

**Recommendations for Chicago's Local Plan**  
**Title I of the Workforce Investment Act of 1998**



**Prepared by the Chicago Jobs Council**

**February 2000**

These recommendations were developed by CJC's Workforce Development Group – approximately 25 employment training providers, advocates, and civic groups who meet monthly to identify and organize around pressing issues facing Chicago's low-income job-seekers. A smaller ad hoc committee met several times to discuss ideas, develop recommendations, and edit draft versions. In addition, another 27 direct service providers were convened in focus groups and a follow-up session to raise issues and solicit ideas. Special thanks to the ad hoc committee:

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Acknowledgment to the participants in the focus groups and members of the Workforce Development Group:

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## EXECUTIVE SUMMARY

### **Overview**

Passed in August 1998, the Workforce Investment Act (WIA) is the first federal workforce legislation since the Job Training Partnership Act (JTPA) was created in 1982. WIA overhauls the nation's approach to workforce development by eliminating JTPA and consolidating a significant number of federal funding streams for job training, adult basic education, vocational rehabilitation and unemployment insurance. Several principles are emphasized in the legislation: street-level coordination through one-stop centers; customer-focused accountability; and, a market-driven service delivery system.

The Chicago Jobs Council (CJC) is a coalition of over 100 employment training providers and advocates working to increase job opportunities for low-income city residents. Through ongoing dialogue with policymakers, members have been actively engaged in influencing implementation efforts at the federal, state and local levels to ensure the workforce development system meets the needs of all job-seekers including welfare participants and others who have had little or no connection to the workforce.

In September 1999, CJC began convening a committee of members to develop recommendations for WIA implementation in Chicago. Over 30 of CJC's members participated in in-depth discussions about how to use the provisions within WIA to improve the existing workforce development system. The recommendations included in this report are a result of those discussions and outline several key steps for the City of Chicago to take in implementing WIA. We hope that the Chicago Workforce Board will consider these recommendations when developing the City's WIA implementation plan starting in July 2000.

### **Policy Recommendations**

This report provides a series of policy recommendations for local implementation of Title I of the Workforce Investment Act of 1998 (WIA) aimed at providing an integrated workforce development system that effectively serves both disadvantaged job-seekers and employers.

#### *Service Delivery*

- Designate community-based organizations and other institutions that meet a geographic or special population's need as "affiliate sites" to the One-Stops. Affiliate sites should have the appropriate shared technology and consumer information to register, assess, and provide core and intensive services within the system.
- Create standards for assessment so that all service providers collect uniform elements that are recognized system-wide. These standards would help prevent job-seekers being continually re-assessed at multiple points in the system to collect duplicative information.
- Train and support front-line staff at One-Stops and affiliate sites to conduct quality assessment, be culturally sensitive, be familiar with local resources, have the tools to support informed customer choice and to provide career path planning.
- Work with the Illinois Department of Human Services to coordinate services for TANF participants and ensure that customer choice is provided to TANF participants who are served by multiple agencies.

### *Funding*

- Develop a strategic plan to identify new funds necessary to achieve the goals for the system.
- Prioritize funding for low-income individuals with multiple barriers to employment.
- Structure Individual Training Accounts (ITAs) flexibly so that a job-seekers' needs determine the types and amounts of funding deposits and allow for contracts in lieu of ITA payments serve job-seekers with multiple barriers in need of holistic services.

### *Governance and Planning*

- Use a sector employment intervention strategy to collect labor market data and to determine the allocation of limited job training resources. A key component of the methodology is conducting focus groups with employers, job-seekers and employment training providers to identify pathways to link employers with employees, and to restructure low-wage jobs to improve advancement opportunities.
- Measure success of the workforce system by the progress that low-income job-seekers and workers make toward self-sufficiency.
- Commit to inclusive governance structures and decision-making processes that reflect the needs of Chicago's many workforce development stakeholders.

## I. Introduction

As a coalition of employment training providers and advocates in the workforce development arena, the Chicago Jobs Council (CJC) has worked for nearly two decades to shape the public workforce system to provide comprehensive, seamless services to Chicago's low-income job-seekers and, at the same time, to meet the workforce needs of local employers. The passage and upcoming implementation of the Workforce Investment Act of 1998 (WIA) provides a new opportunity to engage stakeholders in a strategic plan to accomplish this vision. The legislation, which replaces the Job Training Partnership Act (JTPA), emphasizes local governance, accountability, and customer choice. It also identifies one-stop centers as the primary mechanism to coordinate services and streamline federal funding for workforce training, adult basic education, vocational rehabilitation, and unemployment services. When one-stop centers were first created in Illinois (called Illinois Employment and Training Centers or IETCs) CJC members and staff engaged in a process to evaluate and make recommendations for improvement.<sup>1</sup> Now, through the establishment of a local plan, CJC members again hope to affect the discussion about creating linkages between IETCs, the mandated One-Stop partners and an existing workforce development infrastructure to create a *one-stop system*.<sup>2</sup> This document includes both CJC's vision for an effective workforce development system and how WIA can be used to support the vision.

### **Goals for an Effective Workforce Development System in Chicago**<sup>3</sup>

An effective workforce development system supports economic growth by expanding employment opportunities for residents and meeting the human capital needs of employers. Such a system in Chicago needs to:

- Help local employers recruit, retain, and improve the performance of qualified employees in ways that support industry growth in Chicago and that help us compete nationally and internationally.
- Enable local residents to secure jobs paying family-supporting wages and to advance up the career ladder.
- Provide access to well-paying, career-path employment for both young people entering the labor market and for disadvantaged adults entering or re-entering the labor market.
- Focus resources for workforce development on meeting the needs of industries of strategic importance to Chicago and the region.
- Reduce occupational segregation by actively creating opportunities for women and minorities to enter non-traditional employment.

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<sup>1</sup> Chicago Jobs Council, "Five Stops on the Road to Improving Chicago's One-Stops: Strategies from the Midwest to Make Chicago's Workforce System Work for Everyone," April 1998.

<sup>2</sup> The mandated WIA partners include five state agencies: Illinois Department on Aging (DOA); Illinois Department of Commerce and Community Affairs (DCCA); Illinois Community College Board (ICCB); Illinois Department of Employment Security (IDES); and Illinois Department of Human Services (IDHS) including the Department of Rehabilitation Services (DORS).

<sup>3</sup> These goals were adopted partially from the Chicago Workforce Development Partnership's "Strategy for Building a World-Class Workforce in Chicago," August 1999.

## **Using Provisions in the Workforce Investment Act (WIA) to Support the Goals**

The recent passage of the Workforce Investment Act of 1998 (WIA) and its emphasis on local planning provides an opportunity for the City of Chicago to take several key steps toward building an effective workforce development system. The suggestions included in this document articulate how the City of Chicago can take advantage of the flexibility within the law in order to meet the needs of *all* individuals.<sup>4</sup> If interpreted narrowly, the law could exclude individuals with barriers to employment and providers serving them. Therefore, the City must make an aggressive commitment to ensuring that this group of individuals are included and well served. For instance, the City will have to prioritize limited federal resources for serving low-income residents in Chicago. Also, varying needs of job-seekers will require that alternative service delivery mechanisms be made available throughout Chicago. Our suggestions address these items and also outline an innovative approach to labor market research that will further inform how resources should be allocated to meet the labor needs of Chicago's industries.

## **II. Policy Recommendations**

The expenditure of WIA funds should not be used to support the placement of individuals in minimum wage jobs with limited growth potential that they could readily obtain in today's economy without assistance. Instead, we are advocating that resources be focused on helping residents obtain employment with career paths, stay in those jobs, and advance to jobs that enable them to support themselves and their families. Through a statewide unified plan, as well as additional local planning efforts, the City of Chicago can create a service delivery system that connects adult education, vocational training, vocational rehabilitation and economic development and leverages WIA funds to build capacity within the system. Leveraging additional funds to cover the cost of developing a truly integrated and effective workforce development system, of which WIA implementation is a part, will be essential.

The following twelve policy recommendations were developed with careful attention to the legal parameters of WIA, the flexibility allowed to localities and our vision of an effective workforce development system for Chicago. Operational detail for implementation follows each recommendation. Finally, to the extent possible and for convenience, the recommendations address the items included in the Illinois Department of Commerce and Community Affairs' outline for local plans.

The City of Chicago through the Chicago Workforce Board and Mayor's Office of Workforce Development (MOWD) should adopt the following policies and operational guidelines:

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<sup>4</sup> The interim final regulations for WIA define different "customer" populations: **universal** customers are those that have access to core services such as information about job vacancies, career options, student financial aid, relevant employment trends, and instruction on how to conduct a jobs search, write a resume, or interview with an employer. The regulations also state that when funds allocated to a local area for employment and training activities are limited, **priority** shall be given to recipients of public assistance and other low-income individuals for intensive and training services. The Act allows local boards to provide contracts for training to service providers serving **special** populations that face multiple barriers to employment as defined by the Governor. Finally, **youth** eligible to be served under WIA are 14-21 years old, low-income, and require additional assistance to complete an educational program or to secure and hold employment. Other, non low-income youth are also WIA-eligible if serious barriers exist.

**1. Allocate resources for workforce development and ensure accountability from providers and partners in order to achieve the goals for the system**

- The Chicago Workforce Board (CWB) should have a greater role in assessing and articulating the needs of local businesses, job-seekers, and workers. We recommend that the Board employ a sector employment intervention strategy in order to collect labor market data and to help determine the allocation of limited job training resources. Sector intervention is an intensive strategy that targets a specific industry, occupation, or cluster of occupations to change the way in which job-seekers access opportunities in that industry. The information gathered through sector intervention differs from traditional labor market information because it reveals both employer needs and job-seeker qualities and then points to an intervention to address any mismatch to the benefit of both. This strategy can create new access to well-paid jobs, help restructure low-wage jobs to improve advancement opportunities, identify pathways for women and minorities to secure non-traditional employment, and achieve better economic and working conditions, while contributing to the strength and competitiveness of the industry. Its aim is to create a “win-win” situation for employers and job-seekers.

The recommended research methodology, developed by the National Economic Development and Law Center, is comprised of quantitative and qualitative labor market information, and targeted client, livable wage, and employment training research data. A key component of the methodology is conducting focus groups with employers, job-seekers, and training providers, to gather critical information on how the job market for that industry or occupation actually works.<sup>5</sup>

A sector intervention strategy would also be useful in identifying the needs and barriers facing youth. Through targeted youth focus groups, the City should use this strategy to develop and evaluate pathways from high school, basic education, vocational education, and post-secondary education to self-sufficiency. The definition of self-sufficiency that we support is detailed in policy recommendation #3.

- Also, the Chicago Workforce Board should also demand accountability for results from administrative agencies and service providers; and benchmark Chicago’s workforce policies, programs and performance against those of other large cities. For more detail about the potential roles for the Chicago Workforce Board, refer to the Chicago Workforce Development Partnership’s “Strategy for Building a World-Class Workforce in Chicago,” August 1999.
- A strategic plan is necessary for the development of new funds to achieve the goals for the system. The plan should identify essential components of the system for which funds are needed rather than seeking funds based on giving guidelines. Based on the “needs

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<sup>5</sup> More operational detail on the sector intervention strategy is available through Women Employed. The detail was developed by Toni Henle at Women Employed, based on research methodology created by Tse Ming Tam, Director of the Jobs, Income and Assets division of the National Economic Development and Law Center (NED&LC). Tam credits Craig Howard, John Foster-Bey, Frieda Molina, Barbara Johnson & Cindy Marano with developing various parts of the methodology, which he put together into one system and has applied in numerous cities and states.

assessment” and current system status that will be described in the local WIA plan, the Chicago Workforce Board should then be in the position to build a budget for the workforce system that effectively identifies gaps in funding. From this, a strategic plan can be developed that details how needed funds will be obtained. This will be the most compelling case to date for pursuing additional public funds from federal, state, or local sources as well as a blueprint for grant proposals prepared by the Chicago Workforce Board or the city agency, the Mayor’s Office of Workforce Development, for workforce programs.

- The City of Chicago should use workforce planning efforts now underway for WIA to create broader linkages between the workforce system and economic development initiatives. For example, a mechanism should be created for linking Community Development Block Grant (CDBG) loan and Tax Increment Financing (TIF) projects to the workforce development system, allowing businesses receiving public funds to profile their training and hiring needs for distribution throughout the workforce system. The City should ensure that notification of training and hiring needs is far enough in advance to meet employers’ needs. Also, it will be necessary to ensure that planning efforts for workforce programs and economic development initiatives are complementary and that vision/goals work together. As an example, the creation of jobs paying self-sufficient wages could be made a criterion for evaluating economic development initiatives.

The connections of the Chicago Workforce Board should be broadened and strengthened to other governing and advisory groups with jurisdiction over economic development, e.g., Community Development Committee, Empowerment Zone Coordinating Council, etc.

- A working group should be developed with a wide cross-section of members to explore the availability of funds to meet the Board’s strategic plan.

## **2. Prioritize service to low-income job seekers and workers, including both youth and adults**

- The Act clearly establishes that the one-stop partners in a local area must, when adult funds for intensive and training services are limited, prioritize service to low-income individuals and recipients of public assistance. Recognizing that a significant majority of job-seeking customers in Chicago’s one-stop system face multiple barriers to employment, the City of Chicago, as allowed under adopted State policy, should:

Allocate no less than 100% of local WIA intensive and training funds to serve low-income individuals with multiple barriers to employment. This may include individuals:

- ✓ with incomes at or below self-sufficiency (as defined in recommendation #3)
- ✓ with limited English proficiency or low literacy levels (below 9<sup>th</sup> grade)
- ✓ who have a physical disability
- ✓ who have a learning disability
- ✓ with history of TANF receipt or other public assistance (such as Food Stamps)
- ✓ with poor work histories
- ✓ who are or have been homeless

- ✓ who are or have been victims of domestic violence
  - ✓ who are displaced homemakers
  - ✓ with history of mental illness
  - ✓ with history of substance abuse
  - ✓ with prior convictions and/or incarceration
- Federal regulations require that WIA funds to serve youth be designated for low-income youth with one or more targeted barriers.<sup>6</sup> As allowed by the law, the Chicago Workforce Board should further define the list of targeted barriers to include individuals:
    - ✓ with a history of mental illness
    - ✓ with a history of substance abuse
  - The Chicago Workforce Board should leverage resources to ensure that the city’s Summer Youth Employment Program (SYEP) continues to offer opportunities to approximately the same number of low-income youth. Several steps are necessary to better connect summer employment with other employment services (career exploration, skill building, etc.) but needed program improvements should not limit the number of placements available. The City of Chicago should actively recruit businesses to provide summer employment opportunities and create a mechanism to connect youth to community resources. Some youth are already connected to services and may simply be in need of a mechanism such as an Illinois Employment and Training Center to link them to a summer job. Finally, the federal regulations indicate local areas do not have to provide the same intensity of follow-up services to those youth that enter in the summer months.

**3. Measure the success of the workforce system by the required WIA measures and by the progress that low-income job-seekers and workers make toward self-sufficiency**

- Accountability for serving low-income individuals and other special populations should be achieved, in part, by evaluating the performance of one-stop operators and affiliates who are contracted to provide intensive services on a range of measures beyond the core WIA measures (for further discussion of “affiliates,” refer to policy recommendation, #5). IETCs and affiliates should be measured and rewarded (through an incentive system) for several benchmarks of progress that an individual with limited skills and multiple needs makes on a path toward self-sufficiency.<sup>7</sup> Such indicators may include:
  - ✓ Learning gains from program entry through program completion. If program is longer than four months, then grade gains may be reported quarterly as well as at program

<sup>6</sup> Specifically, federal regulations require that WIA funds to serve youth be designated for low-income youth with one or more of the following barriers: deficient in basic literacy skills; school dropout; homeless, runaway or foster child; pregnant or parenting; offender (CJC interprets this to include youth with prior conviction and/or incarceration); and individuals (including a youth with a disability) who requires additional assistance to complete an educational program, or secure and hold employment.

<sup>7</sup> Project Match, based in Chicago, has researched and successfully implemented a model in which credit is given to the participant and the service provider for the progress made toward self-sufficiency. See Project Match’s “Five Years of Welfare: Too Long? Too Short?” by Suzanne L. Wagner, Toby Herr, Charles Chang and Diana Brooks, 1998. Also, San Francisco’s Asian Neighborhood Design recognizes interim steps on a path to self-sufficiency through their innovative assessment tool.

completion. Learning gains is also cited as a performance measure in the State’s implementation plan for Title II of WIA.

- ✓ Demonstration of participant commitment to work as evidenced by attendance and timeliness for program attendance.
- ✓ Significant personal benchmarks established by program participants and service providers and articulated in an Individual Service Strategy or Employability Plan (e.g. progress in an English as a Second Language class or regular participation in a recovery program for substance abuse).
- ✓ Wage gains over time for individuals served.

In doing so, it is expected that individuals who have historically not been well served by the workforce system (e.g., individuals with disabilities or language barriers) will now have more success in using the system because service providers’ efforts to serve them will be acknowledged and rewarded. Each contract should be structured individually to reflect that some intensive service providers will do job placement while others will not. Those who do not, but focus solely on pre-employment services, could refer job-ready customers to the nearest IETC for job placement services.

- The City of Chicago should adopt its own standard of self-sufficiency. We recommend using the Self-Sufficiency Standard for Illinois, which was developed by Diana Pierce, Ph.D., and Wider Opportunities for Women (WOW) in partnership with Women Employed. The standard defines the minimum amount of cash resources needed for a family to meet its basic needs and be self-sufficient without public or private subsidies (i.e. meet the most basic needs of housing, food, child care, transportation, clothing and related work expenses calculated by family size on a per county basis).
- The seven performance measures defined by the law for measuring services provided to youth already recognize the fact that learning is a life-long process and that programs serving youth should be measured not only by job placement, but by helping youth establish a career path that will lead to long-term self-sufficiency. The Chicago Workforce Board should make this same recognition for adult customers.

#### **4. Support workforce needs of those employers that directly benefit low-income communities and/or low-income residents**

- The Chicago Workforce Board should prioritize resources for customized and on-the-job training and placement services for employers that have a clear record of and/or commitment to operating in low-income communities; are owned by minorities and/or women; have provided growth opportunities for youth (e.g. through an internship, mentoring or summer youth employment); or that offer exceptional wages and career paths for entry-level positions. It is especially important that we help Chicago employers—including *small and mid-size businesses*—recruit, retain, and improve the performance of qualified employees to support industry growth and ensure competitiveness.

- Operationally, an application request should be developed that allows employers to demonstrate their hiring patterns and past commitment to the community. The Chicago Workforce Board should be able to articulate how assistance offered to employers will benefit a low-income community and/or priority population.
- To ensure that the employers who receive assistance through customized or on-the-job training contracts under WIA continue their obligations, the contracts should be subject to the same evaluation and monitoring now being developed and monitored through the Mayor's Office (Department of Purchases).

**5. Build on the existing infrastructure of community-based organizations, vocational schools and community colleges as providers of registration, core services, assessment and other intensive services by designating as many as is practical to be affiliates to one-stop centers in the service delivery system in order to ensure broad access to services throughout Chicago**

- The City of Chicago should use affiliate agencies to conduct registration, core services and assessment.<sup>8</sup> Using affiliates is an ideal way to incorporate neighborhood-based organizations that job-seekers already use for services. Universal access is best achieved by allowing the widest possible range of entry points and helping to ensure that all such entry points are readily accessible to customers with varied education, language, and physical needs. In addition to efficiently taking advantage of existing resources, such an arrangement also helps minimize the potential conflict of interest inherent in having IETC staff conduct assessments while being measured primarily according to placements. The intentions of the law and regulations is to create a set of services provided through an “honest broker” at an IETC. Allowing customers to enter the system through affiliates builds capacity to serve customers and also reduces the strain on the system by avoiding a duplicative and unnecessary “reverse referral” system. Affiliates should be provided appropriate “shared technology” as well as the necessary consumer information to help counsel customers regarding their options under WIA.
- Individuals who enter the system through a physical One-Stop and who are not able to secure a job that meets the self-sufficiency standard (defined in policy recommendation #3) for his or her family size should be referred, with consent, to an affiliate in the community for intensive services. In turn, affiliates should be empowered (through standardized assessment processes and access to the consumer report system) to provide those individuals receiving intensive services customer choice as to what training or employment is available and appropriate for them. Community-based services are essential to build the capacity of the system, particularly because of proven practices of recruiting, assessing and serving disadvantaged populations. Also, creating multiple points of entry into the workforce development system contributes to an accessible local one-stop system in which there is “no wrong door” for job-seekers.

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<sup>8</sup> WIA allows for supplemental arrangements to the IETCs, including affiliated sites that provide one or more programs, services and activities of the partners.

- Affiliates should be selected by the Chicago Workforce Board from a pool of organizations that have responded to and met the criteria in a Request For Qualifications (RFQ). In choosing affiliates, the Board should ensure geographic coverage and service to special populations (as listed in policy recommendation #1), and acknowledge the current demand made on potential affiliates by priority populations. In addition to using affiliates as entry points into the system, the City should certify affiliates as the primary providers of intensive services. Intensive services include in-depth vocational preparation assessments; development of individual employment plans; group counseling; individual counseling and career planning; case management; and short-term pre-vocational (job readiness) services. If that affiliate does not also provide job placement services, job-ready clients should be referred back to the IETC for assistance with securing employment.
- Similar criteria must be used in selecting one-stop operators. It may be advantageous to offer a similar RFQ process which would potentially yield a broader pool of potential one-stop operators and then select qualified respondents based on geography, expertise, and experience with populations expected to be served by a given site. If broader systemic issues about affiliates, payment processes, and communications infrastructure are adequately addressed, then there may be less emphasis needed on potential operators having the institutional capacity to “administer” a one-stop. Rather, one-stop operators can be chosen for their service and brokering capabilities not solely for their administrative capacity.
- In order to build a system in which all stakeholders are working cooperatively toward reaching our performance goals, it is important that funding for affiliates, intensive services, and training not be left to the discretion of one-stop operators. Recognizing that direct contractual relationships may be an added burden to the Mayor’s Office of Workforce Development, an administrative intermediary may be necessary.

**6. Ensure uniform quality of service and customer choice throughout the workforce development system by coordinating assessment procedures, providing accessible and accurate consumer information, and supporting intensive training and continuous improvement for front-line staff in IETCs, affiliates, contractors and vendors**

**Assessment**

- Standards should be created for assessment so that one-stop operators and affiliates collect uniform information, which is recognized system-wide. Such standards can ensure that the assessment itself will guide service delivery and will prevent job-seekers from having to be continually re-assessed at multiple points in the system. CJC developed an “Assessment Matrix” as a model for determining a uniform assessment system. A working group composed of a broad cross-section of service delivery providers should be developed to evaluate the necessary uniform information as well as effective assessment tools and processes.

- All customers should have the most complete assessment possible, which should include a formal approval/denial by the IETC or affiliate staff to move to the next sequential step. The assessment will chart the customer's path through the workforce system, so it is important that registration does not become a proxy for assessment by virtue of staff time pressures or Management Information Systems (MIS) considerations. Furthermore, the City of Chicago should ensure that every job-seeking customer who enters the city's workforce system, whether through a physical IETC or an affiliate agency, should receive a thorough assessment of his/her needs unless the individual elects not to be assessed for service. All individuals will be informed of confidentiality rights and informed that answering questions is always optional. Also, if a customer is assessed by multiple agencies with differing outcomes, s/he should be given the choice to determine the service rendered. The assessment will include, at minimum:
  - ✓ testing to ascertain the individual's functional literacy level
  - ✓ detailed education and employment history including identification of job- and/or industry-specific skills
  - ✓ in-depth interview to identify other barriers to employment

In addition, the City should be committed to ensuring that other assessments that may be necessary are completed. To that end, the following should also be available at Chicago's IETCs and affiliated sites:

- ✓ aptitude and skills testing (for priority industries and nontraditional employment for women)
  - ✓ screening and referral for learning disabilities
  - ✓ screening and referral for mental health, substance abuse, domestic violence, or other significant barriers
- Furthermore, the IETCs should make available optional vision and hearing testing on an ongoing basis as part of an assessment.

### **Access to Services**

- Regarding sequential access to services, the City of Chicago should recognize that a failed job search attempt should not be required nor should there be a prescribed minimum time period during which job-seekers must engage in any one category of service before moving on to the next, i.e., from core to intensive to training. Under regulations issued by the U.S. Department Of Labor, WIA need not be implemented with a strict "work first" philosophy.
- "Gateway" activities that are deemed to be the defining step in helping a job-seeker access additional services should be used to support an individual to move from one level of service to the other as fluidly as their needs dictate. The assessment itself, which could be completed in a single visit, should be used as the gateway activity to determine what level of service an individual needs to achieve self-sufficiency. The quality of the assessment will be determined by the capability and sensitivity of front-line IETC and affiliate staff.

- The law clearly states that youth ages 18-21 are eligible to receive both youth and adult services, or both concurrently. With this in mind, youth who are receiving intensive services (e.g. case management) from a contracted youth service provider should not have to go through additional core and intensive services before eligibility determination for an Individual Training Accounts (ITAs) to purchase training. Rather, services for these individuals should be delivered seamlessly.
- The Chicago Workforce Board must provide WIA eligible youth with pathways that lead to family-supporting wages and to long-term self-sufficiency rather than simply dead-end low wage jobs. Therefore, the Board should identify, develop, and evaluate successful pathways from high school through post-secondary education to self-sufficiency for all youth. In providing mandated comprehensive services to youth, the City must also ensure that quality services are available to youth in all communities and that youth are informed of their right to service.<sup>9</sup>
- The law defines displaced homemakers as dislocated workers, a designation we support. The City should ensure that staff at IETCs, affiliate agencies, training vendors or other contractors are aware of this designation and whenever possible, encourage service providers to actively recruit and advertise services to displaced homemakers.

### **Training of Front-line Staff**

- The law gives a great deal of discretion and authority to front-line case management/job development staff with little discussion of how such individuals will be trained, supported, and managed in a multi-partner environment. All those who have customer contact throughout a given workforce system must present information fairly, uniformly, and professionally. The City of Chicago must adequately train and support front-line staff (through professional trainers) to conduct quality assessment, be culturally sensitive, be familiar with local resources, have the tools to support informed customer choice and to provide career path planning. It is important that training be uniformly provided across organizational lines.
- We believe training and support of frontline staff is just as important as coordinating Management Information System functions to ensure customer satisfaction and seamless service delivery. As just one example, front-line staff in IETCs and affiliates should receive extensive training in working with people with disabilities, including training on disability culture, programmatic accessibility, assistive technology and on common needs of people with disabilities such as the need for frequent doctor's visits and varying accommodations. Staff should also be provided with the necessary support to make a wide range of meaningful services available to customers and to ensure that job seekers are not categorically "routed" to traditional vocational rehabilitation services. Finally, one-stop operators and staff should be familiar with and be in compliance with the American Disabilities Act.

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<sup>9</sup> Mandated WIA services include: tutoring; study skills training; dropout prevention; alternative secondary school services; summer employment; paid and unpaid work experience; occupational skills training; leadership development; supportive services; mentoring; follow-up services; and comprehensive guidance and counseling.

- The IETC and affiliate agencies should make an effort to make linkages between clinically trained mental health staff and front-line staff in order to talk through any of the more complicated issues that arise through assessment of a job-seeker. For example, if an IETC is co-located with a mental health agency (which we hope each will be), there should be relationships in place to facilitate in-service training, clinical supervision (when necessary), psycho-social assessment and mental health referrals. Procedures to protect a client’s confidentiality and customer choice would be necessary.
- Good consumer information should assist front-line staff by providing an accurate comprehensive picture of the landscape of multiple needs that can be addressed by service providers throughout the system. Front-line staff should be trained in finding appropriate referrals through the use of the consumer reporting system or other sources.

**Customer Choice / Consumer Information**

- Clearly, “customer choice” is one of the main principles of the Workforce Investment Act. We believe that customer choice will best be achieved through “informed” choice; making a wide range of options (with a wide range of eligibility requirements and prices) available; and providing access to jobs and education/training not just “work first.”
- It is widely understood that most customers will make the most meaningful “informed choice” with good information and the support and guidance of an individual counselor or case manager. To that end, the City of Chicago should recognize that true “customer choice” will be best achieved through quality assessment, assistance from knowledgeable and supportive staff, and access to information and not solely on the data presented in a consumer report or other centralized information systems.
- The quality and accessibility of the consumer reports system is a key component in ensuring that information is available to job-seekers. The system must be accessible to all job-seekers, presented in a user-friendly format and language, and take into consideration the literacy levels and developmental levels of the range of populations that will be accessing the information.
- It is important that, in all cases, written material and/or electronically accessed information available at IETCs and throughout the system be written at no more than a fifth grade reading level and, where appropriate, also be available in languages other than English, and in Braille and American Sign Language.
- All resource rooms, materials, and services in IETCs or affiliate agencies should be evaluated for effectiveness and appeal to youth.
- The City of Chicago should use the same system that collects and disseminates program information on WIA-funded programs to also collect and disseminate a wide range of service information beyond WIA-eligible providers. While this task may not be feasible in the first year of implementation, it nevertheless should be a goal as such coordination will significantly enhance the value and effectiveness of IETCs and the one-stop system.

### **Coordination with Temporary Assistance for Needy Families (TANF)**

- IETCs should be set up to assess and provide services to TANF participants to meet their needs. In order to do so effectively, cross-training between agencies and unified policy procedures will be necessary.
- The City of Chicago should work with the Illinois Department of Human Services to ensure there is no conflict of interest in serving TANF clients who use the one-stop system. IDHS contracts with service providers and “assigns” TANF participants to receive services from a particular contractor. If a TANF participant is assessed by staff at an IETC or affiliate as needing education and training, state welfare departments may find themselves holding contracted slots for TANF participants that are being served in the one-stop system. In this case, the contracted funds are not being effectively used. If the state welfare department then decides to require TANF participants to enroll in the contracted provider’s program, that would be, in effect, denying them the individual choice mandated under WIA.
- If a TANF participant is assessed as in need of different services by a caseworker at a local DHS office, IETC, or affiliate agency, the participant should have the final determination or “choice” of what service she will engage in.

### **Appeals and Grievance processes**

- Effective appeals and grievance processes are essential for maintaining accountability and ensuring a workforce development system that works for customers. In addition to evaluating the appeals and grievance processes themselves, a systematic review of the number and types of appeals and grievances filed is a good indication if corrective action, or more, is needed against a particular worker, IETC, training or other service provider, employer, or government agency (including all contractors and subcontractors).
- Corrective action is a necessary component of continuous improvement. Unless the system can track and respond to grievances in addition to customer satisfaction, improvements to service delivery will not be realized.
- Complaints and grievances will not be filed unless there is an effective and well-advertised system in place. In addition, the appeals and grievance processes must be, both in reality and in appearance, independent of the Illinois Employment and Training Centers, affiliates, vendors and employers.
- The appeals process should afford customers’ due process of law. An appeal should be filed when a customer does not agree with something that has been done in his or her case, whether that dispute is with a worker(s) at an IETC, affiliate, training or other service provider, employer, or government agency. An appeal is a way to get a change in what has been done in a customer's case. It is also a way to get done things that the IETC, training or other service provider, employer or government agency is supposed to do, but has not done.

- The customer and the authorized representative of the customer should be provided each of the relevant components of the right to be heard in the administrative complaint process. This includes the right to have a representative, informal discovery, and the right to request additional evidence, the opportunity to be heard and specific relief that includes monetary damages and injunctive relief. Final decisions must be reviewable in circuit court. Retaliation against a customer who files a complaint shall be forbidden.
- A grievance should be filed when a customer feels a worker(s) at an IETC, training or other service provider, employer or government agency has treated him or her badly. This may include treating a customer disrespectfully, not returning phone calls, losing all the papers given to the worker, or ignoring policy.
- Complainants should have 180 days to file a complaint. The complainants should be able to file complaints at any IETC, affiliate, or certified program provider. Final decisions must be issued within 30 calendar days from the date of the hearing and would be reviewable in circuit court.
- The City of Chicago should adopt the following grievance procedures: Customers should have 90 days from the date of mistreatment to file a grievance. Grievants may appoint a representative. The complainants shall be able to file complaints at any IETC, affiliate, or certified program provider. The grievance should be forwarded within 48 hours to a specified local office established to handle grievances in the area. A mediator should review the grievance to determine if it has merit. If the mediator decides that the grievance does not have merit, the grievant and their representative must receive a written notice within 10 working days and the grievant has the right to appeal that decision. If the mediator decides that the grievance does have merit, the mediator should schedule an informal conference within 10 days of receipt of the grievance with the grievant and/or their representative, the person against whom the grievance has been filed, and the mediator. Within 15 calendar days after the conference, the grievant must be told in writing of the mediator's finding and of any action that will be taken in the case. Retaliation against a customer who files a grievance must be forbidden. Results of filing a grievance may include that the customer is assigned to another worker or training provider. Grievants who do not believe the mediator's findings and/or action taken are appropriate may appeal the mediator's decision.

**7. Encourage service to diverse and underserved populations by creating a broad and inclusive process for certifying training programs throughout Chicago**

- The City of Chicago should adopt the policy developed by the state for provider certification during initial eligibility without adding criteria. The intent of the state policy is to be inclusive and allow time for providers to begin collecting the necessary data for subsequent eligibility.

- During subsequent eligibility, we recommend that the City of Chicago evaluate providers by their performance relative to other agencies serving similar populations. After the initial period has ended (December 2001), providers will have collected eighteen months of program data that will be used as baseline data to validate the categories and establish thresholds for performance based on the eighteen-month initial eligibility period. These data can also be used to inform negotiations between the Chicago Workforce Board and the State on performance goals that reflect the local priority to serve the most in need.
- In this scenario, providers would be able to sort themselves by either documenting barriers their clients face or simply stating their program entry requirements. Those choosing to document barriers would need to do so in a fashion that allows the documentation to be “auditable” e.g., described in consistent format with established definitions. Per the WIA legislation, if the cost of data collection is burdensome for the provider, then states are supposed to provide additional funding to cover that cost.

For ease of definitions, we recommend using the IDHS Self-Support Scale as a good tool for defining barriers. Strategically, one advantage to using this scale is that it was developed by a state agency (although not currently in use) and helps bridge the gap between IDHS’ assessment of individual barriers and assessments done through IETCs and workforce contractors.



The categories might look as follows:

LEVEL	PROVIDERS DOCUMENT BARRIERS CLIENTS FACE IN EACH PROGRAM	OR	PROVIDERS STATE PROGRAM ENTRY REQUIREMENTS
I	+X% of the population served has no identifiable barriers on entry		Program requires a high school diploma, GED, or reading level of 9 <sup>th</sup> grade or above for entry
II	+X% of population served has at least one identifiable barrier		Program requires an 8 <sup>th</sup> grade reading level for entry
III	+X% of population served has two or more identifiable barriers		Program requires a 6 <sup>th</sup> grade reading level for entry or a personal interview
IV	+X% of population served has three or more identifiable barriers		Program has no screening, testing, or interviewing for entry

Program data would be grouped by level, and reported for each individual program. In this scheme, program data would be comparable only among similar programs; this allows programs to be sorted and presented in a way most useful to job-seekers. Job-seekers and case managers would quickly and easily be able to identify providers able to serve individuals with multiple barriers. As required by federal law, program-level information will be made widely available and presented in a format that is easy for consumers, service providers, and others to use.



- Beginning with the “subsequent eligibility period” then, with thresholds in place, all providers would continue to collect data and be held accountable for performance based on the thresholds established for the level in which they operate.

**8. Advance the collection of performance data across the system by supporting a technology infrastructure that reaches all Illinois Employment Training Centers, affiliates, contractors and vendors**

-  Sources should be allocated to support the technology infrastructure and technical assistance that is necessary to effectively link the multiple points of service delivery in the system. It is critical that affiliates have the capability of using shared technology to register customers entering the system.
- As called for by WIA, should the costs of data collection necessary to satisfy performance criteria prove to be burdensome to community-based service providers, the State of Illinois should assist providers in defraying those costs. Difference of opinion on the matter of what constitutes “extraordinary costs” for any required additional information and for data collection should be an allowable basis for appeal. If all data is collected through Illinois’ data warehouse, the City of Chicago should provide technical assistance to providers who request help in submitting automated program information.
- Technical assistance should be made available to IETCs, affiliate agencies, contractors, and vendors, including: a compilation of reviews of client tracking software/systems to aid local vendors in their decision-making through financing of software purchase/modification to allow vendors to easily transmit required data to the city. (The Information Technology Resource Center would be a good resource to provide this type of assistance).

**9. Seek all available funding sources that can be “deposited” into Individual Training Accounts (ITAs) so that customers can have maximum flexibility in purchasing needed services**

- To ensure customer choice, the amount and the duration of an ITAs should reflect the real cost of service delivery. The regulations specify that limitations may not be implemented in a manner which undermines intent to maximize customer choice in the selection of eligible training providers. The range of cost can be determined by drawing on a broad set of data from JTPA providers, welfare-to-work providers, and other sources of training and placement information to assess an appropriate range for covering costs. Researchers at the University of Illinois completed a survey of many training and placement providers to determine what actual costs they incur relative to the populations they serve. Survey results show that past caps on voucher payments for training and/or placement have been well below the actual amount needed to effectively serve low-income unemployed individuals. For more information, see James Lewis (Chicago Urban League) and Nik Theodore (UIC Center for Urban Economic Development), “Measuring the Performance of Job Training Providers Under WIA: Results of a Survey of Chicago Service Providers,” 1999.

- Customers who are assessed as needing both intensive and training services should be able to use an ITA to select a training program that itself has a comprehensive program design (e.g., built in case management, literacy preparation, job readiness and vocational skill-building and post-placement follow-up).
- ITA amounts should include stipends for customers who have no other source of income while attending training. The surplus Unemployment Insurance (UI) dollars could be used to cover the cost of the stipends. There is already a similar provision in the Act that allows dislocated workers to continue to receive UI benefits while participating in a training program. The key is that unemployed workers might not have the resources to take skills training necessary to qualify them for a self-sufficient wage.
- Individual Training Accounts payments should be allowed to be made incrementally to cover the cost incurred through helping job-seekers make valuable progress in moving closer toward self-sustaining employment prior to actual completion of a fully defined service program. It is likely that there will be interim performance measures and/or payments in the provision of education services under Title II and possibly in the provision of supportive services. If so, this kind of flexibility will be critical at all points in the workforce system to ensure that individual job-seekers are able to participate in activities authorized under WIA.
- In addition, state agencies with funding streams under WIA should be required to deposit funds into ITAs as recognition that there are different funding sources available to meet diverse needs. In other words, services should be made available to individuals “blindly” with respect to funding streams. To achieve this, the City of Chicago should negotiate agreements with the Illinois Department of Human Services and other agencies to provide TANF, WIA Titles II, III and IV, and other funds as needed on a *case-by-case* basis to ensure that services required are provided through Chicago’s workforce system.

More specifically, Individual Training Account vouchers will be made available to job-seekers as needed and paid to vendors based on the reasonable cost of services. Voucher amounts should be structured in the following three-tiered process:

- A) Base amount established annually, determined by prior costs of service delivery programs
- B) Increment based on documented barriers to work that have been mitigated
- C) Performance bonus per retention and wage benchmarks that reflect percentage of the overall cost of service.

- Additionally, the City of Chicago should provide financial support for revolving loan funds to provide “working capital” for community-based service providers who will encounter difficulty financing their operations under the new WIA funding regime. State discretionary funds along with local-level commitments should be used to capitalize these revolving loan funds, with paybacks into the funds being used to maintain availability of working capital for service providers.

**10. Provide some training services through contracts in lieu of ITA payments, recognizing that some Chicagoans may need assistance that cannot be reasonably provided through IETCs**

- The City of Chicago should take advantage of the waiver in the law allowing contracts to be issued to those providers who demonstrate an ability to successfully serve individuals with multiple barriers (i.e. individuals with limited English language skills, ex-offenders, homeless individuals and people with disabilities). While clients with fewer barriers might be well served by receiving a voucher exclusively for training, more disadvantaged clients need to be provided with additional supportive services such as counseling, job readiness training, drug treatment, etc. necessary to complete training. Thus vouchers that are limited to training will not be able to address the clients' needs holistically.
- Also, training providers that serve clients with multiple barriers will have a higher expenditure per client than providers serving clients with higher qualifications. If ITAs are capped (contrary to our policy recommendation #8), an incentive would be created to serve clients with fewer barriers. Community-based organizations with a mission to serve the "hardest to serve" would be at a disadvantage. Perhaps more importantly, the "hardest-to-serve" customers will have fewer options to choose from.
- Focus groups conducted by the Chicago Jobs Council and UIC Great Cities Institute in November 1999 with JTPA providers, IDHS-contracted agencies, and other organizations serving specialized populations yielded ample anecdotal evidence to underscore the inability of many individuals to navigate a series of services through multiple sites. Contracts may be the only way to prevent these individuals from "falling through the cracks."
- The City of Chicago should consider spending some WIA or welfare-to-work funds to subsidize a publicly-funded jobs program to assist unemployed individuals who have little or no work experience (or face other institutional barriers) to become self-sufficient and move out of poverty by providing them with real skill building opportunities. CJC has an ad hoc committee that has developed draft "minimum standards" for publicly-funded jobs program.
- WIA mandates that youth services continue to be provided through contracts to service providers. The City of Chicago should design and implement a bidding system that will not discriminate against smaller, community-based organizations as vendors, including those that may have higher costs but have expertise serving targeted youth.

**11. Commit to inclusive governance structures and decision-making processes that reflect the needs of Chicago's many workforce development stakeholders**

- In accordance with WIA, the Chicago Workforce Board should be comprised of business representatives, education providers, community-based organizations, labor organizations, economic development agencies, and IETC representatives. Additionally, we encourage the Mayor to make the Board a reflection of the racial, ethnic, gender, and economic diversity of the city. Because local workforce investment boards are responsible for overall policy-setting

in their workforce investment areas, it is also essential that the Board be reflective of the many different stakeholders in the workforce development system, including representatives who have experience serving low-income, disadvantaged populations.

- It will be necessary for both one-stop operators, affiliates and vendors to be able to participate in ongoing policy discussions regarding the operations of the system. Specifically, through participation on committees of the Chicago Workforce Board, these stakeholders should be able to advise on specific issues of contract procurement for agencies serving special populations and youth, administration of Individual Training Accounts and other policy issues affecting service delivery.
- The Youth Council should be comprised of advocates and service providers for disadvantaged youth. It also should be formed to have a balance of out-of-school and in-school youth providers as well as equal representation from the providers serving special populations eligible under the Act (i.e. basic skills deficient, homeless, runaway or foster child; pregnant or teen parent; ex-offender, disabled, etc.) At minimum, four youth, from different parts of the city, should be chosen for the Council as well as at least one youth with a disability. There are organizations that currently work with youth who are interested in government including the “Youth Council” administered through the Mayor’s Office, the Community Justice Initiative, and the YMCA’s “Youth in Government” program.

Finally, the Youth Council should recognize and build upon already existing youth provider networks and forums, especially the state’s Education-to-Careers Committee. Representatives on the Youth Council, in other words, must have an understanding of the work being done by other groups and build upon those forums to advise the local workforce board.

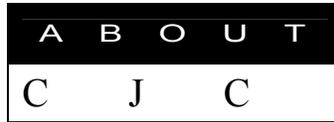
**12. Ensure that all Memoranda Of Understanding (MOU) and other agreements detailing operations or governance arrangements will be subject to public review and comment prior to execution**

- MOU should be subject to the same public comment and “sunshine” provisions provided for local plans. This step will help to make MOU more meaningful and ensure accountability for their provisions among stakeholders. Otherwise, there is a strong possibility that the vision for WIA implementation could not be supported by the legal content within the MOU.
- Negotiated MOU should offer either incentives or penalties for required partners depending on their performance relative to system-wide performance. Rewards/incentives and sanctions/penalties should be required, per MOU, to be shared among all partners in Chicago as a way of reinforcing the importance of deep coordination throughout the service delivery system.
- We strongly recommend that the City of Chicago invest in a comprehensive tracking system that will allow direct expenses to be attributed to a particular partner and that any “overhead” expenses be allocated by a formula that reflects the service to that individual. As mentioned

in policy recommendation #5, an intermediary should be considered to administer these operations. The federal regulations state that “each partner must contribute a fair share of the operating slots of the One-Stop delivery system proportionate to the use of the system by individuals attributable to the partner’s program.” We have serious concerns that this cost allocation method will run counter to the intentions of collaborating and co-locating services in IETCs. If individual partners are always forced to count people and distinguish an individual customer as being “attributable to their program” as distinct from another partner’s program, it is highly unlikely that they will move to a point of cooperatively serving an individual customer.

### **III. Conclusion**

The Chicago Jobs Council has been an active participant in Chicago’s changing workforce development arena for nearly twenty years. Although CJC has often critiqued Chicago’s one-stop system, we believe strongly that the City of Chicago now has an opportunity to use WIA planning as a cornerstone for a broad and, in many ways, sweeping transformation of our local workforce system. There is little doubt that workforce needs will continue to be at the forefront of Chicago’s economic growth. With strong leadership from the Chicago Workforce Board and the Mayor’s Office of Workforce Development, the steps taken now to build a system under WIA can also lay the foundation for a workforce system that will allow Chicago’s economy to continue to flourish. It is our hope that the recommendations and guidelines here will be adopted and implemented so that all of Chicago’s workforce stakeholders can take the next several steps together toward building a world class workforce system which will serve Chicago job-seekers and businesses well into the future.



The Chicago Jobs Council (CJC) is a membership organization that brings direct service providers and advocates together to work toward increasing job opportunities for all city residents, particularly the economically disenfranchised. CJC's ultimate purpose is to support disadvantaged Chicagoans in gaining access to the jobs and training needed to enter the labor market, secure stable employment at a living wage, and pursue sustainable careers.

CJC pursues its mission through advocacy, research, innovative program demonstrations, and organizing. We focus on influencing the development or reform of public policies and programs that affect welfare-to-work, workforce development, economic and community development initiatives. Our advocacy efforts are grounded in the perspectives of our members, who contribute their expertise as direct-service practitioners and researchers. CJC's efforts are also guided by the results of demonstration projects that test innovative solutions to pressing employment problems. By organizing members and other interested parties around workforce development, welfare reform, economic development, and other issues, CJC fosters dialogue and cooperative strategies to solve shared problems.



CHICAGO JOBS COUNCIL

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