



**Illinois**  
**Department of Commerce**  
**& Economic Opportunity**

Bruce Rauner, Governor

December 3, 2015

## **WIOA POLICY 15-WIOA-1.6**

### **CHIEF ELECTED OFFICIAL DELEGATION OF AUTHORITY AND ACKNOWLEDGMENT OF FINANCIAL LIABILITY**

#### **I. POLICY**

This policy describes chief elected official (CEO) authority as the local grant recipient, including the authority to designate local grant subrecipients and fiscal agents for grant funds provided under Title I of WIOA. It also defines each chief elected official's liability for WIOA funds determined to be misspent or used for unallowable purposes.

#### **A. Designation of Local Grant Recipients, Subrecipients, and Fiscal Agents**

1. The local CEO(s) within each Local Workforce Innovation Area (LWIA) shall serve as the grant recipient for funds under WIOA unless the local chief elected official designates a grant subrecipient. (Section 107(d)(12)(B)(i))
2. Local CEO(s) in LWIAs comprised of multiple units of general local government may designate a single CEO as the grant recipient or designate another entity to be grant subrecipient.
3. The entity functioning in the capacity of grant recipient or grant subrecipient must enter into a grant relationship with the Department of Commerce and Economic Opportunity for all WIOA Title I funds (i.e., youth, adult, and dislocated workers). The grant recipient or grant subrecipient will be the receiver of record for all WIOA Title I funds allocated to the local area from the Department.
4. The grant recipient or subrecipient must disburse funds at the direction of the Local Workforce Innovation Board (LWIB), as long as that direction does not violate a provision of the WIOA. As stated in I.B.3., a separate entity may be designated to perform fiscal agent responsibilities.

#### **B. Chief Elected Official's Financial Liability**

1. The CEO is financially responsible for the use of WIOA funds, whether the CEO serves as the grant recipient or another entity is designated to serve in that capacity. In the case of multiple CEOs, all CEOs are jointly and severally liable for any

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[www.ildceo.net](http://www.ildceo.net)

500 East Monroe  
Springfield, Illinois 62701-1643  
217/782-7500 • TDD: 800/785-6055

100 West Randolph Street, Suite 3-400  
Chicago, Illinois 60601-3219  
312/814-7179 • TDD: 800/785-6055

2309 West Main, Suite 118  
Marion, Illinois 62959-1180  
618/997-4394 • TDD: 800/785-6055

improper expenditures. This means that the political jurisdiction of the CEO is liable for any misuse of WIOA grant funds allocated to the local area and must repay the State using non-federal funds for any improper or unallowable expenditures.

2. When an alternate entity is designated as the grant subrecipient by the CEO(s), a separate agreement between the CEO(s) and the Department is required. The CEO Acknowledgement and Designation Form will make explicit the local grant recipient arrangement and acknowledge the CEO(s) individual or collective (in the case of multiple CEOs) financial liability for WIOA funds. The CEO, or all CEOs in multiple CEO areas, is required to sign this agreement with the Department. Under this arrangement, funds flow to the entity selected by the CEO(s) to function as the grant subrecipient.
3. When an alternate entity is designated as fiscal agent by the CEO(s), there must be a written agreement between the parties to define the roles and responsibilities of the fiscal agent. The CEO/Fiscal Agent Agreement must include the following functions specified in 20 CFR 679.420:
  - a. Receive funds from the grant recipient or grant subrecipient (if a separate entity is designated as the grant recipient or grant subrecipient);
  - b. Ensure sustained fiscal integrity and accountability for expenditures of funds in accordance with OMB circulars, WIOA and corresponding Federal Regulations and State policies;
  - c. Respond to audit financial findings;
  - d. Maintain proper accounting records and adequate documentation;
  - e. Prepare financial reports; and
  - f. Provide technical assistance to subrecipients regarding fiscal issues.
  - g. At the direction of the local board, the fiscal agent may also: procure contracts or obtain written agreements, conduct financial monitoring or service providers and ensure independent audit of all employment and training programs.
4. A local organization may be selected or otherwise designated to perform more than one of the following functions: fiscal agent, local board staff, one-stop operator, direct provider of career services or training services. If a local organization is performing more than one of these functions, there must be a written agreement with the local board and the CEO(s) to clarify how the organization will carry out its responsibilities while demonstrating compliance with WIOA and corresponding regulations, relevant OMB Circulars and the State's conflict of interest policy. A separate CEO / Fiscal Agent Agreement is not required. (20 CFR 679.430))

5. The chief elected official is the party authorized to sign agreements with the Department of Commerce and Economic Opportunity (DCEO) under WIOA. The chief elected official may delegate signature authority to another person(s). The delegation of signature authority by chief elected officials is accomplished by completing the attached CEO Acknowledgment and Designation Form. In areas comprised of multiple CEOs, each CEO is required to sign the attached form.
6. In order to establish an agreement between chief elected officials and the Department regarding the local grant subrecipient under WIOA, delegation of signature authority, as well as the acknowledgment of financial responsibility, chief elected officials are required to submit the attached CEO Acknowledgment and Designation Form. In areas comprised of multiple CEOs, each CEO is required to sign this form, which will be included as an addendum to the comprehensive four-year local plan. (Section 108(a))

### **C. CEO Acknowledgment and Designation**

1. The chief elected official(s) of each local workforce innovation area is required to submit a CEO Acknowledgment and Designation Form as set forth in this policy letter:
  - a. When the local chief elected official(s) wishes to name a new grant subrecipient/fiscal agent.
  - b. When the local chief elected official(s) elect to change the designation of individuals who may sign contract/grant documents with the Department of Commerce and Economic Opportunity on behalf of the local chief elected official.
  - c. Upon the election of a new chief elected official in the county comprising the local workforce area, or in any of the counties in local areas made up of multiple counties.
  - d. When a local workforce innovation area is reconfigured and the counties included in the new local workforce area change.
2. Upon completion, the CEO Acknowledgment and Designation Form should be forwarded to:

Chief Elected Officials Acknowledgment and Designation Form  
Illinois Department of Commerce and Economic Opportunity  
Office of Employment and Training  
500 East Monroe Street – 9<sup>th</sup> Floor  
Springfield, Illinois 62701

## **II. INQUIRIES**

Inquiries related to the requirements of this policy may be directed to:

Lora Dhom  
Illinois Department of Commerce and Economic Opportunity  
Office of Employment and Training  
(217) 558-2429  
lora.dhom@illinois.gov

## **III. ATTACHMENT**

A. CEO Acknowledgment and Designation Form

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:mb

**CEO ACKNOWLEDGMENT AND DESIGNATION FORM**

Local Workforce Innovation Area: \_\_\_\_\_

**SECTION ONE – DESIGNATION OF GRANT SUBRECIPIENT**

***Single CEO Local Workforce Innovation Area***

- The Chief Elected Official will serve as grant recipient
  
- The Chief Elected Official designates the following entity as grant recipient:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

***Multiple CEOs Local Workforce Innovation Area***

- One Chief Elected Official, designated through a CEO Agreement, will serve as the grant recipient. The designated CEO and his/her mailing address is as follows:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

- The Chief Elected Official, through a CEO Agreement, designated the following entity as grant subrecipient:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**SECTION TWO – DESIGNATION OF SIGNATURE AUTHORITY**

**Signature Authority**

The Chief Elected Official(s) in a local workforce area, and their designees, are the only individuals permitted to sign contract/grant documents. In the space below, please list the individual(s), other than the Chief Elected Official(s), who is (are) designated to have signature authority on behalf of the Chief Elected Official(s). (This may be indicated by name or by position. e.g., John Smith, Director of XYZ, Inc. or Director of XYZ, Inc.).

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

*(NOTE: The CEO may elect not to designate anyone else to have signature authority.)*

**SECTION THREE – ACKNOWLEDGEMENT OF FINANCIAL RESPONSIBILITY**

Under the Workforce Innovation and Opportunity Act (WIOA) the Chief Elected Official in a local workforce area is financially responsible for the use of WIOA funds. In a multiple CEO area where one CEO serves as the grant recipient, the other CEOs are not absolved from the misuse of WIOA funds. Likewise, in areas where the CEO (in a single CEO area) or the CEOs (in a multiple CEO area) designate a grant subrecipient, the CEO/CEOs\* remain financially liable for any misuse of WIOA funds. All CEOs will be held jointly and severally responsible for the repayment of any misspent funds.

*\* This refers to the CEO’s unit of general local government, not the CEO personally*

**SECTION FOUR - SIGNATURES**

Each Chief Elected Official in the local workforce development area must sign below to indicate his/her acknowledgment, understanding and agreement with the designations and financial responsibilities this Form encompasses.

1		
	Printed Name	Title
	Signature	Date

2	Printed Name	Title
	Signature	Date
3	Printed Name	Title
	Signature	Date
4	Printed Name	Title
	Signature	Date
5	Printed Name	Title
	Signature	Date
6	Printed Name	Title
	Signature	Date
7	Printed Name	Title
	Signature	Date
8	Printed Name	Title
	Signature	Date
9	Printed Name	Title
	Signature	Date
10	Printed Name	Title
	Signature	Date
11	Printed Name	Title
	Signature	Date

12	Printed Name	Title
	Signature	Date
13	Printed Name	Title
	Signature	Date
14	Printed Name	Title
	Signature	Date