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# Illinois Merit Staffing Procedures

*Effective December 15, 2010*

December 8, 2010



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## Training Overview

- Purpose
  - Provide procedures and guidance on how Illinois will implement the TAA State Merit Staff requirement.
- Objectives
  - Understand the Transition Process
  - Review the Participant Training Cost Reporting
  - Explain the Merit Staff Approval Procedures



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## Why Merit Staffing

- To comply with the merit staffing provisions codified in the new regulation at 20 CFR 618.890 (b) by December 15, 2010

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## What the Provisions Say

- By December 15, 2010 states must have State Merit Staff performing TAA funded functions.
  - This regulation requires that states must engage state government personnel only to perform TAA-funded functions undertaken to carry out the state's responsibilities under the Trade Act, and must apply the standards for a merit system of personnel administration to these personnel.
- The merit staff requirement applies to staff performing all TAA-funded administration and employment and case management service activities beginning on December 15, 2010, regardless of when the funds used were appropriated.
- LWIAs may no longer receive TAA funds for administration and case management services.

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## Illinois Merit Staffing

- The day to day activities of working with a TAA customer remains the same.
- Case Managers will continue to perform the same functions as they currently do such as Rapid Response, Intake, Assessment, Testing, Enrollment, Coordinated Benefits, Issuing Waivers, Waiver Reviews, Enrollment in Training, Attendance, Job Search and Relocation, etc.
- However as of December 15, 2010 all Trade services and many of the Trade statuses will have to be approved by the state merit staff **PRIOR** to the start of the service.
- This requirement applies to all active and future 2002 and 2009 Trade customers/registrants.
- This new process will not affect the day to day activities of working with IDES.

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## Merit Staffing - *Changes*

- Modifications of Current Grants
- Clean up in IWDS of TAA Participants
- Co-enrollment of all active TAA Customers
- Different funding strategy and revised forms and policy

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## Merit Staffing - Changes

- Issuance of Notice on Merit Staffing Procedures
- New Co-Enrollment Policy
- New Affidavit Forms
- Revision of Many Trade Forms
- Hiring of New State Merit Staff
- Implementation of IWDS system changes
- Additional IWDS system changes are planned

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## Transition Process

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## Modification Process

- Grantee's must post their **FINAL TAA** administrative and case management expenditures no later 12/31/10 for cost incurred through 12/14/10
- DCEO/OET will begin the unilateral modification process on 1/3/11
- All TAA grants will be modified
- All unexpended Case Management funding be will de-obligated
- The effective date of the modification will be 12/15/10

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## Participant Clean Up

- Report showing TAA Customers
- Clean up in IWDS those customers:
  - On the wrong grant
  - On no grant
- Exit those who haven't received any service within 90 calendar days

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## Co-Enrollment

- By December 15, 2010 all customers that are TAA only must be co-enrolled
- Yes, this does include active customers
  - Waiver customers must be co-enrolled
  - Assess the suitability for co-enrollment
  - Handle anomalies on a case by case basis
- All customers entering the system December 15, 2010 and beyond must be co-enrolled

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## Funding Strategies

- There will be Two sources of funding
  - 1E Case Management
  - Distribution of Benefit's funded by TAA

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## Funding Strategies

- Case management will funded by 1-E
- Require 100% co-enrollment into WIA so TAA customers can receive case management
- Allotment will be based upon relative share of unique TAA customers
- Funding will be awarded every 4 months beginning 12/31/10
- Must have a minimum case load of 75 TAA customers to qualify

Grantee	Case Mgt	Waiver	Unduplicated # of Customers in All Activities	Case Management Funding must be greater than 75	Relative share
A	242	170	468	468	8.43%
<b>Statewide Total</b>	<b>2,935</b>	<b>1,817</b>	<b>5,569</b>	<b>5,550</b>	<b>100.00%</b>

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## Funding Strategies

- Distribution of Benefits funded by TAA will be awarded every 4 months
- The allotment will be based on the relative share of the total customers in training, transportation, out of area job search and relocation
- Source of this data is IWDS

Grantee	Training	Transportation/ Subsistence	Job Search	Relocation	Total in Training, Transportation, job search and relo	Relative Share
A	179	42	0	0	221	7.67%
<b>Statewide Total</b>	<b>2,430</b>	<b>451</b>	<b>2</b>	<b>0</b>	<b>2,883</b>	<b>100.00%</b>

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## Non-Inherently Governmental

- The Final rule provides for exceptions as contained in OMB Circular A-76
- OMB circular A-76 defines inherently governmental activity as an activity that is so intimately related to the public interest as to mandate performance by government personnel.
  - These activities require the exercise of substantial discretion in applying government authority and/or in making decisions for the government.
  - Inherently governmental activities normally fall into two categories: the exercise of sovereign government authority or the establishment of procedures and processes related to the oversight of monetary transactions or entitlements.

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## Non-Inherently Governmental

An inherently governmental activity involves:

- (1) Binding the United States to take or not to take some action by contract, policy, regulation, authorization, order, or otherwise;
- (2) Determining, protecting, and advancing economic, political, territorial, property, or other interests by military or diplomatic action, civil or criminal judicial proceedings, contract management, or otherwise;
- (3) Significantly affecting the life, liberty, or property of private persons; or
- (4) Exerting ultimate control over the acquisition, use, or disposition of United States property (real or personal, tangible or intangible), including establishing policies or procedures for the collection, control, or disbursement of appropriated and other federal funds.

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## Non-Inherently Governmental

- TEGL 01-10 states that the merit staffing requirement does not prohibit a state from outsourcing functions that are not inherently governmental per OMB Circular A-76, such as "Commercial Activities"
- OMB circular A-76 defines "Commercial Activities" as recurring services that could be performed by the private sector and is resourced, performed, and controlled by the agency through performance by government personnel, a contract, or a fee-for-service agreement. A commercial activity is not so intimately related to the public interest as to mandate performance by government personnel. Commercial activities may be found within, or throughout, organizations that perform inherently governmental activities or classified

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## Non-Inherently Governmental

So in-order to outsource the non-governmental functions associated with TAA can we define them as "Commercial Activities"?

- Are the TAA administration functions recurring services? **Yes**
- Can the TAA services be performed by the private sector? **Yes**
- Can we control the performance of the contractor? **Yes**
- If so, can we via a contract or fixed fee agreement? **Yes**
- Are the TAA services intimately related to the public interest as to mandate performance by government personnel? **No**

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## Example

- IDHS uses an "EBT contractor" for the LINK card administration. So the state has outsourced a similar function. The TAA program is similar to the LINK card, except the program is a lot smaller. The participants and training vendors are reimbursed for by our local grantee's for the services that their TAA participants have received. The only difference between Link and TAA is that instead of 1 contractor for Link, we have 25 contractors/grantees with trade.

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## Fiscal Next Steps

- Grantee's must post their **FINAL TAA** administrative and case management expenditures no later 12/31/10 for cost incurred through 12/14/10
- DCEO will begin the unilateral modification process on 1/3/11
- All TAA grants will be modified
- All unexpended Case Management funding be will de-obligated
- The effective date of the modification will be 12/15/10
- Future funding for 1-E case management and benefit processing will occur after 4/30/11, 8/31/11.

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## TAA Participant Level Training Costs



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### Background

With the 2009 Trade Act, DOL changed their reporting requirements. They...

- Required quarterly reporting of active participants
- Added requirement to report TAA training related costs by participant



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## New Requirement

Effective with FFY starting 10/1/2010 states are required to report ...

- Participant level TAA funded quarterly training related accrued costs
- Participant level TAA funded total training related accrued costs

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## How Illinois will Implement

- With a quarterly TAA Participant level Training Cost file
- With an IWDS import function added to process this file
- With additional reports to support the development of the file and to show the results of the imports

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## New IWDS TAA Reporting Items

Four new items in TAA Section of Reports Menu

- Quarterly TAA Training Cost Export
- Quarterly TAA Training Cost Import
- Summary of imported Quarterly Costs
- Detail of imported Quarterly Costs

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## TAA Training Cost File Description

- IWDS Customer ID
- Last 4 SSN
- Customer Last Name
- Customer First Name
- Calendar Year
- Calendar Quarter (1,2,3,4)
- Cost Type (T, J, R)  
T=Training, J=Job Search, R=Relocation
- Quarterly Accrued Amt
- Year-to-Date Accrued Amt (Federal Year to Date)

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## Import File Processing

- Local TAA grantee will add costs as appropriate
- File format must be .csv
- Import will use standard file selection dialog screen
- Records must match on Customer ID, 4 SSN, Name
- Failed records will be displayed—the whole file must be re-imported
- Only rows containing Amounts will process
- If it matches an existing row, it will update

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## Cost Notes

Training Costs include

- All direct Training Costs
- Travel in Training
- Subsistence in Training

Job Search is Out-of-State Job Search

Relocation is Out-of-State Relocation

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## Cost Notes (cont)

Year-to-Date Accrued Costs can start  
10/1/2010 or before

All TAA reportable costs are Illinois TAA Funded  
only

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## Finally

- Due date for file importing is the 20<sup>th</sup> of the month following the end of the quarter.
- IWDS changes to support the TAA Participant level Training related cost reporting are planned to be completed by January 14<sup>th</sup>.

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