OVERVIEW

What is the Local Workforce Area Realignment Project? There are five Local Workforce Areas in Illinois that are split across state planning regions (see Attachment A). In 2016 (the first year that regional plans were required) the State provided flexibility to the LWIAs by allowing them to be included in multiple regional plans and planning regions. Information on the realignment project may be found at https://www.illinoisworknet.com/WIOA/RegPlanning/Pages/LWIA-Realignment.aspx

Why is the State involved in the Realignment Project? The US Department of Labor completed a monitoring review in June 2017 that resulted in a finding that directs Illinois to: *"identify a regional structure that does not result in any single local area being split between two or more regions."* The State must act now because we were directed by the Department of Labor to include a compliant regional planning structure with the State Workforce Plan Modification that was submitted in March of 2018.

What is the timeline for the Realignment Project? The State requested an extension of the realignment requirement to the US Department of Labor so it would align with the 2020 plan submission deadline. Illinois' request to have the realignment project completed by June 30, 2020 has been approved by the US Department of Labor. The State will request a waiver of the realignment requirement in early October 2018.

What could happen if the State does not address the US Department of Labor Finding? Failure to comply with this directive could risk the approval of Illinois' State Workforce Plan and place the state's WIOA funding in jeopardy.

What defines a local workforce area? Local Workforce Areas are designated by the Governor based on the requirements outlined in Section 106 of the Local Workforce Innovation and Opportunity Act. Local Workforce Areas must be 1) consistent with labor market areas in the State; 2) consistent with regional economic development areas in the State; and 3) have available the Federal and non-Federal resources necessary to effectively administer activities under WIOA.

Can a county or local workforce area be a part of multiple planning regions? At this time, local workforce areas can only be part of one region. Local workforce areas within planning regions are not prohibited from working or coordinating with other local areas, and regions may coordinate with other planning regions. The State of Illinois will request of waiver of this requirement in early October 2018 to provide local workforce areas with the option of being a part of multiple planning regions.

PLANNING

When does the realignment process need to be completed? The local workforce areas will be required to complete the realignment process by June 30, 2020.

When do we need to submit the regional / local plans? The State recognizes the amount of work that is required to develop the local and regional plan. The updated local / regional plans will be due in the "early spring" of 2020.

What happens if one local area wants to realign however the local area/county in question is opposed to the idea? A CEO or Local Workforce Area does not have the authority to force realignment. It is

suggested that the CEOs of the counties meet and discuss the potential opportunities to align the workforce services. The State is available to assist in putting together meetings and facilitate those discussions.

Who makes the final designation decisions? The Governor in consultation with the Chief Elected Officials.

Impacted counties must notify the State by November 20, 2018 regarding the realignment decisions. Is there specific guidance on the process to notify the State regarding the decision, or will an e-mail or letter suffice? The State will provide additional guidance once a decision has been made by the US Department of Labor regarding Illinois' waiver request.

FUNDING

How will realignment impact the amount of WIOA funding in my county? The level of funding that is provided to support workforce activities to serve individuals within the impacted counties will generally remain the same regardless of the local workforce area that the county resides in because of the federal funding formula.

How will realignment impact the amount of WIOA funding allocated to the LWIAs? The WIOA Title IB formula funds associated with the realigned counties will shift to the new LWIA. The state will provide funding *estimates* based on the current funding allocation.

How are the WIOA Title IB local area allocations determined? The WIOA Title IB formula grant funds are allocated using a formula established in the WIOA regulation. For more information regarding the formula funding factors, please see page 142 of <u>Illinois' WIOA Unified State Plan</u>.

Will local workforce areas be required to transfer existing grant funds to another local workforce area to account for the realignment of a county(s)? No. The realignment of a local workforce area must take effect on the first day of a program year (July 1st). The local workforce area that is losing a county(s) is not required to transfer "carry in" funds to the local workforce area that is gaining a county(s).

Are the Chief Elected Officials within each LWIA financially responsible for the use of WIOA funds with that LWIA? Yes. It is the Chief Elected Officials of the political jurisdictions are responsibility for funding decisions made in agreement with the local board. The political jurisdiction of the Chief Elected Official is liable for any misuse of WIOA grant funds and must repay the State using non-federal funds for any improper or unallowable expenditures.

Will the realignment require an updated agreement between the Chief Elected Officials? Yes. The Chief Elected Officials' Agreements should be reviewed and updated when there is a change in elected officials. The CEO's must also review and update the documents associated with the delegation of Authority and Acknowledgement of Financial Liability as outlined in WIOA Policy <u>Chapter 1, Section 3</u>.

What are the requirements of the CEO Agreement? The specific requirements of the CEO Agreement are outlined in WIOA Policy <u>Chapter 1, Section 2.1</u> and summarized in Appendix 1 of this FAQ.

LOCAL SERVICE DELIVERY / OPERATIONS

How will the realignment of counties into a new region and new local area impact the residence of "my" county? WIOA career and training services must be available across the State and must be provided to individuals regardless of where they live. The responsibility of coordinating the workforce operations of the impacted county will be transferred to the new local workforce board and the Chief Elected Official of the impacted county will join the CEO's in the new LWIA in the coordination of the workforce operations.

How will the realignment impact workforce participants (clients): The "files" of local participants that are served in offices that are realigned may need to be transferred to a new local workforce area. The State will provide technical assistance with any transfer of participants to ensure the continuity of service and the appropriateness of the transfers. The primary concern is that any effects of realignment on the provision of services to the customer are seamless.

How would enrolled customers be moved from between LWIAs if the local policies the provide training and supportive services are different? At the state level, that commitment would be made to honor the training and supportive service commitments made to the program participant and to work with the area if an amendment or waiver of the policy for that specific instance is required.

What is the impact of realignment on an American Job Center that is transferring into a new local workforce area? The new local workforce board and CEO's are responsible for the operation of the American Job Centers located within the local workforce area. The releasing LWIAs would be encouraged to establish agreements with the receiving LWIA, such as contractual agreements, to maintain working arrangement for incumbent staff as allowable and applicable.

How will realignment impact the local workforce area Memorandum of Understanding? The memorandum of understanding will need to be updated to document any relevant changes in the LWIA. It is anticipated that the State will issue updated guidelines for the MOU within the next year. Local workforce areas will continue to be required to submit the annual MOU budget

How will realignment impact the local workforce area Memorandum of Understanding Budget? The Memorandum of Understand budget must be renegotiated and submitted to the state each year. Local workforce areas must follow the Governor's MOU guidelines and include a budget for each of the *Comprehensive* and *Affiliate* One-Stop centers within the local workforce area.

GOVERNANCE

Will the realignment impact the operation of the Local Workforce Innovation Board? Perhaps. It is recognized that the composition of the local workforce boards may be impacted by the realignment. These changes may also require a change in the LWIB Bylaws and other governance documents as appropriate.

How will realignment impact the Local Workforce Board Recertification? LWIBs must be recertified as outlined in WIOA Policy <u>Chapter 1, Section 5</u>. The State will work with the impacted local workforce areas to provide additional guidance regarding the LWIB recertification procedures as appropriate.

Will the realignment require an updated agreement between the Chief Elected Officials and the Local Workforce Innovation Board? Yes. These agreements should be reviewed and updated when there is a change in elected officials and/or when there is a change in LWIB leadership.

Will the realignment impact the One-Stop Operator Agreements? Perhaps. It is the role of the Local workforce boards to decide the number and placement of comprehensive, affiliate, specialized and connection workforce centers based on an analysis of the services that are needed in each location, how services could be delivered, and where the center is located to best serve the needs of the job seeker and business customers. Local workforce areas are reminded that the procurement of the one-stop operator must following procurement policies outline in the Uniform Administrative Guidelines (2 CRF 200) and Training and Employment Guidance Letter 17-16.

What implications does this have on community college districts that overlap several economic districts? The community college district boundaries are not impacted by the LWIA realignment. The information that this provided by the State to support the regional planning process will include information regarding the "overlap" of the community college districts within the economic development region.

PERFORMANCE

How will realignment impact the local area performance? The State of Illinois will consider the composition of the new local workforce areas as a part of the annual performance negotiating process. As the federal guidance regarding performance is finalized at the federal and state level, DCEO will work with the Local areas on any transitions and impact on performance.

TRAINING PROVIDERS

How will realignment impact the Eligible Training Providers / Programs? Training providers must be reviewed and approved by local workforce boards to be on the *Statewide Eligible Training Provider List (ETPL).* Training programs must be on the ETPL to use WIOA Title IB training funds. Once a training program is approved in one local workforce area, any other LWIA may use this training program. If a training program is located in an impacted county, the State will work with the training provider and new LWIA to follow the ETPL *Continued Eligibility Process* outlined in WIOA Policy <u>Chapter 10, Section 3.4</u>.

Will the local workforce board training policy change because of realignment? Perhaps. The local policy for training approval should be reviewed and amended if needed. It is recommended that training policy approval have flexibility to approve training programs/institutions that might be outside of the normal approval process (i.e. director approval) that best benefits the participant and provides training with expected outcomes that are in line with overall performance outcomes as appropriate.

Will current relationships between the local workforce boards, one-stop operators and program administrators be affected by realignment? Not necessarily. Current relationships that have resulted in successful service and training programs can continue even though a realignment might seem to severe the geographic relationship that currently exists. In fact, local boards, one-stop operators and program administrators are encouraged to build such successful relationships regardless of the geographic locality of the entities to best align training with needed skills and match employers with qualified workers.

TECHNICAL ASSISTANCE

Will the state provide technical assistance with the realignment process? Yes. The state is available to provide information to local elected officials, local workforce boards, program administrators, and other stakeholders as requested. The state will provide technical assistance including consultations, checklists, guides and reports that will provide information to assist with the realignment process.

Have other Illinois Local Workforce Areas ever realigned? Yes. There have been three local workforce area realignments within the past 8 years including the merger of LWIAs 7, 8 & 9 in Cook County, the merger of LWIA's 4 & 12 in Northwestern Illinois, and the merger of LWIA's 15 & 16 in North Central Illinois.

Is the goal of this project to consolidate Local Workforce Areas? No. The goal is to respond to the US Department of Labor finding and work with the counties that are located in Local Workforce Areas that are currently located in multiple Economic Development Regions. The State of Illinois recommends that the CEOS, Local Workforce Boards, Program Partners, and administrators review the trends in funding, participant service levels, and administrative costs and consider the realignment and/or consolidation of local areas as an option to provide the most efficient and effective workforce services to the job seekers and businesses. The State will provide technical assistance and support to any area that moves forward with the realignment and/or consolidation on a voluntary basis.

What happens if the Chief Elected Officials of the Local Workforce Area disagrees with the final

realignment decision? The State of Illinois is required to establish planning regions in accordance with WIOA Section 106(a)(2) based on Labor Market Areas, Regional Economic Development Areas, and areas that have the federal and non-federal resources necessary to effectively administer the activities under WIOA. The state will coordinate a *consultation process* to explain these factors and listen to local stakeholders. Although the data factors support the realignment of the six counties all information will be considered in the final alignment decision. The Chief Elected Officials of a Local Workforce Areas that disagree with the final decision will have an opportunity to follow a formal appeals process. Such process is outlined in Illinois' WIOA Notice 14-WIOA-01, Initial Designation of Local Areas which is accessible at: https://apps.il-work-net.com/WIOAPolicy/Policy/Index/5#

Are supplemental funds available to support planning efforts during the transition period and prior to formal realignment? The State is committed to providing technical assistance for areas that are engaged in realignment activities. The WIOA Statewide Innovation Program (grant program) could support the planning activities based on the specific needs of the local areas and the availability of funds.

REGIONAL PLANNING DATA

What is the statutory basis for determining the appropriate Planning Region and Local Area

boundaries? The Planning Region boundaries should consist of one or more Local Workforce Areas whose boundaries are consistent with the Region [WIOA Sec. 106(a)(2)]. Local Area boundaries should be based on 1) Labor Market Areas in the State, 2) Regional Economic Development Areas in the State, and 3) have available the Federal and non-Federal resources necessary to effectively administer activities under subtitle B and other applicable provisions of this Act, including whether the areas have the appropriate education and training providers, such as institutions of higher education and area career and technical education schools [WIOA Sec. 106(b)(1)(B)].

Where I can get more info on the planning regions and when they were designated? Additional information regarding the Regional Economic Development Regions is listed in this FAQ and posted on the *Regional Planning* web pages at: <u>https://www.illinoisworknet.com/WIOA/RegPlanning</u>

Are Illinois' Economic Development Region boundaries consistent with Labor Market Area boundaries in the state? Yes. The current Economic Development Region boundaries are based on, and are consistent with, Labor Market Area boundaries.

What is Illinois' basis for identifying the appropriate types of data for this determination? WIOA defines "Labor Market Area" as ``an economically integrated geographic area within which individuals can reside and find employment within a reasonable distance or can readily change employment without changing their place of residence." The best measurable indicator of this reasonability is the degree to which residents of a county work in another county. Measurements of this type are called "commuting pattern data." In this instance, commuting pattern data can be examined for the counties that cause inconsistencies between regional and local area boundaries in order to determine what labor market they are actually part of – and hence which region and local area they should be part of.

What are the sources for commuting pattern data? The chief source for commuting pattern data is the decennial census undertaken by the U.S. Census Bureau. By definition, this data is compiled only once every ten years. In order to provide suitable data on an interim basis, the U.S. Census Bureau undertakes annual surveys (called the American Community Survey, or ACS) across a range of topics, often averaging these surveys across a number of years in order to reduce estimation errors. Commuting patterns is one such topic, with five years' worth of surveys being averaged to produce two county-level estimates within the decennial interregnum. A breakout of the most current commuting pattern data is included as Attachment C.

Is the commuting pattern data flawed because it was taken during the economic downtown? The state data team has analyzed the commuting pattern data over the past 20 years. The latest data are pulled from the 2013 American Community Survey from the United States Census Bureau. This is the most current information that is available.

What are the benefits of the Economic Development Regions? The Department of Labor require the States to ensure that local and regional planning areas are aligned to support improved service delivery, improved training and employment outcomes, better meet employer needs, and greater effectiveness and efficiency in achieving these outcomes. The alignment of economic and workforce development regions can support the execution and implementation of sector strategies and career pathways. Regional cooperation may also lower costs and increase the effectiveness of service delivery to businesses that span more than one local area within a region and to job seekers through coordination of shared services, processes, and operations.

Why can't the State simply redraw the Economic Development Region Lines to conform with the existing Local Workforce Areas? The State is required to reevaluate whether the local areas in question are consistent with labor market areas and with regional economic development areas in the State. If these criteria are not met, the State is required to consider how best to recast local areas for the purposes of subsequent designation and regional integration. Based on the analysis of the labor market information, commuting patterns and the emphasis of coordinating workforce development, economic development and education the current Economic Development regions appear to the federal

requirements. Alternative strategies for addressing this finding would need to be supported by labor market information and regional economic development data.

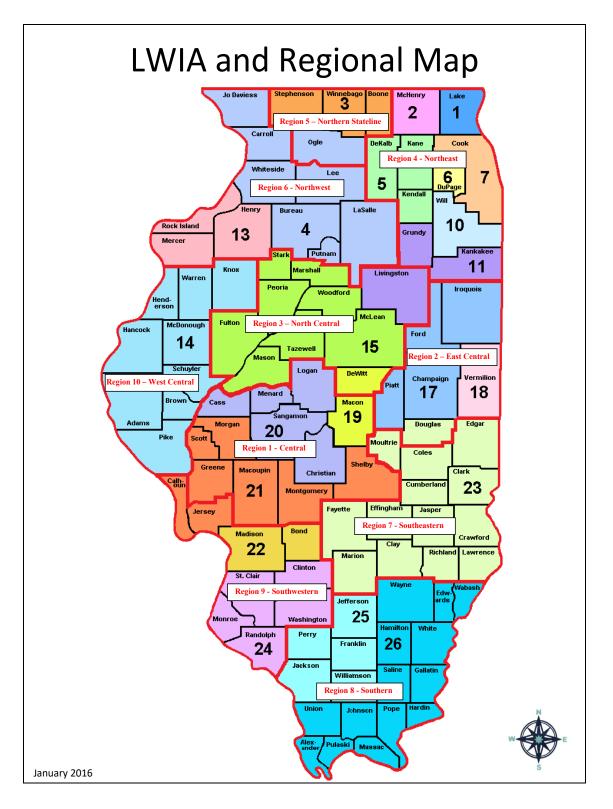
WAIVER

What is the State requesting in the Waiver? The State of Illinois is requesting a waiver of WIOA Section 106(a)(2) and 20 CFR 679.210 to allow the State to assign a single local workforce development area to multiple planning regions.

Where is the waiver posted, and was updated data that local areas provided included in this waiver? The waiver is posted for public comment at: <u>https://www.illinoisworknet.com/wioastateplan</u>.

If the waiver that is submitted in October 2018 is approved by DOL when would we find out if it will be approved past 2020? The State has been advised that the waiver will be considered through the life of the current Unified State Plan (June 30, 2020). The State would be required to submit a new waiver request in 2020. It is anticipated that the decision regarding the waiver would coincide with the submission of Illinois' Unified Workforce Plan in the Spring of 2020.

ATTACHMENT A



ATTACHMENT B - REGULATIONS

§679.210 What are the requirements for identifying a region?

(a) The Governor must assign local areas to a region prior to submission of the State Unified or Combined Plan, in order for the State to receive WIOA title I, subtitle B adult, dislocated worker, and youth allotments.

(b) The Governor must develop a policy and process for identifying regions. Such policy must include: (1) Consultation with the Local WDBs and chief elected officials (CEOs) in the local area(s) as required in WIOA sec. 102(b)(2)(D)(i)(II) and WIOA sec. 106(a)(1); and (2) Consideration of the extent to which the local areas in a proposed region: (i) Share a single labor market; (ii) Share a common economic development area; and (iii) Possess the Federal and non- Federal resources, including appropriate education and training institutions, to administer activities under WIOA subtitle B. (c) In addition to the required criteria described in paragraph (b)(2) of this section, other factors the Governor also may consider include: (1) Population centers; (2) Commuting patterns; (3) Land ownership; (4) Industrial composition; (5) Location quotients; (6) Labor force conditions; (7) Geographic boundaries; and (8) Additional factors as determined by the Secretary. (d) Regions must consist of: (1) One local area; (2) Two or more contiguous local areas in a single State; or (3) Two or more contiguous local areas in two or more States. (e) Planning regions are those regions described in paragraph (d)(2) or (3) of this section. Planning regions are subject to the regional planning requirements in §679.510.

§680.340 What are the requirements for consumer choice?

(a) Training services, whether under ITAs or under contract, must be provided in a manner that maximizes informed consumer choice in selecting an eligible provider. (b) Each Local WDB, through the one- stop center, must make available to customers the State list of eligible training providers required in WIOA sec. 122(d). The list includes a description of the programs through which the providers may offer the training services, and the performance and cost information about those providers described in WIOA sec. 122(d). Additionally, the Local WDB must make available information identifying eligible providers as may be required by the Governor under WIOA sec. 122(h) (where applicable). (c) An individual who has been determined eligible for training services under §680.210 may select a provider described in paragraph (b) of this section after consultation with a career planner. Unless the program has exhausted training funds for the program year, the one-stop center must refer the individual to the selected provider, and establish an ITA for the individual to pay for training.

ATTACHMENT C

ILLINOIS ECONOMIC DEVELOPMENT REGIONS

It has been noted that labor market information, primarily commuting patterns, are the basis for redesignation. Commuting patterns are one of many data points for the establishment of Regions. Regions were established in 2003 and extensive input was provided by workforce, education, and economic development.

COMMUTING PATTERN DATA

The most current data that is available is from the American Community Survey covering the five-year survey periods of 2009-2013. This provides the best source of reliable data for the determination of commuting patterns. The current five-year survey period will complete this year, but new survey data will not be available to the public for another 1-2 years.

LIVING IN	WORKING IN	PCT. (ACS)
Ogle County	Winnebago County	21.2%
	DeKalb County	6.9%
	Lee County	6.2%
	Stephenson County	2.8%
	Whiteside County	2.2%

LIVING IN	WORKING IN	PCT. (ACS)
Livingston	McLean County	10.1%
	LaSalle County	4.8%
	Grundy County	3.5%
	Will County	3.2%
	Ford County	1.8%

LIVING IN	WORKING IN	PCT. (ACS)
DeWitt	McLean County	23.4%
	Macon County	11.9%
	Champaign County	6.9%
	Piatt County	2.3%
	Logan County	1.2%

LIVING IN	WORKING IN	PCT. (ACS)
Calhoun	Madison County	19.3%
	Jersey County	8.6%
	Pike County	6.3%
	Greene County	3.0%
	Washington County	0.8%

LIVING IN	WORKING IN	PCT. (ACS)
Jersey	Madison County	33.6%
	Macoupin County	3.4%
	St. Clair County	1.7%
	Greene County	1.0%
	Calhoun County	0.9%

LIVING IN	WORKING IN	PCT. (ACS)
Douglas	Champaign County	24.4%
	Coles County	6.7%
	Moultrie County	5.4%
	Piatt County	0.9%
	Vermilion County	0.8%