



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

**WIOA NOTICE NO. 25-NOT-08**

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

**SUBJECT:** Fiscal Year 2027-Program Year 2026 Supplemental State Funding Allocation and Application

**DATE:** June 22, 2026

**I. SUBJECT INDEX**

Fiscal Reporting and Accountability  
Planning

**II. PURPOSE**

To provide information to all Local Workforce Innovation Boards (LWIBs) on the availability of State of Illinois Fiscal Year 2027 General Revenue Funds to supplement and support local workforce priorities.

**III. ISSUANCES AFFECTED**

A. References:

WIOA Notice No. 25-NOT-03, Workforce Innovation and Opportunity Act (WIOA) Title I Adult, Dislocated Worker, and Youth Activities Program Allocations for Program Year 2026 (PY 2026) (May 11, 2026)

B. Rescissions:

None

#### **IV. BACKGROUND**

The State of Illinois Fiscal Year 2027 budget includes \$5 million in General Revenue Funds for the Local Workforce Innovation Areas (LWIAs) to support workforce services provided in coordination with the Workforce Innovation and Opportunity Act (WIOA) Title IB programs for LWIBs that require supplemental support, as determined by the department, utilizing a needs-based assessment. The Department of Commerce and Economic Opportunity (DCEO) identifies the following data factors that will be used to make a needs-based assessment of each of the LWIBs.

##### *WIOA Program Year 2026 Funding Levels / Funding Loss*

DCEO completed a trend analysis of the WIOA Title IB formula funding over the past five (5) years. DCEO calculated the five-year average for each LWIA's WIOA Title IB grants based on the WIOA funding notices. If the five-year average of the WIOA Title IB grants exceeds the Program Year 2026 grant, then the LWIA will be awarded the difference between the five-year average and the Program Year 2026 grant. DCEO will allocate \$536,565 to LWIAs under this data factor.

##### *Rural Community Support*

Population loss in rural areas can reduce available resources while needs remain. Those who migrate out of rural areas often do so for job opportunities, while the remaining population may do so because of limited opportunities. DCEO will use the data from the U.S. Department of Agriculture Rural-Urban Continuum classification scheme that distinguishes metropolitan counties by the population size of their metro area, and non-metropolitan counties by the degree of urbanization and adjacency to a metro area. DCEO will allocate \$1.5 million to LWIAs with rural and nonmetropolitan areas, including 62 Illinois counties, based on the proportionate share of the population. Please see <https://www.ers.usda.gov/data-products/rural-urban-continuum-codes/> for more information about this data factor.

##### *Supplemental Nutrition Assistance Program (SNAP)*

The Supplemental Nutrition Assistance Program (SNAP) provides food benefits to low-income families to supplement their grocery budget so they can afford the nutritious food essential to health and well-being. DCEO will allocate \$1 million to LWIAs based on the number of households receiving SNAP benefits or cash public assistance in the LWIA. Please see <https://www.census.gov/acs/www/about/why-we-ask-each-question/food-stamps/> for more information about this data factor.

##### *Communities with Increased Needs*

DCEO will support LWIBs who are experiencing increased poverty, unemployment, and educational attainment needs. DCEO will allocate \$1,963,435 million to LWIAs based on the LWIA's proportionate share of the WIOA Program Year 2026 Adult funds.

## V. COMPONENTS

This notice is to provide funding to LWIBs up to the amount listed in Attachment A - Fiscal Year 2027-Program Year 2026 Supplemental State Funding Allocation to implement workforce strategies outlined in this Notice. LWIBs must utilize funds for one or more of the strategies that are consistent with the State of Illinois Unified Workforce Plan and LWIA's local and regional plans. Requests must be reasonable, necessary, and related to the purpose of this notice, including but not limited to the activities listed below. To ensure impact and manageability, LWIBs are strongly encouraged to limit their proposal to no more than two primary projects or strategies under this grant.

- *Enhance career pathways to support careers in growing industries:* Career pathway initiatives or approaches within a local workforce system engage multiple organizations and stakeholders to create a framework for advancement that is clear to employers and workers and eases transitions across different organizations and programs within the workforce system. LWIAs can coordinate career pathway events for aimed at connecting adults and/or youth to employers and promoting work-based learning opportunities.
- *Expand work-based learning for underinvested areas:* Innovative workforce initiatives can make a significant difference in supporting targeted populations, empowering individuals with the necessary skills, resources, and opportunities to succeed in the job market and achieve economic stability. LWIAs can promote employment in-demand industries and occupations for underrepresented communities and veterans and facilitate retraining and employment of displaced/underemployed workers. On-the-job training could be expanded to encourage reverse referrals for employers in underserved areas who are looking to hire/onboard new employees who might not meet WIOA eligibility criteria.
- *Emphasis on workforce development and rural prosperity:* Funding can assist rural areas in creating and improving access to jobs to enhance workforce development. Increasing access to workforce opportunities, training and education, and barrier reduction in rural communities can ensure areas have a skilled workforce to support economic prosperity. LWIAs can build new partnerships, develop tools and resources to meet the needs of rural employers and employees, and share and identify information on emerging trends, best practices, and workforce development resources.
- *Increase access to workforce resources for justice-involved individuals:* Individuals formerly incarcerated face significant challenges in finding gainful employment in the formal economy. To address the employment challenge for returning citizens,

LWIAs can expand employment and training offerings within Illinois Department of Corrections facilities and local law enforcement. Expanding these offerings would support current state and local efforts so that all incarcerated individuals can access various resources to prepare them for successful reentry.

- *Integrated workforce programs and barrier reduction services to address homelessness:* A quality job paying a living wage is crucial for preventing and ending homelessness. It also helps support individuals in emergency shelters or transitional housing and those who have survived domestic violence. However, unhoused people encounter numerous challenges when it comes to finding, keeping, and progressing in their employment. LWIAs can coordinate with other partner agencies to pay for services that are not otherwise allowable under a supportive services policy, boosting economic opportunities for this population.
- *Expand employment and job training services for single parents:* Due to costs and childcare limitations, single parents often struggle to acquire in-demand skills, which puts them at a disadvantage in a rapidly changing economy that requires workers to upskill frequently. For single parents who can't afford to pay for an advanced degree, finding short-term training or obtaining industry-recognized credentials can help them quickly develop the skills they need to be successful in the workforce. LWIAs can develop initiatives and best practices addressing gaps to scale and strengthen single-parent workforce pathways.
- *Targeted initiatives that enable job-seekers to access "good jobs":* Many job seekers face barriers to accessing resources such as technology and broadband, which can hinder their ability to find jobs and receive training. LWIAs can develop successful programs that provide opportunities for these individuals. By delivering targeted training, job-seekers can better integrate into the economy and establish career paths that lead to better job prospects.
- *Expand WIOA Title II and Title I collaboration:* Illinois workers, including English Language Learners, can benefit from adult education and skills development programs offered by local service providers. To ensure alignment between adult education, postsecondary education, and employers, LWIAs can work together with their local Adult Education partners. Collaboration can be enhanced to leverage funding between the two programs for work-based learning, Bridge, Adult Education, ICAPS, Digital Literacy, and English as a Second Language services. The funds allotted can specifically serve individuals facing barriers to employment who have not yet met WIOA eligibility criteria.
- *Build flexibility to scale current programs:* Coordinate outreach with less restrictive participant enrollment with the potential to co-enroll. LWIAs can target other

sectors, such as Public Service careers, that have a need but might not qualify as in-demand under WIOA. Collaboration and partnerships with local employers, industry associations, and other stakeholders are strongly encouraged.

- *Reemployment Accelerator for the Long-Term Unemployed and Underemployed:* LWIAs may design a Reemployment Accelerator strategy to target individuals with limited or no recent work history, including those who are long-term unemployed, underemployed, young adults with little to no job experience, and adults returning to the workforce after an extended absence. Efforts should support long-term unemployed individuals—defined as those with limited or no work history, employment gaps of six weeks or more, or inconsistent, temporary, or justice-impacted work experience—targeted strategies will focus on reengagement, skills development, and supportive services. This includes individualized career planning, work readiness training, and subsidized work experiences such as transitional jobs or paid internships. Special emphasis will be placed on young adults with limited employment history and adults reentering the workforce, ensuring they receive tailored coaching, access to short-term credentials, wraparound supports, and connections to high-demand career pathways that lead to family-sustaining wages, particularly those above \$15/hour.
- *Increase Access and Outreach:* LWIAs can implement various strategies such as expanding outreach, providing on-site assistance to underinvested and rural communities, supporting workers with barrier reduction funds, and offering customized training for underrepresented individuals in high-demand industries to ensure equal opportunities for underrepresented populations in training and employment.
- *Employer Services Enhance and expand employer services to foster job creation, retention, and economic growth, including, but not limited to, funding for Incumbent Worker Training to upskill the existing workforce and prevent layoffs, supporting customized training programs tailored to specific employer needs, and facilitating work-based learning initiatives such as apprenticeships to build a skilled talent pipeline.*

#### *Application Review*

A team from the Office of Employment and Training will review the applications based on the following criteria:

- **Regional and Local Need:** Demonstrate a clear understanding of the local labor market's needs and how the proposed program will address those needs.
- **Project Impact:** The potential for the program to effectively address workforce challenges, along with anticipated outcomes.

- **Direct Service Alignment:** The extent to which the proposed project provides measurable and timely direct services to jobseekers, workers, and/or businesses. This includes how clearly the application defines its target participants or employers, the strategies for engaging and supporting them, and the expected short and long-term benefits delivered directly to those served.
- **Feasibility:** The likelihood of successful program implementation based on the applicant's capacity and resources and grant timeline.
- **Partnerships:** The strength and depth of collaborations with relevant stakeholders.
- **Sustainability:** The plan for program continuation and sustainability after the funding period.

#### *Fiscal and Grant Management*

LWIAs may request funding up to the amount listed in Attachment A – Fiscal Year 2027-Program Year 2026 Supplemental State Funding Allocation to support the allowable activities in this notice. Allowable costs must be necessary, reasonable, and allocable based on the activities in the scope of work. The Department of Commerce is not obligated to provide the maximum grant amount requested. It is expected that administrative costs, both direct and indirect, will represent a small portion of the program budget. Successful applicants should strive to keep administrative costs to 10 percent (10%) or less of direct costs as outlined in 20 CFR 683.205. The funding for this program is from the Fiscal Year 2027 State of Illinois General Revenue Funds. This Notice is issued based on the anticipated budget of \$5 million for this program and will be updated if this amount changes.

#### *Grant Term*

The anticipated term of this grant is from August 1, 2026, to June 30, 2027. Funding for this grant will be provided on a variable advance/reimbursement basis, and pre-award costs will be allowed going back to July 1, 2026. LWIAs are expected to fully expend the supplemental allocation within the established grant period.

### *Regional Collaboration*

To support full and timely expenditure of PY 2026 supplemental funds, LWIAs are strongly encouraged to collaborate with neighboring LWIAs and Regional partners on joint projects. Collaborative proposals that address shared industry needs, regional workforce priorities, or cross-jurisdictional service strategies are eligible and encouraged under this funding opportunity. LWIAs may combine resources to develop or expand projects that benefit multiple communities, support regionally significant employers or industry sectors, or enhance service delivery capacity across the region. LWIAs choosing to partner should clearly define roles, responsibilities, and budget allocations to ensure coordinated implementation and full utilization of the funds within the grant period.

### *Reporting and Monitoring*

DCEO will request a project workplan and the program activities and outcomes will be reported in Illinois workNet. All costs must be documented in accordance with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements located at 2 CFR Part 200. This grant will be included in the annual monitoring of the LWIAs by the Office of Employment and Training, as appropriate.

### *Application Submission*

LWIBs should submit a completed application electronically to [CEO.OET.Grants@illinois.gov](mailto:CEO.OET.Grants@illinois.gov) and copy their Office of Employment and Training Regional Manager using Attachment B – Fiscal Year 2027-Program Year 2026 Supplemental State Funding Application by July 24, 2026. Applications submitted after this date may be considered based on the availability of funds.

## **VI. ACTION REQUIRED**

LWIBs and LWIA Title IB Directors are requested to review this notice and identify projects promptly. They should also be open to considering and exploring innovative approaches to meeting your communities' needs and apply as appropriate. LWIB administrators are encouraged to connect with their regional manager to discuss and submit project work plans as soon as possible. DCEO will review proposals and work plans before the formal grant application is submitted.

## **VII. INQUIRIES**

Inquiries related to this application should be directed to the Office of Employment and Training Regional Managers, Kristi Chevali at [kristen.i.chevali@illinois.gov](mailto:kristen.i.chevali@illinois.gov), Ruth Whitis at [Ruth.Whitis@illinois.gov](mailto:Ruth.Whitis@illinois.gov), or Bryan Ellis [Bryan.Ellis@illinois.gov](mailto:Bryan.Ellis@illinois.gov).

## **VIII. EFFECTIVE DATE**

This notice is effective on release.

**IX. EXPIRATION DATE**

This notice will remain in effect until June 30, 2027.

Sincerely,

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

Julio Rodriguez, Deputy Director  
Office of Employment and Training

Attachment(s):   A - Fiscal Year 2027-Program Year 2026 Supplemental State Funding Allocation  
                          B - Fiscal Year 2027-Program Year 2026 Supplemental State Funding Application  
                          C - Fiscal Year 2027-Program Year 2026 Supplemental State Funding Project Workplan

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