



**JUN 17 2016**

The Honorable Bruce Rauner  
Governor of Illinois  
State Capitol  
207 Statehouse  
Springfield, Illinois 62706

Dear Governor Rauner:

After careful review, the U.S. Departments of Labor and Education (Departments) are pleased to inform you that we have determined that Illinois' four-year Workforce Innovation and Opportunity Act (WIOA) Unified State Plan (Unified State Plan or State Plan), submitted on March 30, 2016, is substantially approvable. Therefore, the Departments have approved your Unified State Plan, which covers the period July 1, 2016 through June 30, 2020, subject to conditions discussed below. Although the Departments have approved the four-year plan, you must submit a State Plan modification in 2018, as required by section 102(c)(3)(A) of WIOA.

WIOA represents a fundamental transformation of the workforce system to deliver integrated, job-driven services to job seekers, workers, and employers. It supports the development of strong regional economies, and it improves performance accountability so that consumers and investors can get information about programs and services that work. The Departments are encouraged by the progress that Illinois has made to implement and operationalize WIOA. We look forward to working with you to continue this important work to strengthen your current plan to continue to take the workforce system to a new level of innovation.

The Departments approved your Unified State Plan, subject to conditions, after reviewing it in light of the requirements contained in section 102 of WIOA and the WIOA State Plan Information Collection Request (ICR), Required Elements for Submission of the Unified or Combined State Plan and Plan Modifications under the Workforce Innovation and Opportunity Act. This decision constitutes a written determination that covers the joint planning elements, or "common elements," as well as the program-specific requirements for the six core programs: the Adult, Dislocated Worker, and Youth programs authorized under title I of WIOA and administered by the Department of Labor; the Adult Education and Family Literacy Act (AEFLA) program authorized under title II of WIOA and administered by the Department of Education; the Employment Service program authorized under the

Wagner-Peyser Act (Wagner-Peyser), as amended by title III of WIOA and administered by the Department of Labor; and the Vocational Rehabilitation program, authorized under title I of the Rehabilitation Act, as amended by title IV of WIOA, and administered by the Department of Education.

The Departments have approved the State Plan subject to conditions because there are a number of deficiencies set forth in Attachment A to this letter that must be remedied. No later than September 1, 2016, Illinois must correct the deficiencies identified in Attachment A that can be fully remedied by that date by submitting revised State Plan descriptions that comply with statutory and ICR requirements to the portal at <https://rsa.ed.gov/>. We expect that by September 1, 2016, States will make maximum efforts to correct the deficiencies that can be corrected by that date. However, we recognize that some deficiencies will take longer to remedy. For those deficiencies identified in Attachment A that cannot be remedied by September 1, 2016, Illinois must provide the Departments with an action plan for correcting each of those deficiencies to WIOA.Plan@dol.gov. Illinois must include in its action plan the specific steps that will be taken to remedy the deficiencies, benchmarks that will be used to monitor progress, and the timeline for correcting each of the remaining deficiencies. Your acceptance of any funds pursuant to this approval with conditions constitutes your agreement to remedy each of the deficiencies identified in Attachment A to the satisfaction of the Departments, and the Notices of Obligation and Grant Award Notifications used to award Illinois' funds will include this condition.

The Departments recognize the unique challenges States faced in developing the initial State Plan required by WIOA, particularly given that: the State Plan requirements under WIOA are substantially different from those required by the Workforce Investment Act of 1998 (WIA); the State Plan information collection request was published on February 22, 2016; and the final regulations are not expected to be publicly available until late June. As such, the Departments are exercising the transition authority provided by section 503 of WIOA to develop a process that ensures the orderly transition from the requirements of WIA to those of WIOA and its strategic vision. As part of this process, however, it is critical that Illinois work to address the deficiencies in the State Plan in the manner described above and to the satisfaction of the Departments. In the case of those deficiencies that require a longer period for Illinois to address, the Departments will monitor Illinois' progress to ensure that the State Plan fully reflects WIOA's planning requirements. If Illinois fails to make progress in remedying the deficiencies in the State Plan, the Departments may take enforcement actions that are available to them, and Illinois' funding could be affected.

Finally, per the Departments' State Plan ICR, the State Plan included expected levels of performance for certain primary indicators of performance. Those indicators are the basis for negotiations that the Departments and Illinois use to establish negotiated levels of performance, which are incorporated into the Unified State Plan and will apply for the first two years.

For the WIOA adult, dislocated worker, youth, and Wagner-Peyser programs, the Department of Labor is using transition authority in WIOA sec. 503(a) to extend the negotiation period for those indicators past June 30, 2016; negotiations are to conclude no later than August 15, 2016. For the AEFLA program, the Department of Education will complete negotiations by June 30, 2016.

For the Vocational Rehabilitation program, the Department of Education is using the transition authority to take the time necessary to implement a negotiation process for the first time for this program, and the program, therefore, will not have negotiated indicators of performance for the first two years of this Plan. For all WIOA core programs, all primary indicators of performance that are not subject to negotiations are designated as baseline indicators for these two years. For those indicators not subject to negotiations, the State was not required to include expected levels of performance in the State Plan.

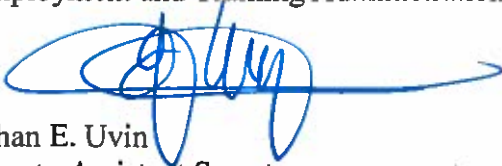
The Departments will provide ongoing technical assistance to help Illinois realize the vision of WIOA. Following the release of the final regulations, the Departments will provide training on the final regulations and issue additional guidance. The Departments' staff will work with you and your agencies and staff to address important qualitative issues in the initial State Plan that are not listed on the attachment because they do not rise to the level of non-compliance, in order to help Illinois better position itself to submit a 2018 State Plan modification that reflects its significant experience in implementing WIOA, and articulates the integration and innovations it has undertaken. In other words, the Departments anticipate that the 2018 State Plan modification will be a key step in demonstrating the workforce system transformation envisioned by WIOA.

We appreciate your efforts in submitting this Unified State Plan and commitment to working together with other States and the Departments to support the public workforce system. We look forward to working with you to ensure that the revisions are submitted in a timely manner. If you have any questions, please contact Christine Quinn, Employment and Training Administration, Chicago Regional Administrator, (312) 596-5403 and email: [quinn.christine@dol.gov](mailto:quinn.christine@dol.gov).

Sincerely,



Portia Wu  
Assistant Secretary  
Employment and Training Administration



Johan E. Uvin  
Deputy Assistant Secretary  
Delegated Duties of the Assistant Secretary for Career, Technical, and Adult Education



Sue Swenson  
Acting Assistant Secretary  
Office of Special Education and Rehabilitative Services



Janet LaBreck  
Commissioner  
Rehabilitation Services Administration

Attachment

cc:

Christine Quinn, Regional Administrator  
Julio Rodriguez, State Workforce Agency  
Jennifer Foster, State Adult Education Agency  
Kristine A Smith, State Vocational Rehabilitation Agency  
Corey Bulluck, Federal Panel Lead

## **ATTACHMENT A**

### **Illinois Unified State Plan Deficiencies**

Following is an itemized list of the Illinois Unified State Plan sections that the Departments determined were deficient, including a summary of the reason for the deficiency. Illinois must submit revisions for these items in its State Plan or describe its action plan for addressing them no later than September 1, 2016, as described in the Departments' decision letter. The Departments will provide technical assistance to assist Illinois in making the required revisions to its State Plan. Items below reflect the corresponding requirement in the State Plan ICR.

#### **Common Elements:**

- II.a.1.A. iii — Employers' Employment Needs. The State's response is not adequate because it did not address and provide industry data for the sub-State Regions and any specific economic areas identified by the State, as required by the ICR section a.1.A.iii. The State did not include a description of the knowledge, skills, and abilities required for the occupations for which there is existing or emerging demand.
- II.a.2.B — The Strengths and Weaknesses of Workforce Development Activities. All hyperlinks for supplementary information referenced must be corrected.
- II.b.2 — Goals. The State's response lacked adequate detail in its description of goals for preparing youth and individuals with barriers to employment and other populations as required in II(b)(2).
- II.b.3 — Performance Goals. The State's response lacked adequate detail in its description because it did not include the correct performance definitions for Youth indicators as described in WIOA Sec. 116(b)(2)(A)(ii)(I) and (II). Specifically, the performance goals narrative provided by the State does not include youth indicators: (I) "the percentage of program participants who are in education or training activities, or in unsubsidized employment, during the second quarter after exit from the program; and (II) the percentage of program participants who are in education or training activities, or in unsubsidized employment, during the fourth quarter after exit from the program." Also, the revised response must replace "Employment retention" with "Entered employment 4th quarter after exit."
- II.c.1 — Describe the strategies the State will implement, including industry or sector partnerships related to in-demand industry sectors and occupations and career pathways, as required by WIOA section 101(d)(3)(B), (D). "Career pathway" is defined at WIOA section 3(7). "In-demand industry sector or occupation" is defined at WIOA section 3(23). The State's response lacked adequate detail in its description of the specific strategies to address the needs of populations provided in Section (a), as required by the ICR at II.c. The State must incorporate all required information mentioned from the "full plan" into the portal.

- II.c.2 — Describe the strategies the State will use to align the core programs, any Combined State Plan partner programs included in this Plan, required and optional one-stop partner programs, and any other resources available to the State to achieve fully integrated customer services consistent with the strategic vision and goals described above. Also describe strategies to strengthen workforce development activities in regard to weaknesses identified in section II(a)(2). The State provided a response to this element; however, it was copied and pasted from the previous section. The response does not address how the State will align core programs, required and optional one stop partners, and any other available resources, and it does not include a discussion of specific strategies to address the needs of populations provided in Section II (a).
- III.a.1 — State Board Functions. The State’s response is not adequate because it did not describe how the State Board will implement its functions as described in WIOA sec. 101(d) and did not provide a description of Board operational structures and decision making processes to ensure such functions are carried out.
- III.a.2.A — Core Program Activities to Implement the State’s Strategy. The State provided a response to this element; however, it was identical to the previous section. The response did not describe how the lead State agency with responsibility for administration of each core program will implement the State’s strategies identified in the ICR section II.c, including a description of the activities funded by the core programs. Additionally, all required information that is listed as being in the “full plan” or referenced via a web page must be included in the Plan submitted through the portal.
- III.a.2.B — Alignment with Activities outside the Plan. The State provided a response to this element; however, it was identical to the previous section and did not address the specific question asked. All required information that is listed as being in the "full plan" or referenced via a web page must be included in the Plan submitted through the portal.
- III.a.2.C — Coordination, Alignment and Provision of Services to Individuals. The State provided a response to this element; however, it was identical to the previous section and did not address the specific question asked. All required information that is listed as being in the "full plan" or referenced via a web page must be included in the Plan submitted through the portal.
- III.a.2.D — Coordination, Alignment and Provision of Services to Employers. The State provided a response to this element; however, it was identical to the previous section and did not address the specific question asked. All required information that is listed as being in the “full plan” or referenced via a web page must be included in the Plan submitted through the portal.
- III.a.2.E — Partner Engagement with Educational Institutions. The State provided a response to this element; however, it was identical to the previous section and did not address the specific question asked. All required information that is listed as being in the “full plan” or referenced via a web page must be included in the Plan submitted through the portal.

- III.a.2.F — Partner Engagement with Other Education and Training Providers. The State provided a response to this element; however, it was identical to the previous section and did not address the specific question asked. All required information that is listed as being in the “full plan” or referenced via a web page must be included in the Plan submitted through the portal.
- III.a.2.G — Leveraging Resources to Increase Educational Access. The State provided a response to this element; however, it was identical to the previous section and did not address the specific question asked. All required information that is listed as being in the “full plan” or referenced via a web page must be included in the Plan submitted through the portal.
- III.a.2.H — Improving Access to Postsecondary Credentials. The State provided a response to this element; however, it was identical to the previous section and did not address the specific question asked. All required information that is listed as being in the “full plan” or referenced via a web page must be included in the Plan submitted through the portal.
- III.a.2.I — Coordinating with Economic Development Strategies. The State provided a response to this element; however, it was identical to the previous section and did not address the specific question asked. All required information that is listed as being in the “full plan” or referenced via a web page must be included in the Plan submitted through the portal.
- III.b.2 — The State policies that will support the implementation of the State’s strategies (e.g., co-enrollment policies and universal intake processes where appropriate). In addition, describe the State’s process for developing guidelines for State-administered one-stop partner programs’ contributions to a one-stop delivery system, including benchmarks, and its guidance to assist local boards, chief elected officials, and local one-stop partners in determining equitable and stable methods of funding infrastructure in accordance with sec. 121(h)(1)(B). Beginning with the state plan modification in 2018 and for subsequent state plans and state plan modifications, the State must also include such guidelines. The State’s response is not adequate because the hyperlink provided does not function properly and the relevant information described in the Plan was therefore not provided. Any content required to answer this element must be put in the portal rather than provided through a hyperlink.
- III.b.3.A — State Agency Organization. The State’s response is not adequate because it did not include an organizational chart as required. As stated in previous sections, all information required by a question must be in the portal and all supplementary information must be linked properly.
- III.b.3.B.1 — Membership roster. The response is not adequate because it did not include the Board Roster within the space provided in the portal. All required information that is listed as being in the “full plan” or referenced via a web page must be included in the Plan submitted through the portal.
- III.b.3.B.2 — Board Activities. The response is not adequate because it did not provide a description of the activities that will assist State Board members and staff in carrying out

each of the required State Board functions.

- III.b.5.A.1 — Youth activities in accordance with WIOA section 128(b)(2) or (b)(3). The State's response is not adequate because the hyperlink provided does not function properly and the relevant information was not provided in the Plan. Additionally any content required to answer this element must be put in the portal rather than provided through a hyperlink.
- III.b.5.B.1 — Multi-year grants or contracts. The response is not adequate because it did not fully describe how the eligible agency will award multi-year grants or contracts on a competitive basis to eligible providers in the State, including how eligible agencies will establish that eligible providers are organizations of demonstrated effectiveness. The State did not fully describe how it is distributing AEFLA funds within the State. The State does not adequately describe the State's competitive process and identify how many years will be awarded in multi-year grants or contracts. The Plan does not fully address how the State will make the application available to all eligible providers, consistent with section 231(c) of WIOA, and does not describe how it will determine demonstrated effectiveness.
- III.b.5.B.2 — Ensure direct and equitable access. The response is not adequate because it did not more fully describe: (1) how the eligible agency will ensure direct and equitable access to all eligible providers to apply and compete for funds; and (2) how the eligible agency will ensure that it is using the same grant or contract announcement and application procedure for all eligible providers. The State does not indicate in the Plan that the same announcement, application, and process will be used for all applicants for each Request for Procurement (RFP) it intends to issue. The Plan does not indicate that all applications are treated in the same manner in terms of review and evaluation.
- III.b.6.A.1 — Describe the State's plans to make the management information systems for the core programs interoperable to maximize the efficient exchange of common data elements to support assessment and evaluation. The State must revise this and all other sections of the Plan referencing the Division of Vocational Rehabilitation with the correct agency title of Division of Rehabilitation Services or DRS.
- III.b.6.A.3 — Explain how the State board will assist the governor in aligning technology and data systems across required one-stop partner programs (including design and implementation of common intake, data collection, etc.) and how such alignment will improve service delivery to individuals, including unemployed individuals. The State's response is not adequate because it did not explain how the State board will assist the governor in aligning technology and data systems across required one-stop partner programs, as appropriate (including design and implementation of common intake, data collection, etc.) and how such alignment will improve service delivery to individuals, including unemployed individuals.

## **Title I**

- VI.a.1.A — Identify the regions and the local workforce development areas designated in the State. The State did not provide the correct hyperlinks/attachments to assess this element,



and sufficient narrative was not provided in the Plan. Additionally, any content required to answer this element must be put in the portal rather than provided through a hyperlink.

- VI.a.1.B — Describe the process used for designating local areas, including procedures for determining whether the local area met the criteria for “performed successfully” and “sustained fiscal integrity” in accordance with 106(b)(2) and (3) of WIOA. Describe the process used for identifying regions and planning regions under section 106(a) of WIOA. This must include a description of how the State consulted with the local boards and chief elected officials in identifying the regions. The State’s response is not adequate because it did not include the procedures used by the State to determine fiscal integrity, as well as how the State consulted with the local boards and chief elected officials (CEOs) in identifying regions.
- VI.a.2.A — Provide State policies or guidance for the statewide workforce development system and for use of State funds for workforce investment activities. The State’s response is not adequate because it did not provide adequate information regarding what policies and guidance the State has issued.
- VI.b.2 — Describe how the State will incorporate Registered Apprenticeship into its strategy and services. The State’s response is not adequate because it did not describe how Registered Apprenticeships will be incorporated into the State’s workforce development strategy and services.
- VI.b.3 — Provide the procedure, eligibility criteria, and information requirements for determining training provider initial and continued eligibility, including Registered Apprenticeship programs (WIOA Section 122). The State’s response is not adequate because it did not provide the required information pertaining to a procedure, eligibility criteria, or information requirements.
- VI.b.4 — Describe how the State will implement and monitor the priority for public assistance recipients, other low-income individuals, and individuals who are basic skills deficient in accordance with the requirements of WIOA sec. 134(c)(3)(E), which applies to individualized career services and training services funding by the Adult Formula program. The State’s response is not adequate because it did not describe how the State will implement and monitor the priority for public assistance recipients, other low-income individuals, and individuals who are basic skills deficient in accordance with the requirements of WIOA sec. 134(c)(3)(E).
- VI.c.2 — Describe the strategies the State will use to achieve improved outcomes for out-of-school youth as described in 129(a)(1)(B), including how it will leverage and align the core programs, and Combined State Plan partner programs included in this Plan, required and optional one-stop partner programs, and any other resources available. The State’s response is not adequate because the State merely reiterates language from their policy notice regarding the expenditure requirement for out-of-school youth. Strategies on how the State will align and leverage core and partner programs and required and optional One-Stop

programs and other resources to achieve improved outcomes for out-of-school youth are not included in the Plan.

- VI.c.4 — Provide the language contained in the State policy for “requiring additional assistance to enter or complete an educational program, or to secure and hold employment” criterion for out-of-school youth specified in WIOA section 129(a)(1)(B)(iii)(VIII) and for “requiring additional assistance to complete an education program, or to secure and hold employment” criterion for in-school youth specified in WIOA section 129(a)(1)(C)(iv)(VII). The State did not provide adequate detail in its response to this element and must revise this response to address the element. The State’s response must include the requested language and/or the relevant excerpt from State policy.

### **Wagner-Peyser**

- VI-WP (d.4) — Provision of referrals to and application assistance for training and education programs and resources. The State provided a response to this element; however, it did not describe the provision of referrals to and application assistance for training and education programs and resources.
- VI-WP (e.2.A) — Contacting farmworkers who are not being reached by the normal intake activities conducted by the employment service offices. The State provided a response to this element; however, it did not include its strategy for contacting farmworkers who are not being reached by the normal intake activities conducted by the employment service offices.
- VI-WP (e.4.B) — Review and Public Comment. The State provided a response to this element; however, it did not include the name of the organizations that made comments, what comments were submitted, and how comments were incorporated into the Plan.
- VI-WP (e.4.C) — Data Assessment. The State provided a response to this element; however, it did not include the data analysis over the last four years.

### **Adult Education and Family Literacy Act program**

- VI-AEFLA (b)(1) — Adult Education and Literacy Activities (Section 203 of WIOA). The State’s response is not adequate because the activities listed in the State Plan are not fully consistent with those listed in section 203(2) of WIOA.
- VI-AEFLA (c) — Corrections Education and other Education of Institutionalized Individuals. The State provided a response to this element; however, it did not describe how it will carry out the academic programs in a manner that is consistent with section 225 of WIOA. The Plan does not indicate how the grants and contracts awarded with section 225 funds will be competed and will comply with the requirements of Subpart C of title II of WIOA.
- VI-AEFLA (d) — Describe how the State will establish and operate Integrated English Literacy and Civics Education (IELCE) programs under Section 243 of WIOA, for English language learners who are adults, including professionals with degrees and credentials in

their native countries. The State provided a response to this element; however, it did not address the activities that will be funded with section 243 funds. The Plan does not adequately describe how the State will establish IELCE programs that provide educational services consisting of literacy and English language acquisition integrated with civics education -- that is, instruction on the rights and responsibilities of citizenship and civic participation.

- VI-AEFLA (d) — Describe how the State will fund, in accordance with the requirements of title II, subtitle C, Integrated English Literacy and Civics Education (IELCE) services and how the funds will be used for those services. The State provided a response to this element; however, it did not indicate how the grants and contracts awarded with section 243 funds will be competed and will comply with the requirements of Subpart C of title II of WIOA.
- VI-AEFLA (e) — Describe how the State will use the funds to carry out the required State Leadership activities under section 223 of WIOA. The State provided a response to this element; however, it does not indicate how the State will use section 223 funds to support required activities under section 223(a)(1)(D).
- VI-AEFLA (e) — Describe how the State will use the funds to carry out permissible State Leadership Activities under section 223 of WIOA, if applicable. The State provided a response to this element; however, it did not describe other permissible activities that it may fund.
- VI-AEFLA (f) — Assessing Quality. The State's response is not adequate because it did not include a description of how it will assess the quality of its professional development programs designed to improve instruction in the essential components of reading instruction, instruction related to the specific needs of adult learners, instruction provided by volunteers or paid personnel, and dissemination of information about models and promising practices.