

Job Training and Economic Development Grant Program (JTED)

Illinois' Job Training and Economic Development (JTED) grant program was created as a pilot program in 1998 and was successful enough to be expanded a year later. The program was developed in response to welfare reform and "work first" policies that pushed low-skilled workers into the workforce without the necessary skills and education to succeed. In addition, this program was created to fill gaps left by the Workforce Investment Act (WIA), which was considered to provide limited training resources and a lack of grants for smaller, community-based organizations. JTED provides very targeted training and the funding is relatively flexible, allowing for program customization.

JTED is designed to help low-wage, low-skilled workers, and disadvantaged persons, obtain the training they need to find employment.

Funding and Administration

JTED is administered by the [Department of Commerce and Economic Opportunity \(DCEO\)](#). It is funded through the state general revenue fund. Funding is divided into two categories: Category 1 funds seek to link employer-based training and low wage/low skilled workers; Category 2 funds link this training with disadvantaged jobseekers. Programs can receive funding from either Category 1 or Category 2. Funding priority is given to those community based organizations that partner with employers to offer training in high growth industries, such as health care, manufacturing, transportation and information technology. Since its

creation in 1998, JTED funding has primarily been concentrated in Chicago due to Chicago's larger number of providers with the ability to partner with businesses to provide services. In 2010, 18 of 24 organizations were from Chicago. These 18 organizations received nearly 80% of total grant funds for the year. The current JTED grants run from June 1, 2012 through May 31, 2014.

Program Components

JTED boosts economic development by linking job seekers and employers. The program is flexible and designed to help low-wage, low-skilled workers and unemployed, low-income people to gain the training needed to find employment. Community based organizations funded through JTED provide industry-specific skills that will allow trainees to access jobs that pay well and provide opportunities for advancement. JTED grantees must offer services in conjunction with local businesses in order to strengthen the link between job seeker and employer. Programs with Category 1 funding must partner with businesses with fewer than 250 employees. These partnerships are an important part of JTED programming and set it apart from other job training programs. In addition to partnering with employers, programs train workers, provide support services, and must track placement and retention rates. Grant recipients can provide training to existing workers at one or more local businesses, or can recruit independent job seekers to participate in the program.

Populations Served

Category 1: Low Wage/Low-Skilled Workers

Individuals who earn less than or equal to 175% of the federal poverty level for a family of three. For 2013, this is 175% of \$19,530, or \$34,177.50.

Category 2: Disadvantaged Persons

Individuals who are between ages 16 and 72 and fall into one of the following categories: (1) Receives cash welfare benefits under a federal, state, or local program or is part of a family that does; OR (2) Earned less than 70% of the lower living standard income level in the past six months, or is part of a family that did; OR (3) Receives food stamps; OR (4) Is homeless; OR (5) Has a disability and either receives welfare or earned less than 70% of the lower living standard income level in the past 6 months. For 2013, 70% of the lower living standard income level for a family of 4 in Chicago is \$26,349 and \$24,628 in non-metro areas in IL.

Organizational Eligibility

JTED grants are available to nonprofit organizations working in partnership with businesses in their regions. Organizations must provide job training directly to job seekers and must have a history of working with low-income populations or low-skilled workers. Applications to DCEO are evaluated based on the historical performance of the community based organization in job placement, wage advancement, and retention rates. Organizations with more developed relationships with employers are given priority in the funding process.

For more information contact the Chicago Jobs Council at (312) 252-0460 or visit us at <http://www.cjc.net>.

A Successful Program ...

- JTED graduates have a 10% higher employment rate than non-program participants, even two years after completing the program.
- JTED graduates' annual earnings increased by nearly \$2,500 during the 6-18 months following the program, and by over \$3,200 3-4 years after the program.

Source: *An Evaluation of Illinois' JTED Program* by Greg Schrock and Davis Jenkins