



Illinois
Department of Commerce
& Economic Opportunity

OFFICE OF EMPLOYMENT & TRAINING

JB Pritzker, Governor

WIOA NOTICE NO. 20-NOT-01, Change 4

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

SUBJECT: WIOA Title IB Local Performance Goals Negotiations

DATE: July 30, 2026

I. PURPOSE

To inform Local Workforce Innovation Boards (LWIBs) and Chief Elected Officials (CEOs) of the guidelines for negotiating local levels of performance for Program Years (PYs) 2026 and 2027 for the Workforce Innovation and Opportunity Act (WIOA) Title IB programs (Adult, Dislocated Worker, and Youth) as required by section 116(c)(2) and provide information and resources on the negotiations.

II. ISSUANCES AFFECTED

A. References:

Workforce Innovation and Opportunity Act Section 116
Workforce Innovation and Opportunity Act: Final Rule Section 677 Subpart C published at Federal Register Vol. 81, No. 161 (August 19, 2016)
U.S. DOL Training and Employment Guidance Letter (TEGL) No. 10-16, Change 3, Performance Accountability Guidance for Workforce Innovation and Opportunity Act (WIOA) Core Programs (June 11, 2024)
U.S. DOL Training and Employment Guidance Letter (TEGL) No. 11-19, Change 1, Negotiations and Sanctions Guidance for the Workforce Innovation and Opportunity Act (WIOA) Core Programs (May 10, 2023)
U.S. DOL Training and Employment Guidance Letter (TEGL) No. 09-17, Negotiating Performance Goals for the Workforce Innovation and Opportunity Act (WIOA) Title I Programs and the Wagner-Peyser Act Employment Service as amended by Title III of WIOA, for Program Years (PYs) 2018 and PY 2019 (February 16, 2018)

B. Rescissions:

WIOA Notice No. 20-NOT-01, Change3, WIOA Title IB Local Performance Goals
Negotiations (July 1, 2024)

III. BACKGROUND

WIOA Section 116(c)(2) requires that the LWIB, CEOs, and the Governor negotiate and agree on local performance levels. The primary performance indicators for WIOA Title IB programs (Adult, Dislocated Worker, and Youth) are the same for the local areas and the State as outlined in WIOA Final Rule Section 677.155(a)(1).

The State wants to ensure the local performance negotiations are conducted in a manner that allows the parties involved to appropriately gather and review information, propose local goals, plan for the negotiations, and conduct negotiations via virtual meetings. All PY 2026 and PY 2027 local performance negotiations must be completed by September 30, 2026. Following completion of all local negotiations, the Office of Employment and Training will inform the United States Department of Labor (USDOL), Employment and Training Administration (ETA) Region 5 Office of the negotiated performance levels.

IV. COMPONENTS

The negotiation process outlined in Chapter 3.8 of the ePolicy manual, General Requirements for Negotiation of Local Performance Goals, ensures a meaningful, open-communication, two-way negotiation in which the LWIB and CEOs reach an agreement with the Illinois Department of Commerce and Economic Opportunity (DCEO), Office of Employment and Training (OET), acting on behalf of the Governor of Illinois, on local performance levels.

The USDOL has introduced a Statistical Adjustment Model (SAM) as required at WIOA Section 116(b)(3)(A)(viii) to enhance objectivity in identifying appropriate performance goals. From the SAM, States were provided with a State Negotiation Tool to be used in state negotiations. A similar [Local Negotiation Tool](#) utilizing a local SAM has been developed for local performance negotiations. While the Tool accounts for many economic conditions and participant characteristics, it is recognized that it does not account for all factors that may affect local performance. As such, local negotiations will allow for additional information that the local areas may consider important and relevant when negotiating each performance indicator.

As outlined in WIOA Final Rule Section 677.155(a)(1), there are five (5) primary indicators of performance for the Adult, Dislocated Worker, and Youth programs authorized under WIOA Title IB. These indicators will be negotiated for each Title IB program (fifteen total measures to be negotiated). A sixth indicator of performance, Effectiveness in Serving Employers, will not be included in the local negotiations since it is a statewide measure.

Section 116 of WIOA requires each core program to be assessed on the primary performance indicators, seen below. These are referred to as "performance measures." Data from various sources determine performance metrics, which indicate how well an area or program performed on a specific indicator. Our policies and TEGs explain how state and local performance measures are calculated.

The Primary Indicators of Performance that will be negotiated for PYs 2026 and 2027 are:

IA/ID Employment During the 2nd Quarter After Exit/ Youth Training/Education and Employment During the 2nd Quarter After Exit

- The percentage of participants who are in unsubsidized employment (and for Youth, or in education or training) during the second quarter after exit from the program;

IA/ID Employment During the 4th Quarter After Exit/Youth Training/Education and Employment During the 4th Quarter After Exit

- The percentage of participants who are in unsubsidized employment (and for Youth, or in education or training) during the fourth quarter after exit from the program;

Median Earnings (2nd Quarter after Exit)

- Median earnings of participants who are in unsubsidized employment during the second quarter after exit from the program;

Credential Attainment Rate

- The percentage of those participants enrolled in a WIOA Title I funded education or training program (excluding those in on-the-job training [OJT] and customized training) who attained a recognized postsecondary credential or a secondary school diploma, or its recognized equivalent, during participation in or within one (1) year after exit from the program; and

Measurable Skill Gains (MSG)

- The percentage of participants who, during a program year, are in a WIOA Title I funded education or training program that leads to a recognized postsecondary credential or employment and who are achieving measurable skill gains, defined as documented academic, technical, occupational, or other forms of progress, towards such a credential or employment.

The attachments to this WIOA Notice contain the formal process to be utilized in the local negotiation process, a timeline of the activities leading up to and including the formal negotiation, and tools, worksheets, and references that will assist in preparing for the negotiations.

These documents and information have been developed and updated, as necessary, to reflect the current PYs for which negotiations are being conducted.

Upon completion of the local negotiation process and formal communication of agreement of local negotiated levels of performance, it is required that each LWIB and CEO inform the public. This can be accomplished by including the negotiated levels within the Performance Goals and Evaluation chapter of the local plan (effective July 1, 2026) and ensuring the public is aware that the updated plan is available to view on the local area website per the sunshine provision of WIOA no later than October 18, 2026.

V. ACTION REQUIRED

All LWIBs, CEOs, grant recipients, and subrecipients shall review this notice and distribute it to all appropriate individuals within the organization.

VI. INQUIRIES

Inquiries should be directed to the OET Performance Unit at CEO.OET.performancereporting@illinois.gov, and cc' Mark Burgess, mark.a.burgess@illinois.gov.

VII. EFFECTIVE DATE

This notice is effective on release.

VIII. EXPIRATION DATE

This notice will remain in effect until amended or rescinded by the Office of Employment and Training.

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

JR:ld

Attachment(s): A - Local Negotiations Timeline
 B - Illinois Title IB Negotiated Levels of Performance for PY26-27
 C - Local Performance Goals Negotiations References
 D - Instructions for Performance Goal Proposal Form
 D1 - PY26-27 Performance Goal Form
 D2 - PY26-27 Performance Goal Form – LWIA 7

Local Performance Goals Negotiations for Program Years 2026 and 2027

Local Negotiations Timeline

ACTIVITY/DELIVERABLE	DUE DATE/WEEK ENDING
DRAFT USP Plan to IWIB, including initial State Expected Levels of Performance	December 1, 2025
Unified State Plan Submission, including State Expected Levels of Performance	March 1, 2026
State PY2026/2027 Negotiations	May 15, 2026
PY 2026/2027 Local Negotiation Tool (SAM) Developed and Submitted to LWIBs/LWIAs	July 29, 2026
Webinar – Local Performance Negotiations Process	July 29, 2026
New/Revised WIOA Policies and Notice on Performance Assessments, SAM, and Negotiations; Request for Local Submission of Expected Levels of Performance	July 30, 2026
Local Negotiations Scheduling Begins (priority given on a first received, first scheduled basis) [9-11 am, 11 am - 1 pm, or 2 pm - 4 pm time slots]	August 5 - September 4, 2026
Local Negotiations Planning Period	July 29 - September 25, 2026
Local Submission of Expected (Proposed) Levels of Performance DUE to OET	August 5 - September 4, 2026
WIOA Title IB Performance – Quarterly Office Hours (Local Negotiation included in Agenda)	August 12, 2026
Local PY2026/2027 Local Negotiations Conducted	August 25 - September 25, 2026
Submission of ALL Local Negotiated Levels of Performance to DOL	September 30, 2026

**Illinois Workforce Development Activities (Title IB of WIOA)
Negotiated Levels of Performance for Program Years (PYs) 2026 and 2027**

Adult

	PY 2026	PY 2027
Employment Rate 2nd Quarter after Exit	77.5%	78.5%
Employment Rate 4th Quarter after Exit	77.5%	78.5%
Median Earnings 2nd Quarter after Exit	\$9,500	\$9,500
Credential Attainment within 4 Quarters after Exit	72.0%	72.0%
Measurable Skill Gains	65.0%	65.0%

Dislocated Worker

Employment Rate 2nd Quarter after Exit	78.5%	78.5%
Employment Rate 4th Quarter after Exit	79.5%	79.5%
Median Earnings 2nd Quarter after Exit	\$11,400	\$11,400
Credential Attainment within 4 Quarters after Exit	72.5%	72.5%
Measurable Skill Gains	66.0%	68.0%

Youth

Employment or Education Rate 2nd Quarter after Exit	75.0%	75.0%
Employment or Education Rate 4th Quarter after Exit	75.0%	75.0%
Median Earnings 2nd Quarter after Exit	\$5,400	\$5,400
Credential Attainment within 4 Quarters after Exit	70.0%	70.0%
Measurable Skill Gains	63.0%	63.0%

Local Performance Goals Negotiations References

[Workforce Innovation and Opportunity Act Section 116\(c\)](#)

[Workforce Innovation and Opportunity Act: Final Rule Section 677 Subpart C published at Federal Register Vol. 81, No. 161 \(August 19, 2016\)](#)

[U.S. DOL Training and Employment Guidance Letter \(TEGL\) No. 10-16, Change 3, Performance Accountability Guidance for Workforce Innovation and Opportunity Act \(WIOA\) Title I, Title II, Title III, and Title IV Core Programs \(June 11, 2024\)](#)

[U.S. DOL Training and Employment Guidance Letter \(TEGL\) No. 11-19, Change 2 Negotiations and Sanctions Guidance for the Workforce Innovation and Opportunity Act \(WIOA\) Core Programs \(January 5, 2025\)](#)

[U.S. DOL Training and Employment Notice No. 25-19, Understanding Post-Secondary Credentials in the Public Workforce System \(June 8, 2020\)](#)

[A Methodology for Statistical Adjustment under the Workforce Innovation and Opportunity Act \(WIOA\) U.S. Department of Labor](#)

WIOA Wednesday Webinar: PY26-27 Local Performance Negotiations Process and Planning (July 29, 2026)

[Illinois workNet Videos and Training Materials](#) WIOA Wednesday Webinar: DRAFT Local Negotiation Tool (issued July 29, 2026)

[WIOA Wednesday Webinar: PY2020 Performance & SAM Roundtable: Recap & Next Steps \(June 29, 2022\)](#)
[PowerPoint Presentation](#)

[WIOA Wednesday Webinar: How are My Local WIOA Performance Outcomes Determined and What are the Impacts of Success or Failure \(November 3, 2021\)](#)
[PowerPoint Presentation](#)

[Workforce GPS WIOA Wednesday: Using the Statistical Adjustment Model for Negotiating WIOA Performance Levels \(April 4, 2018\)](#)
[PowerPoint Presentation](#)
[Executive Summary](#)
[Transcript](#)

Proposed Levels for WIOA Title I Adult, Dislocated Worker, and Youth Indicators of Performance

Instructions for the Performance Goal Proposal Form

The Program Year (PY) 2026/PY 2027 Expected (Proposed) Levels of Performance for each Local Workforce Innovation Board (LWIB) must be submitted to the Illinois Department of Commerce and Economic Opportunity (DCEO), Office of Employment and Training (OET), which is acting on behalf of the Governor of Illinois for local negotiations using the *Performance Goal Proposal Form*.

Local Proposal Forms **must** be accompanied by supporting data and rationale to support the expected levels of performance (proposed goals). Proposal Forms will **not** be accepted without the supporting justification and will be returned to the local negotiation team for resubmission. Without such submission, the state negotiation team only has the historical outcomes as the primary basis for preparing to negotiate each level of performance.

In preparation for the State PY26-27 performance negotiations, the state negotiation team submitted general data and information related to new federal and state regulations including SNAP and Medicaid, anticipated shifts in labor market and other economic indicators, changes in employment dynamics expected such as from artificial intelligence or automation that might affect the workforce and potential employment opportunities, and the deployment of the new IWDS 2.0 case management system as general rationale for our considerations in submitted the expected levels of performance. We also provided WIOA Title I program-specific considerations for each measure, when available and relevant. This level of detail led to many of our expected levels being accepted as the negotiated levels of performance by the USDOL Region 5 negotiating team. In some instances, our justification supported reductions in the negotiated levels from prior years.

We expect that through similar detailed rationale submitted as part of the local proposal, it will assist the state negotiation team in preparing for the negotiation call and may lead to a similar acceptance of local expected levels of performance, when appropriate.

In preparation for negotiations, OET will consider the local proposed goals and may accept those for which the supporting documentation provides substantial pragmatic information to support the local proposal on its own merits. This will be indicated during the initial stages of the negotiation call.

The completed form may be submitted via email beginning August 5, 2026, and no later than Friday, September 4, 2026, to:

State Performance Manager: CEO.OET.performancereporting@illinois.gov

Cc: Paula Barry: paula.barry@illinois.gov

Local Workforce Innovation Boards (LWIBs) and Chief Elected Officials (CEOs) should establish Local Negotiation Teams that consist of up to five (5) members. Additional individuals may be identified to assist in the analysis and examination of performance data and to prepare for the negotiations, but only the five (5) designated members of the Local Negotiation Teams may participate in the scheduled negotiations call with OET.

WIOA intends for LWIBs and CEOs to be a party to these local negotiations with OET. While LWIBs and CEOs should participate directly in the local negotiations, as a practical matter, they may wish to delegate responsibility to one or more people authorized to represent them in negotiating and approving expected performance levels. These authorized people become the local negotiation team for the area. The *Performance Goal Proposal Form* provides a form to identify between one and five (5) people who will constitute this team. The form must be signed by the Chief Elected Official and the Chairperson of the LWIB for the local area.

One team member must be designated as the “Primary Contact”. The primary contact will be responsible for submitting the expected performance levels to the State on behalf of the LWIB and CEO(s), scheduling the date and time of the negotiation call, and coordinating with team members to facilitate participation.

When the goal proposal form is submitted, an OET representative will contact the designated primary contact to schedule the negotiation call. Calls will be scheduled based on remaining available dates and times, and considering local team availability, maximum flexibility needs to be provided to ensure all twenty-two (22) local negotiations can be completed between the identified dates of August 25 – September 25, 2026.

Once the negotiation call occurs and the Local Negotiation Team and OET have agreed on all fifteen (15) performance measure goals, OET will send a Final Performance Negotiation Goal letter to the LWIB Chairperson and CEO(s), finalizing the negotiation process.