Workforce Innovation and Opportunity Act (WIOA) Training Funds

July 21, 2016
Federal Workforce Multi-Level System

Federal

- Workforce Innovation & Opportunity Act & Federal Regulations

State

- Illinois Workforce Innovation Board
- Commerce Office of E&T

State Policy Letters

Local

- 22 Local Workforce Innovation Boards (LWIB)
- 22 Local Workforce Innovation Areas (LWIA)

Local Policies
Illinois Local Workforce Innovation Areas

• The Workforce Innovation and Opportunity Act requires the Governor to identify and organize local workforce boards and core program partners into regional planning areas to:
  o engage in joint planning,
  o integrate service delivery,
  o share administrative costs, and
  o enter into regional coordination efforts with economic development agencies operating in the same region.

• The ten regions were established by the Governor based on the analysis of statewide commuting patterns surrounding major and minor metropolitan centers.
WIOA Funding Hierarchy

Federal USDOL
- Awards Formula Grant to States (Commerce) in annual Program Year Allotment
- Awards National Emergency Grants to States, as needed
- Awards various other WIOA grants through competitive RFAs (Workforce Innovation Fund)

State COMMERCE
- Awards formula grants to Local Workforce Investment Areas in annual Program Year Allocation
- Awards Rapid Response grants as needed
- Awards various other WIOA grants through RFAs (National Emergency Grants / Workforce Innovation Grants)

Local LWIAs
- Receives Commerce Grants
- Administers programs in compliance with the various grants
- Plans services
- Serves participants & tracks outcomes
WIA/WIOA Formula Funding Streams

WIA/WIOA Funding to Illinois & Eligibility

**ADULT**
- 5% STATE ADMIN
- 3.75% STATEWIDE ACTIVITIES
- 91.25% TO LOCAL WORKFORCE INVESTMENT AREAS (Formula Grants)

**DISLOCATED WORKER**
- 5% STATE ADMIN
- 3.75% STATEWIDE ACTIVITIES
- 21.25% STATE RAPID RESPONSE 1-E (Events of 30+ Layoffs)
- 70% TO LOCAL WORKFORCE INVESTMENT AREAS (Formula Grants)

**YOUTH**
- 5% STATE ADMIN
- 3.75% STATEWIDE ACTIVITIES
- 91.25% TO LOCAL WORKFORCE INVESTMENT AREAS (Formula Grants)
- 75% min. Out of School
- 20% min. Work-Based Learning

**ADULT ELIGIBILITY**
- 18 Years or Older
- Authorized to work in the US
- Compliant with selective service requirements
- At least 51% of adult clients served must be low income (LWIA may select a higher percentage)

**DISLOCATED WORKER ELIGIBILITY**
- Meets all Adult requirements
- And meet at least one of the following:
  1) Unlikely to return to prior industry or occupation
  2) Laid off or terminated due to plant closure or substantial layoff
  3) Formerly self-employed, now unemployed
  4) Displaced homemaker

**YOUTH ELIGIBILITY**
- In-School ages 14-24 at date of registration
- Out-of-School ages 16-24
- Low Income
- At least one of these barriers to employment:
  1) Deficient in basic literacy skills
  2) School dropout
  3) Homeless / runaway
  4) Foster child
  5) Pregnant / parent
  6) Offender
  7) Needs help to complete education or secure and hold employment
Priority of Service

- Basic skills deficient is now priority along with low-income job seekers and public assistance recipients for Adult program services
  - Expands basic skills definition beyond having essential skills at or below 8th grade level to include being unable to function on the job, in the family, or in society
- New definition for “individuals with a barrier to employment”
  - Requires only one or more barriers rather than multiple under WIA
- Expands the definition of “homeless individual” to include 2 additional Acts
  - Violence Against Women Act of 1994 & the McKinney-Vento Homeless Assistance Act
- Expands the low-income criterion
  - Includes free and reduced lunch
  - Clarifies eligibility for individuals with disabilities who meet income thresholds
Priority of service requirements for eligible veterans and qualified spouses continue under WIOA

Eligible spouses of certain active duty members of the Armed Forces are included in the definition of dislocated workers and displaced homemakers eligible for assistance.
Services to Adults and Youth with Disabilities

• WIOA increases access to high quality workforce services for individuals with disabilities and prepares them for competitive, integrated employment
• One-Stop centers will be physically and programmatically accessible for individuals with disabilities
• Youth with disabilities will receive extensive pre-employment transition services so they can successfully obtain competitive, integrated employment
Expanded Access for Youth

- At least 20% of local Youth formula funds must be used for work activities such as Summer jobs, Pre-apprenticeship, On-the-job training, and Internships.
- Requires that at least 75 percent of available state-wide funds and 75 percent of funds available to local areas be spent on workforce investment services for out-of-school youth. This is an increase from 30 percent under WIA.

- **Out-of-School Youth** age for eligibility is now 16 - 24. Youth must meet one additional condition such as school dropout.

- Expands the **In-School Youth** eligibility to include low-income individuals ages 14 to 21 who are receiving a free or reduced price school lunch, or are English language learners or those who have a disability.

- Adds youth “living in a high-poverty area” to the low-income criterion for youth activities funding and services.
Training Requirements

• Focus on performance and programs that lead to in-demand jobs
• Requires governor to develop range of criteria to determine eligibility, including:
  • Performance of providers
  • Whether the provider is in a partnership with business
  • Ability of provider to offer programs that lead to “industry recognized postsecondary credentials”
  • Program quality
• States must require training providers to report on
  • Performance for the core accountability measures
  • Program completion rates and recognized postsecondary credentials received by participants;
  • Cost of attendance;
  • % of participants who entered unsubsidized employment in an occupation related to training
Training Funds

• Used only for training programs on the state’s Eligible Training Provider List
• Must coordinate with other grant assistance
  • Perkins
  • TANF
  • Community Service Block Grant
  • State Financial Aid
  • Grant Dollars
• Can use for individuals who are unable to obtain Pell Grant assistance or who need additional assistance beyond Pell Grants.
• Includes supportive services
  • Only if the individual cannot obtain such support through other programs.
  • Examples - transportation, childcare, housing
# Flexible Training Models

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<th>Model</th>
<th>Description</th>
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<td>Individual Training Account (ITA) – Classic WIOA</td>
<td>Occupational skill training leading to credential or degree</td>
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<td>Bridge Programs - Contextualized learning/transition services</td>
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<td>Incumbent Worker Training - (20% of Dislocated Worker Funds)</td>
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<td>On-the-Job Training – Learn and Earn – (75% wage reimbursement)</td>
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<td>Class Size Training – Bundling ITAs to get classes started now</td>
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Strong Focus on Sector and Employer-Based Training

- Promotes greater alignment of education and workforce
- Expands training and education options
- Emphasizes career pathway development that increases attainment of industry recognized or postsecondary credentials

Requires training for high-demand industry sectors and occupations and employer engagement.

Promotes program coordination and alignment of key employment, education, and training programs at the Federal, state, local and regional levels.

Builds on proven practices such as sector strategies, career pathways, regional economic approaches, work-based training.
• Seamless progression from one educational stepping stone to another (career pathways)
• Across work-based training and education so individuals efforts result in logical and sequential progress
• Opportunity to progress in careers by obtaining new training and credentials
Career Pathways

• A new definition of career pathway - a combination of rigorous and high-quality education, training, and other services
  – increase articulation; acceleration; contextualization;
  – supports, counseling and navigation services;
  – prior learning assessments and other strategies that increase attainment of industry-recognized, postsecondary credentials.

• Encourages Integrated Education and Training

• Requires strategies to support the use of career pathways for low-skilled adults, youth, and individuals with barriers to employment (including individuals with disabilities), with education, training, and supportive services to enter or retain employment
Support for Work-based Learning

- WIOA allows local boards to fund proven work-based strategies
- Reimbursement rates have increased for employers offering on-the-job training and customized training
- Encourages Registered Apprenticeship programs
Questions

Contact

Lisa Jones
Office of Employment & Training
Department of Commerce & Economic Opportunity
217.558.2443
Lisa.D.Jones@illinois.gov