

BACKGROUND

Chapter 8.4 of the State of Illinois WIOA ePolicy guide outlines the requirements of the State of Illinois Minimum Training Expenditure Policy as part of the administration of the Workforce Innovation and Opportunity Act (WIOA) Title IB Adult and Dislocated Worker Programs. The policy establishes that the Local Workforce Areas (LWIAs) are required to spend at least 50% of the combined Adult and Dislocated Worker funds on training and/or training related services as outlined in the Policy.

PROCEDURES

The Illinois Department of Commerce and Economic Opportunity (DCEO) is responsible for the monitoring and oversight of the WIOA Title IB programs. DCEO tracks the expenditures, obligation rate and service levels associated with the local administration of the WIOA programs. Throughout the year DCEO provides LWIAs with updates and technical assistance regarding this information as appropriate. LWIAs that are not on-track to meet the 50% minimum training expenditure rate are notified on a monthly basis starting in the third quarter of the grant (January). At the end of each program year (June 30), DCEO analyzes the fiscal and programmatic data to determine if the LWIAs have met Federal and State program requirements. LWIAs that do not meet the Federal and State expenditure, obligation, and or service levels are subject to monitoring findings and required corrective action plans.

REPORTING

DCEO will submit a report to the Illinois Workforce Innovation Board by September 1 with the results of the WIOA Title IB Adult and Dislocated Worker Program Training Expenditure Rates.

ENFORCEMENT

DCEO will notify the LWIAs that do not meet the Training Expenditure Rate with a formal monitoring letter. The Grantee in conjunction with the local workforce innovation board will be required to respond to this finding with a written explanation of the conditions that led to the lower training expenditures as well as a corrective action plan for the next WIOA program year.

The response from the LWIA will be submitted to the IWIB Continuous Improvement Committee to determine if the explanation and corrective action plan is acceptable and if the LWIA will be "Held Harmless" as outlined in the MTE Policy. The Committee may also request a meeting with the LWIA.

Hold Harmless: Any LWIB that fails to meet the minimum Expenditure level may be eligible to receive an earned performance incentive bonus for that Program Year, pending approval by the IWIB. Approval shall be based on a written explanation of conditions that led to the lower training expenditures. Examples of such conditions might include;

- *Unexpected large expenditures related to trade adjustment assistance events;*
- *Federal or State funding cuts;*
- *Other unforeseen events that prevent the local board in meeting the minimum rate.*

LWIAs that are not responsible and/or do not have a valid explanation for not meeting the MTE may be placed on "high-risk" status for failure to meet the minimum expenditure level, even if granted performance incentive bonus eligibility in a given program year.

DCEO monitors will be available to provide information and assistance to the Continuous Improvement and/or Executive Committees as they make decisions regarding the disposition of the MTE finding including the applications of the hold harmless provision and/or the issuance of sanctions.