STATE OF ILLINOIS WIA Title V Incentive Grant Plan

Legislative Authority

The state agencies responsible for WIA Incentive Funds—Illinois Community College Board (ICCB—Adult Education and Postsecondary Perkins), the Illinois State Board of Education (ISBE—Secondary Perkins), and the Illinois Department of Commerce and Economic Opportunity (DCEO—WIA Title I), in partnership with the Governor's Office, have worked collaboratively to develop this plan as part of a larger initiative in Illinois. These agencies have the legislative authority to use the WIA Incentive Funds. The Governor and these agencies have approved this application for submission. The state legislature was consulted with respect to the development of the application.

As documented in the Federal Register/Vol. 72, No. 82/ Monday, April 30, 2007/ Notices, DCEO, ICCB and ISBE exceeded the state adjusted levels of performance for WIA Title I and Adult Education and Family Literacy Act (AEFLA) and the performance levels established for the Carl D. Perkins Vocational and Technical Education Act (Perkins Act). DCEO will receive the WIA Title V Incentive Funds disbursed on or before June 30, 2007. DCEO will be responsible for the administration of these funds. Therese McMahon, Deputy Director of the DCEO Bureau of Workforce Development, will be the grant contact person. DCEO will provide sub-grants to the other agency partners based on the finalizing of a more detailed project work plan.

Plan Overview

Background: Opportunity Returns and the Critical Skill Shortages Initiative. In 2003, Illinois undertook major initiatives to link economic development, workforce development and education at the state and regional levels. Governor Rod Blagojevich launched Opportunity Returns, a comprehensive regional approach for expanding economic opportunity in Illinois. This new regional approach to economic and workforce development focuses the state's resources on addressing the specific needs of each region. A key component of Opportunity Returns is the DCEO-administered Critical Skill Shortages Initiative (CSSI). The goal of CSSI is to align regional workforce development and education programs to economic development and provide a reliable pipeline of qualified job seekers for critical skill shortage occupations in key sectors that pay high wages.

Illinois has committed approximately \$18 million in WIA 15 percent funds to organize regional CSSI consortia in each of the ten regions, develop regional

plans, and fund innovative projects to address regional needs in three critical sectors. The regional consortia, led by the Local Workforce Investment Boards (LWIBs), include LWIB chairs and representatives, education (K-12, community colleges, universities, other adult education providers), training organizations, employers, business and industry associations, unions, economic development organizations, one-stop partners, and other stakeholders. These regional consortia identified key sectors and critical shortage occupations, determined the root causes of shortages in these sectors and occupations and proposed sustainable regional solutions addressing these root causes.

Almost all CSSI regional consortia identified and addressed shortages in three critical sectors—healthcare, manufacturing and transportation and logistics. The Illinois Workforce Investment Board (IWIB) established statewide task forces for these three critical sectors starting with healthcare. These task forces were established to review the root causes for shortages and regional solutions and propose statewide efforts that could support regional initiatives. The Healthcare Task Force developed recommendations in 2003 and recently updated these recommendations in 2007. The Manufacturing and Transportation and Logistics Task Forces were established and presented their findings in 2005/2006.

<u>Previous Use of Incentive Funds</u>. Over the last four years, Illinois has used incentive funds to develop innovative secondary and postsecondary education programs and regional pipeline solutions in high-growth industries and occupations critical to the economic development of Illinois and its regions, including healthcare and transportation and logistics. Illinois has also used these funds to explore new approaches to expand access for targeted populations including those with literacy and language barriers, non-traditional populations, formerly incarcerated, disadvantaged adults and youth and people with disabilities.

Illinois has used the Illinois Workforce Investment Board sector task forces as a major mechanism to seek public input and consult with representatives from adult education, vocational education, and other workforce partners on high-growth sector strategies which are a major component of the WIA Strategic Plan. These task force reports have been used to develop plans for the use of incentive funds to support these high-growth sector strategies.

The IWIB Manufacturing Task Force reviewed the CSSI regional reports and identified shortages, root causes, and regional solutions and developed proposed statewide actions that could support regional efforts. The task force recommended launching a statewide regional campaign to focus on promoting and supporting innovation in coordination with Illinois' Innovate Now initiative and building regional workforce pipelines that include K-12 career development, bridge programs, foundation programs and specialized training programs for

shortage occupations requiring extensive training. The task force recommended that these pipelines should be designed to expand economic opportunities for a wide variety of populations needing assistance. In response, Illinois used the most recent round of incentive funds to address the IWIB Manufacturing Task Force recommendations on building pipelines by launching a two-year project that is focusing on developing and pilot-testing innovative program models and regional pipelines solutions in manufacturing and new approaches to expanding economic opportunities for people in targeted populations. Illinois has been using these funds to develop and pilot test new secondary career and technical education program models that build on K-12 career awareness and development and link to postsecondary programs, especially community college programs. Illinois has also used the incentive funds to develop and pilot test new postsecondary program models that involve bridge programs, foundation programs, and specialized training programs that can be delivered on a regional basis by adult education providers. Finally, Illinois has used these funds to develop and pilot test new approaches for integrating funding approaches and sources to develop and maintain comprehensive regional manufacturing workforce pipelines in Illinois. The State has been exploring how to integrate all three funding streams in maintaining the K-12 and post-secondary operations.

Incentive Grant Plan. The most recently updated IWIB Healthcare Task Force report (2007) recommended stronger focus on building comprehensive state and regional healthcare workforce pipelines that meet changing employer needs and expand access to economic opportunity for low-skilled and low-income populations. This year, Illinois will use incentive funds to promote comprehensive state and regional P-20 workforce pipeline solutions that address the changing needs of the healthcare industry. Illinois will use incentive funds to enhance and build on prior efforts in building comprehensive healthcare pipeline solutions in ways that promote the integration of WIA, Perkins, and Adult Education resources as well as state and local resources. Incentive funding will allow the state to continue to build on existing state and regional healthcare initiatives by launching a two-year project that will focus on developing and pilot testing innovative programming and address local, regional, and state healthcare pipeline solutions. These efforts will build on, rather than duplicate existing services and will improve the integration and alignment of resources within a comprehensive P-20 pipeline. These efforts also will target key points of transition in the healthcare pipeline that can both improve the performance of the pipeline and improve performance on federal performance measures in WIA, Adult Education, and Perkins.

Illinois will use its own funds to develop and pilot-test new approaches to facilitate employer and industry engagement in developing comprehensive healthcare pipeline solutions that build from the Illinois Innovate Now initiative, which is consistent with the general direction promoted in WIRED. Illinois will

work with leading industry associations and employers to launch statewide and regional initiatives that are designed to promote and support healthcare innovation through comprehensive and transformational workforce pipeline solutions. As part of this overall initiative, incentive funds will be used to:

- Develop and pilot test innovative workforce development/education programs that align health sciences course offerings at the secondary level with increasingly advanced academic and technical courses at the postsecondary level. This will involve creating comprehensive programs of study with the Health Sciences Career Clusters that involve improved collaborative mechanisms and on-line remedial courses at the secondary levels (middle-school and 9th grade). These activities are authorized under Perkins.
- Develop and pilot test new strategies that align adult education and family literacy services (WIA Title II) with post-secondary education and employment. This will include projects that develop successful strategies to transition students from adult education to post-secondary education and employment based on the analysis of barriers to successful student transitions to employment, post-secondary education, and between adult education educational functional levels and the examination of community college entrance requirements to determine necessary transition skills. This will also include conducting an economic impact study for improving adult education services to those in need. These activities are authorized under Adult Education.
- Develop and pilot test new strategies to expand access to low-income, and low-skilled adults and youth into healthcare programs of study and employment including workplace-based bridge and career advancement programs and employer-centered transitional employment programs for those facing multiple barriers to employment including social enterprise approaches to transitional jobs programs. These activities are authorized under Adult Education and/or WIA.

Illinois will evaluate the effectiveness of these new industry engagement strategies and program models and regional pipeline solutions. Illinois will then explore how to use these new models to improve performance across all funding streams. Illinois will then make changes and improvements in these models and solutions and develop a plan to expand their implementation throughout the state. These efforts promise to improve the States performance level indicators, including, improving literacy levels, increasing employment, retention and average earnings, increasing transitions to further education and training and improving technical and academic skills.