




Workforce Investment Act Policy NO. 13-PL- 04

To: All Delegate Agencies, One-Stops and Sector Centers

From: 
Karin Norington-Reaves, CEO
Chicago Cook Workforce Partnership

Subject: On-the-Job Training (OJT) Policy

Date: December 6, 2013

Purpose:

The purpose of this communication is to provide guidance and requirements for provision of On-The-Job Training (OJT) initiatives under the Workforce Investment Act and to define the process for implementing and managing OJT agreements.

References:

Workforce Investment Act of 1998, Section 101 (31). Workforce Investment Act, Final Rules, Subsection 663.

Background:

Under WIA, OJT is defined as training provided through an employer to a customer that (a) provides knowledge or skills essential to the full and adequate performance of the job; (b) provides reimbursement to the employer of up to 50 percent of the wage rate of the customer, for the costs of the training and additional supervision related to the training; and (c) is limited in duration as appropriate to the occupation for which the participant is being trained, taking into account the content of the training, the prior work experience of the participant and the service strategy of the participant, as appropriate. The Act and WIA Final Rules allow for local definition of these services. As a result, the Chicago Cook Workforce Partnership (The Partnership) issues this policy letter to define the use of OJT in local programs. The Partnership reserves the right to adjust this policy to comply with future federal or state policy and/or waivers.

On-the-Job Training (OJT)

On-the-Job Training (OJT) is training by an employer that is provided to a paid participant while engaged in productive work in a job that will provide the knowledge or skills essential to adequately perform the job.

- a.** OJT may be provided under a contract with an employer in the private non-profit, or private sector (WIA Section 101(31) and 20 CFR 663.700).
- b.** OJT may be provided to eligible unemployed individuals with WIA Adult or Dislocated Worker funds and to eligible employed individuals with WIA Adult funds.
 - 1) OJT provided through WIA Adult funds must provide priority to low-income individuals when funds are limited.

Chicago Cook Workforce Partnership WIA Local Policy Letter No. 4 (On-the-Job Training)

c. An individual who participates in On-the-Job Training (OJT) must be hired as a regular full-time employee by the OJT employer prior to the start of the training program.

d. Full-time employment would continue upon successful completion of training.

1) Successful completion includes:

a) Met all goals of the training program; and

b) Complied with all company and employment obligations throughout the training.

2) The intent of an OJT is NOT subsidized employment. Employers should not enter into an OJT contract unless willing to retain successful completers.

e. Training does not have to occur at the employer's location.

f. There is no prohibition in combining OJT with other forms of training.

1) When combining OJT training with other types of training, only the OJT hours are eligible for wage reimbursement. (i.e., a customer who may participate in remedial training prior to or concurrently with an OJT would not be eligible to have the remedial training portion of their program reimbursed.)

2) If an OJT and another form of training are to occur concurrently, consideration must be given to the ability of the customer to successfully complete the training programs keeping in mind that the OJT is a full-time commitment.

3) Other types of training combined with OJT may take place during scheduled work shifts, but must not interfere with the full-time commitment of the OJT.

g. On-the-Job Training is provided for a WIA customer in exchange for a negotiated reimbursement of up to ninety percent (90%) of the wage rate to compensate for the employer's extraordinary costs of training and additional supervision related to the training (WIA Section 101(31)(B) & 20 CFR 663.700(a)).

Note: Illinois received a waiver approval from USDOL-ETA, effective July 1, 2012 to allow OJT contracts to have a reimbursement rate up to ninety percent (90%) based on a sliding scale. Prior to this waiver, reimbursement was on a negotiated basis up to fifty percent (50%).

1) The reimbursement rate shall be on a sliding scale based on the size of the business entering into the OJT contract. Under the current waiver, the following reimbursement amounts will be permitted:

a) Up to ninety percent (90%) for employers with 50 or fewer employees,

b) Up to seventy-five percent (75%) for employers with 51-250 employees, and

c) Up to fifty percent (50%) for employers with more than 250 employees.

2) During negotiation of an OJT contract, the training costs of the employer will be estimated by service provider or OJT broker and used as a basis for negotiating the percentage of the wage to be reimbursed during the training period.

Chicago Cook Workforce Partnership WIA Local Policy Letter No. 4 (On-the-Job Training)

3) The size of the business is determined by the location where the training will take place, or (in instances where training may occur offsite) the location to which the trainee reports.

4) When determining the negotiated reimbursement, the service provider or OJT broker will consider the overall size of the company and its ability to pay for training without WIA support, total available funds for OJT programs, the number of employers interested in OJT programs, and other factors in order to maximize the impact of OJT funds.

h. An OJT contract must be limited to the period required for a participant to become proficient in the occupation for which the training is being provided.

1) The appropriate duration and intensity of training is based on a skills gap assessment that considers the following:

- a) The skill requirements of the occupation;
- b) The academic and occupational skill level of the participant;
- c) Prior work experience; and
- d) The participant's individual employment plan (WIA Section 101(31)(C) & 20 CFR 663.700(c)),

and

2) The training program should generally not exceed a total of 1,040 full-time hours of actual training (the equivalent of full-time training for 6 months).

a) Training programs should not be more than six (6) months in length as that indicates there may be too large a gap in the customer's skill(s) level and employer needs;

b) Training may exceed six (6) months if there are extenuating circumstances such as lengthy illness, plant shutdown, holidays, etc.; and

c) An employee in OJT may work overtime hours, but overtime hours are not eligible for wage reimbursement.

i. WIA customers in On-the-Job Training or individuals employed in programs and activities under Title I of WIA must be provided benefits and working conditions at the same level and to the same extent as other trainees or employees working a similar length of time and doing the same type of work (20 CFR 667.272(b)).

j. Service providers or OJT brokers will not contract with an employer who has previously exhibited a pattern of failing to provide OJT customers with continued long-term employment with wages, benefits, and working conditions that are equal to those provided to regular employees who have worked a similar length of time and are doing the same type of work (WIA Section 195(4) & 20 CFR 663.700(b)).

k. The training program cannot be utilized to train new workers with the goal of laying off other employees.

l. An OJT contract may be used to train a WIA customer who, prior to the start of OJT, is already working for the OJT employer (i.e., an "employed worker" who is earning less than a self-sufficient wage) and must elevate the employee to reach at least a self-sufficient wage through skill upgrade training that relates to either:

1) The introduction by the employer of new technologies;

Chicago Cook Workforce Partnership WIA Local Policy Letter No. 4 (On-the-Job Training)

- 2) The introduction to new production or service procedures;
- 3) Upgrading to new jobs that require additional skills/workplace literacy; or

m. In most cases, OJT is not an appropriate work experience activity for youth customers under 18 years of age. The Partnership can approve of OJTs for youth based on the needs identified in the assessment and individual service strategy.

Reporting

The Chicago Cook Workforce Partnership will develop procedures to monitor and keep track of OJT contracts to comply with this policy letter.

Action Required:

This information should be disseminated to delegate agency staff responsible for brokering OJT agreements such as job developers, placement staff, case managers and to staff responsible for budgeting, vouchering and accounting.

Inquiries:

Questions regarding any aspect of this policy should be directed to the Chicago Cook Workforce Partnership via email at OJTCustomizedTraining@workforceboard.org.


Effective Date:

Effective immediately.



Workforce Investment Act Policy NO. 13-PL-10

To: All Delegate Agencies, One Stops and Sector Centers

From: 
Karin Norington-Reaves, CEO
Chicago Cook Workforce Partnership

Subject: Veteran's Priority of Service

Date: December 6, 2013

Purpose:

The purpose of this letter is to update and clarify the policy and procedures for Veteran Priority Services provisions of the "Jobs for Veterans Act" and to provide general guidance as to the implementation of these provisions using WIA funds expended under The Chicago Cook Workforce Partnership contracts.

References:

"Jobs for Veterans Act"- Public Law 107-288
20 CFR Part 663 Subparts A, B, and F
WIA Legislation and Rules and Regulations
DCEO WIA Policy Letter NO. 10-PL-59

Background:

The Jobs for Veterans Act, enacted into Public Law 107-288 on November 7, 2002 made a number of amendments to encourage military veterans' access to services within an integrated one-stop service delivery system. Section 2(a) (38 United States Code 4215(a) creates a priority of service for veterans (and some spouses) "who otherwise meet the eligibility requirements for participation" in DOL training programs. WIA Title IB programs are among the 20 DOL-funded workforce programs that are covered by the section 4215 priority.

The Chicago Cook Workforce Partnership is releasing Veteran Priority Services policy in order to ensure accountability and compliance that aligns with the Contractor's Agreement with the Workforce Board, DOL and DCEO policy, and other applicable rules and regulations.

Policy:

As pursuant to the Jobs for Veterans Act, Public Law 107-288 The Chicago Cook Workforce Partnership policy states that priority of services shall be given to veterans and other covered persons under DOL-funded programs, including WIA Adult, Dislocated Worker, and Youth programs, WIA statewide activity programs, Dislocated Worker National Emergency Grants, and the Trade Adjustment Assistance program.

Chicago Cook Workforce Partnership WIA Local Policy Letter No. 10 (Veteran's Priority of Service)

Contracted WIA service providers should review the content of the Jobs for Veterans Act. All contractors must determine whether or not each person applying for or receiving assistance funded by an applicable program is covered by the veteran's priority provision. This policy should be followed to ensure that each covered person who applies to or is assisted by a program is informed of the employment related rights and benefits to which they are entitled.

The State of Illinois has incorporated the definition of "veteran or qualified spouse of a veteran" into the Illinois Workforce Development System (IWDS) reporting requirements. This individual will track, through IWDS, the status of program participants that are veterans.

Each service provider will be responsible for maintaining records of the service level provided to the veterans through the agency, including:

- a. The percentage of program participants that are veterans;
- b. The percentage of participants who are veterans who received intensive and training services; and
- c. An analysis of whether the representation of veterans is in proportion to the incidence of their representation in the labor market.

For the purpose of this policy a "covered person" is entitled to priority of service under DOL-funded workforce programs including WIA Title I Adult, Youth, and Dislocated Worker programs, statewide activity programs, National Emergency Grants (NEG) and the Trade Adjustment Assistance program (TAA).

For purposes of this policy, the term "veterans' priority of service" means that a covered person, who meets program eligibility requirements, shall be given priority over non-veterans for the receipt of all services provided under the program, notwithstanding any other provision of law.

For the purpose of this policy, a "covered person" is defined as any veteran or the spouse of any veteran who meets the conditions described below:

- any member of the Armed Forces serving on active duty who, at the time of application for assistance under this section, is listed, pursuant to section 556 of title 37 and regulations issued hereunder, by the Secretary concerned in one or more of the following categories and has been so listed for a total of more than 90 days (hereinafter a "veteran"), or

- a) died of a service-connected disability;
- b) is missing in action;
- c) is captured in line of duty by a hostile force;
- d) is forcibly detained or interned in line of duty by a foreign government or power;
- e) has a total disability resulting from a service-connected disability; or
- f) died while a disability so evaluated was in existence.

Contractors are not required to change their allocations among services to reserve funds for veterans, but are required to ensure that eligible veteran workers are given priority over non-veterans for all available services.

Chicago Cook Workforce Partnership WIA Local Policy Letter No. 10 (Veteran's Priority of Service)

The WIA Title I Adult program has mandatory priority provision established by law requiring priority of service for intensive and training services to low income and public assistance individuals. Veterans meeting program eligibility requirements are to be served within the context of this existing statutory priority to public assistance and low-income persons for intensive and training services.

Dislocated workers who are veterans will receive priority over non-veterans. Veterans who are not dislocated workers may not be served with dislocated worker funds.

Trade-impacted workers determined to be eligible for Trade Adjustment Assistance (TAA) who are veterans will receive priority over non-veterans. Veterans who are not eligible for TAA may not be served with TAA funds.

Eligibility for the WIA Title I Youth program is not affected by the veterans' priority.

Contractors are not required to create special procedures for registration or apply different criteria for suitability of a veteran customer for any service. The same assessment procedures and criteria for determining appropriate service interventions should apply to veterans and non-veterans. In service contexts in which there are more customers qualified and available for service than resources allow to be served, priority for service must be given to those eligible veterans in the group of those awaiting service, subject to the statutory targeting provisions discussed above.

Action Required:

This information will be disseminated to all staff at all delegate agencies, one-stops and sector centers for review.

Inquiries:

Questions should be directed to the agency's assigned Regional Manager.

Effective Date:

Immediately.



Workforce Investment Act Policy NO. 13-PL-11

To: All Delegate Agencies, One-Stops and Sector Centers

From: 
Karin Norington-Reaves, CEO
Chicago Cook Workforce Partnership

Subject: Incumbent Worker Policy

Date: December 6, 2013

Purpose:

To promulgate policy governing delivery of incumbent worker training programs in Local Workforce Investment Area (LWIA) 7, as authorized pursuant to the Workforce Investment Act (WIA) and related State policy.

References:

Background:

Pursuant to the Illinois State WIA plan, The Chicago Cook Workforce Partnership may divert of up to ten (10) percent of the WIA allocation for incumbent worker training from each of the three WIA programs (i.e., youth, adult and dislocated workers programs). Subject to this maximum and after receipt of the WIA allocations, the amount of funds to be diverted from each program will be determined annually through formal action by the Workforce Investment Board (WIB).

Policy:

Incumbent worker training contracts will contribute to the following policy objectives:

- (1) Make WIA services more responsive to the full range of employer needs and coordinate WIA services with State and local economic development efforts;
- (2) Involve new employer customers in the WIA system and gain access to their future job openings for placement of registrants from other WIA programs; and
- (3) Target training services to employed populations judged to be in need of additional training services to help them advance in their careers and increase earnings.
- (4) Provide a layoff aversion strategy to assist employers at risk.

Targeting: Pursuant to State policy requiring advance identification of industry sectors to be targeted to receive incumbent worker training services, The Partnership has targeted the following industry sectors.

- Business and Professional Services

Chicago Cook Workforce Partnership WIA Local Policy Letter No. 11 (Incumbent Worker)

- Healthcare
- Hospitality
- Information Technology
- Manufacturing
- Retail
- Transportation, Distribution and Logistics

Incumbent worker training may also be provided regardless of the employer's industry if the training is being provided in concert with other State or local economic development agencies as part of an incentive package to encourage an employer to remain or expand jobs in the local area.

Eligible Employers: With the exception of projects undertaken as part of an economic development incentive package, incumbent worker training is limited to employers in the targeted industry sectors cited above. Incumbent worker training projects may be undertaken to benefit a single employer and the employer's workforce, or a group of related employers and workers from the associated firms.

Workers: Incumbent workers are not necessarily determined eligible to receive training services on an individual basis. Nor is individual documentation of eligibility required. Incumbent workers are not formally registered in the WIA program. However, it must be determined that the workers, either individually or as a group, meet the following definition to be considered incumbent workers.

An incumbent worker is:

- a) An individual who has an employment relationship with either a participating employer in a targeted industry (as cited in the local WIA plan), or an employer being provided incumbent worker training as part of an economic development incentive package; and
- b) Is receiving upgrade training:
 - To increase his or her skills in an occupation in which the individual is already an incumbent or,
 - To prepare the worker for entry into a new occupation within the targeted workforce (i.e. the workforce of the participating employer or group of employers).
- c) The primary customers for incumbent worker training services are the participating employers or group of employers, as cited in the definition of "incumbent worker" above and may be locally defined. Such employers must be actively participating in a WIA funded incumbent worker training program.

Training: A wide range of training topics and delivery arrangements may be proposed. Training that is closely linked to specific jobs, as well as, job advancement is encouraged. Proposed training that is only loosely related, or is unrelated, to specific jobs, while not completely prohibited, is discouraged. Examples of training that is not directly job-linked include: stand-alone adult basic education (ABE), stand-alone English as a second language (ESL), team building training, motivational training, and basic computer literacy skills. The Partnership will closely examine proposals for such training and the rationale supporting the need for the training to determine the likelihood that the policy objectives of the program would be achieved by funding such proposals. In the absence

of a compelling rationale, such proposals are unlikely to be approved for funding. Please note that ABE and ESL training that is fully integrated with specific job-linked skill training are allowable.

Matching: Employers participating in the program are required to provide matching support (in-kind or direct financial support) for the costs of providing the incumbent worker training. For projects involving an individual employer, the matching share shall not be less than:

- 10 percent of the costs, for employers with 50 or fewer employees;
- 25 percent of the costs, for employers with more than 50 employees but fewer than 100 employees; and,
- 50 percent of the costs, for employers with 100 or more employees.

Matching costs must meet the requirements for matching and cost sharing as described in the Common Rule - Office of Management and Budget Circular A-102, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments, Subpart C, Post-Award Requirements, Section 24, Matching and Cost Sharing. For projects involving a group of employers, the percentage of the non-federal share must be determined using one of the methodologies cited in State policy.

Costs: Subject to the approval of The Partnership, all reasonable and necessary costs related to the conduct of the training are allowable. However, as limited by State policy, the costs of workers' wages and fringe benefits paid while in training are allowable only as employer match contributions. Following are typical costs eligible for reimbursement for the WIA grant.

- Tuition and school fees
- Books
- Training materials and supplies
- Pre and post testing
- Vocational counseling
- Vendor /contractor trainer costs
- Travel expenses of trainers
- Travel expenses of trainees
- Training facility costs (training off site)
- Fees for technical or professional certifications
- Refresher courses for occupational certifications
- Other costs with approval of The Partnership

Also, although not prohibited, costs associated with supportive services are discouraged. Generally, since incumbent workers are employed, the need for supportive services underwritten with WIA funds is expected to be minimal.

Approval: When evaluating project proposals, The Partnership will consider the following criteria.

(1) **Target Industry:** The employer (or the group of employers) to benefit from the training must be from one of the targeted industries (cited above) or the employer may be from any industry if the

proposal is part of an incentive package designed to encourage the employer to create or retain jobs in the local area.

(2) **Quality of the Training:** The training proposal must be adequately specified and job specific. The curriculum must be well developed and the instructor must be judged qualified to conduct the training. The training must also be clearly linked to anticipated increases in productivity.

(3) **Benefits to Workers:** The training should also result in benefits to the workers such as: enhanced employability, job upgrades, increased wages, and/or increased job security. Workers completing training should receive some type of written certification or acknowledgement of their successful completion.

(4) **Appropriateness of Costs:** The proposed costs must be judged reasonable in relation to the type of training and the number of workers to be trained. And, all proposed costs must meet local, State and Federal cost related requirements and limitations.

(5) **Matching Costs:** The minimum employer cost participation requirement must be met. Proposals proposing higher levels of employer cost participation will be given more a favorable review on this criterion.

(6) **Secondary Benefits:** Projects that result in "secondary benefits" will be given added consideration. Secondary benefits may include: commitments by participating employers to list future job openings with Chicago's One-Stop system and/or otherwise commit to participate in other WIA programs (e.g., access to back-fill job).

(7) **Jobs Created or Retained:** In the case of projects undertaken as part of an economic development incentive package, the project will be evaluated, in part, based on the number of jobs to be created or retained.

Reporting: Organizations receiving incumbent worker training grants must comply with all state planning and reporting requirements, as specified in State policy. Requirements include the submission of an initial project plan. Required reports include information about employers and workers participating in the program as well as, quarterly narrative reports on project implementation.

Claw back: Participating employers must agree to repay grants costs to The Partnership in the event that workers receiving training are involuntarily separated from employment (without cause) due to lack of work within two years of the completion of training. Repayment shall be on a proportionate basis, based on the portion of the two years remaining and the proportion of trainees so separated from employment.

Assurances: While incumbent worker projects are being provided, all WIA required services will continue to be provided using adults and dislocated worker formula allocations. LWIA 7 will continue to meet its performance and expenditure benchmarks for adult and dislocated worker formula allocation. These will not be impacted negatively by the provision of incumbent worker training services.

Action Required:

This information will be disseminated to all staff at all delegate agencies, one-stops and sector centers for review.

Inquiries:

Questions should be directed to the agency's assigned Regional Manager.

Effective Date:

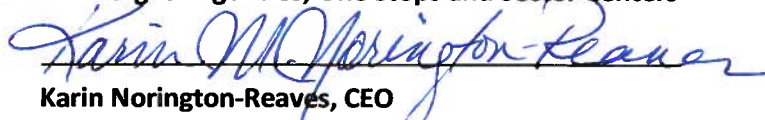
Immediately.



Workforce Investment Act Policy NO. 13-PL-12

To: All Delegate Agencies, One Stops and Sector Centers

From:


Karin Norington-Reaves, CEO
Chicago Cook Workforce Partnership

Subject: Needs Related Payments

Date: December 6, 2013

Purpose:

The purpose of this letter is to revise and clarify The Chicago Cook Workforce Partnership (The Partnership) policy and procedure for Needs Related Payments (NRP) to participants under Title I of the Workforce Investment Act (WIA).

References:

- WIA Section 101(46); 134(e) (2) and (3)
- WIA Implementing Rule Subpart H- Supportive Services
- DCEO Policy Letter No. 07-PL-40- Training Expenditure Requirement
- DCEO Policy Letter No. 07-PL-35- Needs Related Payments
- DCEO Policy Letter No. 06-PL-28- Incident Reporting

Background:

The Chicago Cook Workforce Investment Board is revising and consolidating its policy for supportive services and Needs Related Payments (NRP) under Title I of WIA. The intent of the revised policy is to ensure the appropriate use of supportive services and NRP and to ensure that participants receiving supportive services or NRP are eligible to do so. In addition, the policy is meant to promote effective management of these services and prevent fraudulent payments, by implementing procedures for budgeting and payment of supportive services and NRP. These policies and procedures are required to ensure compliance with the relevant provisions of WIA, the WIA Implementing Rule, and State of Illinois policies.

Policy:

Needs Related Payments (NRP) are a special type of supportive service that may be paid to registered WIA adults and dislocated workers under certain circumstances. These circumstances include enrollment of the recipient in training activities, and other eligibility requirements as described in this policy letter. Needs related payments are not meant to be used as a substitute for supportive services payments, but are intended to provide temporary financial support to allow registrants to participate in training, over and above any supportive service payments provided.

The intent of Needs Related Payments is to enable a registered adult or dislocated worker to participate in training. NRP is a payment to the individual based on an assessment of need, rather than a reimbursement of participant expenses. NRP is for individual expenses over and above supportive services reimbursements, and includes critical basic expenses such as food, clothing other than work uniforms, housing expenses, and utilities. NRP payments are limited under WIA, and these limits are described below. In addition, under The Partnership Policy, NRP is limited to one year.

This policy does not create an entitlement on the part of any WIA registrant to NRP. Payments to registrants for NRP are at the discretion of the WIA workNet centers, within the guidelines of this policy, the requirements of the law, and based on the availability of funds, for the purpose of enabling participation of adults and dislocated workers in WIA training activities.

A. Eligibility for Needs Related Payments

- 1) General. Needs Related Payments (NRP) may only be paid to WIA Title I funded adults or dislocated workers enrolled in training activities. Chicago Cook Workforce Partnership policy does not permit the payment of NRP to individuals prior to the beginning of a scheduled training class or training activity.
- 2) Adults. In order for an adult registrant to be eligible for Needs Related Payments from WIA Title I, he or she must:
 - a. be unemployed;
 - b. not be qualified for (or be no longer qualified for) unemployment compensation; and
 - c. be enrolled in WIA Title I-funded training services.
- 3) Dislocated workers. In order for a dislocated worker registrant to be eligible for Needs Related Payments from WIA Title I, he or she must:
 - a. be unemployed;
 - b. have either:
 - i. ceased to qualify for Unemployment Insurance compensation (UI) or Trade Readjustment Allowance (TRA) under the Trade Adjustment Act (TAA) or the North American Free Trade Agreement – Transitional Adjustment Assistance (NAFTA-TAA), or
 - ii. did not qualify for Unemployment Insurance compensation (UI) or Trade Readjustment Allowance (TRA) under the Trade Adjustment Act (TAA) or the North American Free Trade Agreement – Transitional Adjustment Assistance (NAFTA-TAA); and
 - c. be enrolled in WIA Title I-funded training services by the end of the 13th week after the most recent layoff that resulted in a determination of the worker's eligibility as a dislocated worker, or, if later, by the end of the 8th week after the worker is informed that a short-term layoff will exceed six months.

B. Payment Amounts for Needs Related Payments

- 1) Payments for NRP may not exceed the maximum payment amounts for each service listed in NRP Payment Levels (Attachment 1). This appendix will be periodically updated.

- 2) Payments to adults for NRP may not exceed the maximum amounts listed in Attachment 1, which corresponds to a weekly rate that would equal 100 percent of the Lower Living Standard Income Level (LLSIL) for a family of one.
- 3) Payments to dislocated workers for NRP may not exceed the greater of:
 - a. The applicable weekly level of UI compensation (for participants who were eligible for UI as a result of a qualifying dislocation; or
 - b. The poverty level for an equivalent period (for participants who did not qualify for UI). These levels are indicated in Attachment 1.
- 4) The level of UI compensation must be included in the documentation for dislocated workers to be paid NRP.

C. Needs Related Payment Budget and Payment Procedures for workNet Centers and Service Providers

- 1) WIA workNet centers must include budget allocations for supportive services, including NRP, as part of their annual contract budgets. In addition, they must implement procedures to ensure that total payments for supportive services, including NRP do not exceed this budgeted amount, unless a formal modification of the budget has been approved in advance.
- 2) WIA service providers may recommend payment of NRP to registrants in training by preparing and submitting the individual authorization documents to the affiliated workNet center as described in part I below. WIA service providers are not authorized to provide NRP directly.
- 3) WIA workNet centers must review and determine the eligibility for, and appropriateness of NRP payments to registrants assigned to the center as well as registrants assigned to affiliated WIA service providers, based on requests for NRP from the affiliates.
- 4) Payments for NRP for registrants in training are defined as training expenses under the state minimum training expenditure policy, and should be budgeted as a training expenditure.
- 5) WIA workNet centers must document payments of NRP using the Needs Related Payments Log (Attachment 2).

D. Approval Process for Registrants

- 1) WIA workNet centers and WIA service providers must document each registrant's needs for supportive services, and maintain case notes reflecting referrals to supportive services, the results of these referrals, and records of payments for supportive services.
- 2) WIA workNet centers must complete the Needs Related Payments Analysis Form (Attachment 3) for each individual prior to authorizing payment of NRP for a registrant. This form must be accompanied by the following documentation for each NRP recipient:
 - a. A copy of a UI entitlement decision or confirmation that UI benefits have been exhausted;

- b. A copy of request for training classes for each period of training (quarter, semester, block, class, etc.);
 - c. Verification of enrollment/registration, participation, grades and completion of training classes (confirmation from Registrar's office and course instructor); and
 - d. A signature by the participant attesting to his/her understanding of NRP requirements and instructions.
- 3) WIA service providers must complete the Needs Related Payments Analysis Form (Attachment 3) for each individual prior to referring individuals to the affiliated workNet center for authorization and payment of NRP.
 - 4) Prior to approving a payment for NRP, WIA workNet centers must access iBIS to verify that the registrant is not receiving Unemployment Insurance or Trade Readjustment Assistance. This check must be performed for each week that NRP will be paid.
 - 5) WIA workNet centers and WIA service providers must complete the Weekly Verification of Income and Training (Attachment 4) for each week for which NRP will be paid to a registrant. This form documents continued eligibility for NRP, including the participant's receipt of benefits, employment status, and enrollment and participation in training. WIA service providers must submit this document to the affiliated workNet center for each week that NRP will be paid.

E. Fraud Prevention and Incident Reporting

- 1) WIA workNet centers and WIA service providers must ensure that procedures are in place to detect and report incidents and suspected incidents of fraudulent payments for supportive services or NRP.
- 2) In the event of the discovery of fraudulent payments, all payments to the party engaging in fraud will cease and all funds paid will be recovered. All cases of fraud or suspected fraud will be forwarded to the appropriate legal authorities for prosecution in accordance with the State of Illinois and Cook County incident reporting policy.

Action Required:

All WIA funded agencies must (1) review this Policy Letter and its attachments; (2) transmit this Letter to all staff with responsibility for participant eligibility, referral to supportive services, and case management; (3) ensure that procedures for approving and paying for supportive services and NRP are fully in compliance with the policies and procedures described in this Letter; (4) ensure that appropriate staff are trained in the revised policy and procedures; and (5) ensure that management controls are in place to promote implementation of the revised policy and procedure.

Inquiries:

All inquiries should be directed to the assigned Regional Manager.

Effective Date:

Immediately

Karin Norington-Reaves, CEO
The Chicago Cook Workforce Partnership

Attachments:

- 1) **NRP Payment Levels**
- 2) **NRP Payment Log**
- 3) **NRP Analysis Form**
- 4) **NRP Weekly Verification of Income and Training Form**

Attachment 1

NRP Payment Levels

Effective from: December 6, 2013

Maximum Allowable Needs Related Payment Amount for Adults:

<u>100 percent of Lower Living Standard Income Level (LLSIL) for a family of one</u>	<u>Corresponding Weekly NRP Payment Maximum for Adults</u>
<u>\$13,552</u>	<u>\$282.33</u>

This LLSIL income level for Chicago Metro area was taken from the Federal Register web site at:
<http://edocket.access.gpo.gov/2011/pdf/2011-6510.pdf>

**Poverty Level to Determine the
Maximum Allowable Needs Related Payment Amounts
for Dislocated Workers Who Did Not Qualify for Unemployment Insurance**

<u>Persons in Family</u>	<u>Annual Poverty Level</u>	<u>Corresponding Weekly NRP Amount</u>
<u>1</u>	<u>\$ 10,890</u>	<u>\$ 209.42</u>
<u>2</u>	<u>\$ 14,710</u>	<u>\$ 282.88</u>
<u>3</u>	<u>\$ 18,530</u>	<u>\$ 356.35</u>
<u>4</u>	<u>\$ 22,350</u>	<u>\$ 429.81</u>
<u>5</u>	<u>\$ 26,170</u>	<u>\$ 503.27</u>
<u>6</u>	<u>\$ 29,990</u>	<u>\$ 576.73</u>
<u>7</u>	<u>\$ 33,810</u>	<u>\$ 650.19</u>
<u>8</u>	<u>\$ 37,630</u>	<u>\$ 723.65</u>
<u>For each additional person, add</u>	<u>\$ 3,820</u>	<u>\$ 73.46</u>

These poverty levels were taken from the HHS website at: <http://aspe.hhs.gov/poverty/11poverty.shtml>

Attachment 3

The Chicago Cook Workforce Partnership Needs Related Payments

Analysis Form

Participant Information:

- 1. Name** **Enter the name of the person who is requesting Needs Related Payments (NRP).**
- 2. Home Address** **Enter the home address of the participant. Include the street address (including apartment number if applicable), city, state, and zip code.**
- 3. Phone Number(s)** **Enter the home phone number for the participant. Also, enter a cellular telephone number if the participant wants an alternate method of contact.**

Needs Analysis:

- 4. Question A** **Check “Yes” or “No” to indicate whether the participant is currently unemployed or has received notification of layoff from their current employer.**
Note: A “No” answer to this question would disqualify the participant from NRPs.
- 5. Question B** **Check “Yes” or “No” to indicate whether the participant currently qualifies for Unemployment Insurance (UI) benefits, additional State UI benefits (training benefits), or Trade Readjustment Allowances (TRA) benefits.**
Note: A “Yes” answer to this question would disqualify the participant from NRPs.
- 6. Question C** **Check “Yes” or “No” to indicate whether the participant has ceased to qualify for Unemployment Insurance (UI) benefits, additional State UI benefits (training benefits), or Trade Readjustment Allowances (TRA) benefits.**
Note: A “No” answer to this question would disqualify the participant from NRPs.
- 7. Additional Comments** **Enter any additional comments you feel could be beneficial to determining a person’s eligibility for Needs Related Payments. Information might include the employer for whom the person has received a layoff notice and the anticipated date of layoff.**
- 8. Eligibility Determination** **Check “Yes” or “No” to indicate whether the person qualifies for Needs Related Payments based on the answers to Questions A, B, and C.**
- 9. Consideration of “Other Resources”** **Check “Yes” or “No” to indicate whether the person has considered the availability of all “other resources” to help successfully participate in a full-time training program. Other resources might include, but are not limited to, Pell grants, severance pay, other family income, etc.**
- 10. “Other Resources”** **Check “Yes” or “No” to indicate whether any of the other resources considered in Question 8 above would meet the need to support the participant while attending school full-time.**
- 11. Participant Signature** **The person requesting the NRPs must acknowledge they have entered (or assisted in the entering) all information on this form to the best of their knowledge and that they have read, understand, and agree to comply with the policies for Needs Related Payments. Once they agree to all information, they must sign this form and enter the date of their signature.**

- 12. LWIA Case** **The LWIA case manager having oversight of this particular analysis must**

I have reviewed these policies with the participant, have determined their eligibility to receive Needs Related Payments, and have explained the procedures for collecting Needs Related Payments.

____/____/____

Case Manager Signature

Date

Attachment 4

**The Chicago Cook Workforce Partnership Needs Related Payments
 Weekly Verification of Income & Training**

<u>Participant Information</u>	
<u>1. Name</u>	<u>Enter the name of the person who is requesting Needs Related Payments (NRP).</u>
<u>2. Home Address</u>	<u>Enter the home address of the participant. Include the street address (including apartment number if applicable), city, state, and zip code.</u>
<u>3. Phone Number(s)</u>	<u>Enter the home phone number for the participant. Also, enter a cellular telephone number if the participant wants an alternate method of contact.</u>
<u>Needs Related Payment Information</u>	
<u>4. Needs Related Payment Amount</u>	<u>Enter the agreed upon NRP weekly payment amount.</u>
<u>5. Training Week</u>	<u>Enter the beginning and ending dates of the week being verified.</u>
<u>Verification of Income and Training</u>	
<u>6. Claim of Unemployment Benefits</u>	<u>Check "Yes" or "No" to indicate whether the participant claimed or intends to claim any type of unemployment benefits for the training week being verified. If "Yes" has been checked, enter the amount of such benefits received or anticipated to be received.</u>
<u>7. Payments for Work</u>	<u>Check "Yes" or "No" to indicate whether the participant received any payments for fulltime or part-time work, work experience, or work study for the training week being verified. If "Yes" has been checked, enter the amount of such benefits received or anticipated to be received.</u>
<u>8. TAA or TRA Payments</u>	<u>Check "Yes" or "No" to indicate whether the participant received any TAA or TRA payments for the training week being verified. If "Yes" has been checked, enter the amount of such benefits received or anticipated to be received.</u>
<u>9. Job Training Payments</u>	<u>Check "Yes" or "No" to indicate whether the participant was enrolled in job training or received any job training payments for the training week being verified. If "Yes" has been checked, enter the amount of such benefits received or anticipated to be received.</u>
<u>10. Maintain Full-Time Status</u>	<u>Check "Yes" or "No" to indicate whether the participant has maintained full-time status as defined by the training institute. If "No" is checked, provide a brief explanation as to why they did not successful maintain full-time status.</u>
<u>11. Maintain</u>	<u>Check "Yes" or "No" to indicate whether the participant has maintained satisfactory</u>

<p><u>Satisfactory Progress</u></p>	<p><u>progress as defined by the training institute. If “No” is checked, provide a brief explanation as to why they did not successful maintain satisfactory progress.</u></p>
<p><u>12. Additional Comments</u></p>	<p><u>Enter any additional comments you feel could be beneficial in verifying the participant has in fact complied with the policies related to receiving Needs Related Payments.</u></p>
<p><u>13. Participant Signature</u></p>	<p><u>The person requesting the NRPs must acknowledge they have entered (or assisted in the entering) all information on this form to the best of their knowledge and that they have read, understand, and agree to comply with the policies for Needs Related Payments. Once they agree to all information, they must sign this form and enter the date of their signature.</u></p>
<p><u>14. LWIA Case Manager Signature</u></p>	<p><u>The LWIA case manager having oversight of this particular analysis must acknowledge that they have reviewed all NRP policies with the participant, have determined their eligibility to receive NRPs, and have explained the procedures for collecting NRPs. Upon acknowledgment of this information, the LWIA Case Manager must sign this form and enter the date of their signature.</u></p>



Workforce Investment Act Policy NO. 13-PL-13

To: All Delegate Agencies, One-Stops and Sector Centers

From: _____
Karin Norington-Reaves, CEO
Chicago Cook Workforce Partnership

Subject: Minimum Requirements for Youth Follow-Up Services

Date: December 6, 2013

Purpose:

To provide guidance to service providers on the design, implementation, and management of their follow-up systems as required under the Workforce Investment Act (WIA).

References:

Workforce Investment Act of 1998, Final Rules, Section 664.450.

Background:

The WIA regulation 20 CFR 664.450, states that all youth must receive some form of follow-up services for not less than 12 months after the completion of participation. The types and duration of services must be based on the needs of the individual.

Policy:

Under WIA, follow-up services must be provided to each youth customer for a minimum of 12 months following the first day of exiting the WIA program.

As described in TEGl No. 05-12, a follow-up service provides support and guidance after placement to facilitate:

- 1) Sustained employment and educational achievement
- 2) Advancement along a job and/or educational ladder
- 3) Personal development

In addition, 20 CFR 664.450 provides examples of follow-up services for youth. While a follow-up service should include more than just a contact attempt or made for securing documentation for the case file in order to report a performance outcome, regular contact with the participant to ensure youth successfully continue in their placement of employment or post-secondary education may be a sufficient follow-up service as long as the case manager has assessed whether the participant needs anything beyond the regular contact and determined that they do not need additional services. If a case manager learns from communication with the youth that he/she is, at that time, not in need of additional services or assistance, case managers must fully document the details of that conversation in the case file.

As discussed in 20 CFR 664.450, the type of follow-up services provided is based on the needs of the participant. Most WIA Youth services are allowable as a follow-up service with the exception of training services (Individual Training Accounts, On-The-Job Training, Customized Training) and paid work experience. As long as the participant is still in his/her follow-up services period, there is no need to re-enroll a participant in the WIA Youth program following exit in order to receive further services unless training is required. If training is needed, youth must wait 90 days after exit to be re-enrolled.

During follow-up, the services listed below are allowable. These services are provided by the registering service provider, and must include:

- a) Maintaining regular contact
- b) Working with the customer to identify emerging problems;
- c) Helping the customer gain job/educational coping skills;
- d) Providing support, counseling and advice;
- e) Helping the customer to access needed supportive services;
- f) Ensuring transitional services (i.e. transportation, child care, Medicaid, etc.);
- g) Arranging access to post-secondary opportunities.
- h) Counseling with the customer about reasons for his/her loss of the job or underachievement with educational goals.
- i) Additional job search and job placement assistance in re-placing the individual in unsubsidized employment.

All of these services will help the individual to succeed and advance in his/her employment and/or educational goals, thereby helping the individual to reach self-sufficiency.

The retention and follow-up services outlined in this policy letter are to be understood as the minimum requirements as determined by the Workforce Investment Board, and additional services are strongly encouraged. In addition, this letter should not be understood to limit any additional required services as stated by the U.S. Department of Labor (USDOL) or the State of Illinois. If either USDOL or the State adds any required services to their definitions of follow-up services, those additional services will be understood to be added to The Partnership's minimum service requirements.

Action Required:

This information should be disseminated to delegate agency staff.

Inquiries:

All inquiries should be directed to the assigned Regional Manager.

Effective Date:

Immediately.



Workforce Investment Act Policy NO. 13-PL-14

To: All 1A/1D Delegate Agencies, One-Stops and Sector Centers

From: 

**Karin Norington-Reaves, CEO
Chicago Cook Workforce Partnership (The Partnership)**

Subject: Minimum Requirements for Adult Follow-up Services

Date: December 6, 2013

Purpose: To provide guidance to service providers on the design, implementation, and management of their follow-up systems as required under the Workforce Investment Act (WIA).

References: Workforce Investment Act of 1998, Final Rules, Section 663.150(b).

Background:

Section 663.150(b) of the WIA Final Rules specifies that follow-up services, including counseling regarding the workplace, must be made available for a minimum of 12 months after the first day of employment, to registered participants who are placed in unsubsidized employment. The goal of follow-up services is to ensure job retention, wage gains and career progress for individuals placed into unsubsidized employment. While follow-up services must be made available, not all of the adults and dislocated workers who are registered and placed into unsubsidized employment will need or want such services. The intensity of appropriate follow-up services may vary among different participants. Participants who have multiple employment barriers and limited work histories may be in need of more significant follow-up services to ensure long-term success in the labor market.

Policy:

Follow-up Services

Under WIA, follow-up services **must be made available** to each job-seeker customer for a minimum of 12 months following the first day of employment. Each WIA delegate agency must document that customers were informed of the available follow-up services and how to access such services. Such documentation may include letters, email correspondence, checklists and/or documentation of conversations through case notes.

Follow-up services can be divided into two types of services: Retention/Advancement Services and Re-employment Services. These two services are described below.

Retention/Advancement Services

This tier of services should begin on the first day of placement into unsubsidized employment and continue until the customer exits the system. The goal of the provision of these services is to ensure that individuals

placed into unsubsidized employment remain employed and advance within that employment toward self-sufficiency.

These services are provided by the registering service provider, and may include:

- Maintaining regular contact
- Additional career planning and counseling
- Working with customer to identify emerging problems
- Helping the customer gain job/educational coping skills
- Peer support groups
- Information about additional educational opportunities
- Helping the customer to access needed support services

All of these services will help the individual to succeed and advance in his/her employment, thereby helping the individual to reach self-sufficiency.

Re-employment Services

Should a job-seeker customer who has been placed in unsubsidized employment lose his/her job, re-employment services may be needed for re-entry into the labor market. Re-employment services may include:

- Counseling with the customer about reasons for his/her loss of the job;
- Utilization of the menu of core, intensive, and supportive services to address reasons for job loss and implement appropriate solutions to secure re-employment;
- Alteration of IEP to reflect changes in employment goals as result of job loss;
- Referral to training services if determined to be appropriate and necessary;
- Additional job search and job placement assistance in re-placing the individual in unsubsidized employment.

Conclusion

As stated at the beginning of this letter, it is the registering service provider's responsibility to ensure that follow-up services are **made available** to each job-seeker customer for a minimum of 12 months from the first day of employment. It is important to note that these follow-up services are to be tailored to the needs of each customer. Since a given customer may not request or need follow-up services, it is not necessary to provide these services. It is necessary that the services be offered and made available to all WIA customers and that service providers encourage customers to utilize them as much as possible.

The retention and follow-up services outlined in this policy letter are to be understood as the minimum requirements as determined by The Partnership, and additional services are strongly encouraged. In addition, this letter should not be understood to limit any additional required services as stated by the U.S. Department of Labor (USDOL) or the State of Illinois. If either USDOL or the State add any required services to their definitions of follow-up services, those additional services will be understood to be added to The Partnership's minimum service requirements.

Action Required:

This information should be disseminated to delegate agency staff.

Inquiries:

Chicago Cook Workforce Partnership Local Policy Letter No. 14 (Minimum Requirement Adult Follow-up Services)

All inquiries should be directed to the assigned Regional Manager.

Effective Date:

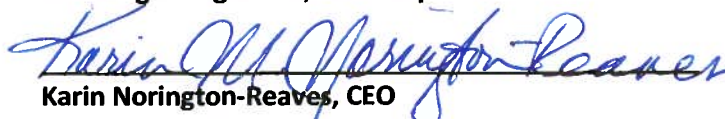
Immediately.



Workforce Investment Act Policy NO. 2013-PL-15

To: All Delegate Agencies, One-Stops and Sector Centers

From:



**Karin Norington-Reaves, CEO
Chicago Cook Workforce Partnership**

Subject: Procurement Policy

Date: December 6, 2013

Purpose:

To provide guidance to staff and service providers on the competitive purchase of goods and services from vendors. Procurement rules are prescriptive and include situational methods based on dollar thresholds and can be applied to the award of grants and sub-grants to and by service providers.

References:

Workforce Investment Act of 1998, Final Rules, Section 667.200

29 CFR 95

OMB Circular A 110 Section 40

DCEO Policy Letter No. 05-PL-16

Background:

OMB Circular A 110 Sec.40: Sections 41 through 48 set forth standards for use by recipients in establishing procedures for the procurement of supplies and other expendable property, equipment, real property and other services with Federal funds. These standards insure that such materials and services are obtained in an effective manner and in compliance with the provisions of applicable Federal statutes and Executive Orders. No additional procurement standards or requirements shall be imposed by the Federal awarding agencies upon recipients, unless specifically required by Federal statute or Executive Order or approved by OMB. (Attachment A)

In addition, Section 667.200 of the WIA Final Rules specifies that staff selecting service providers take into account past performance in job training or related activities, fiscal accountability and ability to meet performance standards.

This Procurement Policy applies to the procurement of all goods and services purchased by Chicago Cook Workforce Partnership and The Chicago Cook Workforce Board has and been created to provide guidelines to staff and sub-recipients for:

- Determining the appropriate method of procurement to use, as well as the specific procedures to follow in different procurement situations in order to be in compliance with all Federal and State laws, rules and regulations.
- Ensuring that unnecessary or duplicative items or services are not purchased, to ensure that conflicts of interest have been avoided, and to ensure that positive efforts have been made to utilize small business and minority-owned business sources for procurement.

The Policy described in this document is ordered according to the sequence of procurement activity and includes procurement of goods and non-program related services, in addition to methods of solicitation, proposal review and evaluation requirements, procedures for negotiation with successful applicants, contract development and monitoring procedures, and procedures related to the continuation of effective programs.

Sample forms and documents used in the procurement process are included as attachments to this document and should be used by staff and sub-recipients during the procurement process.

Policy:

Responsibility for Procurement Activities

It is the responsibility of the CAO to procure, and/or delegate procurement, of all supplies and other expendable property, and equipment. The responsibility includes assigning procurement-related duties to staff persons, assuring that all procedures established in this document are followed, and that all procurement activities are performed in compliance with applicable Federal and State laws, rules and regulations.

Vendor List

- Once a year a public notice will be placed in Chicago and Cook County newspapers of general distribution to inform area businesses and organizations about the Partnership's vendor list. The Partnership's Chief Executive Officer, prior to distribution, shall approve all advertisements.
- All vendors interested in providing services to The Partnership must complete a Vendor Application (Attachment F). Vendor applications for placement on the Vendor List will be added to the Vendor List within one week by the staff person receiving the request.
- The Vendor List shall be updated as new vendors submit completed Vendor Applications, address changes for vendors that have relocated, and names removed for vendors per their request.

Procurement Principles

- Meet the Needs of the Individuals Served - All services procured should be the best available to meet the employment and training needs of the individuals served under WIA, and other State and Federal grants.
- Awards for contractors are made to vendors who can provide services that are the most advantageous to Chicago Cook Workforce Partnership and The Workforce Board regarding service, price, and other specific factors.
- Maximum free and open competition - All procurement activities shall allow to the maximum extent practical, open and free competition among potential vendors for services:
 1. Solicitation must be openly advertised
 2. Solicitation must be made available to all interested parties
 3. Solicitation must avoid "brand names"
 4. Solicitation must be free of requirements that constitute a restraint of trade.

Equal Treatment

- Uniform availability of solicitation - According to OMB, in order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, invitations for bids and/or requests for proposals shall be excluded from competing for such procurements.
- Uniform availability of related communications

- Uniform application of procurement rules and policies

Arm's Length relationship

- Code of conduct to control conflict of interest - According to OMB 122 Section A42, at a minimum, the following written standards of conduct shall govern all employees of The Partnership and sub-recipients in carrying out all activities related to the award and administration of contracts:
- No employee, officer, or agent shall participate in the selection, award, or administration of a contract supported by Federal funds if a real or apparent conflict of interest would be involved.
- Such a conflict would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in the firm selected for an award.
- The officers, employees, and agents of the recipient shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors, or parties to sub-agreements.
- Procedures for disclosure and abstention
- Self-dealing prohibited

Promotion of social and economic policies

- Preference for small, minority & women owned businesses - According to the OMB, positive efforts shall be made by recipients to utilize small businesses, minority-owned firms, and women's business enterprises, whenever possible. Recipients of Federal awards shall take all of the following steps to further this goal:
- Ensure that small businesses, minority-owned firms, and women's business enterprises are used to the fullest extent practicable.
- Make information on forthcoming opportunities available and arrange time frames for purchases and contracts to encourage and facilitate participation by small businesses, minority-owned firms, and women's business enterprises.
- Consider in the contract process whether firms competing for larger contracts intend to subcontract with small businesses, minority-owned firms, and women's business enterprises.
- Encourage contracting with consortiums of small businesses, minority-owned firms and women's business enterprises when a contract is too large for one of these firms to handle individually.
- Use the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Department of Commerce's Minority Business Development Agency in the solicitation and utilization of small businesses, minority-owned firms and women's business enterprises.

Procurement Methods

Small Purchases (Attachment B)

Purchase decisions in excess of \$1,000 for labor, equipment, supplies or services purchased, leased or contracted for shall be made only after receiving whenever possible, oral quotations from at least three (3) vendors.

- In excess of \$1,000 with a \$25,000 threshold.
- Request for Quotes is the solicitation instrument
- Adequate number of quotes to determine market rate
- Purchase order is the typical contract instrument

Procurement of services and goods anticipated to cost between \$1,000 and \$25,000:

- Vendors to provide the service or goods required by Chicago Cook Workforce Partnership or The Workforce Board are solicited by the CAO or delegated staff.
- A minimum of 3 quotes must be solicited.
- Quotes are acceptable via written notice, verbal discussion, e-mail correspondence, or internet research.
- A Small Purchase Procurement Form must be completed. (Attachment B)
- Name of the vendor contacted
- Date of contact
- Quote amount
- Specific information regarding the services or goods to be offered
- Select the vendor that will provide the best service, not necessarily the lowest price.
- Note on each Procurement Form the reason for selection of the vendor or why a vendor wasn't selected.
- Obtain the Chief Executive Officer's signature on the form
- Attach forms to first purchase order request and invoice for payment

Best Practice Technique

- It is easy to conclude that small purchase procedures are appropriate for one-time purchases under \$25,000 but difficult to make this determination when the same goods or services (costing under \$25,000 for the initial procurement) may need to be purchased again in the future. As a result, the future need for the item being procured must be carefully considered at the time of the initial procurement.
- It is recommended that a minimum of three bids be obtained for each small purchase procurement.
- If possible, and where time allows, bids or quotes should be obtained in writing.

Invitation for Bids (Sealed Bids)

- Used only for goods and non-program related services that are greater than the \$25,000 threshold and for which all details and specifications are known
- Advertised through local media sources
- Bidder's conference required
- IFB is the solicitation instrument
- Detailed technical description of the goods or services clearly communicated
- Deadline for bid submission clearly communicated
- Time and place bids will be opened publicly clearly communicated
- Sealed Bids & Public Opening required
- All bids received shall be opened
- Contract awarded to lowest bidder
- No Negotiation

Best Practice Techniques

- Most appropriate when there is relatively no difference between the good or service offered by one vendor and that offered by another.
- Not appropriate when the procurement decision will be based on more than price (i.e., quality of the goods or services, the experience of the vendor, etc.)
- An accurate and detailed technical description of the good or service to be procured is prerequisite.

Competitive Negotiation

Purchase decisions exceeding \$25,000 but less than \$100,000 for labor, equipment, supplies or services purchased, leased or contracted for shall be made only after receiving whenever possible, written quotations from at least three vendors. (Attachment C)

Vendor Selection for Purchases Exceeding \$25,000 but less than \$100,000

- Greater than \$25,000 threshold but less than \$100,000
- Detailed specifications not known
- Written Request for Proposal/Quotations is the solicitation instrument
- The RFP/Q must describe the type of service being solicited
- The RFP/Q must provide requirements on the submission of proposals
- The RFP/Q must be made available to all applicable vendors
- The RFP/Q will be posted on the website
- Publicly advertise the RFP/Q that identifies the good or service being procured and the evaluation factors.
- Evaluation criteria must be known
- An established evaluation and award standard must accompany all RFP/Q's
- Negotiation required
- Criteria for award must be included in RFP/Q
- Proposals received after the deadline may not be considered

Best Practice Technique

- Most appropriate when the procurement decision will be based on more than price and the cost of the good or service is expected to exceed \$25,000 overall.
- Most appropriate when it is anticipated that good or service expected to cost less than \$25,000 will need to be procured again from the same vendor during a two year time frame and the aggregate amount of procurement is expected to exceed \$25,000.
- The solicitation instrument must include:
 - An adequate description of the item or service.
 - A description of the quality standards that must be met.
 - A description of the evaluation factors to be taken into account.
 - An indication of the date the decision will be made.
 - A complete description of the requirements the vendors must fulfill.
 - The evaluation results must be compiled in a comprehensive manner.
 - Documentation showing the basis on which the award decision was made.

Procurement for similar services

The need may arise to procure services during the program year that are similar to services already procured during the same program year. Depending on the type of service or goods, certain solicitation procedures must be followed.

Program related services

- Similar services are defined as those services that provide the same program activity regardless of the grant under which the services are procured.

Technical assistance services

- Similar services are defined as any type of technical assistance provided by consultants under contract.

For services which were originally procured using small procurement procedures

- The same vendor may be selected only if the amount of the original procurement and any additional procurement for similar services during the program year has not or will not exceed \$25,000.
- Select a different vendor the similar service if the amount of the procurement will not exceed \$25,000
- Solicit competitive proposals for the similar service through the RFP/Q process where the same vendor will exceed \$25,000 or the anticipated amount will exceed \$25,000

For services which were originally procured by competitive proposal

- Modify the original vendor's contract to include the similar services
- Solicit competitive proposals for the similar services through the RFP/Q Process

Non-Competitive Negotiation

- Emergency situations are defined and limited to only public emergencies
- Procurement needs under \$25,000 are solicited using the Small Procurement Procedures
- Procurement needs of \$25,000 or more by noncompetitive proposal:
- Obtain approval from the Chief Executive Officer to utilize emergency solicitation procedures
- Make a determination of at least one available vendor from the approved vendor list who can provide the needed services
- Contact the vendor to request submission of a noncompetitive proposal
- Verify the proposed costs and evaluate the specific elements of costs and profit
- Complete the solicitation form by including the names of all vendors contacted, the date of contact, the name of the vendor authorized to submit the noncompetitive proposal and the results of the proposal analysis
- A contract is awarded
- Solicitation forms must be place in the Procurement file
- Only one source "sole source"
- Goods or service only available from one source;
- There is only one source in the area able to provide the needed goods or services.
- Inadequate competition
- Competition is determined inadequate after a number of sources have been solicited.
- Prior approval
- The grantor has approved the use of the vendor to carry out activities with the granting funds
- The approval must be received in writing by the grantor, signed and dated
- The vendor must be aware of the approval process
- A contract is awarded

Best Practice Technique

This method of procurement should not be used unless absolutely necessary because it reduces competition among potential vendors to provide goods and services.

Conclusion

It is the service provider's responsibility to ensure that the appropriate procurement mechanism is used in its own procurements. It is important to note that the procurement methods outlined in this policy letter are to be understood as the minimum requirements as determined by The Partnership. In addition, this

letter should not be understood to limit any additional required procedures as stated by the U.S. Department of Labor (USDOL) or the State of Illinois. If either USDOL or the State adds any required procurement requirements, those additional requirements will be understood to be added to The Partnership's minimum requirements.

Action Required

This information should be disseminated to delegate agency staff.

Inquiries

All inquiries should be directed to the assigned Regional Manager.

Effective Date

Immediately.

Attachments of PARTNERSHIP Documents regarding Procurement:

Attachment A-OMB Circular A-110

Attachment B-The Partnership Small Purchase Procurement Form

Attachment C-The Partnership Request For Quotes Solicitation Form

Attachment D-The Partnership Employee Handbook Section 108

Attachment E-The Partnership Accounting & Financial Policies & Procedures Manual pages 28-31

Attachment F-The Partnership Sub-recipient Contract Language-Exhibit J Conflict of Interest

Attachment G-Vendor List Application

Attachment H-Procurement Matrix

