



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

WIOA NOTICE NO. 21-NOT-06

TO: Chief Elected Officials
Local Workforce Innovation Board Chairpersons
Local Workforce Innovation Board Staff
WIOA Fiscal Agents and Grant Recipients
WIOA Program Services Administrators
Illinois workNet® Operators
TAA Contacts
WIOA State Agency Partners
Other Interested Persons

SUBJECT: 1E-C Employment and Case Management Services Funding Procedures for Certifications 98,000 and higher as well as Supportive Services for all Trade Certifications

DATE: April 13, 2022

I. SUBJECT INDEX

1E-C Employment and Case Management Services Funding
Fiscal Reporting and Accountability
Trade Adjustment Assistance Program (Trade)

II. PURPOSE

To provide the Local Workforce Innovation Boards (LWIBs) and other qualified organizations with information regarding the grant application and funding procedures for the delivery of 1E-C employment and case management services for certifications numbered 98,000 and higher as well as supportive services for all Trade certifications.

III. ISSUANCES AFFECTED

A. References:

Trade Adjustment Assistance Act (TAA) of 2002, as amended
Trade and Globalization Adjustment Assistance Act (TGAAA) of 2009, as amended
Trade Adjustment Assistance for Workers: Reversion 2021
Title II of the 1974 Trade Act, Chapter 2, Subchapters A-C, as amended
20 CFR Part 618, Trade Adjustment Assistance, subpart I
Workforce Innovation and Opportunity Act of 2014, Public Law 113-128, as amended
Workforce Innovation and Opportunity Act of 2014 Final Rule at 20 CFR 680.900

- 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements
- Final Rule 2 CFR Part 2900, DOL Exceptions to 2 CFR Part 200
- Training and Employment Guidance Letter No. 24-20, Operating Instructions for Implementing the Reversion Provisions of the Amendments to the Trade Act of 1974 Enacted by the Trade Adjustment Assistance Reauthorization Act of 2015 (June 4, 2021)
- Training and Employment Guidance Letter No. 04-20, Guidance on Integrating Services for Trade-Affected Workers under the Trade Adjustment Assistance Program (TAA Program) with the Workforce Innovation and Opportunity Act (WIOA) Title I Dislocated Worker (DW) Program (October 29, 2020)
- Training and Employment Guidance Letter No. 03-20, Determining the Availability of Suitable Employment Under the Trade Adjustment Assistance (TAA) Program's Final Rule to Return Trade-Affected Workers to Employment as Quickly as Possible (September 24, 2020)
- Training and Employment Notice No. 02-20, Announcing the Release of the Trade Adjustment Assistance (TAA) for Workers Final Rule and Amended Information Collections Associated with this Rulemaking (August 21, 2020)
- Training and Employment Notice No. 10-19 Change 1, Extension of the Health Coverage Tax Credit (HCTC) Program for Eligible Trade Adjustment Assistance (TAA) Recipients and Eligible Alternative TAA and Reemployment TAA (ATAA/RTAA) Recipients or Eligible Pension Benefit Guaranty Corporation (PBGC) Recipients (December 31, 2019)
- Training and Employment Guidance Letter No. 01-19, Trade Adjustment Assistance Data Integrity (TAADI) (July 1, 2019)
- Training and Employment Guidance Letter No. 12-16, Questions and Answers on the Effects of Strikes and Lockouts on Eligibility for Trade Adjustment Assistance (TAA) and Trade Readjustment Allowance (TRA) (December 22, 2016)
- Training and Employment Guidance Letter No. 27-13, Impact of the U.S. Supreme Court's Decision in *United States v. Windsor* on the Trade Adjustment Assistance Program (June 18, 2014)
- Training and Employment Guidance Letter No. 22-08, Change 1, Change 1 to the Operating Instructions for Implementing the Amendments to the Trade Act of 1974 Enacted by the Trade and Globalization Adjustment Assistance Act of 2009 (November 20, 2009)
- Training and Employment Guidance Letter No. 22-08, Operating Instructions for Implementing the Amendments to the Trade Act of 1974 Enacted by the Trade and Globalization Adjustment Assistance Act of 2009 (May 15, 2009)
- Training and Employment Guidance Letter No. 09-05, Approval of Distance Learning Under the Trade Adjustment Assistance (TAA) Program (December 12, 2005)
- Training and Employment Guidance Letter No. 11-02, Change 3, Change 3 to the Operating Instructions for Implementing the Amendments to the Trade Act of 1974 Enacted by the Trade Act of 2002 (May 25, 2006)
- Training and Employment Guidance Letter No. 11-02, Change 2, Change 2 to the Operating Instructions for Implementing the Amendments to the Trade Act of 1974 Enacted by the Trade Act of 2002 (August 10, 2004)
- Training and Employment Guidance Letter No. 11-02, Change 1, Change 1 to the Operating Instructions for Implementing the Amendments to the Trade Act of 1974 Enacted by the Trade Act of 2002 (November 6, 2003)

Training and Employment Guidance Letter No. 11-02, Operating Instructions for Implementing the Amendments to the Trade Act of 1974 Enacted by the Trade Act of 2002 (October 10, 2002)

WIA Policy Letter 6.2 WIOA Rapid Response (1E) Grant Funds (March 14, 2022)

WIA Policy Letter No. 09-PL-52, Trade Adjustment Assistance (TAA) – Administration (July 28, 2009)

WIA Notice No. 08-NOT-37, Change 1, Trade Adjustment Assistance (TAA) Operating Instructions (October 19, 2009)

WIOA Notice No. 17-NOT-01, Trade Act – Revised Waiver and Appeal Rights (July 24, 2017)

Trade Notice 12-TAA-01, Trade Travel Assistance (April 9, 2013)

Trade Notice 13-TAA-02, Allowable Trade Training Related Expenses (February 5, 2014)

B. Rescissions:

None

IV. BACKGROUND

The U.S. Department of Labor's (USDOL's) Employment and Training Administration (ETA) designates and grants authority to state agencies to serve as fiscal agents for various programs. In conjunction with the Illinois Department of Employment Security, the Department of Commerce and Economic Opportunity's (DCEO's) Office of Employment and Training (OET) serves as the agent for the Trade Adjustment Assistance Program (Trade Program). This program, authorized by the Trade Act of 1974 and amended, is established to assist workers whose employment is adversely affected by increased imports or by a shift of production to a foreign country.

The goal of the Trade Program is to help workers return to suitable employment as quickly as possible. To facilitate this goal, Trade Program certified workers access a menu of reemployment services that may include income support, relocation allowances, job search allowances, and a health-coverage tax credit.

To obtain Trade Program reemployment services and benefits, a petition must be filed with the USDOL's Division of Trade Adjustment Assistance requesting certification for workers adversely affected by foreign trade. If the worker group meets the necessary group eligibility criteria, a certification will be issued. After a worker group certification is issued, each worker in the group may then apply for individual services and benefits through their local Illinois workNet Center® to determine individual Trade Program eligibility for services and benefits.

Trade Program regulations at 20 CFR 618.325 mandate co-enrollment. Trade-affected workers who are eligible for the Workforce Innovation and Opportunity Act (WIOA) Dislocated Worker Program must be co-enrolled. Workers may choose to decline co-enrollment in WIOA and they shall not be denied benefits or services under the Trade Program solely for declining co-enrollment in WIOA. Some Trade-affected workers are ineligible for the WIOA Dislocated Worker Program, including those that do not meet the Selective Service registration requirement and will be exempt from the co-enrollment requirement.

The Trade Program regulations that became effective on September 21, 2020, allow states to award grants for the provision of employment and case management services to eligible Trade Program Participants. Effective July 1, 2021, the Trade Program as amended by the Trade Adjustment Assistance Reauthorization Act of 2015 (TAARA, 2015 Program, or 2015 Amendments) is reverted to a previous version of the program, referred to as Reversion 2021. Under Reversion 2021, Trade funds may not be used to provide employment and case management services to trade-affected workers covered under petitions filed on or after July 1, 2021, and are assigned a petition number of 98,000 or above. Since the requirement to co-enroll trade-affected workers who are eligible for the WIOA Dislocated Worker Program continues to apply under Reversion 2021, States must coordinate the provision of employment and case management services through their other programs such as the WIOA Dislocated Worker program.

This notice establishes the 1E-C funding procedures for employment and case management services for individuals being served from certifications numbered 98,000 and higher and supportive services not covered by Trade funds for all Trade certifications.

V. COMPONENTS

Funding to provide employment and case management services for Trade Program certifications numbered 98,000 and higher as well as supportive services for all Trade certifications will be awarded through 1E-C funding.

Note: These procedures DO NOT remove the established State Merit Staff review and approval procedures that are administered by the OET Trade Program Unit.

This funding will not be awarded on an automatic basis by OET.

Grantees are required to follow the grant application procedures outlined in this funding policy. The 1E-C grant funding request must be based on the number and reemployment needs of the Trade Program participants. As outlined below, LWIAs and qualified grantees should submit a Uniform Grant Application, 1E-C Application, and Uniform Budget Template to be able to provide employment and case management services and/or supportive services.

Funding for Employment and Case Management Services (Trade or 1E-C)

- Certification Numbers 97,999 and lower - Trade Program regulations that became effective on September 21, 2020, allow states to award Trade Program grants for the provision of employment and case management services for participants covered under petition certifications numbered 97,999 and lower.
- Certification Numbers 98,000 and higher – Reversion 2021 requires that employment and case management services for Trade Program participants who are co-enrolled in the WIOA Dislocated Worker Program must be funded from a non-Trade source. If LWIAs have depleted WIOA Dislocated Worker Program funds, they may apply for 1E-C employment and case management services funds.

Funding for Supportive Services (1E-C)

- LWIAs and other qualified grantees that administer the Trade Program are eligible to apply for 1E-C funds to provide supportive service for all Trade certifications. Costs that are not covered by Trade funds may include transportation, parking, childcare, and other related supportive services.

1. Grant Submission Process

- a. Eligible applicants that are interested in applying for 1E-C funds should connect with their OET regional manager to discuss their funding needs.
- b. Each eligible applicant must use the instructions provided below for the items required for submission.

2. Application Procedures for Certifications Numbered 97,999 and Lower:

- a. Refer to Policy 20-TAA-01 to apply for funding for employment and case management services under the Trade Program grant.
- b. Supportive services not covered under Trade regulations may be paid from WIOA funding, including 1E-C.

3. Application Procedures for Certifications Numbered 98,000 and Higher:

- a. Pre-Award Registration and Assessment Requirements: Each eligible applicant must follow the pre-award registration and assessment procedures outlined by the State of Illinois, Office of Management and Budget (OMB) in accordance with the Grant Accountability and Transparency Act (GATA). These procedures are outlined on the OMB website at <https://www2.illinois.gov/sites/GATA/Grantee/Pages/default.aspx>.
- b. In addition, each applicant must complete and submit the following:
 - 1) Cover Letter: Applicants must submit a cover letter that includes the following:
 - a) The amount of the funding request;
 - b) A brief explanation of the need for funds;
 - c) A list of the events that are included in the funding request;
 - d) An attestation by the Chief Elected Official(s) (CEOs) as an indication they agree to the information included in the funding request; and
 - e) The CEO's (or designee's) signature approving the request.
 - 2) Uniform Grant Application and Funding Requests: Each eligible applicant must follow the pre-award registration and assessment procedures outlined by the State of Illinois Office of Management and Budget in accordance with the Grant Accountability and Transparency Act (GATA) as well as OET. Applicants will be required to complete the Uniform Grant Application (Attachment A) and the 1E-C Application (Attachment B) which includes a projection of the funds that are needed to provide eligible Trade Program participants employment and case management and other allowable supportive services using WIOA funds.

- 3) Allowable Costs: All grant costs must be allowable, reasonable, necessary, and allocable to 1E-C employment and case management services and/or supportive services. Eligible applicants must include a budget narrative to justify the proposed costs and demonstrate that they are allowable. Applicants must complete the Uniform Budget Template (Attachment C) that includes the budget line items listed below.
 - a) *Direct Administrative Costs*: Costs defined in WIOA regulations at 20 CFR 683.215, including, but not limited to, the following functions: accounting; budgeting; financial and cash management; procurement, purchasing; property management; payroll; and audit.
 - b) *Employment and Case Management*: Costs associated with providing employment and case management services to eligible co-enrolled participants being served from certifications numbered 98,000 and higher including:
 - i) *Personnel Salaries*: Compensation for services of employees rendered during the period of performance under the award, including but not necessarily limited to wages and salaries as defined in 2 CFR 200.430.
 - ii) *Fringe Benefits*: Allowances and services provided by employers to their employees in addition to regular salaries and wages as outlined in 2 CFR 200.431 for individual personnel providing services.
 - iii) *Other Case Management*: Other costs associated with the provision of employment and case management services including the share of the One-Stop Infrastructure and Shared Costs as defined by the Workforce Innovation and Opportunity Act (WIOA).
 - iv) *Indirect*: Includes the allowable costs defined in 2 CFR 200.414 as applicable.
 - c) *Supportive Services*: Expenditures to, or on behalf of, a Trade participant co-enrolled in WIOA career services unable to obtain supportive services through the Trade or other programs providing supportive services and must be provided in a manner necessary to enable individuals to participate in WIOA career services. Supportive services include costs for activities defined in 20 CFR 680.900 and includes support services to participants who receive training from a source other than WIOA funds, e.g., Trade program, Pell Grants.
- c. Use of Funds: Eligible applicants will use the Uniform Budget Template to document the grant request. Costs must be directly related to the purpose of this notice.
- d. State Merit Staff Approval: The updated funding procedures provide 1E-C funding for employment and case management services certifications numbered 98,000 and higher and or supportive services for all certifications. These procedures DO NOT remove the established Merit Staff review and approval procedures that are administered by the OET Trade Program Unit for the Trade Program.

4. Grant Application Review

- a. Grant applications and funding requests will be reviewed by OET staff to ensure compliance with the federal and state program regulations.
- b. OET may request additional information and negotiate the grant award based on the reasonableness of the proposed costs.

5. Grant Modification Request: The 1E-C grants may be modified at any time during the term of the grant based on the level of 1E-C activity and other applicable factors.
 - a. The following documents are required when submitting a grant modification:
 - 1) A cover letter that includes a detailed reason for the modification signed by the CEO(s) or the designee indicating approval of the grant modification.
 - 2) The completed attached Uniform Budget Modification Template (Attachment D).
 - 3) The signed Certification page from the Uniform Budget Modification Template.
 - b. Because of changing economies throughout the State, a need may exist to reallocate unexpended funds to those areas that have the greatest need for additional 1E-C employment and case management and/or supportive services funds. OET reserves the right to review actual grant expenditures for all grants and modifications and may de-obligate the entire remaining portion of the unspent funds at any time. If OET determines a de-obligation is warranted, the grantee will be contacted in writing with instructions to prepare a unilateral modification to de-obligate the unexpended funds.
6. Grant Reporting Requirements
 - a. Participant activity must be reported in the appropriate career planning system and fiscal data reported in the Department's accounting system known as the Grantee Reporting System (GRS). Participant activity must be reported within ten (10) days of the occurrence as described in the Career Planning section of the policy manual. Accrued expenses and obligations must be reported monthly or within thirty (30) days of the occurrence following the Reporting of Accrued Expenditures, Obligations, and Reallocations section of the policy manual.
 - b. Grantees must complete and submit the Periodic Performance Report (PPR) and the Periodic Financial Report (PFR) to OET every quarter. The specific date for reporting is indicated on the Reports Deliverable Schedule. In addition, grantees must also submit either a Plan vs. Actual Report or a Participant by Grant Report and a Trial Balance supporting documentation to the PPR and PFR respectively. The templates and instructions are found at the link listed on the References tab.
7. Fiscal Management and Monitoring
 - a. This program is funded by the USDOL and grantees must follow all applicable WIOA regulations. The funding for this grant will be provided on a reimbursement basis and pre-award costs will be allowed. All costs must be associated with allowable activities and must be documented in accordance with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards located at 2 CFR Part 200. This grant will be included in the annual monitoring of grantees by the OET, as appropriate.

8. Grant De-Obligation for Under-Expenditure of Funds

- a. OET reserves the right to review actual grant expenditures for all 1E-C grants and modifications during the first three quarters of each program year on or about the thirtieth (30th) day following the end of each of the first three (3) quarters.
- b. If the grantee has expended 85 percent (85%) or more of the planned quarterly expenditures, no action will be taken by OET.
- c. If the grantee has expended less than 85 percent (85%) of the planned quarterly expenditures, OET may de-obligate the entire remaining portion of the unspent 1E-C funds for the quarter.
- d. Following OET review, the local grant recipient will be contacted in writing with instructions to prepare a modification to de-obligate the unexpended 1E-C funds.
- e. The modification will be due within thirty (30) days of OET's correspondence.

9. Grant Performance Measures

- a. All WIOA participants are included in WIOA performance measures regardless of funding source.
- b. 1E-C grants issued under this policy will be aggregated with WIOA Dislocated Worker formula grants (1D) to determine whether locally negotiated performance goals have been achieved.
- c. Local WIOA Dislocated Worker (1D) performance goals will not be renegotiated with the award of 1E-C grants or modifications.

VI. ACTION REQUIRED

Local Boards and grantees are advised to use this information in applying for and modifying the 1E-C grant.

Electronic submission of the information included in this policy must be sent via email to Lorraine.wareham@illinois.gov.

VII. INQUIRIES

Inquiries related to grant management should be directed to OET, Lorraine Wareham at Lorraine.Wareham@Illinois.gov. Inquiries related to fiscal concerns should be directed to OET, John Barr at john.w.barr@illinois.gov.

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VIII. EFFECTIVE DATE

This policy is effective on release.

IX. EXPIRATION DATE

This policy will remain in effect until amended or rescinded by DCEO, Office of Employment and Training.

Sincerely,

A handwritten signature in black ink, appearing to read 'Julio Rodriguez', with a stylized flourish at the end.

Julio Rodriguez, Deputy Director
Office of Employment and Training

JR:ld

Attachment(s): A – SFY 22 WIOA 1E-C Uniform Grant Application Accessible and Enabled
 B – SFY 22 WIOA 1E-C Application
 C – SFY 22 WIOA 651 Uniform Budget Template
 D – SFY 22 WIOA 651 Uniform Budget Modification Template

A handwritten signature in black ink, appearing to read 'Julio Rodriguez', with a stylized flourish at the end.