











# **EXECUTIVE SUMMARY**

This report - Designing a Workforce System to Improve Access and Outcomes- is presented to the Illinois General Assembly and the Governor in response to Public Act 101-0654, the Education and Workforce Equity Act. The Act called upon the Illinois Workforce Innovation Board (IWIB) to "conduct a feasibility study regarding the consolidation of all workforce development programs funded by the federal Workforce Innovation and Opportunity Act (WIOA) and conducted by the State of Illinois into one solitary agency to create greater access to job training for underserved populations."

To complete this mandate, the IWIB appointed a team that would provide an objective perspective and asked them to work with the agencies administering the four core WIOA partner programs with these goals in mind:

- Give a picture of both the ongoing accomplishments of the Illinois workforce system and the areas where there is room for improvement;
- Describe the range of workforce consolidation choices while identifying fundamental questions that still need to be answered;
  and
- Identify models and lessons learned from other states that have consolidated or partially-consolidated their workforce systems.

# REPORT METHODOLOGY

The team approached the study seeking to provide information to help answer an overarching question: what information do key decision makers need to determine whether to consolidate WIOA-related workforce programs into a single state agency? Secondarily, the team sought information that would help indicate whether consolidation would increase the probability of creating greater access to job training for underserved populations.

To answer this question the team conducted the following overarching tasks:

- Collected and analyzed information from the core WIOA partner agencies, which included:
  - Illinois Department of Commerce and Economic Opportunity (DCEO): Title I: Workforce Development Activities
  - Illinois Community College Board (ICCB): Title II: Adult Education and Literacy
  - Illinois Department of Employment Security (IDES): Title III: Amendments to the Wagner-Peyser Act
  - Illinois Department of Human Services Division of Rehabilitation Services (IDHS-DRS): Title IV: Vocational Rehabilitation Services
- Gathered information about the workforce eco-system to illustrate a comprehensive portrait of WIOA customers (job seekers and employers); partners; state level governance infrastructure and local service delivery infrastructure.
- Analyzed data from the National Association of State Workforce Agencies (NASWA) on how state agencies configured the core WIOA title programs in their states. From this analysis, five (5) configurations emerged in program administration that are found below.
- Conducted interviews with state workforce directors and their teams. At least one state from each of the five (5) configurations
  was chosen for interviews. States interviewed include Virginia, Ohio, Maryland, Tennessee, Missouri, Colorado, Michigan, and
  Texas.
- Created five (5) hypothetical consolidation scenarios based on information gathered from the 10 states and analyzed them against the requirements specified in the Act, including opportunities and challenges.

The five (5) hypothetical consolidation scenarios provide a chance to reflect and assess how the system is functioning to ensure Illinois is optimizing how it advances prosperity through a skilled workforce. The report's scan of efforts within Illinois and in other states provides the foundation for the recommendations found within this report.



Additionally, within the current system analysis, roles of partner agencies in delivering non-WIOA funded workforce development programming and current delivery of programs and program-outcomes are presented to ground the consideration of transitional impacts of any hypothetical consolidation scenarios.

Given the complex regulatory environment with multiple state agencies administering programs, improvement to the system must consider and be guided by the ease of use and access by participants and the various stakeholders that operate within or impact the system. The research team's interviews with peer states reveal an opportunity to expand upon the initial facts presented in this study by adopting human-centered design approaches. While the report analyzes other state models, equity in current system access, and opportunities for improvement, additional analysis is required for an in depth understanding of user experience across the State's WIOA and non-WIOA funded programs, the impact that consolidation would have on employees who are party to collective bargaining agreements, as well as the fiscal impact of consolidation.

# HYPOTHETICAL SCENARIOS

## **Scenario 1: Optimizing the Current System**

This scenario envisions optimizing the current state by focusing on areas to increase access to job training services for underrepresented job seekers. The following key features for maintaining the current system are lessons learned from the WIOA configuration in Virginia.

- Better integration of services and increased efficiencies of front-end functions could achieve, in principle, the desired effects of consolidation.
- Maintenance of the current structure reduces risk of service interruption during a consolidation period.
- While a common intake could be achieved, this scenario does not integrate staff delivering front-line services.
- Data sharing will need to be improved to create more comprehensive reports for decision making

# Scenario 2: Consolidating Workforce Training (Title I) and Wagner-Peyser (Title III)

Twenty-two (22) states combine Title I and Title III together without Titles II and IV; this configuration is more common than any of the other scenarios. However, counting all the states that have Titles I and III combined in any organizational form, that number grows to 42. The study considers the configuration of WIOA programming in Ohio as a case study for potential opportunities under this model. Key Features:

- The expertise of Title II and IV remains in place.
- Creates a seamless connection through career services, training, employment, and retention.
- Creates new efficiencies through directly connecting Adult, Dislocated Worker, and Youth training to employment services and the labor exchange.
- Improves program performance by more closely aligning training programs with the trends of the labor exchange.

Given the number of states that have designed programing under this scenario, future consideration to address the priorities of the Illinois system may be warranted.



## Scenario 3: Titles I, II, and III (Everything Except Title IV: Vocational Rehabilitation)

There are only three (3) states whose workforce systems operate with all Titles except Title IV Vocational Rehabilitation. Maryland and Tennessee are examples of this organizational structure considered to inform this report. The key features of this scenario gained from insights of other states:

- Expertise of Vocational Rehabilitation remains in place.
- Creates efficiencies through direct pairing of training services, the labor exchange, and employment services.
- Facilitates program accountability by aligning services through career exploration, education, training, and job placement.
- Most data is shared in-house, which could lead to better case management as participant data is centralized.
- As streamlining the core WIOA titles creates efficiencies it would have the gravity to pull in partner programs, e.g., Unemployment Insurance, Disabled Veterans Employment and Training Services, SNAP E&T.
- Alignment with current partner services could be affected positively or negatively depending upon the frequency and types of engagement during the consolidation process.
- Greater risk of service disruptions without stakeholder involvement.

# Scenario 4: Titles I, III, and IV (Everything Except Title II: Adult Education and Literacy)

There are eleven (11) states that operate under this framework. For this study, Colorado provided a model example to consider the following key features:

- Creates efficiencies through directly connecting adult, dislocated worker, youth, and people with disabilities to training services, rehabilitation services, the labor exchange, and employment services.
- Keeps adult education connected to community college education and workforce programming, including career and technical training programs through its secondary and post-secondary partners.
- Consolidation presents challenges with the vocational rehabilitation framework, specifically requiring federal approval prior to
  any reorganization, inability to cross-train vocational rehabilitation counselors due to federal restrictions, and uncertainty of
  program disruption due to federal funding limitations.

#### Scenario 5: Fully Consolidated into Single Workforce Agency or Division

This scenario would consolidate all workforce development programs funded by the federal WIOA and conducted by the State of Illinois into one single agency. There are five (5) states with fully consolidated WIOA workforce agencies. The two state case studies of fully consolidated state workforce agencies are Michigan and Texas. Key features learned from this approach:

- Placing all core WIOA programs under one umbrella agency creates a singular and unified chain of command.
- A fully consolidated structure could improve navigability and access to appropriate workforce programs, regardless of entry point.
- A fully consolidated structure has potential to make the workforce system feel seamless to participants and businesses and could lead to better overall workforce system management.
- · A consolidated structure may foster greater program accountability.



Interviews with workforce leaders in other states, including Michigan, noted caution regarding a reconfiguration of services under agencies for the sake of consolidated oversight. Knowing when and where to disrupt workforce and understanding the limitations and permissions of the federal law are necessary elements of a successful transition. Michigan also remarked that it is important to first agree on the system's definition of success and consider the preparedness of any single agency to accept all programs. Additionally, full consolidation of WIOA programs may inadvertently marginalize non-WIOA funded workforce development programs. Given the breadth of programs, meticulous planning must be undertaken to avoid potential service disruption.

# REPORT RECOMMENDATIONS

Illinois is emerging from the COVID-19 pandemic with unprecedented unemployment and unequal access to economic opportunity for equity-focused communities. This creates both an urgency to improve the workforce programs and services available today, and an opportunity for an ambitious reimagining and plan for a more unified, effective, and equitable workforce system.

One of the most important features of a consolidated system is the ease of use, navigability, and access to appropriate workforce program for participants and stakeholders engaged in the system. The goal of any solution to improve Illinois' workforce system is to make the workforce system feel seamless to participants and business and provide better overall workforce system management. However, as noted in the report's analysis, some state agencies execute their workforce programs through unionized staff while other state workforce agencies execute them through contracts and grants with third parties. And additional evaluation should be undertaken to examine how to consolidate or align programs to prevent a disjointed system within one or multiple agencies.

While this report focuses on WIOA-funded workforce development programs, WIOA is not the sole funding source for workforce development programs across the state. In order to have a seamless approach to workforce in Illinois, we will need form partnerships with other agencies, community-based organizations, community colleges and other non-WIOA partners that will support and strengthen the delivery of services.

For a comprehensive solution, the authors recommend the following next steps:

# 1. Examine and Memorialize Participant and Stakeholder Experience in WIOA-Funded and Non-WIOA-Funded Workforce Development Programs

- The split of service delivery across multiple state agencies that administer workforce development programs can lead to gaps and inequities in service. A comprehensive fact gathering effort focused on user experience is needed to guide systems integration recommendations and solutions to improve labor market outcomes.
- Engagement with program participants, job seekers, WIOA and non-WIOA workforce program administrators, labor unions, business communities, worker-focused community organizations, and state legislators will provide the inclusive perspective necessary to drive equitable alignment across the state's workforce development programs.
- Assess efficacy of digital and physical access and entry points for services by participants given challenges existing before and potentially exacerbated by the COVID-19 pandemic.
- Evaluate the impact of systemic racism on the experience of participants in the workforce system.
- Use participant and stakeholder experience data to develop recommendations for program alignment based upon user feedback and informed by consolidation analyses as provided in this report with a specific focus on "common intake" as a starting point.



# 2. Evaluate Infrastructure and Technology Systems Across WIOA-Funded and Non-WIOA Funded Programs

It is recommended that the State engage in an in-depth examination of the current infrastructure and how it supports alignment of programs and services across all federal and state funded workforce development programs administered by state agencies. With varied agency and programmatic structures, it is important to catalog infrastructure and technology elements and how they interact inside and outside of their current organizational positions.

- Examine the operations, budgets, and personnel of the state agency programs to understand gaps and overlap.
- · Leverage user experience recommendations identified above to draft a plan in each of these key areas.
- Perform a comprehensive assessment of current information technology capacity and resource needs for a common intake system. Prioritize user experience analyses, such as human-centered design, to improve the customer experience online and in-person. Conduct an IT audit across all four state agencies to determine how best to proceed with a common intake system.
- Identify resource gaps across all state administered workforce development programs and strategize outcomes that focus on improving the state's programs for participants first through uniform quality standards and accountability mechanisms.
- Evaluate funding adequacy and funding mechanisms to provide equitable access to all state workforce development programs and determine whether there are legal requirements or limitations attached to each funding source.
- Develop an implementation plan to align program infrastructure and unify information technology data systems.

The report's recommendations present actions that could be taken before July 1, 2022 and would inform a consolidation scenario selected by state leadership. The report does not recommend specific legislative changes at this time.



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# INTRODUCTION FROM ILLINOIS WORKFORCE INNOVATION BOARD

Public Act 101-0654, the Education and Workforce Equity Act called upon the Illinois Workforce Innovation Board (IWIB) to "conduct a feasibility study regarding the consolidation of all workforce development programs funded by the federal Workforce Innovation and Opportunity Act (WIOA) and conducted by the State of Illinois into one solitary agency to create greater access to job training for underserved populations."

This report - Designing a Workforce System to Improve Access and Outcomes is presented to the Illinois General Assembly and the Governor in response to this mandate. The IWIB welcomes the opportunity to examine possible consolidation scenarios as a part of its ongoing work to promote and structure an effective and equitable workforce system that benefits all Illinoisans. Whether workforce programs under WIOA are delivered by a single state agency or any combination of state agencies, the IWIB stands ready to evaluate the response to this study and how it compares to the current State of Illinois' 2020-2024 WIOA State Plan¹ and the vision and guiding principles within.

Several scenarios from other states have been evaluated that could result in greater access to job training for underserved populations within the workforce system. To accomplish this, the report:

- 1. Gives a picture of the current state of the Illinois workforce system and indicates the areas where there is room for improvement;
- 2. Describes the range of workforce consolidation choices while identifying fundamental questions that still need to be answered; and
- 3. Identifies models and lessons learned from other states that have consolidated or partially-consolidated their workforce systems.

These scenarios provide an opportunity to assess how the system is functioning and optimize the State's efforts to advance prosperity for all Illinoisans through development and advancement of a skilled workforce. The report's scan of efforts within Illinois and in other states reminds us that no state workforce system is perfect, and all state workforce systems can improve. *Consolidating workforce programs alone may or may not lead to improved access to services or outcomes from those services.* Continuous improvement must be a core tenet for the state agencies and the IWIB, with all entities being open to new opportunities to improve service delivery. It is also essential to leverage existing assets and positive ongoing efforts wherever possible.

In addition, the potential benefits of WIOA consolidation scenarios should be considered alongside the broad landscape of other non-WIOA funded workforce development programs, with a focus on the experience of clients that seek services from the workforce system.

#### **Recommendation Summary**

This report was developed with input from the agencies administering the four core WIOA partner programs. Each federally funded program has a distinct set of requirements for providing services. This report lays out recommendations aimed at approaching any decision to consolidate workforce programs with a clear understanding of the strengths and weaknesses of each configuration.

The report makes two recommendations as important next steps to be considered as part of the program improvement and consolidation decision-making process.

- 1. Examine and memorialize participant and stakeholder experience in WIOA-funded and non-WIOA funded workforce development programs.
- 2. Evaluate infrastructure and technology systems across WIOA-funded and non-WIOA funded programs.

<sup>1</sup> State of Illinois WIOA Unified State Plan 2020 (link).



The goal of this report is to inform leaders from the Illinois General Assembly, the Governor's Office, state agency leadership, and the IWIB on options for designing a workforce eco-system that advances equity and prosperity throughout Illinois. We look forward to engaging with you.

John Rico, Co-Chair Rico Enterprises Sylvia Garcia, Co-Chair Acting Director, Illinois Department of Commerce & Economic Opportunity



# **OUTLINE OF LEGISLATIVE TASK AND STUDY METHODOLOGY**

On January 11, 2021, the Illinois General Assembly passed House Bill 2170, known as the Education and Workforce Equity Bill, which mandated that the Illinois Workforce Innovation Board (IWIB)

"conduct a feasibility study regarding the consolidation of all workforce development programs funded by the federal Workforce Innovation and Opportunity Act (WIOA) and conducted by the State of Illinois into one solitary agency to create greater access to job training for underserved populations."<sup>2</sup>

The legislation further requires the feasibility study to conduct an analysis and assessment of the impact of potential consolidation in five areas and calls for the IWIB to make recommendations in three broad categories:

To complete this task, the IWIB utilized resources currently available to it, including, but not limited to, partnering with institutions of higher education and those agencies currently charged with overseeing or administering workforce programs. The legislation requires the Board to submit its recommendations to the Governor and the General Assembly by May 1, 2021.<sup>3</sup>

# **Five Analyses Specified in Legislation:**

- (1) assess the impact of consolidation on access for participants, including minority persons as defined in Section 2 of the Business Enterprise for Minorities, Women, and Persons with Disabilities Act, persons with limited English proficiency, persons with disabilities, and youth, and how consolidation would increase equitable access to workforce resources;
- (2) assess the cost of consolidation and estimate any long-term savings anticipated from the action;
- (3) assess the impact of consolidation on agencies in which the programs currently reside, including, but not limited to, the Department of Commerce and Economic Opportunity, the Department of Employment Security, the Department of Human Services, the Community College Board, the Board of Higher Education, the Department of Corrections, the Department on Aging, the Department of Veterans' Affairs, and the Department of Children and Family Services;
- (4) assess the impact of consolidation on State government employees and union contracts;
- (5) consider if the consolidation will provide avenues to maximize federal funding;

#### **Three Recommendations Specified in Legislation:**

- (6) provide recommendations for the future structure of workforce development programs, including a proposed timeline for implementation;
- (7) provide direction for implementation by July 1, 2022 regarding recommendations that do not require legislative change;
- (8) if legislative change is necessary, include legislative language for consideration by the 102<sup>nd</sup> General Assembly.

# **Workforce Consolidation Feasibility Study Methodology**

On January 26, the co-chair of the IWIB and Department of Commerce and Economic Development (DCEO) Director, met with the IWIB Executive Committee to discuss an approach for this study and to request permission to act on behalf of the IWIB and the other WIOA partner agencies. Subsequent meetings occurred with Deputy Governors overseeing impacted agencies and agency directors from DCEO, Illinois Community College Board (ICCB), Department of Employment Security (IDES), and Department of Human Services (IDHS). Empowered by their leadership, WIOA partner state agency directors and their lead staff developed a unified effort to complete this study, including engaging a research team to lead the effort engaging peer states to inform the study.

<sup>3.</sup> Ibid.



<sup>2</sup> HB2170: Source: P.A. 100-0654, eff. 3-8-21 (<u>link</u>)

The research team sought to provide information to help answer an overarching question: what information do key decision makers need to determine whether to consolidate WIOA-related workforce programs into a single state agency? Secondarily, the team sought information that would help indicate whether a consolidation would increase the probability of creating greater access to job training for underserved populations. In sum, the study examined whether alternative organizational arrangements of programming with agencies, or a single agency, influenced outcomes for program participants.

## This report contains:

- a snapshot of Illinois' WIOA workforce system strengths, weaknesses, opportunities, and challenges
- · blueprints for various consolidation scenarios with an emphasis on the five required impact analyses
- lessons learned from case studies on other states' workforce agencies
- a description of WIOA, the federal requirements, and the current workforce eco-system in Illinois
- a directory of workforce resources
- additional considerations for potential consolidation efforts
- recommendations for next steps

The study team engaged in a process of collecting and analyzing information from the core WIOA partner agencies, including:

- Illinois Department of Commerce and Economic Opportunity (DCEO): Title I: Workforce Development Activities
- Illinois Community College Board (ICCB): Title II: Adult Education and Literacy
- Illinois Department of Employment Security (IDES): Title III: Amendments to the Wagner-Peyser Act
- Illinois Department of Human Services Division of Rehabilitation Services (IDHS-DRS): Title IV: Vocational Rehabilitation Services

Not all agencies specified in the legislation were part of this study because the study focuses on programs under the main four titles of WIOA and the other required WIOA partners (shown below). There are no WIOA funded programs within DCFS, ISBE, IBHE, Department of Veteran's Affairs or ISAC. Primary WIOA agencies coordinate with these specific agencies as needed for providing workforce services to special target populations (referenced in following section). The study examined the state's <a href="Illinois Catalog of State Financial Assistance">Illinois Catalog of State Financial Assistance</a> (GATA database on federal and state funding) to scan for workforce related programs. Separately, under "Other Non-WIOA Funded Workforce Programs", the study catalogs several non-WIOA funded programs administered by state agencies to provide a snapshot of the potential for program alignment with WIOA-funded programs.

#### **Primary Data Sources**

The study team gathered information about the workforce eco-system to illustrate a comprehensive portrait of WIOA customers (job seekers and employers); WIOA partners; WIOA governance infrastructure at the state level; and WIOA service delivery infrastructure locally. The study also looked at online portals for WIOA customers – both job seekers and business.

The study team analyzed data on other state workforce configurations and WIOA 2020-2023 state plans. The purpose of this was to better understand the opportunities and challenges other states faced when merging or re-organizing major state agencies. A select group of states were interviewed and the lessons are shared in this report.



Five (5) hypothetical consolidations scenarios were developed after looking at other states. The study team used the five (5) legislatively specified analysis and did an initial impact assessment. Potential opportunities and challenges are outlined below.

The study presents a range of options for leaders to discuss. The level of analysis able to be accomplished within the timeframe and with the resources allocated would best be described as initial. The study team recommends more in-depth analyses be done on fiscal, organizational, and personnel implications for state agencies if a consolidation option is selected, as well as further analysis that incorporates non-WIOA funded programs administered by state agencies. The report's final recommendations present several actions that could be taken before July 1, 2022 regardless of the consolidation scenario selected by leaders. The report does not recommend specific legislative changes at this time.

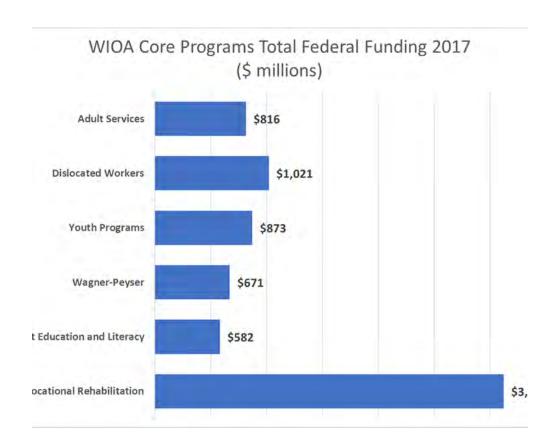
Finally, the study team assembled a robust inventory of sources for this report and there are hyperlinks to more information throughout. The purpose is to make it easy to find important existing reports and analysis on Illinois' WIOA workforce system. These resources include:

- Mining all existing WIOA-related information, e.g., WIOA State Plan, Executive Order #3 Plan, Governor's 5-Year Economic Development Plan.
- Information and data requests to all four primary WIOA Title agencies and required partners programs.
- Listening session with statewide group of training providers hosted by Chicago Jobs Council and Young Invincibles, including two non-Chicago local workforce board leaders.
- Interviews with over 10 state workforce directors and their teams.
- Information from and interviews with national workforce agencies, such as National Association of State Workforce Agency (NAWSA), National Association of Workforce Boards (NAWB), National Governor's Association (NGA), and National Conference of State Legislators (NCSL).

The approach undertaken by the agency leads and research team has allowed for an outside in look at various consolidation scenarios and their implications for workforce system structure and outcomes. Additionally, review of the current system also provides insight into required analysis of HB2170. To more fully understand the potential benefits of system integration, added consideration should be provided to engage external stakeholders and service providers in Illinois and to assess the preparedness of Illinois' IT systems and the capacity of internal and external delivery channels to adapt to structural change.

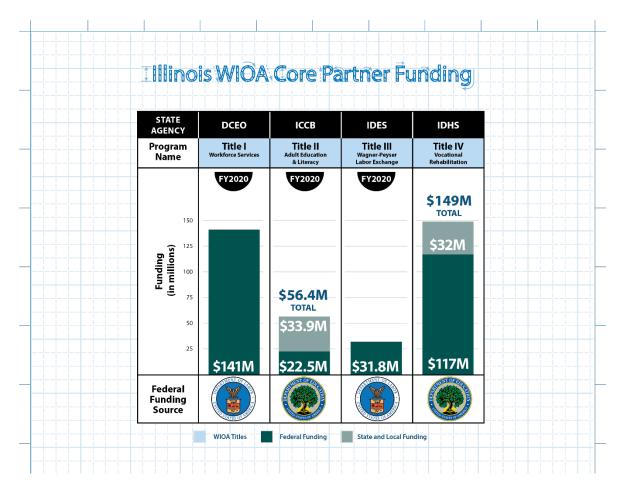
# **CURRENT SYSTEM**

This report primarily focuses on WIOA-funded workforce programs in Illinois. WIOA is a federal program administered jointly by the U.S. Departments of Labor (DOL) and Education (ED). Both individuals and busineses are customers of the WIOA system. WIOA exists to provide access to and opportunities for the employment, education, training, and support services individuals need to succeed in the labor market, especially for underrepresented populations. Those services are to be provided through statewide and local workforce development systems. Ideally, those workforce systems should be aligned with education and economic development state systems. Services delivered by WIOA should have labor market relevance so that workers have the skills and credentials necessary to secure and advance in employment with family-sustaining wages and to provide America's employers with the skilled workers the employers need to succeed in a global economy. The chart below shows the overall funding levels for WIOA Core Programs across the country in 2017.



Funding for WIOA's four titles is distributed to states and localities based on a set formula that considers factors including a state's population size and unemployment rate. The chart below shows the Federal, State and Local funding levels for WIOA programs in Illinois.





\*The \$32M matching funds for Title IV are \$14M state and \$18M third-party grant.

# Illinois WIOA Related Funding, Staffing, and Service Providers

Illinois uses four state agencies to provide the four WIOA program titles:

- Title I—Workforce Development Activities—authorizes job training and related services to unemployed or underemployed individuals and establishes the governance and performance accountability system for WIOA.
- Title II—Adult Education and Literacy—authorizes education services to assist adults in improving their basic skills, completing secondary education, and transitioning to postsecondary education.
- Title III—Amendments to the Wagner-Peyser Act—amends the Wagner-Peyser Act of 1933 to integrate the U.S. Employment Service (ES) into the One-Stop system authorized by WIOA.
- Title IV—Amendments to the Rehabilitation Act of 1973—authorizes employment-related vocational rehabilitation services to individuals with disabilities, to integrate vocational rehabilitation into the One-Stop system.



The following table provides an overview of WIOA programs, total workforce funding received, staff administering the programs, and number of partner service providers.

Agency	Total Workforce Funding Received	Number of Employees Administering Programs	Number of Service Providers
DCEO Title I Adult, Dislocated Worker, and Youth	\$158,033,437	57	40-50
TAA	\$19,350,065	4	
CSBG	\$34,700,000	6	36
IDES - Title III Wagner Peyser Employment Services			
Wagner-Peyser 7A + 7B	\$26,888,195	107	
Foreign Labor Certification	300,000	3	
Work Opportunity Tax Credits	731,207	5	
Local Veterans Employment Representative (LVER)	2,872,036	17	
Disabled Veterans Outreach Program	3,873,484	21	
RESEA (Not Title III but reemployment services/workforce connected)	1,999,134	14	
TOTAL	\$36,664,056	167	
ICCB - Title II Adult Education	\$56,394,890	15	78
ICCB - Career Technical Education (CTE/Perkins V)	\$16,000,000		
ICCB - Early School Leavers	\$615,000		
ICCB - Innovative Bridge and Transition	\$4,394,400		32
ICCB - Workforce Equity Grant	\$18,699,287		15
Department of Human Services - Division of Rehabilitation Services (DRS) (Title IV Vocational Rehabilitation (VR) Services) **Includes the Older Blind Program as it is federally mandated to be located with the VR program**	\$164,668,617	689	2000
DHS - Family and Community Services (TANF and SNAP employment and Training)	\$0	28	68
DHS - Family and Community Services (Illinois Youth Investment Program (IYIP))	\$0	2	39
DHS - Family and Community Services (COVID 19 Summer Youth Employment Program (C-SYEP))	\$0	0	30

# DCEO AND WIOA TITLE I

DCEO administers the workforce development activities required by Title I and WIOA divides these activities into three programs for targeted populations: Adult, Dislocated Worker, and Youth. WIOA Title I formula funds allocated to local areas for adults and dislocated workers must be used to provide career and training services through the one-stop delivery system. Local Workforce Development Boards determine the most appropriate mix of these services to deliver through American Job Centers.

The Adult and Dislocated Worker program is designed to help workers get back to work as quickly as possible and overcome barriers to employment. The Adult program is targeted at low-skill and low-income adults. Dislocated Worker services are targeted for workers who are unemployed and have lost a job through no fault of their own, such as mass layoffs, global trade dynamics, or transitions in economic sectors. or who have exhausted their Unemployment Compensation.

WIOA Youth services focus on assisting youth who have one or more barriers to employment prepare for post-secondary education and employment opportunities, attain educational and/or skills training credentials, and secure employment with career/promotional opportunities. Youth services are available to in and out-of-school youth between 14 and 24 years old.



# **Additional Programs within DCEO**

<u>Rapid Response</u> team works alongside local workforce development agencies and other state and local partners to help businesses and workers impacted by a job layoff and layoff aversion activities.

<u>Apprenticeship Navigators</u> are the conveners, serving as the key point of contact in their region for outreach, partnership development, and education/awareness on the apprenticeship model and other work-based learning solutions.

<u>Illinois workNet Virtual Job Fairs</u> The Virtual Job Fair is a part of the new <u>GET HIRED</u> initiative that Governor Pritzker announced in May 2020.

Illinois workNet Biz Hub was created to be a one-stop shop for businesses seeking services from the workforce system.

The <u>Illinois Employment Business System</u> is an economic landscape tool utilized by state and local workforce education specialists, and economic development specialists to view macro and micro-economic conditions in the state in order to make data driven decisions regarding self-sustaining jobs and long-term business stability.

# **National Dislocated Worker Grants**

DWGs are time-limited funding assistance in response to major economic dislocations or other events that cause a significant impact on states and local areas that exceed the capacity of existing formula funds and other relevant resources to address.

- DWGs are supplemental resources that provide flexibility responding and recovering from qualifying events (disasters and layoff events)
- The projects align with existing state and local priorities, resources, and programs including coordination with local government, emergency management agencies, social service agencies, employers and industry organizations, education, faith-based organization, public health, etc.
- DWGs should not be stand-alone programs, the design should coordinate with existing efforts through Rapid Response/layoff aversion, formula-funded activities, business engagement efforts, and more
- · Expectation that projects demonstrate intent to maximize positive outcomes for participants
- The Employment and Training Administration (ETA) identifies two categories under National Dislocated Worker Grant (DWG)
  program. This includes Disaster Recover (DR) and Employment Recovery (ER). Employment Recovery DWGs include DWGs for
  Dislocated Service Members.

Four types of training programs are offered to businesses through Title I:

- 1. Class-sized training gives groups of dislocated workers opportunity to upgrade skills over a short period of time. Standardized and certified classes are offered at a non-traditional time and/or setting. Classes can be combined with: on-the-job training, hands-on training, occupational knowledge/contextualized learning, and basic skills/bridge programs that ensure full development of the trainee's skills and curriculum.
- 2. Customized training is business-driven and designed to meet the special requirements of each employer. The training is conducted with a commitment by the employer to employ (or in the case of incumbent workers, continue to employ) an individual upon the successful completion of training, for which the employer pays for no less than 50% of the cost.
- 3. Incumbent Worker Training (IWT) programs help local employers develop and implement training programs for current employees who need new or upgraded skills in order to retain employment. Based on the size of the company, up to 100% of the costs of training can be reimbursed through the program.



4. The On-the-Job Training (OJT) program is a "hire-first" program in which the employer, either public or private, enters into an agreement with a local Illinois workNet Center to hire, train, and retain the individual upon successful completion of the training program. Through this program, businesses may be reimbursed up to 75% of the new employee's wages while they are in training.

The <u>Trade Adjustment Assistance (TAA)</u> program helps workers who have lost their jobs as a result of international trade get back to work. The program offers a variety of benefits and services to eligible workers, including job training, income support, job search and relocation allowances, tax credits for health insurance costs, and a wage subsidy to workers 50 years of age and older.

<u>Community Services Block Grant (CSBG)</u> helps individuals attain the skills, knowledge and motivation necessary to achieve self-sufficiency and provide immediate life necessities such as food, shelter, medicine, etc. An equal emphasis is placed on self-sufficiency efforts and providing relief for the immediate needs of eligible low-income populations. Individuals served must be at or below 125% of the federally established poverty level.

## **DCEO Systems**

<u>Illinois workNet</u>, along with affiliates and community partners, provide one-stop delivery of services, connecting individuals, employers, and education and workforce partners to career planning, education and training, employment resources and tools and workforce programs. Illinois workNet seamlessly connects people to local and statewide in-person and online services and is open to all Illinois' citizens, employers, and education and workforce partners.

Illinois workNet connects customers to resources and tools for job searching, resume building, career preparation and exploration, adult career transition, and referrals for work support such as financial aid, child care and much more; programs for veterans, and disability resources, assistance for dislocated workers and resources and guidance for laid off workers. Employers are able to utilize Illinois workNet resources, services, and tools such as labor market information, employee training, recruitment, and placement services, and help networking via social media or traditional methods.

Illinois Workforce Development System (IWDS) is for approved training providers to enter WIOA approved training programs and for LWIA case managers and staff to use for required WIOA case management facilitation and reporting.

#### Trade Adjustment Act (TAA)

DCEO TAA uses the Illinois Workforce Development System (IWDS) for case management of individual participants receiving TAA services. The Illinois Employment Business System (IEBS) is the public WARN/Local Layoff Display dashboard utilized to display TAA layoff data. The IEBS public layoff area also has a layoff assistance page for the individual business that is laying people off. DCEO works with IDES to post all instructional data and resources the person being laid off will need. It also has ability for person to fill out a questionnaire.

All the data displayed on the pages originates directly from IEBS in real time through the Business Layoff Information Page. The questionnaire data once submitted goes directly to the layoff information in IEBS and allows the TAA and/or Rapid Response staff to perform outreach services.



# **ICCB AND WIOA TITLE II**

The Illinois Community College Board (ICCB) is responsible for the Adult Education and Family Literacy Act (AEFLA, Title II of WIOA). AEFLA provides services to help adults develop basic skills (e.g., reading, writing, math, English language acquisition), transition to postsecondary education and training, and gain employment. The purpose of AEFLA is to help adults increase literacy and numeracy activities necessary to complete a high school education, transition to postsecondary education and training, and obtain employment. The Act funds adult education and literacy services, including workplace literacy, family literacy programs, and English language services.

Title II eligibility is limited to adults who are at least 16 years of age and not currently enrolled, or required to be enrolled, in high school. Additional eligibility criteria include one of more of the following: basic skills deficient; lack a high school diploma or its equivalent; function below the level of a high school graduate (even if the individual has a high school credential); or unable to speak, read, or write the English language.

# **Additional Programs within ICCB**

Customized Apprenticeship Programming – Information Technology (CAP-IT). The four-year CAP-IT grant was funded (\$3.9M) through a competitive grant process through the US Department of Labor. The purpose of the grant is to support sector-based approaches to develop programs with the capacity to pilot, improve, assess, and scale new apprenticeship models. ICCB funds ten community colleges who are offering Information Technology pre-apprenticeship and apprenticeship opportunities to Illinois residents in their districts.

Early School Leaver Transition Program. The Early School Leaver Transition program, funded by State CTE dollars, is aimed at helping at-risk students (ages 16-24) become reoriented and motivated to complete their education by allowing students to participate in adult education instruction as well as career and work training activities. The overarching goal is to assist students in achieving high school completion as the basis for entry into postsecondary education/training and meaningful employment by incorporating Model one of the Integrated Career Academic and Preparation System (ICAPS) outlined as an Integrated Education and Training (IET) model.

Postsecondary CTE. Postsecondary CTE is funded by both state and federal dollars, as authorized by the Strengthening Career and Technical Education for the 21st Century Act (Perkins V). The purpose of the Perkins Grant program is to develop more fully the academic knowledge and technical and employability skills of postsecondary education students who elect to enroll in career and technical education (CTE) programs of study. The intent of postsecondary CTE is to provide students with the skills and knowledge necessary to excel in the global economy. CTE equips students with the foundational knowledge to explore a cluster of occupations and careers, allowing them to transition seamlessly while providing them with hands-on exploration and rigorous academics. Perkins V also places a concerted focus on equity and encourages recipients to adopt an equity lens in program design and implementation. In Illinois, eligible recipients of Postsecondary Perkins Grant funds are the community colleges. Funding is also provided to the Department of Corrections to enhance instruction and academic support activities that strengthen and improve career and technical education within Illinois correctional centers. CTE coursework at correctional centers is provided by several Illinois community colleges and is available for in several program areas including automotive technology, culinary arts, construction occupations, and horticulture.

Integrated Education and Training Program. This grant, funded with braided funding from Adult Education and Literacy and Postsecondary Perkins, is designed to support the development, improvement, and scale of integrated education and training (IET) programs. IET is a service approach that provides adult education and literacy activities concurrently and contextually with workforce preparation activities and workforce training for a specific occupation or occupational cluster for the purpose of educational and career advancement. The objectives of this grant are to aid programs in aligning with Section 124 of the Strengthening Career and Technical Education for the 21st Century Act (Perkins V) as well as Sections 203 and 231 of the Workforce Innovation and Opportunity Act under Title II, Adult Education and Family Literacy, which require the implementation of an IET and collaboration between the two partners.



Non-College LPN Program. The purpose of the Licensed Practical Nursing grant is to provide operational funding for LPN programs at the Capital Area Career Center and Career Center of Southern Illinois. State funding support this workforce development activity.

Innovative Bridge and Transition Grant. State funding supports the Innovative Bridge and Transition grant which is designed to create, support, or expand: innovative bridge programs and services; transition programs which improve student transitions to and through postsecondary education and into employment; programs that promote equity and diversity among those served; and/ or programs and services that support individuals with disabilities. The target population includes those individuals 16 years of age or older, who have limited academic or basic skills, underemployed or unemployed and youth who are in school preparing to enter postsecondary education or training programs.

Innovative Bridge and Transition 5920										
Innovative Bridge and Transition FY20										
A Safe Haven	IBTP-01320	\$190,000	Lawrence Education Center	IBTP-22820	\$	50,269				
Asian Human Services	IBTP-25220	\$200,000	Literacy Chicago	IBTP-02020	\$	60,561				
Carl Sandburg	IBTP-51820	\$ 17,545	LUV Institute	IBTP-32020	\$	200,000				
Centro Romero	IBTP-84520	\$ 41,244	Metropolitan Family Services	IBTP-21720	\$	100,000				
Chicago Public Schools	IBTP-21620	\$150,000	One Million Degrees	IBTP-23220	\$	400,000				
College of Lake County	IBTP-53220	\$110,000	Puerto Rican Cultural Center	IBTP-23320	\$	150,000				
Community Education Network	IBTP-21820	\$200,000	Rend Lake	IBTP-52120	\$	135,000				
Danville Area Community College	IBTP-50720	\$225,000	Rock Valley College	IBTP-51120	\$	37,349				
Greater West Town	IBTP-22020	\$125,000	Safer Foundation	IBTP-99520	\$	175,000				
HANA Center	IBTP-22120	\$ 81,141	Southern Illinois University	IBTP-23720	\$	400,000				
Harper College	IBTP-51220	\$ 85,359	The Gloria J. Taylor Foundation	IBTP-23820	\$	90,250				
It Takes a Village	IBTP-22320	\$175,000	True Star Foundation	IBTP-23920	\$	100,000				
Jane Addams	IBTP-22420	\$ 67,500	UIC Jane Addams Policy Center	IBTP-24020	\$	250,000				
John Wood Community College	IBTP-53920	\$ 52,901	Westside Health Authority	IBTP-24120	\$	94,942				
Kankakee Community College	IBTP-52020	\$ 64,169	World Relief	IBTP-24220	\$	200,000				
Kishwaukee Community College	IBTP-52320	\$109,400	YWCA Elgin	IBTP-08220	\$	56,770				
				TOTAL	\$4	,394,400				

Workforce Equity Initiative (WEI). The purpose of this grant is to create, support, or expand short-term workforce (credit and/or noncredit) training opportunities in highneed communities focused on specific sectors with identified workforce gaps. The grant requires a minimum of 60% of the students served to be African American students. The overall goal is to accelerate the time for the individuals to enter and succeed in postsecondary education/training programs that lead to employment in high skilled, high wage, and in-demand occupations.

Workforce Equity Initiative (DHS) FY21							
College of Lake County	WEI-53201-20	\$	1,500,000				
Illinois Central	WEI-51401-20	\$	1,500,000				
Joliet Junior College	WEI-52501-20	\$	500,000				
Kennedy King	WEI-50801-20	\$	1,500,000				
Lincoln Land	WEI-52601-20	\$	1,000,000				
Malcolm X	WEI-50803-20	\$	1,500,000				
Olive Harvey	WEI-50805-20	\$	1,500,000				
Parkland	WEI-50501-20	\$	1,500,000				
Prairie State	WEI-51501-20	\$	1,400,000				
Richland	WEI-53701-20	\$	400,000				
Rock Valley	WEI-51101-20	\$	1,500,000				
South Suburban	WEI-51001-20	\$	1,499,871				
Southwestern	WEI-53301-20	\$	1,400,000				
Triton	WEI-50401-20	\$	999,417				
Wright College	WEI-50807-20	\$	1,000,000				
	TOTAL	\$	18,699,287				



# **ICCB Systems**

Data and Information Systems Illinois (DAISI) is the data collection and accountability system for Title II. It is not a student-facing system, but allows programs to track student progress, information, and provide federally required reports.

# **IDES AND WIOA TITLE III**

Wagner-Peyser funds are used by the Illinois Department of Employment Security (IDES) to provide employment services to all job seekers and employers seeking qualified individuals. Those services include but are not limited to standard career services, job readiness, employer outreach, employer seminars, employment retention services, labor market information, career information, employment plans, and referrals to training, educational opportunities and supportive services

Employment services offered include assessments for job placement, job search assistance, and online job application processing. Employment Security is responsible for increasing community awareness about the services provided via job fairs, community collaborations, onsite recruitments, resource linkage and presentations to both job seekers and employers. Wagner-Peyser Employment Services are available for all U.S. citizens and those eligible to work in the U.S.

## **Additional Programs within IDES**

IllinoisJobLink.com (IJL) is Illinois' labor exchange system as required by the USDOL.

<u>Help Wanted Online (HWOL) program</u> monitors the number of seasonally and not seasonally adjusted online job ad openings posted by Illinois employers. This data is produced to assist individuals seeking job opportunities with information on jobs ads by employer and by occupation in their region.

Illinois Virtual Labor Market Information system interactively delivers labor market and occupational information and resources, such as local area profiles, industry employment trends, largest employers, average wages, population and employment data, available by geographic area including counties, metropolitan areas, and local workforce areas.

<u>Hire the Future</u> (HTF) is a statewide program designed to provide qualified candidates to employers seeking to fill positions within their respective companies. HTF strives to give the youth of Illinois opportunities to gain work experience in addition to participation opportunities within educational programs. IDES takes an active role in linking youth with employers who understand the importance of encouraging career growth.

The HTF program is designed to provide youth (ages 16-24) with employment assistance in job readiness and career development services. Employers participate in this program by offering entry level positions that provide on-the-job training opportunities. Jobs may be full or part time.

The Re-entry Employment Service Program (RESP) offers assistance to Returning Citizens (persons who are residents of a given area that were previously incarcerated) through the administration of the RESP Program, which is designed to assist individuals in overcoming employment hurdles. RESP staff administer direct case management through IllinoisJobLink.com to ex-offenders. This assistance begins with an "Assessment Interview" and could further include; Referrals to WIOA Workforce Partners, Staff-Assisted Services, Career Guidance, Job Search Activities, Referrals to Employment, Resume Assistance and Interview Coaching. IDES staff interview clients to identify employment barriers and then work with both the client and workforce providers to remediate those barriers in obtaining gainful employment.



# **Unemployment Insurance (UI)**

Unemployment insurance is a state-operated insurance program designed to partially replace lost wages when a person loses their job through no fault of their own. Like fire, accident, health and other types of insurance, it is for an emergency: when a person temporarily or permanently is out of a job or works less than full time because of a lack of work. The program ensures that, a person who meets the eligibility requirements of the law, will have some income while they are actively job seeking, up to a maximum of 26 full weeks in a one-year period, depending on when the claim was established. Unemployment insurance, however, cannot and does not protect against wage losses while absent from work due to illness or while a person is idle by choice.

# **Unemployment Insurance (UI)-Related Programs**

Reemployment Services and Eligibility Assessment (RESEA). RESEA is funded by the U.S. Department of Labor to assist unemployment insurance claimants with returning to work. IDES's Economic Information and Analysis Division (EI&A) has developed a predictive analog that identifies claimants with the highest propensity for exhausting UI benefits, in addition to transitioning veterans receiving **Unemployment Compensation for Ex-Service Members (UCX)**. UI claimant participation in RESEA is required, for those identified, to remain eligible for UI benefits. Services provided by the RESEA teams include, but are not limited to, orientations to the American Job Centers and services offered by our workforce partners, development of individual employment plans, labor market information, career information, job readiness workshops, employment retention services and referrals to employment, training and educational services.

Veterans receiving **UCX** are paired with employment or reemployment services. Veterans coming to IDES by applying for UCX are also referred for reemployment assistance which may involve training, supportive services, housing assistance, and other forms of support.

UI benefits available under the **Trade Adjustment Assistance (TAA)** program, provide income support to persons who have exhausted unemployment insurance compensation and whose jobs were affected by imports. IDES administers the benefit component of this program while DCEO works with the claimant population to provide workforce support.

<u>WorkShare IL</u> is Illinois' <u>Short-Term Compensation</u> (STC) program. **WorkShare IL** is a voluntary program that provides employers with an alternative to layoffs during an economic downturn. IDES administers this program and coordinates with DCEO on outreach to employers who may see this layoff diversion program as a solution in order to keep trained employees engaged and on the job.

# **Economic Information and Analysis (EI&A) Division**

In addition to BLS Cooperative programs, and work completed by El&A using Title III funding streams, El&A has designed and developed data collection that meets a wide range of needs among government and business audiences. Through these innovative applications, the Division assists human service and economic development agencies in achieving program goals by expanding the usage of data previous collected. El&A regularly supplies this workforce, career and labor market information to entities involved in or responsible for planning and decision-making in a small geography context, such as cities, counties, and other political subdivisions. These include Local Workforce Innovation and Opportunity Act Boards, dislocated worker centers, local economic development commissions, chambers of commerce, educational institutions, public utilities, and individual businesses.

- Short- and Long-term Employment Projections: This product reflects information collected through the Quarterly Census of Employment and Wages and Occupational and Employment Statistics programs to forecast areas of growth or decline in employment by industry and occupation over two horizons: short-term or two years, and long-term or 10 years.
- **Unemployment Insurance Research**: The UI Research section currently submits reports on UI activities to U.S. Department of Labor. In addition, the data is posted online and is made available to entities who conduct research on unemployment insurance.



- Local Employment Dynamics (LED) Program: LED provides a wide range of timely workforce information on local industries, including employment, earnings, worker demographics, new hires, and separations. This localized data can be of value to local decision makers, employers, workers, education, and training institutions, local economic developers, and strategic planners.
- Workforce Outcomes: EI&A produces custom reports for workforce and education agencies per special requests.
- Help Wanted Online (HWOL) Reports: The Conference Board Help Wanted OnLine® Data Series (data source) uses web
  spidering technology to scan, identify and index job ads. El&A produces monthly statewide and regional reports to provide a
  summary of this data to its customers.

## **IDES Systems**

<u>Illinois Benefit Information System</u> (IBIS) is the primary Unemployment Insurance system that allows claimants to file, continue, and appeal claims, and it is the management system for IDES staff perform work such as adjudication, appeals, and payment of claimant benefits.

# **IDHS AND WIOA TITLE IV**

The Department of Human Services Division of Rehabilitation Services oversees the Vocational Rehabilitation (VR) program to provide VR services for individuals with disabilities, consistent with their strengths, resources, priorities, concerns, abilities, capabilities, interests, and informed choice, so that they may prepare for and engage in competitive integrated employment or supported employment and achieve economic self-sufficiency.

To be eligible for the VR program, individuals must have a physical or mental impairment that results in a substantial impediment to employment and who require and can benefit from VR services to achieve employment and maximize career goals.

An Individualized Plan for Employment directs how services are provided and funded. Supporting services to VR customers may be either provided directly by a VR counselor or through contracts with community rehabilitation programs, local school districts for employment related services and supports, and other vendors offering transition, employment, and other support services.

#### **Additional Programs within IDHS Division of Rehabilitation Services**

Importantly, there are several impactful, non-WIOA funded federally funded programs that are required to be operated by the same agency as the VR program. These are the Small Business Enterprise Program for the Blind, the Supported Employment Program, and the Independent Living for Older Blind Individuals Program. In addition to the federally required program, the VR program funds supplementary programming at two residential facilities in Chicago and uses program income to support the Independent Living Program. Any change in the placement of the VR and required programs would also include the supplementary programs. This includes the Independent Living program, the Illinois Center for Rehabilitation and Education on Wood Street and the Illinois Center for Rehabilitation and Education on Roosevelt Road.

The Small Business Enterprise Program for the Blind (SPEPB) is a subset of the Vocational Rehabilitation Program authorized by the Randolph-Sheppard Act provides persons who are blind with remunerative employment and self-support through the operation of vending facilities on federal and other property. The program, enacted into law in 1936, was intended to enhance employment opportunities for trained, licensed blind persons to operate facilities. The law was subsequently amended in 1954 and again in 1974 to ultimately ensure individuals who are blind a priority in the operation of vending facilities, which included cafeterias, snack bars, and automatic vending machines, that are on federal property. The program priority has broadened in Illinois through state law to include state locations as well. The BEPB has a total of 489 main locations and satellites of main locations.



The <u>Supported Employment Program</u> provides supported employment services for individuals with the most significant disabilities, including youth with the most significant disabilities, who require supported employment services following the achievement of a supported employment outcome. Supported employment grant funds are used to supplement funds provided under the State VR Services Program to provide supported employment services. Program funds may be used to provide supported employment services for up to 24 months and to supplement other VR services necessary to help individuals with the most significant disabilities find work in the integrated labor market.

The <u>Independent Living for Older Blind Individuals</u> Program is not exclusively employment focused, but rather dedicated to assisting individuals who are losing their vision later in life (after the age of 55) to adjust to the change and to retain their independence through training, adaptive aids and advocacy.

VR program funds support DRS residential training facilities. This includes the <u>Illinois Center for Rehabilitation and Education-Wood</u> (a training facility for blind adults and houses the vending training program) and the <u>Illinois Center for Rehabilitation and Education-Roosevelt</u> (employment training facility for transition age individuals with severe orthopedic impairments coupled with other comorbid health conditions).

IDHS also houses other WIOA required partner workforce development programs housed within the Division of Family and Community Services.

## Division of Family and Community Service (FCS) Employment and Training Program Overview

FCS's employment and training programs fall in two main categories depending on their funding source: TANF and SNAP. The funding sources determine the rules of the programs. TANF contributes to our work participation requirements under the TANF block grant. SNAP requires that every state operate an E&T program in accordance with USDA/FNS guidelines.

#### **Temporary Assistance for Needy Families (TANF)**

The <u>TANF Job Placement with Retention Program</u> is for individuals receiving TANF benefits. Customers participate in a variety of activities that are countable in the federal participation rate while searching for unsubsidized employment. Activities are highly structured, monitored and documented to develop work experiences or unsubsidized employment that leads to a livable wage.

Individuals on TANF do eligible activities for up to 30 hours/week and this maintains their qualifications to receive their monthly TANF cash award. Activities allowed are defined by the TANF program. Additionally, the Provider is responsible for developing and administering programs in a manner that will result in a client compliance level of at least 75%. Activities are highly structured, monitored and documented for meeting accountability requirements. Lack of adequate participation can lead to sanctions of their monthly cash award.

Workfirst (Cook County Only): Work First Providers administer a "pay after performance" program designed for clients who receive TANF benefits and are exhibiting difficulty with obtaining employment. Clients assigned to Work First earn their assistance payment by participating in appropriately assigned activities. The Family Community Resource Center (FCRC) staff will identify clients and make referrals to Providers in a manner which assures that clients are referred according to the Provider's program and the individual needs of the client to countable work and training activities with hours that are consistent under Federal guidelines.



# **Supplemental Nutrition Assistance Program**

The <u>SNAP E&T Program</u> is a program to help customers acquire work skills and find employment. The program also helps customers with work-related expenses and retention support up to 90 days after attaining a job.

Participation in SNAP E&T enables participants to gain work skills and experience, meet the federal work requirements for SNAP benefits, if applicable, and become self-sufficient through SNAP E&T "components". Components are categories of allowable program activities such as, Job Search Training, Vocational Training, etc. Many participants are hard to serve individuals with limited work histories and experience. Some may need additional education and training to find and keep a job or have other significant barriers to employment.

<u>SNAP to Success</u>: SNAP to Success Program is intended to help customers acquire work skills and find employment. Participation in SNAP E&T enables participants to gain work skills and experience, meet the federal work requirements for SNAP benefits, if applicable, and become self-sufficient through SNAP E&T "components". Components are categories of allowable program activities such as, Job Search Training, Vocational Training, etc. Many participants are hard to serve individuals with limited work histories and experience. Some may need additional education and training to find and keep a job or have other significant barriers to employment. This is a newer program and utilizes more matching funds to fund services and is not as reliant on USDA 100% funds (meaning grant funds), however the rules and restrictions on these funds is more complex.

<u>Earnfare</u> is an employment and training program which offers eligible participants an opportunity to gain work experience and earn limited cash assistance. Participation is limited to adults who receive SNAP benefits, who volunteer for the program and to individuals who are court-ordered to participate. Participants "work off" the value of their SNAP benefits at the state minimum wage up to a maximum number of hours per month as determined by the Fair Labor Standards Act (FLSA) before earning an additional amount in cash stipend.

#### Illinois Youth Investment Program (IYIP) (Began 10/1/2020)

The Illinois Youth Investment Program (IYIP) is a multi-faceted approach to youth employment that invests in the future of Illinois' atrisk transition-age youth (16-24). This approach to youth employment accounts for the youth's employment barriers as well as the physical, emotional, social, and mental health needs while helping them to secure and sustain long-term and/or career employment thereby ensuring a greater likelihood of success and self-sufficiency.

The Department has identified four program categories for which it made grant funding available. Each of the first three categories are designed to take into account various stages of a youth's employment readiness and employment needs. The fourth and final category, addresses the need within the State and local communities to develop additional employer training programs.

This multi-faceted approach will allow applicants to consider programming and services best suited to meet the needs of youth.

- Category I Short-term, Summer Employment (Work-based Learning; Career Development Experience; and Pre-Apprenticeship programs)
- Category II Targeted Long-term Employment (Targeted long-term employment and Youth Apprenticeship programs)
- Category III Career Development Industry-linked Long-term Employment
   (Registered Apprenticeship; Non-Registered Apprenticeship; and Recognized Postsecondary Credentials (Industry-Linked Credentials, Certifications, or Licenses))
- Category IV Expansion of Industry-Linked Career Development Opportunities
   (Registered Apprenticeships; Non-Registered Apprenticeships; Youth Apprenticeships; and Recognized Postsecondary
   Credentials (Industry-Linked Credentials, Certifications, or Licenses))



The <u>Second Chance Act Youth Offender Reentry Program</u> supports states, to provide comprehensive reentry services for moderate to high-risk youthful offenders before, during, and after release from confinement. Within the context of this initiative, reentry is viewed as an evidence-based process that begins while the offender is still confined and ends with their successful reintegration into the community. Successful reintegration is denoted by no criminal behavior, to include but not be limited to rearrests, at 6-month increments for up to 24 months post-release.

COVID-19 Summer Youth Employment Program (C-SYEP) provided Illinois young people who faced significant challenges to gaining employment, given the devastating economic impact of COVID-19 on Illinois' economy, an opportunity to work during the summer. The COVID-19 Summer Youth Employment Program (C-SYEP) was implemented to address this emergency. \$9.8 million in state funding was directed to 30 community-based youth employment organizations that ultimately served 2,540 low-income youth and young adults in high need communities. Job opportunities through the program were coordinated across Illinois by 30 community-based organizations in partnership with IDHS. This program provided both a measure of immediate economic relief for the low-income at-risk young people 16-24 as well as developed their employability skills for future success

# **Obstacles and Primary Concerns in Moving to Another Agency Beside DHS:**

Eligibility is a major component of these programs and critically links these programs to DHS.

- SNAP eligibility must be verified monthly to participate in SNAP Employment and Training and thus requires a close relationship to the FCRCs (eligibility offices.)
- TANF and SNAP must not be intermingled as TANF eligible must use TANF E&T and not SNAP E&T.
- SNAP E&T is an administrative heavy program due to its connection to SNAP benefits, this could present significant challenges for another agency besides DHS to administer.
- TANF and SNAP have federal work requirements and strict guidelines for documenting weekly hours that must be met to maintain benefits. If hours are not reported timely and logged in DHS's Integrated Eligibility System (IES) then it will impact customers' cash grant or food assistance.
- FCRCs assist in establishing and offering SNAP E&T services when there are no contracted providers available. This is particularly an issue in many downstate communities where there are no eligible CBOs to act as a TANF or SNAP provider.
- Local FCRCs find local partner organizations to offer community service hours where volunteer work can be done helping
  customers meet federal work requirements. Coordination with the FCRCs would be significantly more difficult for another
  agency attempting to administer the program.
- USDA (SNAP) and HHS (TANF) give the SNAP and TANF funding to DHS and hold them responsible for the funding, planning and reporting of the E&T programs. USDA will not give SNAP E&T funding to another state agency even if the state requests it. Altering administration of the program would cause additional burden on the state.

DHS E&T programs serve the hardest to serve job seekers (individuals on SNAP and TANF). Programs operated under WIOA (US DOL programs) are based on placement and performance metrics. It is a significant concern that aligning with WIOA programs will lead to a change in focus of serving harder to serve customers, who are the most in need, toward those that are the most job ready.

# **IDHS Systems**

The Division of Rehabilitation Services (DRS) maintains an online referral system using either a direct link or a QR code for the Vocational Rehabilitation (VR) Program. Using a QR code and direct link, potential customers can find information about the VR program and complete a referral via partnering agencies or the Department of Human Services websites. Individuals can easily complete a referral using the online form. The referral triggers the Division's WebCM system to create an alert to a VR staff in the DRS office closest to the individual's address. -Individuals are contacted, in the order their referral was received, to setup an interview to determine eligibility.

IES is the case management system used by the Division of Family and Community Services for all their casework. That is a system they contracted to be developed by an external entity for their Division's use. DRS staff do not use IES but our information related to the reception of in-home services is contained within their system as a Medicaid Waiver to be used to waive the need to meet a spenddown. DHS Divisions track these associations with Recipient Identification Numbers (RINs) that can be ran through automated processes and allow for seamless wraparound care across DHS Divisions.

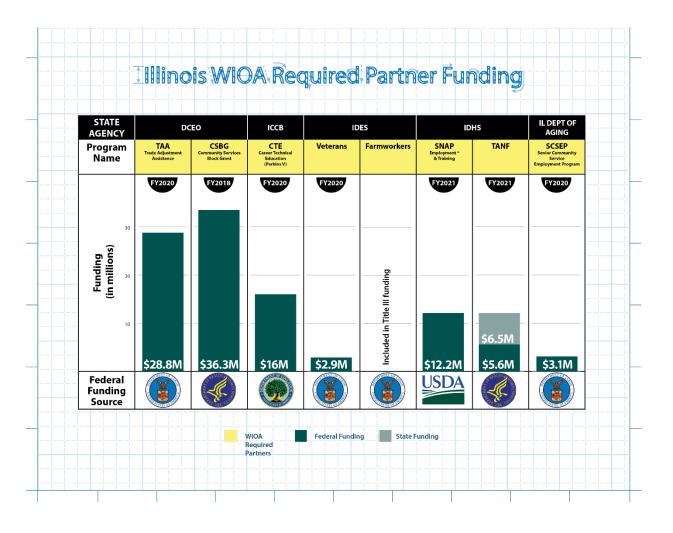
# REQUIRED WIOA PARTNERS

Beyond the four core title programs, WIOA also requires 12 additional education, service, and training programs to be partners and support the American Job Centers.

Agency	Program Under WIOA	Description			
DCEO	Trade Adjustment Assistance Act	Aids workers who have been adversely affected by foreign trade. Services are available to adversely affected workers with opportunities to obtain the skills, credentials, resources, and support necessary to become reemployed			
	Community Services Block Grant (CSBG), partial	Addresses poverty among public housing residents through a set of services designed to support work including employer linkages, job placement and counseling, educational advancement, and financial counseling.			
ICCB	Career and Technical Education (Perkins V)	A principal source of federal funding to states for the improvement of secondary and postsecondary career and technical education (CTE) programs. These programs develop more fully the academic, career, and technical skills of secondary and postsecondary students who elect to enroll in CTE programs.			
IDES	Local Veterans' Employment Representatives and Disabled Veterans' Outreach Program	Provides key services to veterans with significant barriers to employment, and outreact to employers to help veterans achieve employment.			
	Unemployment Insurance	Provides individuals who have lost a job through no fault of their own with monetary assistance until they can secure future employment.			
	Migrant Seasonal Farmworkers - National Farmworker Jobs Program	A nationally directed, locally administered program of services for migrant and seasonal farmworkers (MSFWs). The program partners with community organizations, state agencies, and State Monitor Advocates to provide appropriate career and training services, youth services, housing assistance services, and related assistance services, to eligible migrant farmworkers (including MSFW youth) and eligible seasonal farmworkers and their dependents.			
DHS/FCS	Temporary Assistance for Needy Families (TANF)	The Employment & Training (E&T) program assists TANF participants in gaining skills, training, work or experience that will increase their ability to obtain regular employment.			
	Food Stamp Employment & Training	The Employment & Training (E&T) program assists SNAP participants in gaining skills, training, work or experience that will increase their ability to obtain regular employment.			
Aging	Senior Community Services Employment Program	A community service and work-based job training program for older Americans.  Authorized by the Older Americans Act, the program provides training for low-income, unemployed older Americans and supportive services that allow them to participate in the training and have access to employment assistance.			



Agency	Program Under WIOA	Description
Corrections	Second Chance	Designed for first-time offenders. If the defendant completes the program, the charges are dismissed with prejudice. The defendant must complete an intake interview, take an initial assessment tool, and if accepted complete the requirements placed upon them by the State's Attorney's Office. There are very few programs in the state.
U.S. Department of Labor	Job Corps	A national program that operates in partnership with States and communities, Local Workforce Innovation Boards, to provide academic, career and technical education, service-learning, and social opportunities primarily in a residential setting, for low-income young people. Illinois has Job Corps Centers in Chicago and Peoria.
U.S. Department of Labor	Youth Build	YouthBuild is a discretionary grant program that serves 16-24-year-old youth who are high school dropouts or those who have dropped out and subsequently re-enrolled. The program is not available statewide.





# ILLINOIS WIOA RELATED AGENCY, FUNDING, AND PARTICIPANT DATA

Program funding and populations, or participants, served is an important gauge for state agency performance. In WIOA programs, one-way success is measured is through identifying the demographics of program participants and tracking if they were employed two quarters after exiting the program. The table on the next page shows funding, participants, and second quarter exit employment data.

				PY2019 Participants Serve	d			
Agency	Program	Funding			Nun	nber of Exiters	Employed 2 Quarters after exit	
DCEO	Title I Adult	U.S. Dept. of Labor	\$34,729,488	Total	4,912		4,001	
				American Indian / Alaska Native	34	0.7%	28	0.7%
				Asian	180	3.7%	162	4.0%
				Black / African American	2,532	51.5%	2,031	50.8%
				Hispanic / Latino	685	13.9%	577	14.4%
				Native Hawaiian / Pacific Islander	9	0.2%	10	0.2%
				White	1,770	36.0%	1,448	36.2%
				More Than One Race	50	1.0%	40	1.0%
DCEO	Title I	U.S. Dept. of Labor	\$43,416,962	Total	3,822		3,379	
	Dislocated Worker			American Indian / Alaska Native	32	0.8%	31	0.9%
				Asian	194	5.1%	143	4.2%
				Black / African Amer- ican	1,165	30.5%	1,015	30.0%
				Hispanic / Latino	841	22.0%	591	17.5%
				Native Hawaiian / Pacific Islander	5	0.1%	5	0.1%
				White	1,918	50.2%	1,814	53.7%
				More Than One Race	31	0.8%	24	0.7%
				PY2019 Participants Serve	d			
DCEO	Title I Youth	U.S. Dept. of Labor	\$36,885,006	Total	3,566		3,073	
				American Indian / Alaska Native	45	1.2%	46	1.4%
				Asian	72	1.9%	56	1.7%
				Black / African American	1,680	44.0%	1,472	43.6%
				Hispanic / Latino	762	19.9%	665	19.7%
				Native Hawaiian / Pacific Islander	18	0.5%	10	0.3%
				White	1,399	36.6%	1,214	35.9%
				More Than One Race	81	2.1%	76	2.2%



				PY2019 Participants Serve	ed			
Agency	Program	Funding			Num	ber of Exiters	Employed 2 Quar	ters after exit
DCEO	Trade	U.S. Dept. of Labor	\$19,350,065	Total	742		433	
				American Indian / Alaska Native	4	0.5%	2	0.5%
				Asian	81	10.9%	48	11.1%
				Black / African Amer- ican	154	20.8%	83	19.2%
				Hispanic / Latino	191	25.7%	110	25.4%
				Native Hawaiian / Pacific Islander	-	0.0%	-	0.0%
				White	351	47.3%	218	50.3%
				More Than One Race	2	0.3%	1	0.2%
DCEO	CSBG	U.S. Dept. of Health and Human Services	\$34,700,000	Total	575,676			
				American Indian / Alaska Native	900	0.2%		
				Asian	21,854	3.8%		
				Black / African American	232,084	40.3%		
				Hispanic / Latino	73,300	12.7%		
				Native Hawaiian / Pacific Islander	199	0.0%		
				White	234,399	40.7%		
				More Than One Race	4,184	0.7%		
ICCB	Title II Adult Education	US Dept. of Ed. Basic Appropriation	\$19,643,306	Total	20,073		8,424	
		US Dept. of Ed. Federal IEL/Civics	\$2,863,884	American Indian / Alaska Native	33	0.2%	-	-
		State Basic Appropriation	\$22,651,000	Asian	2,382	11.9%	822	9.8%
		State Performance	\$11,236,700	Black / African American	3,254	16.2%	2,148	25.5%
		TOTAL	\$56,394,890	Hispanic / Latino	10,162	50.6%	2,908	34.5%
				Native Hawaiian / Pacific Islander	15	0.1%	-	-
		White		4,073	20.3%	2,401	28.5%	
				154	0.8%	125	1.5%	
		More Than One Race						



				PY2019 Participants Serv	ved .			
Agency	Program	Funding			Num	nber of Exiters	Employed 2 Qua	arters after exit
IDES	Title III Wag- ner Peyser Employment	Wagner-Peyser 7A + 7B	\$26,888,195	Total	26,700		19,648	
	Services	Foreign Labor Certification	\$300,000	American Indian / Alaska Native	223	0.8%	169	0.9%
		Work Opportunity Credits	\$731,207	Asian	379	1.4%	305	1.6%
		Local Veterans Employment Representative (LVER)	\$2,872,036	Black / African Amer- ican	8,499	31.8%	7,079	36.0%
		Disabled Veterans Outreach Program	\$3,873,484	Hispanic / Latino	3,879	14.5%	2,609	13.3%
		TOTAL	\$34,664,922	Native Hawaiian / Pacific Islander	73	0.3%	52	0.3%
			•	White	14,167	53.1%	9,722	49.5%
		More Than One Race	2	267	1.0%	197	1.0%	
DHS <sup>4</sup>	Title IV Vocational Rehabilita- tion	U.S. Dept. of Education	\$117,477,921	Total	10,017		7,841	
		State General Funds*	\$14,000,000	American Indian / Alaska Native	76	0.8%	66	0.8%
		Local School Districts*	\$18,000,000	Asian	229	2.3%	161	2.1%
		TOTAL*	\$149,477,921	Black / African American	2,674	26.7%	2,184	27.9%
			•	Hispanic / Latino	1,469	14.7%	1,017	13.0%
		*approximate		Native Hawaiian / Pacific Islander	25	0.2%	32	0.4%
		More Than One Race	2	White	7,158	71.5%	5,512	70.3%
				141	1.4%	229	2.9%	
	Indepen-		\$1,896,100	Total	1,859			ly employment
	dent Living Services for			Hispanic/Latino		3%	to assisting indiv	ther dedicated viduals who are
	Older Indi- viduals Who			American Indian		< 1%	losing their vi	sion later in life of 55) to adjust
	Are Blind			Asian		1%	to the chang	ge and to retain
	(OIB)			Black/African American		15%		ndence through aptive aids and
				Hawaiian or Pacific Islander		1%	training, aa	advocacy.
				White		80%		
				Multi-race		< 1%		
				Unknown		< 1%	1	



				PY2019 Participants Serv	red			
Agency	Program	Funding			Nui	mber of Exiters	Employed 2 Quarters after exit	
DHS⁵	TANF Employment and Training		\$5,357,662	Total	4,396	Separate demographic data for E&T alone is not	48 verified j	ob placements;
	SNAP Employment and Training		\$10,177,278	Total	6,151	available, combined with SNAP and TANF.	45 verified j	ob placements;
	Illinois Youth		\$19,000,000	Total	936		389	
	Investment Program (Be-			Hispanic/Latino		14.8%		
	gan 10/1/20)			Black/African American		75.9%		
				Multi Race		19.2%		
				White		4.2%		
				Other		>1%		
	COVID Sum-		\$9,800,000	Total	2,628		2294	
	mer Youth Employment			Hispanic/Latino		24%		
	Program			Black/African American		79%		
	(June - Sep- tember)			Multi Race		5%		
				White		12%		
				Other		4%		

The Illinois Department of Children and Family Services also operates workforce training programs that are outside of WIOA funding:

# JOBSEEKERS: PEOPLE LOOKING FOR WORKFORCE SERVICES

For the purposes of this report, *jobseekers* are persons that are actively looking for work. They might be unemployed or underemployed. This section of the report describes the priority populations under WIOA; looks at Illinois poverty, education, and employment data; and shows participation data on who is receiving WIOA services in the four title programs.



<sup>&</sup>lt;sup>4</sup>The \$164.7M for IDHS-DRS includes the estimated annual VR grant award, program income generated from SSA due to VR customers meeting employment milestones, prior year VR grant award carryover, required non-federal state match to support the VR program, Supported Employment federal and required non-federal match funding, Older Blind federal, prior year carryover, and required non-federal match funding, and funding supporting ICRE-W and ICRE-R. This is funding for all the programs that would be federally mandated to move with the VR program if it were re-designated from DHS.

# WIOA priority populations<sup>6</sup> include:

- Low-Income
- · Low-skilled, including those without a high school diploma
- · Physically, mentally, or developmentally disabled
- Returning citizens (ex-offenders)
- English language learners or those facing substantial cultural barriers
- Migrant and seasonal farmworkers
- Out-of-school youth
- · Long-term unemployed
- Mature workers
- Homeless
- Teen parents (including single pregnant women)
- Youth in the foster system or who have aged out of the system
- Veterans
- Displaced homemakers

				Participants			
Agency	Service Provider	Program	Funding	Served	Demographics of Participants	Jobs Placed (if applicable)	Types of Jobs (if applicable)
	LUV Institute	JTMBSCA*	\$204,000	FY Capacity 60	youth in care ages 16-20	6 internships (07-01-20 thru 12-31-21)	subsidized internship
	ASN	Added Chance	\$249,000	FY Capacity 225	youth in care ages 16-20	36 (07-01-20 thru 02-28-31)	unsubsidized entry level jobs
1	Lawrence Hall	MY TIME	\$300,038	FY Capacity 120	youth in care ages 17.5-20	13 (07-01-20 thru 02-28-21	unsubsubsidized entry level jobs
DCFS					youth in care ages 18+ w		
DCL2	Kaleidoscope	Find Your Future	\$186,811	FY Capacity 25	postsecondary enrollment	24 (summer 2020)	summer paid internships
					youth in care ages 17-20 (Madison		
					and St. Clair Counties in Southern		Warehouse worker, child care,
	SIUE	Building Futures	\$138,761	FY Capacity 30	Region)	5 (07-01-20 thru 03-31-21)	health care, own business service



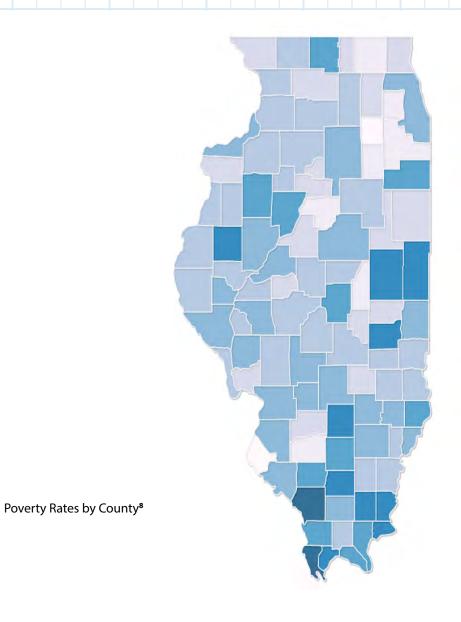
# Snapshot of Illinois: Poverty, Education, Unemployment<sup>7</sup>

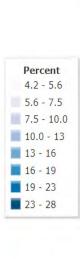
		Illinois
Total pop	Population estimates, July 1, 2019	12,671,821
Age	Persons under 5 years, percent	5.90%
	Persons under 18 years, percent	22.20%
	Persons 65 years and over, percent	16.10%
Gender	Female persons, percent	50.90%
Race	White alone, percent	76.80%
	Black or African American alone, percent	14.60%
	American Indian and Alaska Native alone, percent	0.60%
	Asian alone, percent	5.90%
	Native Hawaiian and Other Pacific Islander alone, percent	0.10%
	Two or More Races, percent	2.10%
	Hispanic or Latino, percent	17.50%
	White alone, not Hispanic or Latino, percent	60.80%
Veteran	Veterans, 2015-2019	570,264
Foreign-Born	Foreign born persons, percent, 2015-2019	14.10%
Other Languages	Language other than English spoken at home, percent of persons age 5 years+, 2015-2019	23.20%
Digital Access	Households with a computer, percent, 2015-2019	89.90%
	Households with a broadband Internet subscription, percent, 2015-2019	82.70%
Education	High school graduate or higher, percent of persons age 25 years+, 2015-2019	89.20%
	Bachelor's degree or higher, percent of persons age 25 years+, 2015-2019	34.70%
Disability	With a disability, under age 65 years, percent, 2015-2019	7.20%
Health Insurance	Persons without health insurance, under age 65 years, percent	8.60%
Labor force	In civilian labor force, total, percent of population age 16 years+, 2015-2019	65.10%
	In civilian labor force, female, percent of population age 16 years+, 2015-2019	60.40%
Income	Median household income (in 2019 dollars), 2015-2019	\$65,886
	Per capita income in past 12 months (in 2019 dollars), 2015-2019	\$36,038
Poverty	Persons in poverty, percent	11.50%



<sup>&</sup>lt;sup>5</sup> Workforce GPS WIOA Desk Reference Priority Populations (link).

<sup>&</sup>lt;sup>6</sup> Source: U.S. Census Bureau (link)



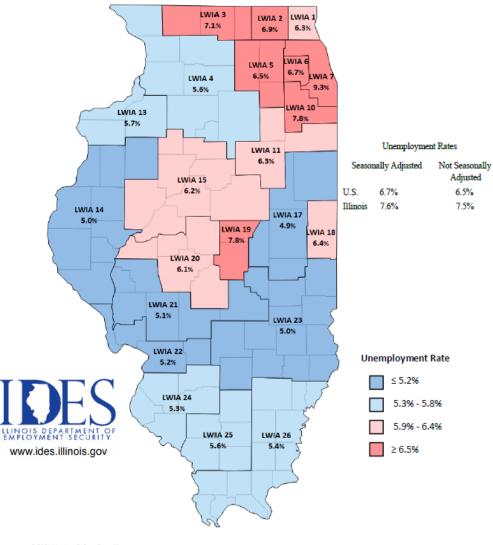


<sup>7</sup> Source: U.S. Census Bureau (link)

# Illinois Unemployment Rate by Local Workforce Area

# December 2020 - Not Seasonally Adjusted

IL Dept. of Employment Security, Economic Information & Analysis Division



© 2021 Mapbox © OpenStreetMap

Unemployment by Local Workforce Area<sup>9</sup>

 $<sup>^{\</sup>rm 8}$  Source: UI by region Dec 2020 ( ${\color{red}{\rm link}}$ )



# **Illinois WIOA Participation Data**

This section shows participation data for all four WIOA programs. The following table displays counts of participants for the WIOA core programs.

Participant Counts for WIOA Core Programs.

	PY19 Participants
Title 1 Adult	8,534
Title 1 Dislocated Worker	6,909
Title 1 Youth	6,736
Title II Adult Education	50,725
Title III Wagner-Peyser	22,677
Title IV Vocational Rehab	32,009
Total WIOA Core	127,590

# **Program Participant Demographics**

## **Demographics of Title I Participants**

The following table displays participant demographics for Title I programs. For each program, the participant demographics are compared with a representative target population as a high-level assessment of the equitable delivery of services. Since Title I Adult programs are focused on low-income jobseekers, unemployed persons in poverty were selected as the comparison group. About 59% of participants are female, higher than the population of unemployed persons in poverty. African American's comprise about 40% of unemployed persons in poverty in Illinois. They access the Title I Adult program at a higher rate, making up nearly half of participants. About 12% of persons in poverty are Hispanic<sup>10</sup>, while they represent a slightly higher portion of participants. White participation in Adult programs is significantly lower than their percentage of person in poverty.

Since job losses are possible for any sector of the economy, the overall Illinois unemployed population was used as a comparison group for the Dislocated Worker program. The demographics of DW participants fairly closely matches the target population. Women make up about 44% of unemployed persons, matched nearly exactly by their participation in DW programs. Likewise, African Americans access DW services at a similar rate to their representation in the unemployed population. than the overall workforce. Hispanics make up about 17% of unemployed persons, but nearly 22% of the DW participants.

Opportunity Youth are between the ages of 14 and 24, not in school and not working. The Title I Youth program participants are compared to Illinois Opportunity Youth as a target population. Like the Adult programs, females are over-represented in Youth programs. About 54% of Youth participants are female, compared to about 38% of Opportunity Youth. African American and Hispanic youth make up slightly higher portions of participants in Youth programs (45% and 23% respectively) than they do the Opportunity Youth population

<sup>&</sup>lt;sup>9</sup>Race and ethnicity percentages sum to more than 100% because the data collection process for Title I programs and Census data both allow persons to select both Hispanic and a race.



### Participant Demographics vs. Target Populations<sup>11</sup> for WIOA Title I Core Programs

		Title I Adult		Target	Title I DW		Target Title I Youth		1	Target
		Total Participants Served	Percent of total Participants	Percent of Unemployed Persons in Poverty	Total Participants Served	Percent of total Participants	Percent of Unemployed Persons	Total Participants Served	Percent of total Participants	Percent of Opportunity Youth
	Total Statewide	8,534			6,909			6,736		
Sex	Female	5,030	58.90%	48.80%	3,052	44.20%	44.50%	3,639	54.00%	38.30%
Й	Male	3,487	40.90%	51.20%	3,840	55.60%	55.50%	3,079	45.70%	61.70%
	Asian	312	3.70%	1.20%	374	5.40%	0.90%	88	1.30%	1.40%
icity	Black / African American	4,179	49.00%	40.20%	2,002	29.00%	28.30%	3,036	45.10%	39.80%
Race/Ethnicity	Hispanic / Latino	1,282	15.00%	12.40%	1,516	21.90%	16.90%	1,585	23.50%	19.40%
ace	White	3,239	38.00%	53.10%	3,537	51.20%	59.90%	2,775	41.20%	49.30%
<b>E</b>	American Indian	55	0.60%	0.10%	48	0.70%	0.30%	59	0.90%	0.20%
	Other Race	102	1.20%	5.30%	57	0.80%	10.60%	188	2.80%	9.40%

#### **Demographics of Titles II, III, and IV Participants**

The next table displays participant demographics for Title II, III, and IV programs. Title II Adult Education targets those with low skills or limited English abilities. Adults with less than a high school education serve as the target population. Just over half of Illinois residents without a high school education are females. However, women make up over 63% of Adult Education participants. Since a focus of Adult Education programs is on English language learners, participants that are more likely to be immigrants are over-represented in the participant counts. About 12% of participants are Asian, which comprise less than ½% of those without a high school education. Hispanics comprise about 28% of residents with a high school education, but over 50% of Adult Education participants. Nearly 28% of those without a high school education are African Americans, yet they only comprise about 14% of Adult Education participants.

Title III Employment Services are available to all job seekers. Title III participants are compared to continuing unemployment insurance (UI) claimants. About 60% of Title III participants are male, somewhat higher than their portion of UI claimants (51%). African Americans utilize Title III services at a higher rate (30%) than their representation in UI claimants (21%). Title III participation by other race/ethnic groups occurs at a rate within a few percentage points of their portion of UI claimants.



<sup>&</sup>lt;sup>10</sup> Target Population data source: U.S. Census Bureau, 2019 American Community Survey 5-year estimates

Finally, Title IV Vocational Rehabilitation programs are designed to assist disabled persons find and keep employment. Participation in Title IV programs is compared to the Illinois unemployed disabled population. The demographics of Title IV program participation are very similar to the target population.

# Participant Demographics vs. Target Populations<sup>12</sup> for WIOA Titles II, III, and IV Core Programs

		Title II Adult Ed		Target	Title III W-P		Target Title IV VR			Target
		Total Participants	Percent of total Participants	Adults with less than HS	Total Participants	Percent of total Participants	Percent of Average Continuing	Total Participants	Percent of total Participants	Proportion of Unemploye d Disabled
		Served	•	Education	Served	'	UI Claimants	Served		Population
	Total Statewide	50,725			22,677			32,009		
Sex	Female	32,107	63.30%	52.20%	8,753	38.60%	48.30%	13,114	41.00%	41.00%
Š	Male	18,618	36.70%	47.80%	13,688	60.40%	51.30%	18,895	59.00%	59.00%
	Asian	5,982	11.80%	0.40%	342	1.50%	4.50%	888	2.80%	0.90%
icity	Black / African American	7,214	14.20%	28.70%	6,800	30.00%	20.70%	8,093	25.30%	28.30%
Race/Ethnicity	Hispanic / Latino	25,777	50.80%	27.50%	3,455	15.20%	18.60%	4,948	15.50%	16.90%
ace	White	11,246	22.20%	59.90%	12,316	54.30%	51.50%	23,212	72.50%	59.90%
~	American Indian	80	0.20%	0.20%	190	0.80%	0.20%	221	0.70%	0.30%
	Other Race	426	0.80%	10.80%	389	1.20%	4.90%	610	1.90%	10.60%

<sup>11</sup> Source for Title II & IV target populations: U.S. Census Bureau, 2019 American Community Survey 5-year estimates; Title III target population: Illinois Dept. Of Employment Security, PY2019 monthly average of continuing unemployment claims.



# **WIOA Services for Jobseeking Customers**

# WIOA Title I Adult, Dislocated Worker, and Youth Programs

The services to Adult and Dislocated Worker job seekers generally fall into two categories: career services and training services.

Career Services	Training Services					
There are two levels of career services under WIOA. Basic services include services such as labor market information and job postings. These services are available to all job seekers. Individualized career services are provided as appropriate to help individuals obtain and retain employment. Career counselors provide individualized career services such as:	WIOA mandates that training services be provided in a manner that allows for maximum customer choice in the selection of a service provider. DCEO maintains a list of training services providers that are eligible to receive Title 1B funding (the Eligible Training Provider List). Training services may include:					
Comprehensive and specialized assessments of skills and needs,      And a second of the latest tendence as the second	occupational skills training, including training for nontraditional employment;					
development of an Individual Employment Plan (IEP)	on-the-job training;					
<ul> <li>Information on and referral to supportive</li> </ul>	incumbent worker training;					
services that are necessary to enable an individual to successfully participate in	<ul> <li>programs that combine workplace training with related instruction, which may include cooperative education programs;</li> </ul>					
other Title 1B activities such as training	skill upgradinag and retraining;					
services.	entrepreneurial training;					
These may include:	job readiness training;					
Assistance with transportation;	adult education and literacy activities, including activities of					
Assistance with childcare and dependent care;	English language acquisition and integrated education and training programs; and					
Assistance with housing;	customized training conducted with a commitment by an					
• Legal aid services;	employer or group of employers to employ an individual upon successful completion of the training.					
Referrals to health care;						
<ul> <li>Assistance with uniforms or other appropriate work attire and work-related tools, including such items as eyeglasses, protective eye gear and other essential safety equipment;</li> </ul>						
<ul> <li>Assistance with books, fees, school supplies, and other necessary items for students enrolled in postsecondary education classes; and</li> </ul>						
<ul> <li>Payments and fees for employment and training-related applications, tests, and certifications.</li> </ul>						

#### **Youth Services**

Services provided by Youth programs may include tutoring; alternative secondary school services; paid and unpaid work experiences, which include: summer and year round employment opportunities, pre-apprenticeship programs, internships and job shadowing, and on-the-job training; occupational skill training; education offered concurrently with workforce preparation and training; leadership development opportunities; supportive services; mentoring; follow-up services; comprehensive guidance and counseling; financial literacy education; entrepreneurial skills training; services that provide labor market and employment information; and postsecondary education and training preparation activities.

#### **Service Delivery**

The vast majority of WIOA Title IB federal workforce funds received by the state are distributed to Local Workforce Areas (LWIAs) to fund service delivery for Adult, Dislocated Worker and Youth programs. Local elected officials and the Local Workforce Innovation Boards (LWIBs) are responsible for guiding how these funds will deliver services in each local area.

#### WIOA Title II Adult Education and Family Literacy Act (AEFLA) Programs

To ensure the educational needs for adult learners requiring basic literacy and English language acquisition instruction are addressed, the ICCB oversees adult educational services under the Illinois Unified State WIOA Plan:

AEFLA services include adult education, literacy, workplace adult education and literacy activities, family literacy activities, English language acquisition activities, Integrated English literacy and civics education, Workforce preparation activities, or Integrated education and training.

AEFLA services in correctional institutions include adult education and literacy activities, integrated education and training, career pathways, and transitions instruction.

Integrated English and Literacy and Civics Education are educational services provided to English language learners that enable adults to achieve competency in the English language and acquire the basic and more advanced skills needed to function effectively as parents, workers, and citizens in the United States. These services must include instruction in literacy, English language acquisition Civics Education. instruction on the rights and responsibilities

## **Service Delivery**

Adult Education services are provided by local providers. After a competitive funding process (multi-year grants), a funding formula is utilized to disseminate funds to selected providers. In FY2020, 78 providers received AEFLA funds including 13 Local Education Agencies, 24 Community-Based and Faith-Based Organizations, 37 Community Colleges, 3 Four-Year Colleges or Universities, 1 Illinois Department of Corrections System. An <u>index of need</u> is used to prorate funds to each Area Planning Council (APC) based on their proportion of statewide need. These funds are then allocated to providers within their APC, (105 ILCS 405/2-4) a council established to ensure service integration within the boundaries of each community college district, based upon the defined target population. Table ICCB 2 summarizes the funding allocations to those organizations.



#### **WIOA Title III Wagner Peyser**

The Employment Service Division primarily services all job seekers, including special populations by conducting initial assessments to determine employment needs, completing individual employment plans, conducting job readiness workshops, job clubs, individual employment plans, career development, on-site recruitments, job fairs, referring qualified job seekers to current open positions, assisting with job search activities, and referrals to partner agencies.

- labor exchange services (e.g., counseling, job search and placement assistance, labor market information);
- employment retention services
- reemployment services and assessments
- career development
- program coordination and referral;
- · recruitment and technical services for employers;
- work tests for the state unemployment compensation system; and
- referral of unemployment insurance claimants to other federal workforce development resources

## **Service Delivery**

Services are accessed in person through each American Job Center location throughout the state; affiliate job center or satellite locations; by phone when filing for UI benefits (online or by phone); and online via the IDES website, Illinois JobLink website, Illinois workNet website, Career Information System (CIS) website, IDES Labor Market Information website and Get Hired Illinois website. Services are promoted to customers online or by phone when filing for Unemployment Insurance benefits; through collaboration with local workforce development partners, community-based organizations, faith-based organizations, local-state representatives, educational institutions, other state agencies, job fairs, resource events, and onsite recruitments.

## **WIOA Title IV Vocational Rehabilitation Programs**

Eligibility for VR services are determined by a qualified vocational rehabilitation counselor employed by DHS. Persons are eligible if they are determined to have a physical or mental impairment that results in substantial impediment to employment. The counselor determines whether the applicant requires vocational rehabilitation services to prepare for, secure, retain, advance in, or regain employment that is consistent with the individual's unique strengths, resources, priorities, concerns, abilities, capabilities, interest, and informed choice. Eligible individuals with a more significant disability may be eligible for the supported employment program.

## **Service Delivery**

DRS has 46 local field offices for which supervisory oversight and fiscal support is shared between the VR and Home Services Program. VR staff are also present on a part-time basis in American Job Centers as necessary to meet the needs of people with disabilities in the community. Service eligibility and delivery are managed through rehabilitation counselors. The counselors are specifically trained in rehabilitation services and have a master's degree in rehabilitation counseling. The individual's information regarding disability and employment goals are reviewed to determine if they meet the programs eligibility requirements. If they are found eligible, the counselor and the customer will develop an Individualized Plan for Employment and DRS will begin to provide services as outlined in that plan.

Due to the comprehensive services required to appropriately serve the Division's unique population, DRS is currently positioned within DHS better enables the VR program to provide wrap-around services.

- The Division has strong ties with the Division of Developmental Disabilities and Mental Health regarding coordinated services for Williams and Colbert Class members.
- Through Individual Placement and Support services, an evidenced based employment program, the Division works closely with the Division of Mental Health to use a joint planning and coordinated service model for employment.
- Through Public Act 101-0368, the Division established a customized employment pilot with technical support from the Division
  of Developmental Disabilities to integrate individuals with developmental disabilities into the workplace with specialized
  support.



- Nearly 1,000 individuals receive employment support through the VR and Home Services Program, allowing them to not only work, but to also remain independent in their own home.
- Benefits Planning is a key component for individuals with disabilities as they transition to work. The Division provides benefit planning services for potential VR applicants with disabilities throughout the Division who are unsure of the impact work will have on their benefits.
- Strong coordination with external agencies, such as the Treasurer's Office and the Department of Healthcare and Family Services, to support various benefits and savings programs for individuals with disabilities transitioning to employment.

# EMPLOYERS: BUSINESSES LOOKING FOR WORKFORCE SERVICES

Business is a customer of the workforce system in addition to jobseekers; this began first with WIA (1998) and then in WIOA (2014). Acknowledging that labor demand and labor supply must be well-coordinated in a high-functioning workforce system, Illinois addresses the workforce needs of business in several ways. It uses labor market information at the state, regional and local level to strategically address training needs by industry and occupation, targeting funding and issuing guidance to education and training programs. Both the Illinois WIOA Unified Plan and the Illinois Economic Plan identify industries that are key to the health of the state economy.

These industries are expected to have a large impact across all regions of the state economy.

- Agribusiness and Ag Technology
- Energy
- Information Technology
- Life Science

- Healthcare
- Manufacturing
- Transportation and Logistics

Table 1

Industry	Jobs in 2018	Average wage	Location quotient	Employment change, 2009-18	Number of employers	Projected employment change, 2016–26	State purchasing coefficient	Value added per employee
Agribusiness and Ag Tech	192,084	\$60,106	0.96	<b>22.6%</b>	8,982	<b>①</b> 5.5%	\$34	\$99,099
nergy	54,401	\$95,741	0.96	⇒ 3.0%	2,062	O.0%	\$60	\$514,050
nformation Technology	137,651	\$108,153	0.84	<b>39.5%</b>	15,780	<b>O</b> 11.9%	\$65	\$129,300
ife Sciences	48,751	\$152,030	0.90	<b>4</b> 5.1%	1,655	<b>2.0</b> %	\$24	\$386,973
tealthcare	733,133	\$57,732	0.94	€ 8.0%	29,713	€ 8.1%	\$66	\$96,154
Manufacturing	417,830	\$68,260	1.20	€ 2.2%	13,240	<b>1.0%</b>	\$32	\$146,155
ransportation and Logistics	515,178	\$70,129	1.27	<b>(</b> ) 15.1%	40,801	€ 9.4%	\$75	\$71,731

Note: Location quotient is the ratio of the employment share in Illinois to the employment share in the nation. State purchasing coefficient is the share of every \$100 spent by companies in this industry that goes to suppliers in Illinois. The "manufacturing" industry includes only manufacturing industries not included in other sectors.

Source: Illinois Department of Employment Security, Quarterly Census of Employment and Wages, 2009 and 2011



Table 2

Employment Concentration for Selected Industries by Region, Relative to Nation



Note: "Employment Concentration" is the ratio of the employment share in Illinois to the employment share in the nation. Source: Estimates from Regional Economic Models, Inc., 2018



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#### **IWIB**

The Governor-appointed Illinois Workforce Innovation Board (IWIB) includes leaders from state, business, industry, labor, education, and community-based organizations with the goal of evaluating and meeting the workforce needs of Illinois' employers and workers.

IWIB is responsible for overseeing the development, implementation, and modification of the Unified State Plan, convening all relevant programs, required partners and stakeholders, and providing oversight and strategic leadership for the state workforce development system.

Through a committee and task force structure, IWIB representatives from private/public partner programs offer policy recommendations to strengthen Illinois' workforce system. All policies developed or commented upon include input from partners and the general public.

State of Illinois Framework for Integrated Business Services (link) was approved by the IWIB in 2017.

Subsequently, the IWIB created a Business Engagement Committee in 2020 to provide direction to Illinois' workforce development system regarding communications, outreach and engagement with businesses. Recent recommendations can be seen here (link).

#### LOCAL WORKFORCE BOARDS

Illinois Workforce Partnership: the 22 local workforce boards have close relationships with businesses in their regions and produce a business, economic, and labor partners guide annually (link). WIOA requires that all the local boards have 51% of their members be local businesses.

# US DOL ONE WORKFORCE VISION

On January 4, 2021, the U.S. Department of Labor issued a federal guidance memo to state workforce agencies, WIOA boards, local boards, and to the American Jobs Centers with guidance on advancing a *One Workforce* vision and strategy.<sup>13</sup> It is important to note that this memo was issued under the previous administration and could change. It calls for greater collaboration, integrated service delivery, shared data, and leveraged resources that leads to positive employment and training outcomes for customers. It describes the vision of One Workforce System as an aligned, flexible, and streamlined state and local-driven system of workforce development services and programs that bring all partners together with a shared goal of enhancing service delivery, leveraging all available resources to help job seekers overcome their barriers, and achieve economic self-sufficiency and mobility for American workers and businesses." It cites examples of innovative information technology (IT) system integrations that address the needs of WIOA customers who may also be eligible for other services, such as TANF. It outlines the key concepts as:

- systemic collaboration of key workforce system partners to take a comprehensive approach to assessing and addressing customer needs and removing barriers to employment;
- integrated service delivery that provides seamless and comprehensive services to customers;
- shared data for effective decision making and enhanced data collection and analysis to support program operations;
- leveraged resources across the programs; and
- improved employment and training outcomes through stronger connections between the training offered through the workforce system and the training needed by employers.

This federal guidance memo outlines best practices to increase state agency workforce collaboration to accomplish alignment between programs. It is important to call attention to the fact that Illinois through its unified state plan acknowledges the need to work on all five core concepts; places a high priority on interagency service integration; and has ongoing robust efforts to make progress toward this one workforce vision. As Illinois evaluates the efficacy of its workforce system and the consolidation of WIOA programs it is important to evaluate the current strengths and weaknesses, and opportunities and threats.

<sup>&</sup>lt;sup>12</sup> U.S. Department of Labor, Training and Employment Notice No. 13-20. January 4, 2021 (link).



# **WIOA WORKFORCE SYSTEM: CURRENT CONDITIONS ANALYSIS**

At the onset of this report, the team knew to answer the overarching question "what information do key decision makers need to determine whether to consolidate WIOA-related workforce programs into a single state agency?", there needed to be an analysis of what the strengths, weaknesses, opportunities and challenges were of the of current system. The high-level conditions indicated below result from conversations regarding agency subject-matter staff and the research team. These conditions help to inform the considerations detailed in the review of alternative system scenarios.

# Strengths

- •Focused on integration and system alignment.
- •Coordinated Sector Partnership initiatives.
- Aligned career pathways across the system.
- Cross-agency professional development.
- Common work-based learning models, like apprenticeships.

# Opportunities

- •Creating a common intake system across agencies.
- Braid funding streams to maximize resources.
- Exploring system-level policy changes.
- Examine ways to create barrier reduction funds from multiple funding streams.

#### Weaknesses

- •Multiple entry points for users.
- No single data-sharing agreement across agencies – must be renewed each year.
- •Limited investments from state general revenue funds for workforce training – the system is heavily dependent upon federal funding.

# Challenges

- Not having appropriate resources for the necessary technology upgrades for common intake and performance dashboards.
- •No common branding results in the appearance of a fragmented system.
- Continuous duplication of administrative and program efforts.
- Reduction in funds due to federal changes.



# **WORKFORCE SYSTEM: SCENARIO BLUEPRINTS**

The Education and Workforce Equity Act (HB2170) called for an examination of the considerations related to consolidating WIOA programs "into one solitary agency". However, the research into the experiences of other states indicate that there are a variety of consolidation scenarios that comprise an effective workforce development system. This section examines five scenarios that illustrate various combinations of WIOA programs. Each scenario addresses the five analyses required in the Act.

This report presents a range of consolidation scenarios for the state – Illinois General Assembly together with the Governor's Office – to make an informed decision about what state workforce system configuration is best for Illinois jobseekers and businesses. If expanded access to job training services for underserved populations and improving employer engagement are the state's goals, it is crucial to understand the options; and make certain re-organization is happening for the right purpose; and that re-organization solves the problem – expanded access.

Other states, even ones that have consolidated infrastructures, have warned about consolidations that results in a new roof but all the same walls, meaning that the same structural silos between the titles take years to fully align and integrate. Finally, WIOA has many federal rules that could stand in the way that Illinois – alone – cannot change.

## This section of the report contains:

- Analysis of how other state workforce systems are organized and high-level advice from interviews
- Five scenarios for Illinois WIOA workforce re-organization/consolidation, including the existing system:
  - Scenario 1: Optimizing the Existing Illinois Structure with Four Titles in Distinct Agencies
  - Scenario 2: Titles I and III Consolidated
  - Scenario 3: Titles I, II, and III Consolidated
  - · Scenario 4: Titles I, III, and IV Consolidated
  - Scenario 5: Fully Consolidated Single Workforce Agency (or Division)
- · Analysis of consolidation challenges and opportunities

#### ANALYSIS OF OTHER STATE WORKFORCE CONFIGURATIONS

The study analyzed data from the National Association of State Workforce Agencies (NASWA) on how state agencies configured the core WIOA title programs in their states. There are many options for configuring WIOA-funded workforce programs at the state level; there are options beyond four distinct state agencies or one single state agency. It is instructive to understand how the capacity and expertise of state agencies factor into workforce system structure.

Illinois is not alone in considering how to organize its workforce system at the state level. Over the years, many other states have re-engineered their workforce systems. While some resulted in consolidation, others engaged in broader system alignment and integration.

Understanding how the system functions now is an important first step. Other states have undertaken consolidation efforts with varying degrees of success and have created organizational structures to meet the needs of their specific users. There is no *one size* fits all solution and this report will outline the range of choices and highlight the challenges and opportunities therein.



Illinois is among only six (6) states with programs spread across four different state agencies. <sup>14</sup> Illinois has been on a path toward system alignment, integration, and coordination for several years. It is important to understand that each of the four (4) Illinois state agencies examined as part of this report administer far more programs than just WIOA. It might be possible to consolidate all the WIOA titles or some of them by creating a new division within an agency or the full consolidated option might require the creation of a whole new state agency.

This section highlights data describing how states configure their WIOA agencies and interviews held with state workforce agencies. This information serves as a resource to the IWIB, the Governor's Office, and the Illinois General Assembly as consolidation decisions are considered. As shown below, there are multiple consolidation scenarios to choose from:

Fully Consolidated	Titl	es I & III	All but AE	All but VR	Four Agencies	Other				
Alaska	California	Missouri	Arizona	Maryland	Alabama	Missouri*				
Arkansas	Connecticut	Montana	Colorado	South Dakota	Georgia	New Hampshire				
Michigan	District of Columbia	Nebraska	Delaware	Tennessee	Illinois	Oregon				
New Jersey	Florida	New York	Louisiana		New Mexico	Vermont				
Texas	Hawaii	North Carolina	Maine		Oklahoma					
	Idaho	North Dakota	Minnesota		Virginia*					
	Indiana	Ohio	Nevada							
	Iowa	Rhode Island	Pennsylvania							
	Kansas	South Carolina	Utah							
	Massachusetts	Washington	Wisconsin							
	Mississippi	West Virginia	Wyoming							
	*Virginia has two VR agencies and Missouri is unique in that Titles I-III are under Higher Education									

The full analysis, including state case studies, links to each states' (and the District of Columbia) workforce configuration profile and links to WIOA states and plan type, is included in the appendix.

#### HIGHLIGHTS FROM STATE INTERVIEWS

Drawing from the configurations that emerged from the NASWA data, interviews were scheduled with state workforce leaders in each category, emphasizing states with somewhat similar demographic profiles to Illinois. Additionally, leaders from states that did not match Illinois' profile were interviewed and shared strategic lessons irrespective of state profile or demographics.

There was far more information than could be included in these short summaries. Depending on the consolidation decision, direct line relationships have been established to get advice from states that have different structures than Illinois.

Each case study shows the workforce configuration; links to the various state agencies; a link to the WIOA state plan 2020-2023; whether that plan is unified or combined. The state case studies are organized around the interview questions. State leaders were asked about their organizational structure, leadership, how services were integrated, and what advice they would share with Illinois.

<sup>&</sup>lt;sup>13</sup> National Association of State Workforce Agencies, State of the Workforce 2019 (link).



#### Recurring themes from the interviews include:

- When focusing on how to improve access, the transformation must make continued service delivery a priority to avoid interrupting services. "Consolidation is disruptive to services and the users suffer the most." Stakeholder buy-in is essential on all levels, including users.
- Understanding the federal requirements and restrictions under WIOA law related to the administration of the program. Avoid
  frustration later by making sure that structural changes are allowed under federal WIOA law and, other acts as amended, before
  proposing them.
- Many states are working to create user-friendly online systems for common intake and access to services. This is an example
  of how the perception of an integrated system is more important than the actual architecture. Virginia is like Illinois with four
  agencies for the WIOA titles but to the average user it seems like one agency, because of their partnerships and investment in
  technology.
- Some states have integrated other partner programs, such as SNAP and TANF, within their workforce agency.
- Focus on developing a strategy for workforce system integration that goes beyond physical colocation.

While these interviews provide informative insights regarding the operations under different structures in peer states, additional analysis is required for an in depth understanding of user experience across the Illinois'WIOA programs, the impact that consolidation would have on employees who are party to collective bargaining agreements, as well as the fiscal impact of consolidation if Illinois were to pursue an alternate structure. Additional evaluation is recommended for non-WIOA funded programs to provide greater systems integration.

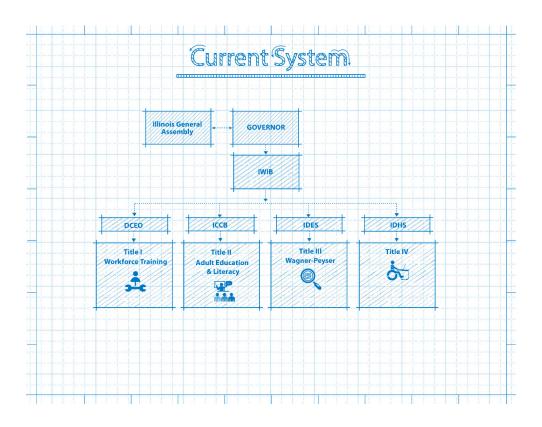
# SCENARIO 1: OPTIMIZING THE CURRENT SYSTEM

The current system is listed as a workforce system choice because of the active system integration efforts at the IWIB and state agency levels. This scenario envisions optimizing the current state by focusing on key areas believed to increase access to job training services for underrepresented job seekers. These optimizations and key areas are lessons learned from the WIOA configuration in Virginia. Despite the WIOA titles being distributed across five state agencies, Virginia has employed innovative solutions to meet the demands of their users.

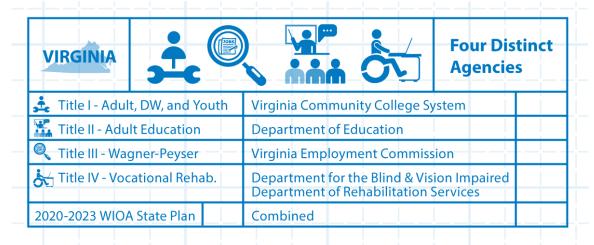
#### **Key Features:**

- Better integration and increased efficiencies on the front end could achieve, in principle, the desired effects of consolidation.
- The current structure is maintained which reduces risk of service interruption.
- The limitations of this scenario are that it only achieves common intake but does not address true service integration of the front-line staff.
- Data sharing will need to be improved to create more comprehensive reports for decision making.





# Case Study: Virginia



Virginia Community College System (link)

Department of Education (link) NASWA Virginia Employment Commission (link)

Department of Aging and Rehabilitative Services (link)

Department for the Blind and Vision Impaired (link) and Department of Rehabilitation Services

Virginia 2020-2023 WIOA State Plan (link)

NASWA 2021 State of the Workforce Report (link)

NASWA 2019 State of the Workforce Report (link)

Virginia's last WIOA-related state agency reorganization took approximately one year beginning in 2007.



#### **Organizational Structure**

The core WIOA partners in Virginia are distributed across five (5) distinct agencies. Title IV funding is divided by function between the Department of Aging and Rehabilitative Services and the Department for the Blind and Vision Impaired. Since both Title IV agencies are standalone providers receiving funds through the same federal award this study classifies Virginia as having four agencies. The Virginia Employment Commission delivers Wagner-Peyser and Unemployment Insurance services. The Department of Education provides Title II and the Virginia Community College System is responsible for Title I services. Virginia operates under a combined state plan with a very robust list of partners participating through other distinct state agencies. The Virginia Board of Workforce Development is led by cabinet-level representation including a Chief Workforce Development Advisor. The Secretaries of Commerce and Trade, Education, Health and Human Resources, and the chancellor of Virginia Community College System serve on the board with state legislators, appointees, and business leaders (link).

#### Leadership

Virginia draws distinct benefit from having cabinet-level and senior leadership required at board meetings because it keeps the decision makers informed. Office administrators and bureau directors serve as staff to the board and facilitate multi-level communication. This has helped to build trust and foster collaboration and has built a solid base for new leaders as administrations and people have changed. With the WIOA partners distributed across so many agencies it is a lesson learned in Virginia to bring the right leaders to the table who can promote collaborative initiatives and execute them. This was part of the rationale in 2007 when (then WIA) Title I was separated from Wagner-Peyser and the Employment Commission and placed into the Community College System. It gave the programs individual voices at the table.

## **Service Integration**

Despite the WIOA partners being spread across multiple agencies, Virginia does have a common intake and referral system where users can access and/or request services online. The Virginia Career Works My Virginia Journey allows users to enter personal, demographic, special status, work history, and other information as well as offering assessments to determine likely services or programs to which the user should be referred. The user can opt in and chooses where to send and share their information. The selected referrals are then routed to the appropriate agency and program for follow up. Virginia purchased this solution using a one-time systems integration grant from the U.S. Department of Labor. Virginia has had marked success with their referral portal and is working on two additional phases that will integrate SNAP and TANF programs, and creating a "data trust" where users and services can be viewed in real time across all agencies. Prior to 2008, Title I and Title III were within the same state agency. In 2007 the agency split to align Title III with Unemployment Insurance and Title I was moved to the Community College System.

#### **Advice to Illinois**

Having the right leadership that is willing to put their agency aside for the greater good and form a clear vision for the path ahead has worked for Virginia and their recent initiatives. Based on the system's capacity for collaboration toward collective improvement, there are no obvious benefits to altering the system structure under separate state agencies.

# **Impacts and Analysis**

#### **Summary of Impacts: Four Distinct Agencies**

These impacts are based upon interviews conducted with state workforce leaders.

#### **Participant Impact/Equitable Access**

Users can take advantage of My Virginia Journey, a common intake portal for all four WIOA titles where they can use or apply for services.

Virginia is in Phase Two of implementing its common intake platform and is including SNAP and TANF. Upcoming Phase Three will create a "data trust" for improved performance tracking and reporting.

#### Cost and/or Savings

Virginia has two Title IV agencies that are independent of other programs and each other. Because of this, Virginia is grouped with the four-agency category.

#### **Organizational Impact**

The Virginia Board of Workforce Development is led by cabinet-level leadership which includes a Chief Workforce Development Advisor who all participate in drafting and executing the state plan.

Virginia's structure and this scenario draw upon the individual expertise within state agencies to accomplish statewide goals.

#### **Personnel and Union Contract Impact**

Needs to be examined more by the state's budget and personnel agencies.

## **Could Federal Funding Be Maximized?**

Possibly, if the My Journey common intake reduces the number of necessary contacts for users and removes the redundancies of duplicated paperwork and applications.

## **Analysis**

Based on Virginia's experience, this is a good time to explore common intake and the streamlining of service delivery and, more importantly, of the user experience. All too often users are burdened with submitting the same information and documentation to receive services in a "next window, please" model. Common intake provides a single entry or "no wrong door" approach regardless of how the state agencies providing those services are organized. A common intake would allow for the existing state agencies to maintain their back-office processes and tools while improving referrals, co-enrollments, and service delivery. If consolidation is determined to be the best path forward, then common intake could be a good first step to improve service integration and could reduce the risk of disruptions during the process.

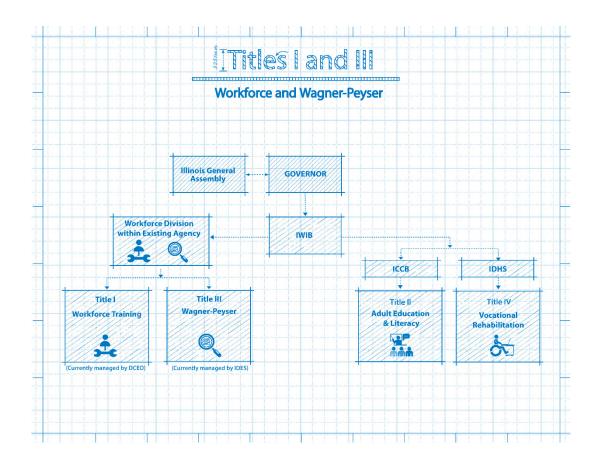


# SCENARIO 2: WORKFORCE TRAINING (TITLE I) AND WAGNER-PEYSER (TITLE III)

Twenty-two (22) states combine Title I and Title III together without Titles II and IV; this configuration is more common than any of the other scenarios. However, counting all the states that have Titles I and III combined, that number grows to 41. Ohio is the case study for this option.

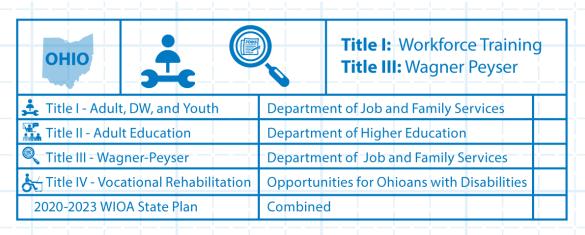
#### **Key Features:**

- The expertise of Title II and IV remains in place.
- Creates a seamless connection through career services, training, employment, and retention.
- Creates new efficiencies through directly connecting Adult, Dislocated Worker, and Youth training to employment services and the labor exchange.
- · Improves program performance by more closely aligning training programs with the trends of the labor exchange.





# Case Study: Ohio



Ohio Department of Job and Family Services (link)
Department of Higher Education (link)
Opportunities for Ohioans with Disabilities (link)
Ohio 2020-2023 WIOA State Plan (link)
NASWA 2021 State of the Workforce Report (link)
NASWA 2019 State of the Workforce Report (link)

Ohio has not had a WIOA-related state agency reorganization since 2000.

#### **Organizational Structure**

The core WIOA partners in Ohio are distributed across three distinct agencies. Titles I and III, SNAP, TANF, TAA, and UI are provided by the Department of Job and Family Services. Title II is housed within the Department of Higher Education, and Title IV is provided by Opportunities for Ohioans with Disabilities. This structure has been in place since 2000 when the Department of Job and Family Services was formed. Ohio operates under a combined state plan with a short list of partners. SNAP and TANF are not included in the combined plan despite being in the same state agency. This is because of the differences in plan requirements among the cognizant federal agencies. However, there is an active push toward integration. The Ohio Governor's Office of Workforce Transformation houses and provides staffing for the Governor's Executive Workforce Board. The Lieutenant Governor serves as the Director and the office facilitates board initiatives with the applicable state agencies, even those whose scope may not traditionally include workforce activities.

#### Leadership

The direct involvement of the Lt. Governor in workforce programs and having the ability to pull resources and solutions from any state agency to meet the Board's initiatives has allowed Ohio to be proactive and agile in making changes. This structure is attributed to the state agencies remaining separate as the WIOA partners work very well together through the state plan. Having WIOA Title I and TANF under one agency has made programs like Ohio's Comprehensive Case Management and Employment Program more effective in a shorter amount of time because the programs already work closely together. State agency leaders are actively working to become "better conveners" and to work with the state's broader stakeholder group of providers to expand partnerships, referrals, and improve service delivery to the hardest to serve populations.



#### **Service Integration**

Ohio does not have a common intake system for WIOA participants, but they use the state's labor exchange in an innovative way to facilitate possible referrals. OhioMeansJobs.com is the state labor exchange that is used to deliver services under Titles I and III. Participants in Titles II and IV must register on the site as part of the eligibility requirements to participate in those programs. Basic and demographic information is collected and used for referrals (when requested) and reporting. The state programs have different case management systems for their respective titles, but the user information is stored centrally in the labor exchange to facilitate contact and referrals.

Ohio is working on "silo breaking" in its physical one-stop locations. Title IV has a dedicated office or place in the larger comprehensive centers, and there is progress toward a virtual presence in the smaller one-stops. The goal is to improve access to Vocational Rehabilitation counselors and services in rural areas. Much of what is being implemented are from lessons learned from pandemic-related remote work.

#### **Advice to Illinois**

Ohio leader's advice to Illinois was that all of these programs serve the same people. There is so much crossover that "our job is to prevent them from getting caught up in the bureaucracy so that they receive the services and tools they need to move on and be successful."

# **Impacts and Analysis**

#### Summary of Impacts: Consolidating Titles I and III

These impacts are based upon interviews conducted with state workforce leaders.

## **Participant Impact/Equitable Access**

Better pairs Workforce Training Services with employment services as Ohio uses the same system to serve users under these titles.

This scenario does not address common intake specifically, but Title II and IV users must register on the above system. Basic demographic information is used for referrals between programs.

#### Cost and/or Savings

Ohio is breaking down silos in its One-Stops to improve service delivery as well as cost sharing.

Ohio is leveraging its organizational structure to provide a virtual presence in rural One-Stops to deliver services across a broader area without staffing each office with specialists.

#### **Organizational Impact**

State agency leaders have become more skilled at convening workforce partners because they have direct access and knowledge of partner programs.

The inclusion of TANF in Ohio has made their innovative youth program possible.

#### **Personnel and Union Contract Impact**

Needs to be examined more by the state's budget and personnel agencies.

## **Could Federal Funding Be Maximized?**

Possibly, if the virtual presence program proves effective and if silo busting leads to improved cost sharing



#### **Analysis**

This scenario would provide the opportunity to assess the differences and similarities in programming and service delivery between the two titles. In March 2019 the GAO issued a report titled *Employment and Training Programs: Department of Labor Should Assess Efforts to Coordinate Services Across Programs* (link). In which fragmentation, overlap, and potential for duplication among federally funded employment and training (E&T) programs were identified. It additionally presented inefficiencies that might result and it further defines the terms:

- Fragmentation refers to circumstances in which more than one agency (or more than one organization within an agency) is involved in the same broad area of need and opportunities exist to improve service delivery.
- Overlap occurs when multiple agencies or programs have similar goals, engage in similar activities or strategies to achieve their goals, or target similar beneficiaries.
- Duplication occurs when two or more agencies or programs are engaged in the same activities or provide the same services to the same beneficiaries.

Additionally, DCEO and IDES received a joint audit finding from a USDOL monitoring performed in July 2018. It found, in part, that "DCEO's WIOA participant case management system, Illinois Workforce Development System (IWDS) is not aligned with IDES' participant tracking system, Illinois Job Link, and neither can share data across other core programs. As a result, participant data sharing amongst core program partners is limited". This finding speaks directly to issues produced due to fragmentation and overlap.

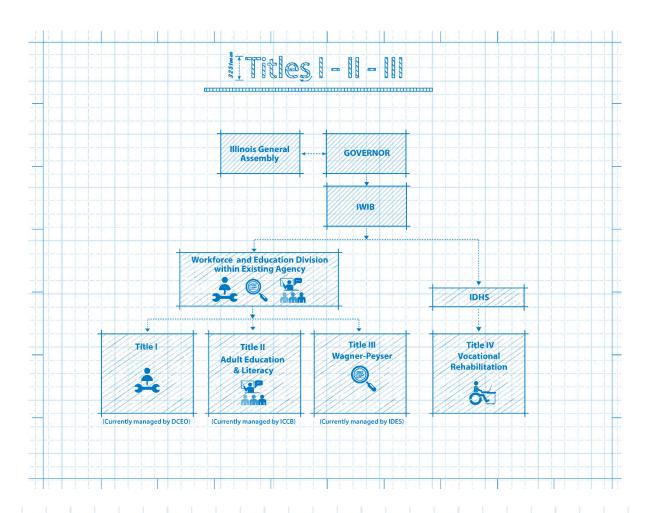
To date, twenty-two (22) states have Titles I and III within the same agency, and another 19 states have Titles I and III combined with one or more of the other titles. In total, 41 states have Titles I and III within a single state agency, making this the most common scenario nationwide. There are nuances and additional WIOA, other federal, and state programs that are mixed in that make each solution as unique as the states themselves. Illinois may benefit from further analysis of fragmentation and overlap to streamline service delivery with or without consolidation. It is important to note that this scenario is not a simple combining of the two WIOA programs and it would require changes to AFSCME contracts, fiscal streams, back-office utilities, and operations.

# SCENARIO 3: TITLES I, II, AND III (ALL EXCEPT TITLE IV: VOCATIONAL REHABILITATION)

This scenario pairs Title I – workforce development, with Title II –adult education and literacy, and Title III – Wagner-Peyser employment services and labor exchange. There are only three (3) states whose workforce systems operate this way. Maryland and Tennessee are the examples. Missouri is considered one of the other combinations, however it is worth mentioning that through executive order Missouri created a new state agency last year, combining the state's higher education office with the workforce development state agency.

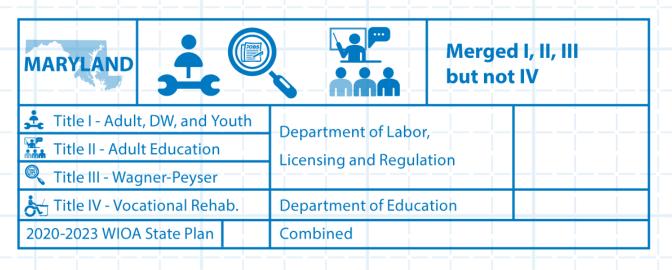
## **Key Features:**

- Expertise of Vocational Rehabilitation remains in place and not consolidated.
- Creates efficiencies through direct pairing of training services, the labor exchange, and employment services.
- Facilitates program accountability.
- Most data are shared in-house.
- Could have the gravity to pull in partner programs, e.g., UI, DVETS, SNAP E&T.
- Alignment with current partner services could be affected.
- Greater risk of service disruptions.





# Case Study: Maryland



Maryland Department of Labor, Licensing, and Regulation (link)
Maryland Department of Education (link)
Maryland 2020-2023 WIOA State Plan (link)
NASWA 2021 State of the Workforce Report (link)
NASWA 2019 State of the Workforce Report (link)

In January, 2008 a bill was introduced in the Maryland legislature to move the (then WIA) Title II agency into the Title I agency. There was no feasibility study performed and public input came during the legislative process. Many stakeholders commented and the bill changed from an immediate merger to forming a task force that would guide the process over 15 months. Work groups within the task force were assigned to specific areas of the transition and each held open meetings with stakeholders.

# **Organizational Structure**

The core WIOA partners in Maryland are distributed across two state agencies in a semi-consolidated model. The Department of Labor, Licensing, and Regulation (DLLR) is responsible for WIOA Titles I, II, and III, and the Department of Education is responsible for Title IV. Maryland operates under a combined state plan with a robust list of required and optional partners signing on as active participants. There are 12 local workforce innovation areas operating under the direction of the Governor's Workforce Development Board which acts as the governor's chief policy-making body for workforce development. Titles I and III share a software platform, but the state does not have a common intake process and users must provide their personal information for each program or service. Not all services are physically co-located, but there are active efforts to house services in the one-stops as opportunities arise.

#### Leadership

Leadership within DLLR states that they feel that they had a head start with WIOA and integrating services. The former agency director, Tom Perez, subsequently served as Secretary of Labor for the Obama Administration and was responsible for the implementation of WIOA. Many of the Secretary's WIOA initiatives got their start in Maryland and he had begun work to consolidate Adult Education within his workforce agency, a change that was finalized shortly before WIOA was enacted in 2014. It took a fair amount of "pollical mojo" and a new governor's directive to compel all responsible and cognizant agencies to participate, but a monthly WIOA Alignment Committee was formed to focus on service delivery issues. This committee has a direct line of communication to the Workforce Policy Director in the Governor's Office. The committee focuses the efforts and resources of the different agencies on a shared client model that addresses all barriers to employment.



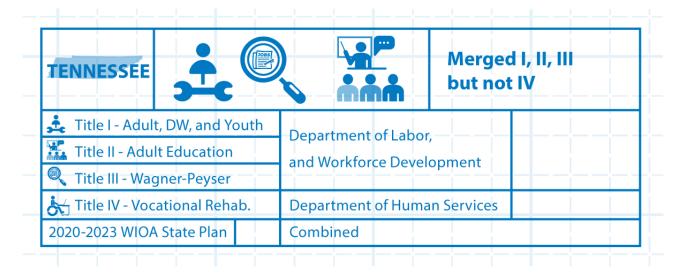
## **Service Integration**

The leadership of DLLR speaks highly of the monthly meetings and the tangible results achieved by the different agencies. While the current service integration focus is on TANF, the SNAP discussion is on the horizon. DLLR states that their partners in the Department of Health and Human Services are "connected at the hip" because the committee has been intentional about who is brought to the table. Senior leadership is present at every monthly meeting; there is no proxy representation. Because top-level decision-makers are present, Maryland was able to build strong partnerships and dismantle "social service fiefdoms" that caused customers to bounce between state agencies, programs, and physical offices. The committee has taken measurable steps toward achieving its Five Shared Goals that will increase the earning capacity of their customers. Through the DLLR, the committee has hired a Chief Learning Officer responsible for the shared professional development needs of all partners. The committee has also launched an online learning management system to deliver the shared professional development content to all partners. The committee has started a deep analysis of their customer demographic data to identify who they serve and if they are closing the gaps to underserved populations.

## **Advice to Illinois**

Maryland response was unanimous: "do not focus on agencies, focus on what you want to accomplish." Local buy-in was also cited as a top priority for any programmatic or structural changes as the local boards will be the face of any changes in service delivery.

# Case Study: Tennessee



Tennessee Department of Labor and Workforce Development (link)
Tennessee Department of Human Services (link)
Tennessee 2020-2023 WIOA State Plan (link)
NASWA 2021 State of the Workforce Report (link)
NASWA 2019 State of the Workforce Report (link)

Tennessee's last WIOA-related state agency reorganization timeframe has been requested.



#### **Organizational Structure**

The core WIOA partners in Tennessee are housed within two state agencies. The Department of Labor and Workforce Development is responsible for Titles I, II, III, and Unemployment Insurance, while the Department of Human Services provides Title IV services. Tennessee operates under a combined state plan with a very robust list of partners participating through other distinct state agencies. The Tennessee State Workforce Development Board (<u>link</u>) has commissioners representing the Departments of Economic and Community Development, Education, Human Services, and Labor and Workforce Development.

#### Leadership

By having the commissioners (state directors) involved directly with the board and making inter-agency decisions as a group, TN has moved on to phenomenal partnerships, graduating from simply feigning collaboration between silo walls to actually sharing responsibility. This culture change that has been built will outlast their tenure. When drafting the last state plan, Tennessee's leadership never questioned the inclusion of SNAP and TANF. These programs are seen as core services in Tennessee and the SNAP Employment and Training program has been included in the statewide workforce services platform. There is no direct interface with TANF, but they are included in every conversation. In the case of TANF it seems that the programs are finally getting aligned, but "now the tech[nology] isn't ready."

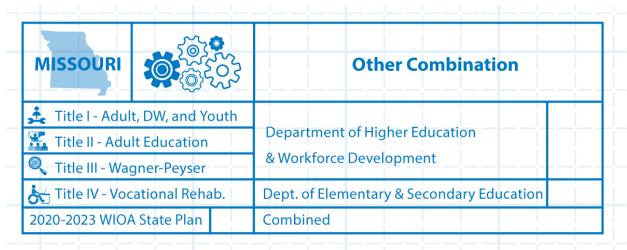
# **Service Integration**

The State of Tennessee provides users with Jobs4TN, a common system that gives access to services under Titles I, II, and III as well as Unemployment Insurance and SNAP Employment and Training. Title IV users are served through Vocational Rehabilitation's independent system. The Jobs4TN system took years of collaboration, between internal and external partners, focused on checking alignment, reducing repetition, and "understanding the difference between being busy and being impactful." Tennessee's forward thinking and practice of "knowing where to disrupt workforce" has led to truly innovative service deliveries. This is demonstrated by the state helping jobseekers complete their degrees by leveraging the power apprenticeship programs and using labor market information to create a teacher's apprenticeship to fill the need for educators in rural parts of the state. Tennessee has also included Veteran's Employment and Training into their business outreach activities to reduce the number of contacts and confusion that employers experience when engaging in workforce activities. This approach has received positive feedback from the different stakeholders.

#### **Advice to Illinois**

"Be cautious and deliberate. Consolidation is disruptive to services and the users suffer the most." It is recommended that Illinois evaluate what can be accomplished before such a disruption is undertaken. The customer only cares about access and services, not the infrastructure. It is up to government to ensure delivery.

# Case Study: Missouri



Department of Higher Education & Workforce Development (link)

Department of Elementary & Secondary Education (link)

Missouri 2020-2023 WIOA State Plan (link)

NASWA 2021 State of the Workforce Report (link)

NASWA 2021 State of the Workforce Report (link) \*structure was changed late in 2019

Missouri's last WIOA-related <u>state agency reorganization</u> took approximately two years, including their feasibility study and analysis. In this process Missouri held town halls and discussions with over 3,000 people to help inform the design of the new organizational structure.

#### **Organizational Structure**

The core WIOA partners in Missouri are housed within two different agencies. Titles I, II, and III are provided by the Department of Higher Education & Workforce Development. Title IV is housed within the Department of Elementary and Secondary Education. Missouri operates under a combined state plan with a robust list of partners. The Department of Higher Education and Workforce Development is a new entity having been formed from multiple agencies and programs by executive order in 2019 following a feasibility study and service delivery analysis published in 2018. The State Workforce Development Board is attached to the Department of Economic Development and provides policy guidance and recommendations to the Governor, appropriate Chief Elected Officials, local Workforce Development Boards, service providers, the General Assembly and the general public with respect to ways to improve the effectiveness of workforce programs or services.

#### Leadership

The decision to consolidate and reorganize state agencies was a direct result of a feasibility study conducted in 2018 to evaluate deficits in service delivery. This was the first major reorganization of state agencies in Missouri since 1976. This new agency arrangement has the Commissioner of Higher Education and the Director of Workforce Development working hand-in-hand on ongoing service delivery and organizational integration initiatives. Leaders from the SNAP and TANF programs are included in decision-making and communications. It is common for leadership from any collocated service to visit the local job centers to work with employees to ease the growing pains of the transition. Another consolidation within Missouri's state agency structure may impact WIOA programs and how services are routed. In January of 2021, in an effort to streamline and increase effectiveness in early childhood programs, the childhood programs housed within the Departments of Elementary and Secondary Education, Health and Senior Services, and Social Services were combined into the new Office of Childhood.



# **Service Integration**

WIOA partners in Missouri share data to the best of their abilities. Due to privacy and security concerns data sharing presents challenges that cannot be completely overcome without a singular system. Some data is shared across the same platform, or by using transfer interfaces, or by sending a file to be uploaded. Participant contact data is shared across systems to track co-enrollments or for use in a referral for services. A pilot program is in effect in three local areas where job center staff are placing phone calls to offer assistance to new unemployment insurance claimants. Colocation initially sparked fears among staff regarding program reporting and compliance. Employees have been combined but continue to use legacy processes and systems which creates growing pains. Leadership has been present in the job centers and has communicated changes openly and clearly to integrate staff and support shifts in operations. The colocation of partners has shown immediate benefit to program participants as it decreases the amount of time and travel necessary to obtain services.

#### **Advice to Illinois**

Missouri leaders shared their consolidation advice that providing leadership to communicate openly is essential. That leadership and communication helps build a culture of trust and presence in the job centers to manage fears and expectations on the front line. This recommendation comes from the fear in Missouri among employees who felt that the consolidation was an attempt to simply combine and absorb rather than it being an opportunity to increase service impacts by collocating.

# **Impacts and Analysis**

#### Summary of Impacts: Consolidating Titles I, II, and III

These impacts are based upon interviews conducted with state workforce leaders.

## **Participant Impact/Equitable Access**

Tennessee has worked to reduce redundancy for all users. The Jobs4TN network facilitates users signing up for multiple services and business outreach has streamlined its activities to reduce confusion from too many employer contacts from varying programs.

TANF partnerships and integrations in Maryland and Tennessee have improved service delivery by creating better access to supportive services.

#### **Cost and/or Savings**

Maryland has hired a Chief Learning Officer for the shared professional development needs of all WIOA partners, distributing the costs of required and ongoing training.

Missouri has consolidated workforce programs and child development programs in recent years to improve service delivery and control costs.

#### **Organizational Impact**

In Missouri, having these partners under one roof has allowed for innovative pilot projects like using daily unemployment claims to call claimants to offer targeted job search help in three key service areas.

Tennessee has used its WIOA structure and state funds to create new apprenticeship programs.

Maryland is leveraging the data they can collect as a single agency to analyze who they serve and to identify gaps to underserved populations.

#### **Personnel and Union Contract Impact**

Needs to be examined more by the state's budget and personnel agencies.

ICCB employees are under the University Civil Service and participate in the State University Retirement System (SURS).

# **Could Federal Funding Be Maximized?**

Each of the states spoke of efficiencies gained in service delivery through streamlining staff, services, and technology. So, it is reasonable to assume that funding is being maximized, but no figures were given.

#### **Analysis**

Adult Education has a separate, but similar, expertise requirement in that instructors must be qualified to teach adult basic education, adult secondary education (e.g., High School Equivalency / GED preparation), and / or English Language Acquisition). Typical qualifications include a bachelor's degree, a teaching certificate, or a state license. In some community college settings, a master's degree may be required. Like VR counselors, adult education instructors have specific training and professional development requirements to maintain their credentials. This is an expertise that must be maintained both programmatically and for the good of those being served. While some of this training is focused on workforce related topics, most is curricular in nature. Across the community college districts in the state that receive adult education support from the ICCB, the workforce focus is squarely centered on transitioning these students to certificate and degree programs, often with WIOA Title I support. Service delivery beyond instruction, connects students with workforce services.

The Adult Education Advisory Council would need to be a decision-maker at the table for any discussion involving consolidation. By statute, this advisory council helps to lead the development of the adult education field. In addition, Adult Education is an integral part of the local communities it serves and has a large and invested network of providers and advocates, whose support is critical to the success of any effort. For Title II to continue to be successful and the expertise to deliver adult education maintained, a focus on curricular (i.e., teacher) training must remain at the core of the program. There are specific synergies that could be leveraged by ensuring that all Title II participants utilize the labor exchange provided by Title III and are co-enrolled in services provided by Title I, both practices which could be improved across any of the consolidation scenarios. Currently case managers under Title I work with adult educators to reduce or alleviate the costs of high school equivalencies, education materials, and training. The case management model could be streamlined across any of the consolidation scenarios.

Title II programs can impact the long-term success of Title I participants through combined funding and ensuring the at career pathways result in careers. The shared outcomes of Title I and II measure employment and education two and four quarters after exiting the programs, and track credential attainment and quarterly wage earnings. These WIOA titles share an accountability that could benefit from increased partnership, consolidation or not.

While not systemwide, coordination and alignment exist between Title I and II at the state and local levels. LWIAs 18 and 23 are both situated at community colleges (the One-Stops in those areas are not at the colleges). And three LWIAs have AJCs located at community colleges: LWIA7 - South Suburban; LWIA11 - Kankakee; LWIA26 – Southeastern. Relatedly, multiple community colleges are also Title I workforce training providers.

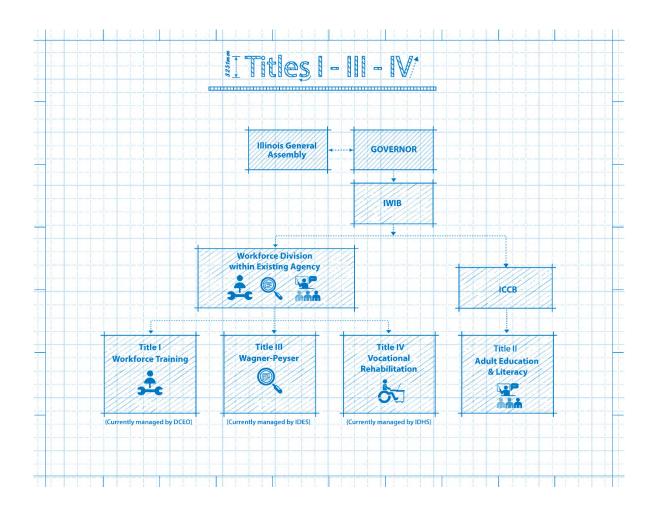
A deeper analysis might look at how these arrangements work and whether they could be replicated in other LWIAs.

# Scenario 4: Titles I, III, and IV (All Except Title II: Adult Education and Literacy)

This scenario pairs Title I, Title III, and Title IV together and leaves Title II, adult education and literacy, separate. There are eleven (11) other states that operate under this framework; Colorado is the case study for this scenario. In step with this scenario, Illinois has used a Vocational Rehabilitation assessment approach to improve service integration at the front line by better informing and directing training services and referrals.

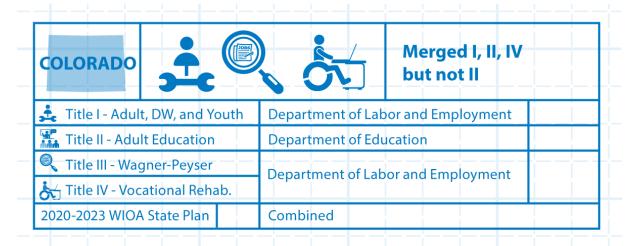
## **Key Features:**

- Creates efficiencies through directly connecting adult, dislocated worker, youth, and people with disabilities to training services, rehabilitation services, the labor exchange, and employment services.
- Facilitates disability inclusion and priority of service to this population as required by Titles I and III.
- Keeps adult education connected to community college education and workforce programming, including career and technical training programs through its secondary and post-secondary partners.





# Case Study: Colorado



Colorado Department of Labor and Employment (link)
Colorado Department of Education (link)
Colorado 2020-2023 WIOA State Plan (link)
NASWA 2021 State of the Workforce Report (link)
NASWA 2019 State of the Workforce Report (link)

Colorado's last WIOA-related state agency reorganization took approximately two years. In this process, Colorado held 10 in person meetings across the state with 200 participants.

## **Organizational Structure**

The core WIOA partners in Colorado are housed within two state agencies. The Department of Labor and Employment is responsible for Titles I, III, IV, and Unemployment Insurance, while the Department of Education provides Title II services. This structure has been in place since July 2016, and the process to merge Vocational Rehabilitation took just over one year. Colorado operates under a combined state plan with a very robust list of partners participating through other distinct state agencies. The Colorado Workforce Development Council (link) acts on behalf of the Governor and the Colorado legislature on policy matters related to, and funded by, WIOA. Additionally, under state statute and executive order, the Council is charged with aligning the efforts of government and business stakeholders at the local, regional, and state levels. The Council is advised by the Governors Workforce and Education Cabinet (link), a coalition of state agencies and their local system partners who collaborate to align the work of economic development, workforce development, education, and training with the strategic goals of the council.

## Leadership

Placing workforce leaders who are fully immersed in Colorado's workforce system on the Workforce and Education Cabinet provides real-time direct input to the decision-makers in the Council. This structure has produced an effective and comprehensive dual entity that is held accountable for reaching state goals. While not specifically listed in the current or prior Colorado WIOA state plans, the Career and Technical Education program has had direct input into drafting those plans and is an active participant with the council and cabinet. Misalignment of goals and timelines at the federal level have prevented inclusion into the WIOA plan as a formal partner. Leadership has been empowered by the governor to make Colorado successful through a focus on services to individuals and businesses with employment outcomes. Each agency involved is accountable for meeting all the goals set forth and must align their mission with the overall goals set by the council.



#### **Service Integration**

During the last 12 years, Colorado has twice evaluated consolidating WIA/WIOA responsible state agencies. Title II, Adult Education, was housed in the Library System of the Department of Education and had no interaction with the other WIA/WIOA partner agencies. Initially there was talk of bringing Title II into the Department of Labor and Employment, but through relationship building and advocacy for keeping Title II where there is expertise in education and access to supportive programs the decision was made to leave Title II in the agency. However, Title II was elevated internally on the organizational chart where the program director reported directly to the Commissioner of Education, and each serving on the council and cabinet, respectively.

Title IV, Vocational Rehabilitation, was housed within the Department of Human Services until shortly after WIOA was enacted. The governor made operational changes to bring the program into the Department of Labor and Employment with the stated reason for change being that Vocational Rehabilitation clients would get better access to services. This change was not "simply shuffling chairs" and was not done quickly. Vocational Rehabilitation was a state program, and the job centers were run by the individual counties. The Workforce Development Council worked earnestly with the State Rehabilitation Council to make a "slow and purposeful change" that included a year of stakeholder meetings and needs assessments, and then a year making the actual transition. The move alone did not fix anything, but the two years invested in stakeholder buy-in and purposeful change created good will and promoted collaboration.

#### **Advice to Illinois**

Advice could be summed up in one word: leadership. "No matter which direction Illinois chooses to explore the state needs to have a person or entity charged with the authority to align programs and state agencies to the goals set forth by the IWIB." It may benefit Illinois to examine the creation of an executive or managing director accountable to the board for statewide coordination of resources and programs. Colorado and Ohio have similar structures.

# **Impacts and Analysis**

## Summary of Impacts: Consolidating Titles I, III, and IV

These impacts are based upon interviews conducted with state workforce leaders.

#### **Participant Impact/Equitable Access**

The consolidation with Vocational Rehabilitation in Colorado was slow and deliberate due to Titles I and III being county/LWIA level programs and Vocational Rehabilitation being a statewide program.

Users can access more services at the county operated One-Stops.

#### Cost and/or Savings

Costs associated with co-locating Vocational Rehabilitation.

No known savings from combining personnel or administrative roles.

#### **Organizational Impact**

Vocational Rehabilitation is more advocacy oriented than the other titles and has its own ecosystem with a Rehabilitation Council, advocacy groups, skilled providers, and certified professionals working on behalf of the users and the program. Colorado and Texas were very deliberate about consolidating Vocational Rehabilitation and made use of convenings and town halls to create buy-in and to move forward.

#### **Personnel and Union Contract Impact**

Needs to be examined more thoroughly by the state's budget and personnel agencies.

Vocational Rehabilitation counselors require a high-level of education and professional certification.

Because of the nature of Vocational Rehabilitation services (non-delegable duties), counselors and staff are limited in other duties that can be assigned.

#### **Could Federal Funding Be Maximized?**

Colorado's workforce leaders have a sub-cabinet that, in part, creates strategies to streamline spending.

Applying for federal competitive funds is facilitated by having more partners under the same umbrella.

## **Analysis**

Moving a state's Vocational Rehabilitation program requires that specific criteria within WIOA, and more particularly the Rehabilitation Act, are met and adhered to. This makes the task of moving VR appear to be prohibitive, but the same requirements remain if the other titles are brought into the VR agency. These criteria, as cited in the overview, have been met in other states where the need overcame the difficulty.

The State Rehabilitation Council would need to be a decision-maker at the table for any discussion involving consolidation. The council would also need to be positioned as a peer or partner to the IWIB and other workforce leadership bodies. VR has a large and invested network of providers and disability advocates and their buy-in to any changes is critical to success. CO and TX took extra steps and extra care to involve the various VR supports in long-term change management conversations that have produced a smoother transition.

Vocational Rehabilitation Counselors are highly educated and highly trained specialists who are licensed to perform their duties. This is an expertise that must be maintained both programmatically and for the good of those being served. This expertise is easier to share and build collaborations upon when the VR program and the other titles have open access to each other. Vocational



Rehabilitation counselors are also barred, by the Rehabilitation Act, from engaging in work that is not specifically related to rehabilitation. Whether through consolidation or improved connections the inclusion of additional disability services across all titles will increase the service levels and impact on those being served.

The exclusion of Title II in this consolidation scenario means that leveling up the basic skills of workers and innovating career pathways will move forward as a partnership. Many Title I participants are co-enrolled in Title II programs as part of their IEP, so the relationships and service delivery will still be impactful.

# SCENARIO 5: FULLY CONSOLIDATED INTO SINGLE WORKFORCE AGENCY OR DIVISION

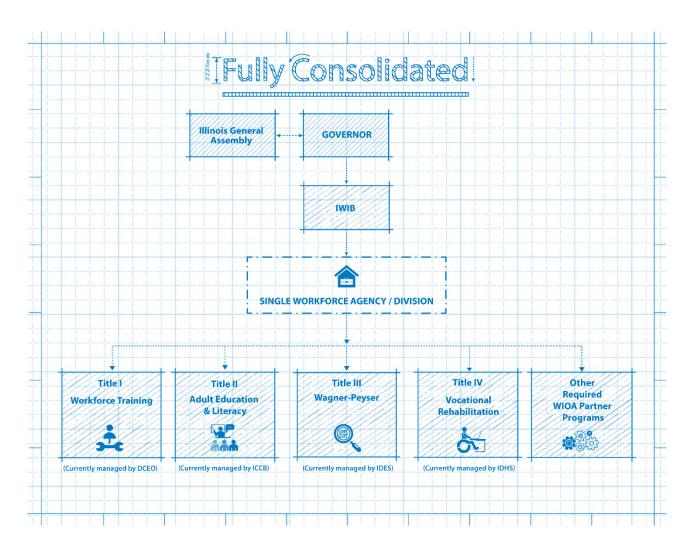
This scenario would consolidate of all workforce development programs funded by the federal Workforce Innovation and Opportunity Act (WIOA) and conducted by the State of Illinois into one single agency. There are five states with fully consolidated WIOA workforce agencies. The two state case studies of fully consolidated state workforce agencies are Michigan and Texas.

#### **Key Features:**

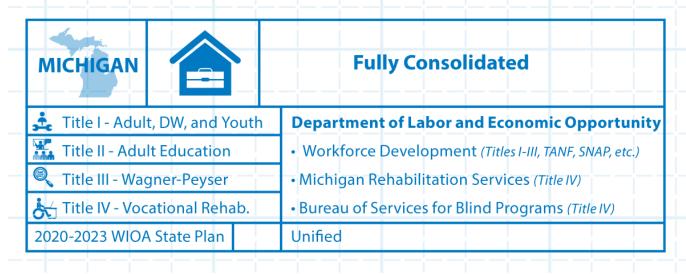
- Places all core WIOA programs under one umbrella agency and creates a singular and unified chain of command.
- Could improve navigability and access to appropriate workforce programs, regardless of entry poiCould make the workforce system feel seamless to participants and business. It could lead to better overall workforce system management. It might streamline how the system interacts with the Governor's Office and General Assembly.
- Facilitates program accountability.
- Could move toward a combined state plan.

One of the comments that echoed through the interviews with workforce leaders in other states, including Michigan was not to move programs for the sake of moving them. Michigan also remarked that it is important to first agree on the system's definition of success. This scenario would require one of the four state agencies to assume responsibility for the administration of the other three titles, or to establish a new agency with potentially new leadership.





# Case Study: Michigan





Michigan Department of Labor and Economic Opportunity (<u>link</u>) Michigan 2020-2023 WIOA State Plan: (<u>link</u>) NASWA 2021 State of the Workforce Report (<u>link</u>) NASWA 2019 State of the Workforce Report (<u>link</u>)

#### **Organizational Structure**

The four core WIOA partners in Michigan are consolidated into a single state agency. The Department of Labor and Economic Opportunity (LEO) is a large, overarching state entity that has divided the service delivery of WIOA programs into smaller subagencies. Michigan operates under a unified state plan as all core partners, and most other partners, are under the overarching state agency. Adult Education and Literacy (Title II) has been in LEO for 20 years and Vocational Rehabilitation (Title IV) for three years. Michigan's last WIOA-related state agency reorganization took over one year.

The Michigan Workforce Development Board (link) is an advisory board within the Department and is charged, by executive order, with continuous improvement and innovation inside of the four-year span between state plan drafts. This makes the state plan a "living plan" and eases course corrections and functional changes. The Michigan legislature aligns around workforce and LEO leaders emphasize keeping legislators informed. Michigan invests \$43 million of state resources into the state's industry engagement initiative, ProTalent.

## Leadership

Michigan's leadership stated that the state's structuring of WIOA services and partner programs within a single agency has specific advantages for executing service delivery and promoting alignment. However, Michigan does not tie its successes to consolidation alone. Department leadership has a working and inclusive relationship with Michigan legislators; lawmakers know who they are and what they are working on. Educating and informing legislators has led to an alignment with workforce programs and an understanding that workforce development is economic development. Many of Michigan's innovative and impactful programs are funded by the state and the federal WIOA funding has been secondary. In Michigan, education is considered part of the workforce path and training programs are better aligned with WIOA outcomes because Perkins post-secondary funds are also administered by the department.

#### Service Integration

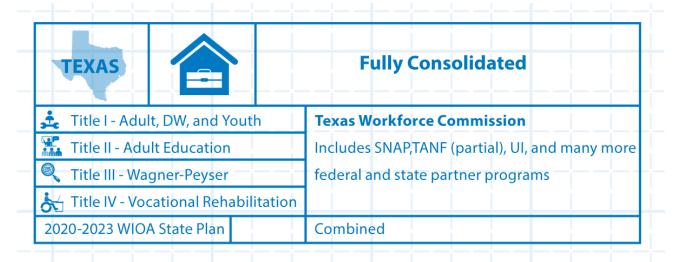
Michigan has a distinct advantage as its organizational structure allows the agency to write inclusive and comprehensive grant proposals that deliver coordinated and maximum impact. When all stakeholder programs are in the same agency, it is easier to create policy and respond quickly to shifts in the workforce. Michigan uses many in-house systems to deliver services and a separate, commercial system for Vocational Rehabilitation. The in-house systems are integrated or connected and provide the ability to share information across the service platforms. Michigan has taken deliberate efforts to brand each of its workforce initiatives to provide multiple welcome mats for jobseekers and employers.

#### **Advice to Illinois**

"Moving things for the sake of moving is not a strategy." Michigan shared that their decisions have been predicated on agreement about what success looks like and how to get there. Only after everyone agrees on what success looks like can structural changes then can be examined. Education is considered an essential part of workforce path; and workforce development is seen as economic development. Michigan sees business partners as crucial to success and engagement with them is a high priority. Michigan leadership shared lessons learned from consolidating Vocational Rehabilitation three years prior that could be tapped when needed.



# Case Study: Texas



Texas Workforce Commission (link)
Includes SNAP, TANF (partial), UI, and many more federal and state partner programs.
Texas 2020-2023 WIOA State Plan (link)
NASWA 2021 State of the Workforce Report (link)
NASWA 2019 State of Workforce Report (link)

Texas' last WIOA-related state agency reorganization took over one year and included town halls and regional meetings with stakeholders. In interviews, leadership stated that taking another year to implement would have provided additional time to better integrate the operating cultures and would have been beneficial to the programs.

## **Organizational Structure**

The <u>Texas Workforce Commission</u> is one of the most comprehensive WIOA service providing entities in existence. It houses all four of the core WIOA partners and many of the required and additional partners. Texas operates under a combined state plan with a single partner. Other partners were considered and encouraged to join, but misalignment of plans and outcomes at the federal level impeded the progress of those partnerships. The <u>Texas Workforce Commission</u> assumed its current form in 2016 when, along with adopting WIOA, the Commission integrated Vocational Rehabilitation. Consolidating Vocational Rehabilitation was a year-long project starting in 2015. The Commission is comprised of three commissioners appointed by the Governor, one each representing employers, labor, and the public. Day-to-day operations are administered by the Executive Director to operate an integrated workforce system that oversees eight agencies providing support to the 28 local workforce boards.

## Leadership

The decision to consolidate Vocational Rehabilitation into the Commission was driven by a need to provide comprehensive services and to reduce the costs of administrative burden. This move would bring an additional 1800 employees to the Commissions headcount of over 3200 and combine many administrative functions. Because of Vocational Rehabilitation's requirements of confidentiality and having their own advisory board, there were concerns about the consolidation and continuity of service. The Commission has been praised by disability advocates for a "phenomenal job" by procuring and installing basic disability tools and resources in the one-stop job centers and for creating a baseline standard for accessibility in all centers.



The agencies within the Commission have benefitted from the Commission working for stakeholder support at both the state and local levels. The Commission also provides funding and aggressive marketing for services and programs that clearly conveys what the Texas Workforce system can provide to users. The Commission is unique in that it has a Division of Operational Insight which is tasked with being a central hub that interacts with all programs and stakeholders to engage in continuous improvement and business transformation through data driven decision making.

# **Service Integration**

Texas does not have a common intake system for participants despite being consolidated. Currently, there is a single sign-on architecture shared between Titles I and III, and UI. The labor exchange uses social security numbers to match records and prevent duplicates, and the information is placed in a data warehouse for referrals. All systems are on a five-year roadmap to be replaced and a few requests for procurement have already been released. The intended outcome of this roadmap is consistency in service coordination, and better access and referrals.

The commission requires the colocation of services within the local job centers. This is to better serve participants through a local hub and to provide consistency for Texans who may relocate within the state while still requiring services. Local boards are encouraged to incorporate local stakeholders providing localized services.

#### **Advice to Illinois**

"Colocation is not integration." The programs and services are provided by people and that those employees are not the problem. Misunderstanding the cultural challenge of "coming together" disrupts service delivery and can cause key employees to be lost in the change, opting for retirement or another opportunity rather than investing in the new structure. One Texas leader remarked that if they could do it over again, they would have asked for an additional year to make the transition with Vocational Rehabilitation. This additional year would have been used specifically to implement a cultural acclimation plan aimed at reducing or preventing negative employee turnover and creating a clear cultural vision.

# **Impacts and Analysis**

#### Summary of Impacts: Fully Consolidated

These impacts are based upon interviews conducted with state workforce leaders.

#### **Participant Impact/Equitable Access**

Michigan: Deliberate efforts to brand each workforce initiative to create multiple welcome mats. Titles I, II, and III are integrated for intake while Title IV uses a separate system.

Texas: Does not have a common intake, but does require physical co-location in the One-Stops for all required partners.

There is a significant risk of service disruptions during re-organization.

## **Cost and/or Savings**

Costs for co-locating with Vocational Rehabilitation go beyond ADA compliance. Texas spent additional funds to install basic disability tools and resources in the One-Stops.

Minimal savings from personnel and administration. Texas moved 1,800 employees into the Texas Workforce Commission when Vocational Rehabilitation was consolidated and combined many administrative functions, but still needed the employees to perform those functions.

#### **Organizational Impact**

Management needs to ensure that a re-organization of this magnitude results in better access and service delivery.

Danger of weakening or 'watering' down high levels of expertise was a fear during Texas' consolidation with Vocational Rehabilitation.



#### **Personnel and Union Contract Impact**

No stated union factors or impacts from either state.

Needs to be examined by the state's budget and personnel agencies.

#### **Could Federal Funding Be Maximized?**

Writing for federal proposals is easier under one workforce agency and Michigan remarked that policy creation is also streamlined.

Texas has a Division of Operational Insight which engages the WIOA programs in constant improvement processes aimed at stretching federal and state funds.

## **Analysis**

Key considerations for this consolidation scenario are:

Agency mission and program alignment – Different agencies have different missions and priorities. Furthermore, different WIOA programs have different aims and reporting requirements. Changing the agency housing a program can alter how different populations and services are prioritized within that program. It is feasible that other federal or state programs outside of WIOA could be included in a consolidation given the requisite mission and service alignments are met.

Impact on clients that may require specialized programming – Some of the programs provided are for specific populations that want to be able to participate in a separate, specialized program that meets other specialized needs, e.g., disabled individuals in Vocational Rehabilitation (DHS), and seniors in the Senior Community Services Employment Program (Aging).

Program oversight and grant management – Workforce agencies have established systems that allow them to handle large amounts of grants and reporting that is particular to federal funding requirements. It would take at least a year to re-establish those systems, if not more, and the state would face significant audit risk during that time. Each cognizant federal agency has its own requirements for reporting and the bureaus and offices responsible for the WIOA programs also have requirements. Creating alignment across programs for reporting purposes is not a state-level challenge alone.

Contracts with third parties vs. State staff – IDES and DHS execute their workforce programs through unionized staff, while other workforce agencies execute them through contracts and grants with third parties. Efforts to consolidate programs without disrupting those arrangements would leave a similarly disjointed system, even if it ends up within the same agency.

Administrative budget impact – Federal workforce grants come with funds to cover indirect costs. If programs were removed from any agency, the agency would have to proportionally downsize its legal, directors' office, policy, fiscal, IT, and other bureaus.

Federal grant impact – In addition to administrative budget impacts, during a period of transition, it is possible that the state's WIOA funding would be at risk– unless the state can demonstrate that it has the oversight and staffing in place to properly administer the funds.



# CONSIDERATIONS FOR EACH PROGRAM, REGARDLESS OF SCENARIO

The federal WIOA programs include funding set aside for the administration of the programs. Each state agency relies on those funds as a significant source of support for the overall management of the agency. Moving WIOA programs will have an impact that varies in significance from agency to agency.

Additionally, some services and programs are funded by WIOA and other federal and state resources and some agencies administer related workforce programming that is separate altogether from WIOA funding and administrative oversight. Finally, Illinois will need to address current AFSCME contracts and agreements to move certain program staff.

The following information is a description of Illinois' WIOA programs and the agencies where they are housed, including potential impacts of a consolidation.

#### **Title I Workforce Training**

WIOA's emphasis on workforce development being responsive to business needs was the impetus for placing Title I programs in DCEO, where it is co-located with the state's business development activities. Title I requires the states to provide job training to unemployed and underemployed individuals, and the training required to secure gainful employment is dictated by the employers and industries hiring workers. WIOA is designed to be a demand-driven workforce development system and many states, including Illinois, have found success pairing Title I services with the economic development agency because of the natural partnership of providing skilled labor for in-demand occupations. Employer and industry feedback obtained through DCEO's relationships and activities with local, regional, and statewide economic development organizations give DCEO the ability to direct and target training programs that will culminate in long-term, sustainable employment for users. *Moving Title I out of DCEO de-couples the workforce development activities from ensuring that businesses have access to a skilled workforce. Additionally, de-coupling could potentially impact users co-enrolled in trade adjustment assistance and dislocated worker training.* 

#### **Title II Adult Education and Literacy**

Title II services are focused on providing education to those that have less than a high school education, learning the English language, or need basic skills training to be successful in further education, training, and employment. Intuitively, administering an education program is most closely aligned with an agency whose sole focus is on education. Title II service providers are required to have and maintain credentials that qualify them as educators and qualified teachers are found more easily in educational institutions. There is often crossover and co-serving of clients between Titles I and II as many adult, dislocated worker, and youth participants require basic skills, English language, and high school equivalency training to complete their individual employment plan. Multiple community colleges and other adult education providers are also eligible training providers for Title I. Additionally, many participants in Title II services also participate in community college career and technical education (CTE) programs in the implementation of bridge programs and integrated education and training programs. There is a natural relationship between adult education and the progression to career training and often users can be co-enrolled and make progress toward work readiness much faster and with a sustainable outcome like improved wage-earning capacity. *Moving Title II out of ICCB moves it away from the agency that administers CTE programs. ICCB institutions – the community colleges – are the most significant delivery organizations for Title II services.* 

#### **Title III Wagner-Peyser Employment Services**

WIOA Title III further amends the Wagner-Peyser Act of 1933 and makes employment services an integral part of the One-Stop system. While most commonly associated with Unemployment Insurance (UI) claimants, employment services are separate from UI and provide a labor exchange for assisting all job seekers and employers to make connections. In Illinois all jobseekers and employers can use the labor exchange. UI claimants are required, by law, to register on the state's labor exchange (Illinois JobLink) to receive benefits. WIOA Title III also funds labor market information (LMI) collection and reporting at the state level which provides a looking glass for informed decision making regarding the needs of the workforce.



While the UI program purpose and operations differ in important ways from Title III/Wagner-Peyser. Frontline IDES workforce staff are equipped to handle both the UI benefits and workforce needs of claimants. This staff capacity is critical during times of economic crisis. This would be disrupted if the programs were disconnected.

There are also important policy questions related to disconnecting Title III/Wagner-Peyser from UI. Reaching UI claimants to prevent long-term unemployment could be undermined and would unnecessarily complicate the administration of targeted federal workforce programming that is directly tied to unemployment benefits, including Trade Adjustment Assistance and the Reemployment Services and Eligibility Assessment Programs.

Moving Title III from IDES would mean that current in-house communication would now require an MOU or other mechanism to share highly private personal data. While UI claimants are not the only users of Title III services the proximity of UI to employment services in the one-stops is a current operational advantage.

#### **Title IV Vocational Rehabilitation (VR)**

Due to federal regulations and the specialized services that the participants receive, Title IV has the most barriers to reorganization. If the Title IV VR program is moved from IDHS to another state agency, there are several federal requirements that must be met. If the state agency that administers the VR and related programs is not primarily focused on VR, or VR and other rehabilitation of individuals with disabilities, the state must ensure the agency contains a unit that (non-delegable duties):

- Is primarily concerned with VR, or VR and other rehabilitation, of individuals with disabilities, and is responsible for the VR and related programs of the state agency;
- Is administered by a full-time Director;
- Employs staff on the rehabilitation work of the organizational unit(s) for all or substantially all of whom devote their full time to such work; and
- Is located at an organizational level and has an organizational status within the state agency comparable to that of other major organizational units of the agency.

Additionally, the following "non-delegable" functions may not be delegated to any other agency or individual:

- eligibility, the nature and scope of services, and the provision of those services;
- the determination that individuals have achieved employment outcomes;
- policy formulation and implementation;
- allocation and expenditure of VR funds; and
- participation in the One-Stop service delivery system in accordance with Title I of the Workforce Investment Act (WIA) and the regulatory requirements specified in 20 CFR Part 662.

Furthermore, public meetings are required to be held throughout the state and subsequent changes must be made in the VR sections of the Unified State Plan. Of most importance, the federal Rehabilitation Services Administration (RSA) must approve the changes on or before the effective date of the organizational change. The Client Assistance Program is required to be functional and effective before the VR program would be able to draw down federal funding to support administrative and direct customers service expenditures.

Relocating the federal VR and related programs would result in the loss of not only local office supervisory oversight, but also shared costs for the physical operation of the local offices, including facility management costs, office equipment etc., which are shared by the DRS Home Services Program. In addition, the allocation of staff supporting Division and Department wide programming would be drastically impacted and the holistic approach to the provision of services would be compromised.

Importantly, there are several impactful, non-WIOA funded federally funded programs that are required to be operated by the same agency as the VR program. These are the Small Business Enterprise Program for the Blind, the Supported Employment Program, and



the Independent Living for Older Blind Individuals Program. In addition to the federally required program, the VR program funds supplementary programming at two residential facilities in Chicago and uses program income to support the Independent Living Program. Any change in the placement of the VR and required programs would also include the supplementary programs. This includes the Independent Living program, the Illinois Center for Rehabilitation and Education on Wood Street and the Illinois Center for Rehabilitation and Education on Roosevelt Road.

Co-location of VR programs with the state agency that administers Medicaid is another important factor for service continuity.

Moving Title IV from IDHS would mean that jointly provided (VR and Medicaid) services to disabled persons would be managed by separate agencies. VR counselors could still not provide services to non-VR customers due to federal regulation.

## OTHER CONSIDERATIONS FOR POTENTIAL CONSOLIDATION

While the study sought to provide facts and insights from various structural arrangements embodied in peer states to inform key decision makers considering various alternatives, additional factors should influence how these factors should be weighed.

- Many state agencies also deliver workforce programs funded outside of WIOA and transition of WIOA programs may jeopardize other beneficial integrations of their current arrangement and delivery methods.
- Under the Pritzker Administration, agencies have adopted new measures and programming to prioritize workforce equity, and potential system changes must consider intentional measures to ensure these efforts consider.
- The experiences of users of workforce system should inform additional consideration of potential consolidation scenarios, and the current user experience offers significant room for improvement including potential implementation of human-centered design practices

# **WORKFORCE EQUITY**

This report examines which WIOA workforce system structures have the potential to create greater access to job training for underserved populations. Regardless of which option is selected, equity is at the center of increasing access to workforce services and ensuring successful outcomes from those services. The conversations about equity and subsequent actions are a continuous improvement journey for the entire system. Equity should remain a focus whether the workforce system is consolidated under a single state agency or not.

Several milestone actions have taken place over the past two years. First, Governor Pritzker's third executive order in office, in January 2019, called to strengthen the state's commitment to workforce development and job creation, with a specific focus on disenfranchised communities (link). The IWIB produced a report as a response to this order: An Action Agenda for Workforce Development and Job Creation (link). It contains 10 inter-related strategies and specifies 37 proposed action steps. It specifically calls for addressing barriers to successful training and employment and calls to establish and support equity goals. Moreover, it acknowledges the need to integrate workforce services for job seekers; use smart online tools to help people connect to information, services, and programs; and shorten the time from credential to employment.

Second, the IWIB launched a new Equity Taskforce, started in the late fall of 2020 (link). This 40-member task force will develop recommendations for Illinois' workforce system that align with the education system and establish goals that will reduce inequality for the populations served by WIOA programs by early 2022.

To illuminate workforce equity data in Illinois for the purposes of this report, the study wanted to elevate existing work done by the National Equity Atlas. It was launched in 2014 by PolicyLink and the University of Southern California Equity Research Institute. The National Equity Atlas exists to be a data and policy tool for community leaders and policymakers who, in their words, "are working



to build a new economy that is equitable, resilient, and prosperous." By making this data transparent and readily accessible it can "inform the development of policies, plans, strategies, and investments to advance equitable growth."

National Equity Atlas defines workforce equity as "a labor market in which racial income gaps are eliminated, all jobs are good jobs, and everyone who wants to work has access to family-supporting employment."

The following charts highlight a portion of what can be seen in the Illinois Data Summary available on the National Equity Atlas website (link). Chicago-specific data are also available (link). There is also an Illinois-specific Racial Equity Index that assesses prosperity levels by race/ethnicity in Illinois, looking at a combination of demographics, economic vitality, readiness, connectedness, and economic benefits (link).

In January 2021, the Advancing Workforce Equity project (link), a joint initiative of the National Equity Atlas, the <u>National Fund</u> for Workforce Solutions, and <u>Burning Glass Technologies</u>, released five regional blueprints for action, including Chicago (link).

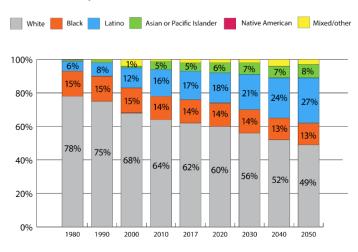
WIOA participants, across the four title programs, reflect the racial and ethnic make-ups of those in need of services. <sup>16</sup> For example, African Americans make up 49% of those served by the Title I Adult program, while comprising a somewhat smaller 40% of unemployed persons in poverty. While this is an indicator of the equitable delivery of services, further analysis is needed to answer two important questions: 1) are those WIOA participants most in need effectively served (e.g., successful outcomes); and, 2) are there are eligible people in need who are not accessing WIOA job training services? These are examples of the equity-focused questions that the workforce system is working to address.

<sup>&</sup>lt;sup>16</sup> From the initial demographic analysis shown in the WIOA Participation Data section of the report.



#### Diversity is increasing.

#### Race/ethnic composition: Illinois; 1980-2050

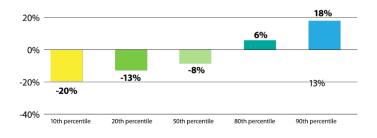


Data source: U.S. Census Bureau; Woods & Poole Economics, Inc. National Equity Atlas

Illinois: From 1980-2017, people of color went from 22% to 38% of the population and is projected to be 51% by 2050.

#### Income inequality continues to increase.

# Earned income growth for full-time wage and salary workers: Illinois; 1980-2017



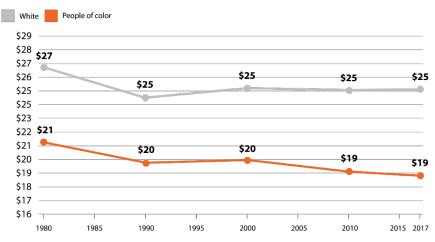
Data source: IPUMS USA | National Equity Atlas

Over the past few decades gains in income and wages have gone largely to the very top earners, while wages and incomes of working- and middle-class workers have declined or stagnated. Nationally, since 1979, incomes of workers at the bottom fell by 12% while those at the top increased 20%. In Illinois: Since 1979, income for full-time workers at the 10th percentile changed -20% percent while income for those at the 90th percentile changed 18% percent.



#### Racial economic gaps are wide and persistent.

#### Median hourly wage by race/ethnicity: Illinois; 2012-2017

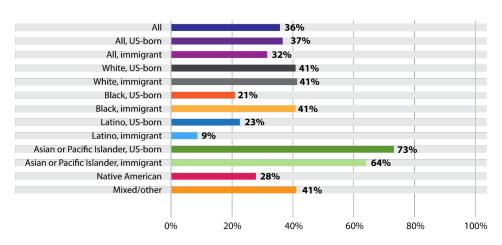


Data source: IPUMS USA | National Equity Atlas

Rising inequality disproportionately affects workers of color, who are concentrated in low-wage jobs that provide few opportunities for economic security or upward mobility. Workers of color consistently earn lower wages and are more likely to be jobless compared to their white counterparts, and racial gaps remain even among workers with similar education levels. Nationwide, full-time workers of color currently earn 22% less than their white counterparts—the gap is slightly more than in 1979 and is growing rather than shrinking.

#### A workforce unprepared for the jobs of the future.

# Percent of population with a Bachelor's Degree or higher by race/ethnicity and nativity: Illinois; 2017



Data source: IPUMS USA  $\mid$  National Equity Atlas



America's future jobs will require ever-higher levels of skills and education, but our education and job training systems are not adequately preparing Latinos, African Americans, and other workers of color who are growing as a share of the workforce to succeed in the knowledge-driven economy. Today, only 20% of U.S.-born Latinos, 20% of African Americans, and 12% of Latino immigrants, have a Bachelor's degree or higher. Similarly in Illinois, in 2017, 23% of U.S.-born Latinos, 21% of African Americans, and 9% of the Immigrant Latino population had a Bachelor's degree or higher.

#### **CUSTOMER EXPERIENCE**

Thousands of Illinois jobseekers and families seek assistance through the state's workforce development programs every day. These jobseekers must navigate a complex regulatory environment and interface with multiple state agencies who administer both WIOA-funded and non-WIOA funded workforce development programs. Any improvement to workforce development programs within the State must consider and be guided by the ease of use and participation. Additionally, to ensure that our State workforce system is more effective and equitable, we need to understand the experience and perspectives of participants and the various stakeholders that operate within or impact the system.

While this report provides options for consolidation, the report lacks an in-depth analysis of customer experience. The study team finds value in additional evaluation focused on user-centered outcomes that may inform recommendations for centralized governance, streamlined oversight of programs, and interconnected regional and local workforce programs.

The research team's interviews with peer states reveal an opportunity to expand upon the initial facts presented in this study by adopting a human-centered design approach and initial lessons based on peer state interviews are presented below.

# **Human-Centered Design**

<u>Universal Design</u> (UD) has been a strategy for making products, environments, operational systems, and services welcoming and usable to the most diverse range of people possible. UD is a concept that the USDOL Office of Disability Employment Policy has long promoted as an effective strategy for increasing the inclusion of people with disabilities. With UD as backdrop USDOL began in 2015 to encourage workforce entities to leverage tools, technologies, and processes to reach all customers seeking services through improved <u>customer centered design</u> (CCD). At its core, CCD challenges workforce service providers to develop plans differently. Rather than focus on regulations and placing administrative law at the center of program improvement, providers are challenged with placing the customer in the center and creating processes and methods that improve labor market outcomes through higher customer satisfaction. Human-centered design (HCD) is a more holistic term that includes UD and CCD, but also pulls in state-of-the-industry tools from outside of government to improve customer outcomes and their experience. Many state and local workforce entities have already implemented HCD in ways that Illinois may be able to use or expand upon.

#### Michigan WIOA State Plan

Michigan's Department of Labor and Economic Opportunity is a champion of HCD as referenced above in helping Detroit through Michigan Works. Michigan has HCD built into its <u>WIOA Unified State Plan</u> and calls out the need for its One-Stops to be flexible in their usage of space, provide clear lines of sight to customers who may be seated or standing in different areas so that they may find the services and resources they need, provide adequate space for customers to work and interact with staff and resources, and to offer appropriate wayfinding for those with disabilities or limited English language skills. HCD is a part of the professional development activities for One-Stop staff and workforce leadership. Adherence to, and promotion of, HCD ensures meaningful access to all customers physically and programmatically. Michigan's HCD approach includes streamlining programs and their offerings and providing customers with access to supportive services from within WIOA and from state plan programs.



#### City of Detroit

Detroit at Work underwent a <u>HCD analysis</u> performed by a consortium of the Mayor's Office, Michigan Works, University of Michigan, and private consultants. Detroit at Work identified populations that were more likely to be unemployed or in poverty and the biggest challenges (barriers) those populations faced in obtaining and maintaining employment. The study held focus groups, stakeholder sessions, interviews with workforce development leaders, sent surveys, and performed site visits to identify these issues and to help define a path forward. Using HCD principles Detroit at Work determined that the new model should eliminate redundancies and make it easy for customers to find and receive services. The new model should also invest in technology to increase access to services and automate the flow of information. Detroit at Work has set an initial goal of increasing residential employment by 40,000 by using a coordinated and strategic focus on the customer that provides multiple barrier eliminators through systems changes that are seamless to the end user.

#### **Spokane Workforce Council**

An example from a western state is the Spokane Workforce Council. In Washington State the local Spokane Workforce Council understands that no two people who enter a One-Stop location are alike and that eligibility will determine services downstream. Because of this all customers start out at the Success Desk with access to career coaches and resources to ensure that every customer is presented with as many opportunities as possible at the start of their interaction. This is part of the HCD process that overhauled the physical and functional elements of the workforce system as well as processes and technologies to better integrate service delivery. Co-enrollment in both Title I and Title III allows more customers to be served and the local office works to offer a customer experience free of waiting lines. This system is still being tested and customer feedback is being evaluated.

Given initial findings from other jurisdictions, the research team recommends additional evaluation of participant experience may include perspectives from jobseekers, service providers that serve job seekers with multiple systemic barriers (both WIOA and non-WIOA providers), labor unions who represent workers, workforce policy experts, employers and business community stakeholders, community-based and/or worker-led organizations, state legislators, and state agencies that evaluate and advocate for workers' rights.

#### ANALYSIS OF ILLINOIS CENTRAL MANAGEMENT SYSTEM CONSIDERATIONS

The Illinois Department of Central Management Services (CMS) has been asked to provide a general review of the necessary considerations and concerns that would be involved with a consolidation of these programs within one agency. As part of that review, CMS has engaged the impacted agencies and requested a list of all applicable job descriptions (i.e., CMS 104's) and organizational charts that are associated with these programs. Based on the volume and timeline some agencies have responded with general overview of staffing that is noted below.

The study includes a review and assessment of the opportunity to consolidate the following agencies' and associated programs.

- Illinois Department of Commerce and Economic Opportunity (DCEO): Title I: Workforce Development Activities
- Illinois Community College Board (ICCB): Title II: Adult Education and Literacy
- Illinois Department of Employment Security (IDES): Title III: Amendments to the Wagner-Peyser Act
- Illinois Department of Human Services Department of Rehabilitation Services (IDHS-DRS): Title IV: Vocational Rehabilitation Services



## **Employee Impact Overview**

#### Illinois Department of Commerce and Economic Opportunity

- 67 total positions
  - 54 BU (AFSCME)
  - 13 Merit Compensation (MC) positions
- 11 total vacancies (2 MC and 9 Bargaining Unit (BU))
- AFSCME represented BU positions (no other unions represent BU employees)

#### Illinois Community College Board

- 15 total positions
- No union positions
- Some positions partially funded with Adult Education Funds.

#### Illinois Department of Employment Security

Please note that the majority of these positions are funded by and perform work for a combination of WIOA and non-WIOA programs:

- 674 total positions impacted (active positions only inactive positions are not included)
- 546 impacted positions represented by a Union (all represented by AFSCME)
- 128 impacted Merit Compensation positions
  - 83 have a MC code
  - 45 do not have a bargaining/term code (student and intern type positions)
- 301 total vacant positions
  - 235 impacted positions represented by a Union
  - 66 impacted Merit Compensation positions
    - 25 of which have a MC code
    - 41 of which do not have a bargaining/term code (student and intern type positions)
- 546 positions represented by AFSCME

#### Illinois Department of Human Services Division of Rehabilitation Services

- 689 total positions impacted
  - 614 impacted positions represented by a Union
  - 75 impacted Merit Compensation positions
- 119 total vacant positions
  - 97 impacted positions represented by a Union
  - 22 impacted Merit Compensation positions
- 603 positions represented by Union 1 (AFSCME)
- 2 positions represented by Union 2 (Teamsters)
- 9 positions represented by Union 2 (INA)

#### **Impact Bargaining**

Any consolidation of agencies or agency programs that results in any potential impact to bargaining unit employees will require CMS Labor Relations to engage the impacted union. The level and scope of the impact to the employees will determine the time needed to bargain the impact of the consolidation. If limited, the impact bargaining should not have a significant impact financially or operationally, but until CMS Labor Relations can conduct a more thorough review of the impacted positions working with the agency management, it is difficult to provide a full assessment.



To conduct that review and prior to initiating impact bargaining with the unions involved, the follow clarification is necessary.

- Which employees are moving and where are they moving to, both physically and on the organizational chart?
- · What will their chain of command look like; who will they report to; and how will their seniority be handled?
- In addition to these questions, it must be made clear that the impacted employees will not lose their bargaining unit status or their rights under the personnel code.

It should also be noted that any proposed consolidation should accommodate an adequate timeline for the assessment and impact bargaining to transpire. A full consolidation of the scope under consideration would appropriately provide for at least one full calendar year from the date of approval.

#### **Considerations**

#### **Position Descriptions**

There is a wide range of positions that would be impacted by any consolidation. Some of the affected positions may have duties that support other agency operations in part. CMS recommends conducting job audits of these positions to determine whether there are such duties and if so, how those duties will be accounted for in the event the affected position is moved to the consolidated agency. These job audits should include a review of each CMS 104 to clarify what those post consolidation needs are and how they will be accommodated. Such job audits should also include interviews of the employees and supervisors to confirm that the CMS 104 accurately captures the employee's job duties. A template questionnaire should be developed to ensure the relevant data is captured consistently across all agencies.

There is a wide range of positions that could be impacted by any consolidation. Some of the positions have duties that are assigned and may also include the support of other, non-related agency operations. Each CMS 104 should be reviewed to clarify what those post consolidation needs are and how those needs will be accommodated.

#### **Federal Funding**

CMS would defer to the impacted agencies regarding any federal funding requirements or challenges due to the any consolidation. Particularly if any positions provide support for other operational needs, but are funded in part by federal grants or programs.

#### **Shared Administrative Support**

CMS would also defer to the impacted agencies and the associated CMS 104's for the impacted positions regarding any administrative support cross over with other operational needs. In some cases, an employee may provide administrative support duties for various components of the agency operation outside of the workforce programs they support.

#### **Previous Audit Findings**

CMS would also suggest the impacted agency review historic audit findings that may need to be considered with any consolidation. It is possible that adjustments in process and procedure were implemented to support workforce programs more efficiently and effectively due to audit findings. Any reorganization may impact those improvements and should be considered in any transition to ensure no repeat of the findings.

#### **Office Accommodations and Equipment**

Considering the size and scope of the potential consolidated agency a space needs assessment will need to take place. CMS Property Management and CMS Labor Relations can work with the impacted agencies to address those needs, but an adequate timeline will need to be considered and be part of the impact bargaining. It is likely that any consolidation will involve some continuation of the current space footprint; however, until an appropriate space needs assessment can be conducted based on a final reorganization plan, it cannot be determined.



#### Conclusion

A preliminary review of limited information indicates that the staffing levels will require a detailed review working closely with the impacted agencies. As with any reorganization or merger there are many details that will develop that are unknown at this time. CMS Labor Relations should be a member of any working group to develop a plan further to consolidate the programs. Additional participation from CMS Bureau of Personnel and CMS Legal will also be likely.

# **RECOMMENDATIONS**

This report was approached objectively with input from the agencies administering the four core WIOA partner programs. It outlines other state consolidated models of workforce development programs with a clear understanding of the strengths and weaknesses of each configuration. This report presents a range of consolidation scenarios for the state – the Governor's Office and the Illinois General Assembly – to make an informed decision.

One of the most important features of a consolidated system is the ease of use, navigability, and access to appropriate workforce program for participants and stakeholders engaged in the system. The goal of any solution to improve Illinois' workforce system is to make the workforce system feel seamless to participants and business and provide better overall workforce system management. However, as noted in the report's analysis, some state agencies execute their workforce programs through unionized staff while other state workforce agencies execute them through contracts and grants with third parties. And additional evaluation should be undertaken to examine how to consolidate or align programs to prevent a disjointed system within one or multiple agencies.

While this report focuses on WIOA-funded workforce development programs, the authors acknowledge that WIOA is not the sole funding source for workforce development programs across the state, and it is feasible that other federal or state programs outside of WIOA could be included in a consolidation given the requisite mission and service alignments are met. Accordingly, there is a need to evaluate non-WIOA funded programs for potential holistic program alignment.

#### For a comprehensive solution, the authors recommend the following next steps:

- 1. Examine and Memorialize Participant and Stakeholder Experience in WIOA-Funded and Non-WIOA-Funded Workforce Development Programs
  - The split of service delivery across multiple state agencies who administer workforce development programs can lead to gaps and inequities in service. A comprehensive fact gathering effort focused on user experience is needed to guide systems integration recommendations and solutions to improve labor market outcomes.
  - Engagement with program participants, job seekers, WIOA and non-WIOA workforce program administrators, labor unions, business communities, worker-focused community organizations, and state legislators will provide the inclusive perspective necessary to drive equitable alignment across the state's workforce development programs.
  - Assess efficacy of digital and physical access and entry points for services by participants given challenges existing before and potentially exacerbated by the COVID-19 pandemic.
  - Evaluate the impact of systemic racism on the experience of participants in the workforce system.
  - Use participant and stakeholder experience data to develop recommendations for program alignment based upon user feedback and informed by consolidation analyses as provided in this report with a specific focus on "common intake" as a starting point.
- 2. Evaluate Infrastructure and Technology Systems Across WIOA-Funded and Non-WIOA Funded Programs

It is recommended that the State engage in an in-depth examination of the current infrastructure and how it supports alignment of programs and services across all federal and state funded workforce development programs administered by state agencies. With varied agency and programmatic structures, it is important to catalog infrastructure and technology elements and how they interact inside and outside of their current organizational positions.



- Examine the operations, budgets, and personnel of the state agency programs to understand gaps and overlap.
- Leverage user experience recommendations identified above to draft a plan in each of these key areas.
- Perform a comprehensive assessment of current information technology capacity and resource needs for a common intake system. Prioritize user experience analyses, such as human-centered design, to improve the customer experience online and in-person. Conduct an IT audit across all four state agencies to determine how best to proceed with a common intake system.
- Identify resource gaps across all state administered workforce development programs and strategize outcomes that focus on improving the state's programs for participants first through uniform quality standards and accountability mechanisms.
- Evaluate funding adequacy and funding mechanisms to provide equitable access to all state workforce development programs and determine whether there are legal requirements or limitations attached to each funding source.
- Develop an implementation plan to align program infrastructure and unify information technology data systems.

The report's recommendations present actions that could be taken before July 1, 2022 and would inform a consolidation scenario selected by state leadership. The report does not recommend specific legislative changes at this time.





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