6/16/2026

To: Economic Development Committee
From: Lisa Schvach, Executive Director, Workforce Development Division/workNet DuPage
Memo RE: Utilizing The Salem Group as Employer of Record for WIOA Work-Based Learning Program Participants

Background:
In recent years, there has been an increasing emphasis from the Department of Labor on utilizing Workforce Innovation and Opportunity Act (WIOA) funds on work-based learning services including paid work experience. Historically, paid work experiences ("internships") have been offered to young adult workNet clients.
Young adult clients are matched with a local business at which they perform specified job functions, gain exposure to professional workplaces, and develop skills and experience that either lead to job placement at their host company or increase their marketability for open positions elsewhere. DuPage County serves as employer of record.

Over the past five grant years, workNet DuPage has averaged 4 paid work experience placements annually. During the current program year, we increased that volume to 13 in alignment with State and Federal governments' strategic priorities. Significant challenges were experienced as a result. Utilizing The Salem Group to serve as employer of record and handle key administrative functions related to WIOA paid work experience was identified as a solution.

Lake County issued a Request-For-Proposals- Temporary Employment Staffing Services on January 20, 2026, that included a joint purchasing agreement. The Salem Group was awarded on March 10, 2026. The provision in Lake County's contract allows DuPage County and workNet DuPage to establish a similar contract.

The Salem Group has successfully provided the employer of record service for work-based learning in Lake County for 12 years. This relationship will resolve many of the outstanding challenges and limitations of the current set-up.

Benefits:

workNet/Programmatic benefits

- **Increase capacity** of workNet staff to develop and initiate more work-based learning placements
    - Expansion to Adult and Dislocated worker participants in addition to Youth
    - Full-time paid work experience placements will be possible
    - Anticipated increase in total participants served
    - Reduction of administrative burden- pre-employment screening, timesheets, paycheck delivery
    - Staff focus on employer relationship development and participant matching only
    - All grant dollars spent toward this contract count toward the Illinois Workforce Innovation Board's 50% Direct Training requirement

County/Compliance benefits

- **Reduction of risk**—The County will no longer serve as employer of record for these program participants as they work at businesses throughout the area. The County's Risk Management consultant stated that a new arrangement (with Salem Group) would be preferable to the current arrangement from a risk standpoint.

- **Misalignment within HR**-- There is not a clear fit for work-based learning participants within County HR's classification system. These individuals are not technically temporary County staff, but they are classified as such.

- **Grant Management within Finance**-- Work-based learning has served as a point of confusion for Finance this program year as staff adjust to WIOA procedures following key personnel turnover. With this new arrangement, Finance will only need to pay one weekly invoice rather than handling paychecks for participants. This will help streamline some aspects of WIOA grant management.

- **Department of Commerce and Economic Opportunity (DCEO) Monitoring**-- Salem Group is highly experienced with DCEO monitoring as a result of their experience with Lake County. They provide all required documentation for work-based learning participants in advance of annual monitoring. Lake County has had 12 consecutive years of successful DCEO monitoring of their work-based learning programming.

Contract Not to Exceed: $200,000
Time frame: July 1, 2026- June 30, 2027
Funding: WIOA Grants

Note: The State's Attorney Office has reviewed the proposal and found it an appropriate, legal procurement.