fiscal year's cost allocation plan.

Step 3: The Budget Analyst works with cost allocation contacts within DCEO to collect required information including organizational charts, square footage estimates by organizational unit, and salary and wage analyses. These information requests are adapted to meet the current structural, functional and programmatic environment identified in Step 2.

Step 4: The cost allocation consultant and the Budget Analyst determine the most appropriate allocation bases. Emphasis is placed on results or benefits provided to ensure that all appropriate costs are recovered from applicable units/programs. The Budget Analyst forwards proposed cost allocation rates, called provisional rates, to the Chief Financial Officer (CFO) for approval.

Step 5: The CFO submits the approved Submission of Rate Request to the Federal Department of Labor (DOL) for review. After DOL approves, the CFO signs it and returns it to DOL.

Step 6: The Budget Analyst uses the provisional rates to calculate planned recovery amounts. Accountants enter the planned recovery amounts into the applicable ledgers.

Step 7: During the fiscal year, the GRS System tracks actual recovery amounts against planned recovery amounts. EPC plans are used to separate the expenditure of actual recoveries into the appropriate administrative or programmatic categories.

III. Calculating and Reporting Office of Information Management Allocations

The Budget Analyst calculates the allocation for the Office of Information Management (OIM) by accumulating actual expenditures from GAS 5-S reports and indirect calculations. Specific data that is also used includes:

- Agency-wide head count
- OIM timesheets
- Costs of contractual employees broken down by shared systems and overhead
- SSRF bill analysis, and
- OIM payroll summaries.

The Budget Analyst calculates the cumulative OIM allocation and prepares the monthly OIM Allocation Summary for the Accountant Supervisor. The Accountant Supervisor enters the OIM allocation amount to post to applicable ledgers.

(For detailed information regarding this function, refer to the process flow document entitled OIM Allocations.)

IV. Calculating and Reporting Audit Allocations

The Budget Office uses audit staff timesheets as the primary source for calculating Audit-related expenditures. After the Accounting Supervisor is notified by the Cash Unit Supervisor that the timesheets have been entered on GRS Screen 713, the Audit Allocation Program is run. The Audit Allocation Program generates the Audit Costs Journal Entry Posting Report. After the Accounting Supervisor verifies the Audit Costs Journal Entry Posting Report, they re-generate the report in an update mode. This posts the journal entries to the appropriate ledgers.

(For detailed information regarding this function, refer to the process flow document entitled Audit Allocations.)

Attachment I

**Joint DCEO and IDES Response Letter to
DOL 12-21-2011**



Pat Quinn
Governor

Jay Rowell
Director

February 28, 2012

Mr. Byron Zuidema
Regional Administrator
United State Department of Labor
John C. Kluczynski Federal Building
230 South Dearborn Street, 6th Floor
Chicago, IL 60604-1505

Dear Mr. Zuidema,

This is a joint response from the Department of Commerce and Economic Opportunity (DCEO) and the Department of Employment Security (DES) to your letters dated December 21, 2011 and September 6, 2011 in response to the joint response from DCEO and DES to the May 25, 2011 monitoring report for the U.S. Department of Labor, Employment and Training Administration (ETA) comprehensive review of workforce programs in Illinois undertaken during the period of January 24 - March 25, 2011.

The December 21, 2011 correspondence stated nineteen of the thirty-eight findings identified were resolved and required no further action. You further stated that sixteen of the thirty-eight findings had acceptable corrective action plans in place but would remain "open" until these plans are carried out in full and have been satisfactorily documented for ETA. Lastly, there were three findings identified which remain unresolved. Your office provided comments on those findings and listed additional information which is required to resolve those findings.

UNRESOLVED FINDINGS // DES:

1. Finding #2: Lack of integrated Labor Exchange System

The finding will be resolved when the Regional Office receives a plan of action that includes dates or timeframes for when interfaces between Illinois JobLink (IJL) and Illinois Workforce Development System (IWDS) will be implemented, an explanation of how an interface with IWDS will provide a seamless service to customers of Illinois workNet, therefore eliminating the need for local areas to utilize dual systems, and the identification of partners and work teams within the Illinois WIA workforce system who will be participants in this project. Further, the corrective action plan did not address the requirement to submit a modification to update the portion of the State Plan that describes change in service delivery strategy, as instructed in 20 CFR 652.212

Status: DCEO and DES share the U.S. DOL's commitment to providing excellent customer service to the clients we serve. Since DCEO and DES share a large pool of clients, our effort to integrate our service is a key component of providing good customer service. To do so Illinois has been very supportive of the One-Stop Centers as they provide an easy way for the public to utilize different agencies' services. For clients that cannot make it to a physical center, all of the services provided by DES and DCEO are available online through the Illinois workNet Portal. Information and links to Illinois' new Labor Exchange System, IJL, are available on the Illinois workNet portal.



Pat Quinn
Governor

Jay Rowell
Director

Illinois' previous Labor Exchange System, ISM, was available on the Illinois WorkNet Portal and ISM shared data with Illinois' WIA administration tool, IWDS. Wagner-Peyser services recorded in ISM were uploaded in IWDS for federal reporting purposes and so that information was available to LWIA staff. This is what Illinois meant by seamless service – LWIA staff can see in IWDS what services were provided via Wagner-Peyser funds and then seamlessly provide WIA services to those shared clients. This level of integration is consistent with the Illinois Strategic Five-Year Plan, the modification to the Illinois Strategic Five-Year Plan, the vision statement, the certification criteria and correspondence regarding the State Plan (hereinafter referred to as “the State Plan”).

With the launch of IJL, data sharing in Illinois will be enhanced. IJL will share the same information that ISM did with IWDS, but now client records in IJL will be updated with the WIA services recorded in IWDS. In addition, IJL will add any client that is in IWDS but not in IJL. These interfaces are in their final stages of testing and will be completed before the end of February 2012. The level of integration that will soon exist between IJL and IWDS exceeds what was contemplated in the State Plan. Furthermore, this will allow client records to be in synch in both systems and allow for seamless service. DCEO and IDES, as part of a larger effort to enhance data sharing with all of our partners through the Governor's Career Pathway initiative will look to further integrate our systems to better share data and streamline customer access.

There is one sentence in the hundreds of pages of the State Plan that could be read to imply a different meaning of integration (this sentence also refers to ISM and not IJL). However, an understanding of what Illinois' different computer systems are used for shows that this is misinterpreted. The Illinois workNet portal is designed to provide information and links to the services offered by DES (such as IJL), DCEO (such as IWDS), other state agencies, and countless other entities throughout Illinois. The Illinois workNet portal is not designed to, nor does it administer programs such as Wagner-Peyser or WIA. Therefore, combining IJL and the Illinois workNet portal and eliminating one system would not further integrate Wagner-Peyser and WIA services as WIA services are administered through IWDS -- a completely different system. Under the Governor's Career Pathways initiative as previously mentioned, the state is looking to integrate all partner workforce related systems into the various applications supporting Illinois's workforce and education system.

The capabilities of the computer systems combined with reading that one sentence in the broader context of the State Plan shows that what Illinois meant by integration is sharing data between IWDS and IJL as described above. Since the level of integration exceeds what was contemplated in the State Plan, Illinois believes this finding is resolved. That said we are happy to meet with U.S. DOL on this matter.

The U.S. DOL has described Illinois' decision to divide the administration of WIA and Wagner-Peyser programs between two departments as a challenge to integration. Illinois strongly feels that simply housing two programs in one agency does not ensure that service delivery will automatically be more integrated. Illinois is committed to ensuring better customer service by having departments work together. DCEO and DES are meeting routinely to ensure greater cooperation but we also meet with DHS, DVA and other state agencies as well. But the decision remains with Illinois on how to structure our service delivery. This approach is confirmed by the U.S. Office of Management and Budget circular A-87 (A) (2) (a) (3) which states “[e]ach governmental unit, in recognition of its own unique combination of staff, facilities, and experience, will have the primary responsibility for employing whatever form of organization and management techniques may be necessary to assure proper and efficient administration of Federal awards.”

This finding #2 originally mentioned that DES had not provided training nor worked with One-Stop partners in the development and launch of IJL. DES engaged the One-Stop partners through Illinois Workforce Partnership leadership and developed a train-the-trainer series for the WIA partners on how to use IJL. Those trainings occurred as follows:



Pat Quinn
Governor

Jay Rowell
Director

Date	Location	LWIAs	Description
09/27/2011	Marion, IL	22, 23, 25 and 26	Case Manager, Job Seeker and Employer training on IJL system
09/28/2011	Springfield, IL	12, 13, 14, 15, 16, 17, 19, 20, 21	Case Manager, Job Seeker and Employer training on IJL system
09/30/2011	Kankakee, IL	6, 11, 12, 18, 7, 9	Case Manager, Job Seeker and Employer training on IJL system
10/4/2011	Elgin, IL	1, 2, 3, 4, 5, 6, 8, 10	Case Manager, Job Seeker and Employer training on IJL system
10/6/2011	Chicago, IL	9	Case Manager, Job Seeker and Employer training on IJL system

Additional information and manuals were made available to the Illinois Workforce Partnership and we have been discussing providing webinars as a refresher on how to use IJL now that the system has gone live.

2. Finding #7: Wagner-Peyser Services at Comprehensive One-Stop Centers

DES's corrective action plan does not provide a resolution to the finding. The response from DES does not reflect an integrated approach to the resolution of the finding. The Regional Office has determined that it is necessary for a joint meeting with senior level leadership to discuss how integration is supported by DES and DCEO into the larger workforce investment system. The regional office will follow up to arrange.

Status: DES views this finding as having two parts: 1) concern about the level of Employment Services in a few offices and 2) whether Wagner-Peyser services are physically present in all 26 LWIAs. These questions will be answered in turn.

As to the first issue, DES agrees that at the time of the comprehensive review the level of Wagner-Peyser services available in LWIA 7, 15, and 24 was insufficient to meet the demand for those services. It is important to keep this issue in the context of when it occurred. The comprehensive review was conducted during a recession unprecedented in most people's lifetimes. The crushing workload required that cross-trained staff shift their emphasis away from Wagner-Peyser services, to assist with Unemployment Insurance claims. At that time, DES was also in the process of planning a new computer system for Wagner-Peyser services. A number of our most experienced Wagner-Peyser employees were temporarily assigned to work on this project including staff members from LWIA 15. Staff from LWIA 7 and 24 were similarly engaged in a lesser capacity during these early stages. Even with those challenges, DES was still providing Wagner-Peyser services in those LWIAs.

DES is fully committed to meeting the State of the Union goal the President set when he said, "It's time to turn our unemployment system into a reemployment system that puts people to work." To that end, DES has submitted a reorganization plan to the state that includes updating the regional managers, local office managers, and local office staff job descriptions to require performance and monitoring of Wagner-Peyser services. This change will greatly increase oversight as well as the number of staff capable of providing those services.



Pat Quinn
Governor

Jay Rowell
Director

Another component of the reorganization is the creation of the Business Services Division. This new division will work with employers to increase the number of job orders in our new labor exchange system, IJL, so that our local office staff will have positions to drive job seekers to. These efforts are being coordinated with DCEO. DCEO and DES have partnered on several recent hiring events including ones at Ford Motor Company and Chrysler. DCEO and DES have scheduled additional senior level meetings to discuss better coordination of our services so that individuals hired via Wagner-Peyser can take full advantage of WIA services, such as OJT.

As to whether Wagner-Peyser services are physically present in all 26 LWIAs, DES has a long term and a short term solution to this issue. In the long term, IDES will work with the state's procurement agency in an effort to ensure that the state's procurement law is not applied so as to take the state out of compliance with federal requirements regarding comprehensive one-stop centers. Legislation to address this issue is pending in the Illinois General Assembly in case a legislative change proves to be necessary. DES will advise U.S. DOL on our progress.

In the short term, DES will ensure that Wagner-Peyser staff is physically present in at least one Comprehensive One-Stop in each LWIA. In the Comprehensive Review and follow up letters U.S. DOL cited three LWIAs where DES was not physically present – 15, 26 and later 13. DES agrees that Wagner-Peyser staff were not physically present in LWIA 26. DES previously provided full-time staff in LWIA 26's Comprehensive One- Stop Center. DES will resume its physical presence in the Harrisburg Comprehensive One-Stop by the end of March 2012.

During the Comprehensive Review and since then DES Wagner-Peyser staff has been and still are physically present in the designated Comprehensive One- Stop Center in LWIA 15. Two full-time DES staff members are present at all times. An additional full-time equivalent is physically present when there is increased Migrant Seasonal Farm Workers (MSFW) activity. DES is not certain why the U.S. DOL review team was unable to locate DES Wagner-Peyser staff members.

In a follow up letter dated September, 6 2011, U.S. DOL stated that IDES moved out of the Comprehensive One-Stop Center in LWIA 13. The state's procurement laws were interpreted at the time as requiring IDES to relocate from Moline to Rock Island. Our WIA partners did not relocate with us. DES has detailed staff back to the Moline Comprehensive One-Stop Center at the level requested by the LWIA Director for that center. It is worth noting that DES was not physically present in the Moline Comprehensive One-Stop Center prior to DES' move to Rock Island. The DES Moline location was on one side of the strip mall and the Comprehensive One-Stop Center was on the other.

DES wants to make U.S. DOL aware that DES's staff is not physically present in the Comprehensive One-Stop Centers in LWIA 6, 10 and 11. DES and DCEO are discussing what WIA services can be provided in DES stand alone offices to make them additional Comprehensive One-Stops in the respective LWIAs. These DES locations will either become a One-Stop or DES staff will be detailed to the Comprehensive One-Stop in these LWIAs by the end of June 2012. It is worth noting that in LWIA 6 the LWIA partners moved out of a DES location. DES had a lease obligation to stay at that location.

DES and DCEO are also discussing what WIA services can be provided at other DES stand alone offices across the state to convert DES locations to Comprehensive One-Stop Centers. Furthermore, DCEO and DES are reviewing all MOUs to ensure all agreements accurately reflect the services offered at each center. This process will be completed by June 2012. Again, Illinois is happy to meet with U.S. DOL to discuss this issue further but we hope our response and action plans make a meeting unnecessary.



Pat Quinn
Governor

Jay Rowell
Director

UNRESOLVED FINDINGS // DCEO:

3. Finding # 1 Failure to Provide Required Youth Service Elements to the Entire Cohort of Eligible Youth

Status: LWIA 15 did not modify their current year contract as contract allocations were met at the time of the request however the procedures were modified to include service referrals based on the assessment and ISS. DCEO provided templates and technical assistance to the LWIA to ensure that they expand the scope of youth service provider contracts so that all required youth program elements are made available to all eligible youth in the local area. (RFP issued in January, 2012 is attached)

4. Finding # 27 LWIA 15 Delivery of Intensive Services:

Status: As a result of the DOL Comprehensive Review and recommendations and technical assistance from DCEO the AFS process has been amended to be more inclusive and provides the assessment on the front end rather than after the application is processed. Thus the process is now the Online Initial Assessment. The attached documents provide additional details - Online Initial Assessment Application, Online Initial Assessment Web Page and Online Initial Assessment Process. The LWIA also put this in their Continuous Improvement plan (document attached) for ongoing review to ensure that this mechanism is inclusive.

5. Finding #33: Incomplete Documentation of Supportive Services Provided in Participant Files

Status: In LWIA 15 DCEO provided technical assistance regarding the utilization and documentation of supportive services in files as well as in IWDS and as a result, the LWIA has strengthened their Supportive Service policy and has developed a Supportive Service Assessment as an internal mechanism for monitoring supportive services. (documents attached)

Thank you for working with the Department of Commerce and Economic Opportunity and the Illinois Department of Employment Security as we continue to work towards resolution of each of the findings resulting from the 2011 Comprehensive Review of workforce programs in Illinois. Both agencies are committed to addressing the findings and areas of concerns identified in your review, and look forward to bringing the review to a timely closure.

Sincerely,

A handwritten signature in black ink, appearing to read "W. Ribley", written over a white background.

Warren Ribley
Director
Department of Commerce and Economic Opportunity

Sincerely,

A handwritten signature in black ink, appearing to read "Jay Rowell", written over a white background.

Jay Rowell
Director
Department of Employment Security

cc: Therese McMahon, DCEO
Rebecca L. Harmon, DCEO
Julio Rodriguez, DCEO
Ray Parrack, DCEO
Lisa Jones, DCEO
Jerry Yeoward, DCEO
Susan Boggs, DCEO



Pat Quinn
Governor

Jay Rowell
Director

Mike Baker, DCEO
Patrick Campbell, DCEO
John Barr, DCEO
Deb Waldrop, DCEO
Joseph Mueller, DES
Jon Gingrich, DES
Barbara Piwowarski, DES
Kisha Hart, DES
Amit Singla, DES
Monica Carranza, DES
Frank DeMore, DES
Debbie Geier, DES
Cristal Thomas, Office of the Governor

U.S. Department of Labor



Employment and Training Administration
REGION V

John C. Kluczynski Building
230 South Dearborn Street, 6th Floor
Chicago, IL 60604-1505

<http://www.doleta.gov/regions/reg05>

June 26, 2013

Mr. Adam Pollet
Acting Director
Illinois Dept. of Commerce and Economic Opportunity
100 W. Randolph Street
Chicago, IL 60601

Mr. Jay Rowell
Director
Illinois Dept. of Employment Security
33 S. State Street – 9th Floor
Chicago, IL 60603

Dear Mr. Pollet and Mr. Rowell:

Thank you for the submittal of Illinois' Workforce Investment Act (WIA) and Wagner-Peyser Act (WP) Program Year (PY) 2013 proposed performance goals and for the State's participation in the formal performance negotiations which took place on June 11, 2013.

This letter serves as official notification advising Illinois of the agreed-upon WIA and WP PY 2013 final performance goals. A copy of the negotiated goals is enclosed with this letter.

This official notice also constitutes a modification to the State Integrated Workforce Plan. The State must ensure that the PY 2013 final performance goals are included in the State's official copy of its Integrated Workforce Plan. Any published copy of the Integrated Workforce Plan on the State's Website must also include these final goals. ETA will incorporate these final performance goals into the Regional and National Office copies of the State Integrated Workforce Plan.

We look forward to working with you and your staff as Illinois continues to implement its Integrated Workforce Plan. If you have any questions, please contact me or Arlene Charbonneau, the Illinois Federal Project Officer, at 312-596-5491 or Charbonneau.Arlene@dol.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Byron Zuidema". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Byron Zuidema
Regional Administrator

Enclosure – PY 2013 Final Performance Goals

cc: Therese McMahon
Karen Fratto

Workforce Investment Act and Wagner-Peyser Act Performance Levels for PY 2013

Illinois

Workforce Investment Act Performance Levels

<u>Adult Measures</u>	<u>PY 2013</u>
Adult Entered Employment Rate	74.0
Adult Employment Retention Rate	85.0
Adult Six-months Average Earnings	\$13,900

<u>Dislocated Worker Measures</u>	<u>PY 2013</u>
Dislocated Worker Entered Employment Rate	83.0
Dislocated Worker Employment Retention Rate	91.0
Dislocated Worker Six-months Average Earnings	\$19,000

<u>Youth Measures</u>	<u>PY 2013</u>
Youth Placement in Employment or Education	70.0
Youth Attainment of Degree or Certificate	67.0
Youth Literacy and Numeracy Gains	60.0

Wagner-Peyser Act Performance Levels

<u>Measures</u>	<u>PY 2013</u>
Entered Employment Rate	53.0
Employment Retention Rate	82.8
Six-months Average Earnings	\$16,000

U.S. Department of Labor



Employment and Training Administration
REGION V

John C. Kluczynski Building
230 South Dearborn Street, 6th Floor
Chicago, IL 60604-1505

<http://www.doleta.gov/regions/reg05>

June 16, 2014

Mr. Adam Pollet
Director
Dept. of Commerce and Economic Opportunity
100 W. Randolph Street
Chicago, IL 60601

Mr. Jay Rowell
Director
Dept. of Employment Security
33 S. State Street – 9th Floor
Chicago, IL 60603

Dear Mr. Pollet and Mr. Rowell:

Thank you for the submittal of Illinois' Workforce Investment Act (WIA) and Wagner-Peyser Act (WP) Program Year (PY) 2014 proposed performance goals and for the State's participation in the formal performance negotiations which took place on June 10, 2014.

This letter serves as official notification advising Illinois of the agreed-upon WIA and WP PY 2014 final performance goals. A copy of the negotiated goals is enclosed with this letter.

This official notice also constitutes a modification to the State Integrated Workforce Plan. The State must ensure that the PY 2014 final performance goals are included in the State's official copy of its Integrated Workforce Plan. Any published copy of the Integrated Workforce Plan on the State's website must also include these final goals. ETA will incorporate these final performance goals into the Regional and National Office copies of the State Integrated Workforce Plan.

We look forward to working with you and your staff as Illinois continues to implement its Integrated Workforce Plan. If you have any questions, please contact me or Arlene Charbonneau, the Illinois Federal Project Officer, at 312-596-5491 or charbonneau.arlene@dol.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Byron Zuidema", written over a light blue horizontal line.

Byron Zuidema
Regional Administrator

Enclosure – PY 2014 Final Performance Goals

cc: Therese McMahon
Karen Fratto

Workforce Investment Act and Wagner-Peyser Act Performance Levels for PY 2014

Illinois

Workforce Investment Act Performance Levels

<u>Adult Measures</u>	<u>PY 2014</u>
Adult Entered Employment Rate	74.0%
Adult Employment Retention Rate	85.0%
Adult Six-months Average Earnings	\$13,900

<u>Dislocated Worker Measures</u>	<u>PY 2014</u>
Dislocated Worker Entered Employment Rate	83.0%
Dislocated Worker Employment Retention Rate	91.0%
Dislocated Worker Six-months Average Earnings	\$19,000

<u>Youth Measures</u>	<u>PY 2014</u>
Youth Placement in Employment or Education	70.0%
Youth Attainment of Degree or Certificate	67.0%
Youth Literacy and Numeracy Gains	60.0%

Wagner-Peyser Act Performance Levels

<u>Measures</u>	<u>PY 2014</u>
Entered Employment Rate	53.0%
Employment Retention Rate	82.8%
Six-months Average Earnings	\$16,000