



Illinois
Department of Commerce
& Economic Opportunity
OFFICE OF EMPLOYMENT & TRAINING
JB Pritzker, Governor

[DATE]

[LWIA ADDRESS]

Re: Grant Nos.: XX-6810XX and XX-6810XX

Dear [DIRECTOR NAME]

This letter is to inform you that Local Workforce Area XX is not compliant with the State of Illinois Training Expenditure Policy for Program Year 20XX. The training expenditure policy requires that at least fifty percent of the combined Workforce Innovation and Opportunity Act (WIOA) Adult and Dislocated Worker funds be spent on training or training related services.

Finding: Based on the expenditures reported for the period ending June 30, 20XX, the LWIA did not meet the State of Illinois Training Expenditure Requirement during Program Year 20XX. Chapter 8.4 of the State of Illinois Workforce Innovation Opportunity Act e-Policy requires that the minimum expenditure level for the combined calculation of Adult and Dislocated Worker funding streams is fifty percent. The expenditure rate for Local Workforce Innovation Area XX that was reported to DCEO for the peroid ending June 30, 20XX was XX% as outlined in Table 1 below.

Table 1: WIOA Adult and Dislocated Worker Expenditures 7-1-XX – 6-30-XX

LWIA XX Funding stream	PY-XX Expenditures	PY-XX Expenditures	Total Expenditures
Adult Direct Training			
Total Adult Expenditures			
DW Direct Training			
Total D.W. Expenditures			
Total Direct Training Expenditures			
Total Expenditures			

Corrective Action #1: The grantee in conjunction with the local workforce innovation board must 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 WIOA Program Year 20XX. Please note the following provisions within the policy

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.

A written response to this finding including proper documentation, must to be submitted to the Department within 30 days of the date of this letter. The response should be addressed to John Barr at John.W.Barr@Illinois.gov. The Department requires that all responses be furnished in a Word document with back up documentation provided as an attachment in PDF format. A copy of the signed response letter must also be provided.

Sincerely,

John Barr
Office of Employment and Training

cc: [Chief Elected Official]
[Local Workforce Board Chair]
[Local Workforce Area Board Staff]
[Local Workforce Area Administrator]
[Local Workforce Area Fiscal Administrator]
[IWIB Continuous Improvement Committee]