

**City of Chicago**  
**Department of Planning & Development:**  
**Workforce Solutions Program**

Policies & Procedures Manual

## **PURPOSE OF THIS POLICIES & PROCEDURES MANUAL**

This manual has been prepared by staff of the Chicago Department of Planning & Development (DPD) as an overview of general information, procedures and policies as it relates to applying to the Workforce Solutions program. It is geared to assist prospective applicants with becoming familiar with the program and to act as a reference guide that addresses the policies and procedures of the program. While covering a wide range of matters specific to the program, it may not contain the complete policies and procedures in all circumstances. Similarly, not every potential question will have been answered by this document as new questions constantly arise, prompting a review/modification of policy. Nevertheless, this manual acts as a useful resource for all potential applicants and for those looking to become acquainted with this workforce programming initiative.

**TABLE OF CONTENTS**

1. Workforce Solutions Program Introduction & Overview.....Page 4

2. Workforce Solutions Program Rules .....Page 5

    2.1 Who can qualify for a Workforce Solutions grant?.....Page 5

    2.2 Who does not qualify for a Workforce Solutions grant?.....Page 5

    2.3 What are the eligibility requirements for a Workforce Solutions grant?.....Page 6

    2.4 What does Workforce Solutions fund?.....Page 6

    2.5 What types of activities do Workforce Solutions fund?.....Page 7

    2.6 How much does Workforce Solutions fund?.....Page 8

    2.7 How are Workforce Solutions funds restricted from being spent?.....Page 9

    2.8 Are there any location requirements for Workforce Solutions?.....Page 9

3. Workforce Solutions’ Selection Process..... Page 10

    3.1 How are applications reviewed?.....Page 10

    3.2 How long does the application review process take?.....Page 10

    3.3 What if my project is not selected for funding?.....Page 11

4. Workforce Solutions’ Approval Process .....Page 11

    4.1 What are the approval steps?.....Page 11

5. Workforce Solutions’ Reimbursement & Closeout Process.....Page 13

    5.1 What are the reimbursement and closeout steps?.....Page 13

6. Workforce Solutions’ Grant Conditions & Compliance.....Page 15

    6.1 What if I cannot complete training within the contract term?.....Page 15

## 1. WORKFORCE SOLUTIONS PROGRAM INTRODUCTION & OVERVIEW

The City of Chicago's Department of Planning & Development's (DPD) workforce development program, Workforce Solutions, is a **reimbursable grant** that covers trainings to upgrade the skills of current (incumbent) employees and on-the-job training (OJT) for new hires. These trainings in turn boost worker performance and enhance a business' operations, profits and productivity. Program participants (Chicago employers) may receive grants covering up to 100% of total project costs. Grant agreements are one year long, with the understanding that training will be completed within the *first nine months* of the agreement. Reimbursements will be disbursed once approved projects submit requests for reimbursement upon completing individual trainings and attaching the proper supporting documentation, including proof of payment.

Employment & Employer Services (E&ES) is contracted by DPD to assist with administering the Workforce Solutions program. E&ES staff oversee the day-to-day operations of the Workforce Solutions program, which includes but is not limited to, reviewing applications to determine program participant eligibility, providing technical assistance, and disbursing of approved City funds throughout completion of project milestones.

## **2. WORKFORCE SOLUTIONS PROGRAM RULES**

### **2.1 - Who can qualify for a Workforce Solutions grant?**

This is a non-comprehensive list of the types of businesses/industries that are eligible.

#### Eligible Organizations

- Small to Mid-Size Businesses
  - Priority will be given to small to mid-size businesses that meet the specified qualifications. Exceptions may be made at the discretion of the department, based on individual circumstances.
- Not-for-Profit Organizations

#### Eligible Industries:

- Nonprofit
- Food Service, Tourism and Hospitality
- Healthcare and Life Sciences
- Manufacturing and Industrial
- Information Technology
- Real Estate, Finance, Insurance
- Retail
- Energy
- Education and Training
- Transportation, Distribution and Logistics

### **2.2 - Who does not qualify for a Workforce Solutions grant?**

Businesses which are not eligible include, but may not be limited to:

- Chain Businesses
- Branch Banks
- Employment Agencies
- Religious Worship Institutions
- Currency Exchanges
- Pay Day Loan Stores
- Pawn Shops
- Astrology/Palm Reading Stores
- Liquor Stores/Bars/Night Clubs
- Adult Uses
- K-12 Schools
- Gas Stations
- Firearms Stores/Shooting Ranges
- Smoke shops/cigar lounges
- Massage Parlors

- Residential Storage Warehouse
- Hotels or Motels
- Track Waging Facilities
- Trailer Storage Yards/Junk Yards

### 2.3 - What are the eligibility requirements for a Workforce Solutions grant?

- 1.) Business must be in, expanding into, or relocating to the City of Chicago
- 2.) The jobs/positions the applicant is seeking workforce training for must be permanent full-time and/or permanent part-time staff
- 3.) In non-TIF funded areas, all eligible applications will be reviewed and considered. However, priority will be given to projects that support the City's goals for equitable economic development. This includes applicants who:
  - a. Intend to hire or train individuals who are:
    - i. From historically disinvested or vulnerable communities
    - ii. Youth (ages 18–24)
  - b. Are Minority-Owned or Woman-Owned Businesses (MBE/WBE)
  - c. Operate businesses located on the South, West, or Southwest sides of the city
- 4.) The applicant intends to remain operational in their community area for a term no less than three years
- 5.) Verification from businesses that they are financially sound and not solely dependent on Workforce Solutions grants to stay in business
- 6.) Applicants seeking wage supplementation for OJT will only qualify under the following circumstances:
  - A. New Hires live in Chicago
  - B. New Hires begin after the start of the contract term
  - C. New Hires are **permanent** full-time and/or part-time
  - D. New Hires must be earning the City's minimum wage or above and must be at least 18 years of age.
- 7.) Applicants must be under the \$250,000\* grant limit. Once applicants reach the \$250,000 grant limit, they must wait three years before applying again.

### 2.4 - What does Workforce Solutions fund?

The Workforce Solutions program can fund trainings for current employees; new hire on-the-job training (Chicago residents only); or a combination of both. Eligible costs comprise of the following or some combination thereof:

- Incumbent Worker Training (e.g. cost administering training, per hour or per person for current permanent employees)
- Instructor Fees (e.g. fee for independent third-party instructor to administer training)
- Domestic Travel associated with training (e.g. when no local provider is available, cost of travel for instructor/trainer to travel to company for training)
- Certifications (e.g. cost for becoming certified in a particular area recognized by the industry)

- Materials and Supplies (e.g. items associated with direct training costs only, such as manuals, workbooks, and other materials, provided that any item that can be depreciated will not be considered to be a training material)
- Training equipment rental (e.g. any equipment rental needed for training purposes)
- Customized Training Curriculum – the city will only pay for the costs of curriculum development when such curricula are judged by the City to be necessary for the proposed training program. If approved for funding such curricula are considered to be in the public domain.
- On-the-job training (e.g. training for new hires, Chicago residents, hired after grant was approved)
- Apprenticeships – requests for apprenticeship projects will be evaluated on a case-by-case basis and can only be supported by non-TIF funding.

Applicants must identify the independent third-party training providers they will be using for their trainings/certifications. All trainers will be screened to verify their qualifications to provide training. Training providers will be deemed qualified if they possess a combination of the following:

- Accreditation
- Certifications/Licenses
- Curriculum Expertise
- Compliance with Local Regulations
- Facilities and Equipment (if needed)
- Track Record of Success
- Proof of Ongoing Professional Development

## **2.5 - What types of activities does the Workforce Solutions Program fund?**

Applicants have to demonstrate that the grant funding being sought are job or skill specific and will have a material impact on the applicant's workforce needs. Below are classifications of eligible training types along with representative examples of permissible trainings:

- **Market Expansion**  
Applicants that are obtaining new or additional product lines and machinery, that are implementing new or emerging technologies, and/or that are intending to break into new markets and customer bases.
- **Staff Development**  
Skills training meant to improve certain aspects of job performance, management, certifications, and English as a Second Language (ESL)/communications-based trainings.
- **Company or Job Specific**  
Skill-based training directly related to specific job duty/occupation.
- **Industry Required**  
Trainings related to remaining competitive in one's respective industry, workplace safety, and/or regulatory compliance.

## 2.6 - How much does Workforce Solutions fund?

The Workforce Solutions Program is a reimbursement grant that can fund:

- Up to 100% of total eligible project costs up to a standard maximum of \$250,000.
  - In exceptional cases, Workforce Solutions can cover up to \$500,000 in total project costs when a qualifying participant can demonstrate a project's extraordinary community impact (e.g., project supporting 50+ permanent, full-time new hires).

**Please note:** Final project grant amounts are subject to the availability of program funds.

### Projects eligible for 100% reimbursement:

- Commercial businesses grossing a maximum of \$1.5 Million in annual sales each year for the past three years
- Industrial business currently employing a maximum of 40 full-time equivalent employees
- Not-for-profits

For businesses that are larger than those eligible for 100% reimbursement, they will need to contribute an amount equal to either 25% or 50% of eligible project costs to receive grant funding. The contribution amounts will be determined by the size of the business (revenue or the number of people employed). These matches are required to demonstrate a commitment to the training and to reflect a direct investment in its success.

### Projects requiring a 25% match\*:

- Commercial business grossing a maximum of \$5 million in annual sales each year for the past three years
- Industrial business currently employing a maximum of 125 full-time equivalent employees

### Projects requiring a 50% match\*:

- Commercial business grossing over \$5 million in annual sales each year for the past three years
- Industrial business currently employing over 125 full-time equivalent employees

*\*Wages paid to the employee during training may be credited towards the required match/contribution.*

The funding structure, amount, and source are all determined by DPD. All outside financing needed to complete the proposed project is the responsibility of the applicant. These sources generally include a loan from a financial institution or community development corporation.

## On-the-Job Training (OJT)

For OJT – the program reimburses up to \$20/hour, up to 40 hours per week (applicant may pay above \$20/hour but will only be reimbursed for up to \$20/hour) for no more than 13 weeks.

- A retention incentive, up to \$1,000 per employee (with a maximum cap of \$10,000), may be available for OJT participants retained for at least 6 months, pending availability of funds.

## 2.7 - How are Workforce Solutions funds restricted from being spent?

WSP funds cannot be used to reimburse any of the following, regardless of their association with the eligible project uses.

- Hard costs related to furnishings, fixtures, and equipment (e.g. refrigerators, tables, desk chairs)
  - Any items that depreciate in value and/or are intended for long-term use are not eligible
- Consulting services not related to workforce training under this program
- Stand-alone basic and/or remedial skills training (e.g. without a vocational training/occupational focus)
- Non-job related training
- Educational degree programs, including General Equivalency Degree (G.E.D.) programs
- Any expenses not agreed to at the time of contract

**Please note:** Any changes to the contract agreement that are not pre-approved by DPD may render the contract null and void.

## 2.8 - Are there any location requirements for Workforce Solutions?

Yes, the business must be located in the City of Chicago. The business's address within the City should not be a barrier to applying. Workforce Solutions will aim to support projects throughout Chicago to the extent possible; however, this will be based on the available funding, program demand, and efforts to ensure equitable access across the city.

For instance, one of the primary funding sources for Workforce Solutions includes Tax Increment Financing ("TIF"), which is a place-based funding tool. This will limit where some projects can receive funding based on the applicant's physical address. However, TIF is not the only funding source, so potential applicants located in or out of TIF districts should not be discouraged from applying, as DPD will do its best to fund any qualifying applications it receives.

Here is a breakdown of how applications will be funded based on location:

- Applicants who are located within an eligible TIF district will be funded with TIF funds.

- Insufficient Funds - if there are currently insufficient funds available in that TIF to support the project, applicant will be placed on a waitlist until funds become available.
- Applicants located outside of a TIF district will be evaluated competitively and will be funded with HED Bonds, until funds are exhausted.
  - Bond-Funding applications will be evaluated with applications received within pre-determined 30-day cycles
  - If an applicant is deemed eligible but is not selected to move forward, they will be considered with the following batch of applications.
  - If an applicant is not selected to move forward after review cycles (approximately 90 days) the application will be removed, applicant will be notified and may re-apply in future funding rounds.
- Applicants located within an eligible TIF district with project expenses not eligible for TIF funding will be considered for HED Bond funding.

### 3. WORKFORCE SOLUTIONS' SELECTION PROCESS

Workforce Solutions applications are accepted on an open basis. Applicants must complete and submit a City of Chicago Workforce Solutions Grant Application via the City's online platform, [Submittable](#). Applicants must complete the free registration with Submittable to apply.

All proposed projects will be evaluated by E&ES, with funding receiving final approval from DPD's Bureau of Small Business Development Workforce Solutions Team.

#### 3.1 - How are applications reviewed?

E&ES staff will first determine if a proposed project is eligible for Workforce Solutions based on the rules and criteria laid out above in **Section 2**.

- Any proposed project deemed ineligible will be preliminarily denied and the applicant will be promptly notified via Submittable.
- If a proposed project is eligible and there are funds available, the applicant will be able to proceed with the process, and they will be promptly notified.
- If a proposed project is eligible, but there is no funding currently available, the applicant will be notified.
  - If project falls within a TIF district, the applicant will be placed on a waitlist and will be contacted when funds become available again.
  - If project falls outside of a TIF district, the applicant will be notified that their application cannot move due to insufficient funds and will be asked to re-apply in the next funding round.

#### 3.2 - How long does the application review process take?

The initial application review process to determine pre-eligibility for the grant takes approximately 1-2 weeks to complete.

However, for applications considered for bond-funding applications are reviewed in batches every 30 days.

### **3.3 - What if my project is not selected for funding?**

All applicants will be notified if their project was selected or not, and if not selected, a reason will be provided.

## **4. WORKFORCE SOLUTIONS' APPROVAL PROCESS**

When a project is selected for funding, the grant approval process begins. Therefore, applicants should not start trainings until the following steps are completed and they receive their conditional award letter.

### **4.1 - What are the approval steps?**

#### **Step 1**

Applicants are notified by E&ES of their eligibility via Submittable and asked to complete a Training Needs Assessment (via Submittable).

#### **Step 2**

Applicant proceeds with submitting the required documentation, including:

- **Training Needs Assessment**  
Training needs assessment identifies skill gaps and growth opportunities to align employee development to organizational goals and improve performance.
- **Close Out Report Goals**  
The Close-Out Report serves as a final summary of the project, measuring the outcomes against the goals established at the beginning of the contract. It provides a detailed account of what was achieved, including key metrics, deliverables, and any lessons learned. This report helps ensure accountability, assess program effectiveness, and determine compliance with the terms of the agreement. It is also used by the City to evaluate programmatic impact. You will need to submit your close-out report goals at the start of your project.
- **Proof of Revenue**  
Financial statements or other documentation that shows how much sales the business has to date as well as for the past two years to confirm if a match will be required.
- **Certificate of Insurance**  
A certificate of insurance (COI) is issued by an insurance company to verify the existence of an insurance policy and confirm that it meets the minimum requirements set forth by the City. It summarizes key aspects of the policy, including coverage type, policyholder and effective dates and limits.

- **Program Policies and Procedures– Executed**  
Signed acknowledgement of the policies and procedures form, indicating applicant understands the program’s rules, guidelines, and that they will abide by them through the life of the grant contract.
- **Economic Disclosure Statement & Affidavit Certificate of Completion (Time Sensitive)**  
The City of Chicago requires disclosure of the information requested in the Economic Disclosure Statement and Affidavit (“EDS”) before any City agency, department, or City Council can act on the matter prompting the EDS. The form is to be filled out electronically and completed by all parties that have an ownership stake of 7.5% or greater in the organization seeking a Workforce Solutions grant. EDS forms are subject to review and approval by the Chicago Department of Law. Please note, EDS must be completed online, and certificate of completion must be submitted.
- **Principal Profile (Time Sensitive)**  
DPD requires that everyone that holds an ownership stake of 7.5% or more fill out this form to determine whether any of the listed people have any outstanding water bills, traffic or parking tickets, child support payments, or other city obligations
- **Child Support Affidavit (Time Sensitive)**  
The City requires that grant applicants confirm whether they pay Child Support, and if they do, they do not owe any outstanding payments as mandated by the Court
- **Monitoring Protocol Requirement Form**  
A form to be signed by the applicant indicating that they are aware of and are willing to comply with the program’s monitoring protocol process.
- **Copy of Business License**  
The business license that is issued by the Chicago Department of Business Affairs & Consumer Protection (BACP). If your business is not required to have a business license per the City of Chicago’s Business Affairs and Consumer Protection Department’s list of [business license exemptions](#), please submit a letter on your business letterhead stating what category your exemption falls under.
- **ACH/Banking Information**  
A completed ACH/Banking Information form is required. All reimbursements for approved expenses will be made via an Automated Clearing House funds transfer.
- **Training Curriculum/Schedule**  
A synopsis of the training being sought, a schedule and vendor information
- **Trainer Resumes/References**  
Unless the trainer has already been vetted
- **Training Cost Quote**  
Training vendor quote for the training(s) being sought
- **For New Hires Only: Job Description for each New Hire Position**  
If the applicant is onboarding new employees, the job description for each unique job type that is being hired include hourly wage.

Templates for all the required documentation can be found on the [DPD](#) and [E&ES](#) websites.

### **Step 3**

Once documents are reviewed and approved, E&ES sends applicants the Recipient Agreement to sign.

### **Step 4**

Applicant submits executed Recipient Agreement to E&ES.

### **Step 5**

Applicants are notified by E&ES that contract has been executed and processed. Pending no outstanding City debt, applicants will receive a conditional award letter and may begin training (trainings need to occur within the first 9 months of contract term).

The length of the approval process, from the moment the applicant is notified of their pre-eligibility and asked to submit additional supporting documentation, to the moment they are given approval to start training can be on average from 6-8 weeks depending on how quickly the applicant submits the required documentation, which in turn needs to be internally reviewed and processed.

## **5. WORKFORCE SOLUTIONS' REIMBURSEMENT & CLOSEOUT PROCESS**

Workforce Solutions funds are issued as reimbursement for eligible project expenditures. Once the applicant has completed training sessions and paid their training provider, the applicant may submit documentation for reimbursement directly to E&ES. **Up to three vouchers** for reimbursement may be submitted during the contract term. If the contract involves wages for on-the-job training, the applicant may submit monthly reimbursement vouchers for the duration of the OJT portion (maximum 13 weeks).

### **5.1 - What are the reimbursement and closeout steps?**

#### **Step 1**

The applicant submits documentation to E&ES for reimbursement which includes:

- **Invoice from training provider or any eligible training expense**  
This document outlines an itemized breakdown of associated costs and must include and invoice date along with date of service if it is a training voucher
- **Proof of payment to training provider**  
This is a receipt of payment by business to the training provider confirming that services have been paid by the applicant.

- **Receipts**  
If any materials/supplies were purchased for training and were not reflected on an invoice.
  
- **Sign In Sheets and Participant Status Reports**  
Sign-in sheets for each training session must include Training Name, Trainer Name, Date and each employee in attendance must sign. Additionally, the Participant Status Report (template online) must be completed and list all employees who have participated in trainings to date, along with some additional demographic information.  
*Please note:* A minimum of 75% trainees' attendance rates is required to be able to pay for the full training. Any attendance less than 75% will be reimbursed by percentage in attendance.
  
- **For new hires only:**
  - **Proof of wage payment in the form of paystubs**  
Paystubs have to reflect those who were listed as new hires from the beginning, and they have to be paid at minimum the City of Chicago's prevailing wage.

### **Step 2**

E&ES reviews the submitted documentation and sends the completed voucher packet to DPD for review and approval and processing.

### **Step 3**

For the final reimbursement, once training is complete, in addition to any voucher documentation as listed above, the applicant completes a Close Out Report submitted to E&ES. The Close Out Report provides a high-level summary of what the trainings accomplished, their impact, return on investment and any challenges faced throughout the process. Pending funding grant agreement, upon completion of the close out applicant will also be eligible for a 2% administrative compensation.

### **Step 4**

At this stage, the applicant receives their final reimbursement from E&ES and fills out a brief program survey that is meant to provide DPD feedback on the applicants experience throughout the process and to identify potential areas of program improvement.

The whole reimbursement process from the moment E&ES receives the vouchers (pending voucher is accurate and complete), to when the applicant can expect to receive their reimbursement, can take anywhere from 6-8 weeks.

## **6. WORKFORCE SOLUTIONS' GRANT CONDITIONS & COMPLIANCE**

Grantees are subject to monitoring and compliance protocols during and after their involvement with the Workforce Solutions program. Grantees may be subject to scheduled on-site visits (which would occur during a scheduled training session), virtual training check-ins and need to be open and operational for three years after receiving a grant. For businesses that receive TIF funding, they must remain open at an address within that same TIF district three years after having received the grant as well.

Additionally, grant recipients will have to affirmatively state that when it comes to their business's ownership, either directly or indirectly, that none of the following individuals has an ownership stake: i.) any City employee or official; ii.) any member of the City's Community Development Commission; iii.) any City consultant involved in the development of TIF Areas.

If for whatever reason the grantee is found to be non-compliant with these program stipulations, DPD has the right to delay the approval of existing payment vouchers, reclaim any grants that have been disbursed after project completion and/or deny/deem the grantee ineligible for future funding allocations.

### **6.1 What if I cannot complete training within the contract term?**

If any project (executed contract) does not start training activities and use any of their reserved funds within the first nine months of their contract term they may submit a formal request for extension to be considered. An extension would be an additional year-long extension (for a total of two years within the start of the contract term) with a 3 month and a 6-month clause attached. The business will have to prove at the 3-month period that training has started, if it has not, the contract will be terminated and closed out as an unsuccessful project closure, funds will be de-obligated. If progress is shown at the 3-month mark, it will be re-evaluated at the six-month period, at which time the business must show that majority of training is completed and that they will be able to complete the remaining training in the next 3-month period. Failure to show this progress at the six-month mark will lead to an adjustment in the total grant award to reflect what can feasibly be completed in the remaining time.

- Businesses that have to have an adjustment at the six-month mark will have to submit a close-out report before the end of the contract term and explain why they were unable to finish their training.
- No contract will receive more than a one-time extension, and the extension has to be due to extraordinary circumstances. Workforce Solutions grants are meant to be used within the first 9 months of the 12-month contract to ensure businesses have the last three months to submit a close out report and demonstrate the impact of the training on the return on investment.



## Workforce Solutions Program – Policies & Procedures Manual Acknowledgement

I acknowledge that I have received, read, and understand the Workforce Solutions Program Policies and Procedures. I agree to comply with the guidelines, rules, and expectations outlined in the document.

I understand that it is my responsibility to remain informed of any updates or changes to these policies and procedures, which may be communicated by the program administration.

By signing below, I confirm my understanding and agreement to abide by the terms set forth in the Workforce Solutions Policies and Procedures Manual.

**Name:** \_\_\_\_\_

**Business Name:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

To complete the Acknowledgment Form, **please click here** to download the fillable PDF version of this page.

*After completing the form, please save the completed document and submit it via Submittable.*