



## **INDIVIDUAL TRAINING ACCOUNT (ITA)**

### **Adult/DW Only**

**Policy Number: 209, Revision 6**

**Effective Date: July 1, 2019**

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#### **I. BACKGROUND**

Under the Workforce Innovation and Opportunity Act (WIOA), certain Title I training services for Adults and Dislocated Workers will be provided through Individual Training Accounts (ITAs) WIOA Sec. 129(c)(2)(D) and 134(c)(3)(G); 20 CFR 680.320 and 681.550.

WIOA states that, “Training services...shall be provided in a manner that maximizes customer choice in the selection of an eligible provider of such services” [WIOA Section 134(c)(3)(F)(i)].

To enable the participant to make a responsible and informed decision to receive training, WIOA uses three mechanisms for consumer choice:

- Individual Training Accounts (ITAs)
- A statewide list of Eligible Training Providers (ETPL)
- Consumer information regarding training providers

This policy concerns ITAs established on behalf of participants for the provision of training services through training providers using funds from WIOA.

Rather than being dependent upon employment counselors/case managers to prescribe a training regimen, individuals are expected to take an active role in managing their employment future through the use of ITAs. Adult and Dislocated Workers receiving training under this approach will receive information they need (e.g., skills assessment, labor market conditions and trends, training

vendor performance) to make an informed choice about their employment future and the training to support their decision (WorkSource System Policy 5601 Attachment 1). Contractors are encouraged to use the ITA packet in the process of awarding an ITA (Attachment 2 – ITA Packet).

## II. GENERAL POLICY

WIOA mandates that all training services (except for limited exceptions identified later in this policy) be provided through the use of ITAs and that eligible individuals shall receive ITAs through the One-Stop delivery system. ITAs are funded with Adult and Dislocated Worker funds authorized under Title I of WIOA. ITAs pay for training services for skills in-demand occupations (which include all registered apprenticeship programs) as defined by the South Central Workforce (SCW) from training providers on the approved ETPL. Payments may be made in a variety of ways, including the electronic transfer of funds through financial institutions, vouchers, or other appropriate methods. Payments may also be made incrementally, through payment of a portion of the costs at different points in the training course. The Local Board may impose limits on ITAs, such as limitations on dollar amounts and/or duration.

- There may be a limit on an individual participant that is based on the needs identified in the participants Individual Participant Plan (IPP) or
- There may be a policy decision to establish a range of amounts and/or a maximum amount applicable to all ITAs.

Limits to ITAs must not undermine the WIOA requirement that training services be provided in a manner that maximizes customer choice.

To ensure WIOA participants have access to the maximum financial resources available for training and support services, WIOA service providers shall encourage and assist participants, when appropriate, to apply for Pell Grants, other education-related forms of financial aid, and other sources of funds.

WIOA Sec. 134(3)(B) emphasizes:

- WIOA training funds shall be limited to participants who are unable to obtain grant assistance from other sources to pay for their training or require assistance beyond what is available from other sources to pay for their training.
- WIOA training funds are intended to supplement other sources of training grants.
- WIOA participants shall not be required to apply for or access student loans or incur personal debt as a condition of WIOA participation.

However, due to funding reductions of WIOA programs, all available state and federal financial aid including Pell Grants, worker retraining, state need grants, scholarships, and student loans shall be considered to ensure that the training program the participant selects, is affordable and can be completed successfully.

### III. INDIVIDUAL TRAINING ACCOUNTS (ITAS)

Expenditures directly related to training that qualify to be paid through ITAs are tuition, books, transportation assistance, academic fees, educational testing and certification, tools and supportive services.

The ITA is established on behalf of a participant. WIOA Adult and Dislocated Workers purchase training services from the ETPL they select in consultation with an employment counselor/case manager.

Training Services are defined as one or more courses or classes that upon successful completion, lead to:

- A certificate or associate degree; or
- A competency or skill recognized by employers and SCW; or
- A training regimen that provides individuals with additional skill or competencies generally recognized by employers and SCW.

The Department of Labor has determined that adult literacy or basic computer literacy (i.e., Short-Term Pre-Vocational or Workforce Preparation) services are not part of the definition of training services under WIOA Title I. The requirements for ITAs do not apply for these services.

#### IV. LOCAL POLICIES

ITAs or contracts for training services must be necessary to the success of the participant's IPP. Training services are not entitlements and shall be provided to participants on the basis of an individualized assessment of the person's job readiness, employment and training needs, financial, social and supportive needs, labor market demand, and potential for successful completion. The participant's IPP shall provide the justification for all services to be given including the appropriate combination of training and other services for the participant to achieve their employment goals.

The Budget Calculator in the state common database will assist the participant and case manager in determining a target wage that the participant will need to earn to become self-sufficient when determining the full financial picture above basic needs.

The participant's IPP assisted by the Budget Calculator shall provide the justification for all services to be given including the appropriate combination of training, whether the training will lead to an economic self-sufficient wage as defined by WIOA Sec. 134(c)(3)(A) and other services for the participant to achieve their employment goals.

When awarding an ITA, SCW assumes full (program) financial responsibility, as determined by the IPP for the registrant, even when training is provided in another WDC jurisdiction and subject to the conditions in the IPP and the availability of WIOA funding. The WDC awarding the ITA will be designated as the "area of registration" for anyone in training, thereby identifying the source of future ITA funding for the trainee, regardless of where the training is provided.

The financial responsibility of the registering WDC or "area of registration" extends to supportive services. When the area of registration is different from the area in which the training is provided, support services needs are the responsibility of the registering area. Emergency job or program counseling may be provided in either the area of registration or the area in which the training occurs.

##### 1. Funding ITAs:

The funding level of ITAs shall be determined on a case-by-case basis and shall be limited to the needs identified in each participant's IPP contingent on availability of training resources from WIOA.

Program Operators shall consider all available sources of funds, excluding student loans, to cover the full education and education related costs for training and support services. A Training Resource Map shall be developed for each participant which will identify and track the exact mix of funds used to pay for training and supportive services. Participants shall be advised that student loans remain the responsibility of the participant to repay.

Contractors must ensure that WIOA funds are not used to pay for training or services already covered by other sources. Training agreements, particularly with Pell-eligible institutions, should ensure:

- a. The institution cannot bill or be paid twice for the same expenses,
- b. Costs paid for by WIOA and by the Pell Grant are clearly identified and documented, and
- c. Access is guaranteed to the WIOA participant's financial aid records such as the Student Aid Report (SAR).

2. ITA as Supplemental:

When awarding an ITA, consideration must be given to why a trainee may need an ITA beyond what other resources that may be available such as Pell Grants, scholarships, severance pay, or other resources. A process must be established for documenting how other sources of funding were sought prior to ITA. WIOA funds are intended to supplement other sources of training grants.

WIOA training funds shall be limited to participants who are unable to obtain grant assistance from other sources to pay for their training or require assistance beyond what is available under grant assistance from other sources. If no financial aid is available, ITAs may pay for all the cost of training. The use of WIOA funds to pay down a loan of an otherwise eligible participant is prohibited; however, the mere existence of federal loan must not impact eligibility determinations.

Documentation will include a Training Resource Map (Administrative Bulletin 208 Training Services, Attachment 1) that tracks all fund sources both planned and actual used

to pay for education and support services. Training Map shall be updated no less than quarterly each program year or more often as needed to track services and fund sources.

3. Authorization and Obligation:

After an ITA is awarded, an authorization for Classroom Training Agreement (Administrative Bulletin 211, Attachment 1) is established. The authorization is signed by the contractor case manager, participant, and forwarded to the training facility for signatures. A signed copy is returned from the training facility to the contractor where funds are obligated then forwarded to the Contractor Fiscal Department where the obligation is considered fully authorized for payment.

Payments will be made in accordance with the training provider's published policy. In the case of long-term training, funds are obligated at the beginning of each quarter or semester and only after satisfactory progress has been determined.

4. Duration of Training Account

The duration of the ITAs shall be determined on a case-by-case basis and shall be identified in each participant's IPP. Contractors can establish their own policy in determining how often an ITA is updated and/or renewed.

5. Satisfactory Progress in Training:

Participants are required to make satisfactory progress in training to access all payments of their ITA. Satisfactory progress is defined as follows:

- a. The participant's grade point average does not fall below 2.0 for more than one consecutive quarter or semester;
- b. The participant maintains a grade point average sufficient to graduate from, or receive certification in, their approved area of study; and
- c. The participant is completing sufficient credit hours to finish their approved course of study within the time frame established under their approved training plan.
- d. In the case of self-paced or non-graded learning programs, satisfactory progress means participating in classes and passing certification examinations within the time frame established under their approved training plan.

Contact with the case manager and documentation of satisfactory progress in training must occur, at a minimum, at the end of each quarter during the lifetime of the training plan to ensure the individual is making satisfactory progress in training. Generally, grade/competency reports or other appropriate information will be submitted by the student. If the student does not submit the required documentation, within the time frame established by the employment counselor, the customer will be declined future ITA funds until the information is received.

6. ITAs and ETPL:

Only ITAs require the use of an eligible training provider from the Washington State's ETPL posted online at <http://www.careerbridge.wa.gov/>. The SCW will send out ETPL training performance reports to Contractors when they receive them from the State of Washington. If a training program that has previously been used and is not on the ETPL, please contact the SCW for more information.

Participants will have access to the ETPL through the One-Stop system. Participants must be able to select WIOA training services by an eligible training provider from any of the local areas on the state list.

a. Out-of-State/Out-of-Area Providers:

When counseling prospective ITA clients, the point must be forwarded that all training programs must be within a reasonable commute of the SCW area that may include out-of-area and out-of-state training institutions. Out-of-area training programs that are not within commuting distance to the SCW local area may be approved on a case-by-case basis pending participant demonstrating the ability to incur all extraordinary costs, e.g., living expenses. The Washington state Workforce Training & Education Coordinating Board (WTECB) have agreements in place with Idaho, Illinois, Missouri, Montana, Oregon, and Utah to allow the use of each other's ETPL. All approved training must be located within the contiguous United States.

b. Demand Occupations:

Consideration must be given to labor market demand in the local area or the area to which the trainee intends to relocate. Training will be limited to skills relevant to demand occupations. Training services may be approved for occupations that the

local board has determined to be in sectors of the economy that have a high potential for sustained growth and/or where documentation indicates employment prospects in the local area in addition to those occupations on the demand list.

Local Workforce Development Boards, in cooperation with the Labor Market Information Division of Employment Security are required by law (Senate – House Bill 3077) to identify and make available a list of demand and decline occupations and skill sets in their WDC area.

The list will be used as a foundation for approving or disapproving training requests and payments for:

- Unemployment Insurance Training Benefits
- Unemployment Insurance Commissioner approval for training
- WIOA Title I Training
- WorkFirst Training
- Office of Administrative Hearings

c. Prerequisite Training:

Prerequisite training to a vocational training program may be funded if it is required by the educational institution and ultimately leads to a credential in a demand occupation. Academic training may be approved if it meets specific requirements for certification, licensing, or specific skills necessary for an occupation within the demand occupations listed. Adult education and literacy activities including English language training shall be provided concurrently or in combination with occupational training. Training which is either a prerequisite or a pre-vocational training may be considered an Individualized Career Service (Administrative Bulletin 202 Career Services).

d. Disability Waivers:

On an individual basis, SCW may waive state or local policy requirements for ITAs for any individual with physical or sensory disabilities or other unusual circumstances and it has been determined that training is necessary for the individual to obtain employment.

e. Registration Time Limit:



Once an individual is awarded an ITA, local policy dictates that the participant must register for training on time according to training institution policy. ITAs will not be used for payment of late fees caused by customer error or delay. The customer will be responsible for these fees, as he/she is responsible for other fines or penalties.

f. Participants Contact:

Participants contact with the employment counselor/case manager must occur, at a minimum, two times per quarter during the lifetime of the training plan to ensure the individual is making satisfactory progress in training. Participant contact is expected to occur more frequently depending on individual participant circumstances to ensure proper counseling and support.

The employment counselor/case manager will provide regular counseling to individuals enrolled in an approved training and awarded an ITA. Career counseling will include information deemed relevant/pertinent to the participant by the case manager.

g. Modified IPP/Subsequent ITA:

An individual may only modify their IPP with approval from the employment counselor/case manager. Second and subsequent ITA's can only be awarded to an individual if approved by the case manager and justification is provided which supports that further training is needed in order for this individual to obtain employment.

h. Availability of Funds Disclaimer:

Training resources for participants is contingent upon the availability of funds provided by WIOA.

7. Training Paid by Other:

If a participant is non-WIOA funded training and recorded in the state provided database as "Training Paid by Other," performance is not captured. In order for performance to be captured, a WIOA funded training service must be recorded in the state provided database. In order to record a WIOA funded training service, the participant and contractor (case

manager) must have established the ITA and manage the training together. It is not appropriate if the contractor (case manager) played no role in the training provider selection and the training is selected, funded and directed by a program other than Title I. However, if such funding ends after training has started, Title I funded ITA may be initiated if that program is on the ETPL.

8. ITA Allowable Training Expenses as Supportive Services:  
See Administrative Bulletin 217 Supportive Services.

## V. PROCEDURE

This system will cover all Adult and Dislocated Worker participants in need of training services funded by WIOA who:

1. Have met either the WIOA eligibility requirements for Individualized Career Services and have been determined eligible per the State and local Adult priority system, if applicable;
2. Have received at least one career service, including, but not limited to, development of an IPP training plan with employment counselor/case manager which includes a determination of the need for training, employment goals, appropriate achievement objectives and combination of services, and identification of support services needs and available resources;
3. Have been determined unable to obtain or retain employment through career services; and
4. Have the skills and qualifications to successfully complete the selected training program.

To be awarded an ITA, a participant and case manager must develop an IPP that provides a rationale for their career-training choices as well as support services necessary to attain their goals.

The IPP must include the following information:

- Whether suitable employment is available in the local labor market or the area to which the trainee intends to relocate,
- The financial resources the trainee intends to use to fund the complete training plan,
- Whether the trainee has the qualifications and the aptitudes to successfully complete the training,

- Whether the training relates to a high demand occupation, meaning that the number of job openings in the labor market for the occupation or skill set exceeds the supply of the qualified workers,
- Whether the training is likely to enhance the trainee's marketable skills and earning power, based on an assessment of what the trainee's employment prospects would be if training were not funded, and
- Whether the training will lead to an economic self-sufficiency wage or wages comparable to previous/primary occupation (suitable employment). WIOA Sec. 134(c)(3)(A). Also reference Training Employment Guidance Letter (TEGL) 3-15; WorkSource System Policy 1019 & Attachment A. The following tools are to be used as appropriate to assess for self-sufficiency wage/suitable employment.

In order to ensure the individual fully utilizes their ITA, they must attend an orientation session offered by the contractor case manager to understand how the local system operates, what their responsibility is, and what choices are available to them.

An individual must be registered in approved training within 90 days of designation of the ITA award. An individual would be considered registered in training if they are:

- Pre-registered for classes or on waiting list of an approved training provider; or
- Have a start date of training; or
- The starting date is not more than one quarter or term away.

Case notes indicating the participant's required assistance beyond that available under grant assistance from other sources to pay the costs of such training or indicating the participant was unable to obtain grant assistance from other sources to pay for the cost of training shall be included in the participant file.

## VI. EXCEPTIONS

The SCW reserves the right to implement authorized exceptions to the use of ITAs in accordance with WIOA Sec. 134(c)(3)(G)(i) and (ii). Case notes explaining how the training is paid for if not with an ITA is required.

Contracts for training services may be used under the following conditions:

1. When the training services provided are for On-the-Job Training (OJT) (see Administrative Bulletin 212 On-the-Job Training), Customized Training (see Administrative Bulletin 213 Customized Training), incumbent worker training, or Transitional Employment (see Administrative Bulletin 214 Transitional Jobs).
2. The Local Board recognizes that there are an insufficient number of training providers in the region to accomplish the purposes of a system of ITAs, therefore the local workforce system may, make use of other qualified training providers in order to maximize customers' choices of training options.
3. The Local Board recognizes there are training programs of demonstrated effectiveness offered in the area by community-based organizations (CBO) or other private organizations to serve special participant populations that face multiple barriers to employment, as described in paragraph (4) in this section. The Local Board's criteria for determining demonstrated effectiveness, particularly as it applies to the special participant population to be served, may include:
  - a. Financial stability of the organization,
  - b. Demonstrated performance in measures appropriate to the program including program completion rate, attainment of the skills, certificates, or degrees the program is designed to provide, placement after training in unsubsidized employment, and retention in employment, and
  - c. How the specific program relates to the workforce investment needs identified in the local plan.
4. Under paragraph (3) of this section, special participant populations that face multiple barriers to employment are populations of low-income individuals that are included in one or more of the following categories:
  - a. Individuals with substantial language or cultural barriers,
  - b. Offenders,
  - c. Homeless individuals, or
  - d. Other hard-to-serve populations defined by the Governor.

5. The Local Board determines that it would be most appropriate to award a contract to an institution of higher education or other eligible provider of training services in order to facilitate the training of multiple individuals in an in-demand industry sectors or occupations and such contract does not limit customer choice.
6. The Local Board determines that the contract is a pay-for-performance contract.

Attachment 1: WorkSource System Policy 5601

Attachment 2: ITA Packet

#### REFERENCES:

All Contractors will be monitored for compliance with the MIS procedures for timeliness, accuracy and completeness of all forms and documents.

- 20 CFR § 680.220 - .230
- 20 CFR § 680.300 - .310
- 20 CFR § 681.550
- WorkSource System Policy 5601, Revision 2 – Individual Training Accounts
- WIOA Final Rule, Page 56119
- WTECB 8/10/2021 Email