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INDIVIDUAL TRAINING ACCOUNTS (ITAs)	

PURPOSE

This policy outlines SOWIB's directives for providing Individual Training Accounts (ITAs) for WIOA eligible adult, dislocated worker and youth participants.

BACKGROUND

WIOA Title I training services for eligible adults, dislocated workers and youth are provided through ITAs. Using ITA funds, WIOA eligible adults, dislocated workers and out-of-school youth purchase training services from eligible training providers they select in consultation with a workforce professional. Participants are expected to utilize information such as skills assessments, labor market conditions/trends, and training providers' performance, and to take an active role in managing their employment future through the use of ITAs.

REFERENCES

WIOA Section 134(c)(3)(G)
20 CFR 680.300, 20 CFR 680.310, 20 CFR 681.550

POLICY

ITAs are one training option available to eligible and appropriate participants when it is determined by a workforce professional that they will be unlikely or unable to obtain or retain employment that leads to self-sufficiency or higher wages from previous employment through career services alone. An ITA is limited in cost and duration and must result in employment leading to economic self-sufficiency or wages comparable to or higher than wages from previous employment.

ITAs are allowed for out-of- school youth ages 16-24 (out-of-school youth under age 16 are not eligible for ITAs) per WIOA Section 134(c)(3)(G) and 20 CFR 681.550.

ITAs are not entitlements and shall be provided to eligible 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, as documented on the participant's Individual Employment Plan (IEP).

Participants choose career training with Eligible Training Providers in consultation with workforce professionals.

ITA funding for training is limited to participants who:

- Complete an assessment and an IEP that identifies the selected training course;
- Are unable to obtain grant assistance from other sources to pay the costs of training or require assistance beyond available grant resources from other sources, such as Pell Grants in order to complete their training goals;
- Select training programs in alignment with the local plan that are directly linked to an in-demand industry sector or occupation or sectors that have a high potential of sustained demand or growth in the local area or in the planning region or in another area in which the participant is willing to travel or relocate [WIOA Section 134(c)(3)(G)(iii)]; and,
- Maintain satisfactory progress/grades throughout the training program.

A. Coordination of WIOA Training Funds and Other Federal Assistance (20 CFR 680.230(c))

WIOA funds are intended to provide training services in instances when there is no grant assistance, or insufficient assistance from other sources such as, but not limited to: Temporary Assistance for Needy Families (TANF); Basic Food Employment & Training (BFET); Title IV Programs such as Federal Pell Grants, Academic Competitiveness Grants, National SMART Grants, Federal Supplemental Educational Opportunity Grants, or Federal Work-Study; GI Bill or other Federal financial aid available to military veterans; and state-funded grants.

An individual may select training that costs more than the maximum amount awarded, when other sources of funds are available to supplement the ITA.

Service providers must consider and document in the participant file the availability of other sources of grants, excluding loans, to pay for training costs so that WIOA funds are used to supplement but not supplant other sources. The use of WIOA funds to make payments towards a personal loan of an otherwise eligible participant is prohibited, however the existence of a loan does not prevent an individual from receiving assistance. WIOA Title I recipients may enroll into a WIOA Title I funded training program while their application for a Pell Grant is pending if the WIOA Title I service provider made arrangements with both the training provider and the student regarding allocation of the Pell Grant, if it subsequently awarded. In this situation, the training provider must reimburse the WIOA Title I service provider the WIOA Title I funds used to underwrite the training for the amount the Pell Grant covers, including any education fees the training

provider charged to attend training. Reimbursement is not required for the portion of the Pell Grant assistance disbursed directly to the student for education related expenses.

In the event reimbursement is made to the service provider, providers must account for the reimbursement during the next invoicing period.

B. ITA Authorization

- ITAs must be approved by a service provider's Program Manager or their designee prior to issuance. At a minimum, approval should not be provided for a participant to enter into an ITA until:
 - The participant has completed a drug test and/or background check, if those are required for employment in the field for which training is being provided;
 - The participant has been determined to have the basic skills (i.e. reading, math, etc.) required for the position for which training is being provided;
 - The participant has completed appropriate career exploration and documentation of such has been documented.
- ITAs are authorized only for training programs listed on the Eligible Training Provider List (ETPL), as required in WIOA Section 134(c)(F)(iii).
- ITA funds are paid directly to the training provider.
- ITAs may be used for pre-apprenticeship programs however, only pre-apprenticeship programs listed on the ETP list may be approved. (20 CFR 680.330(a))
- ITAs may be authorized for training programs in other states or online training if the training program is listed on the ETP list or there exist reciprocity agreements with other states.
- ITAs are not authorized for individualized career services such as short-term prevocational training. Short-term pre-vocational services may include the development of learning skills, communication skills, interviewing skills, punctuality, personal maintenance skills, professional conduct, or other non-occupation-specific topics that are intended to prepare individuals for unsubsidized employment or training and should not exceed 40 hours of instruction except in documented special circumstances.

C. ITA Funding Limit

- The limit for ITA contracts is \$6,000. Service provider program managers, or their designees, have the authority to increase the limit of an ITA by \$1,000 depending on

the participant's need. Documentation of the manager's approval authorizing the ITA increase must be included in case notes.

- The maximum ITA limit is not an entitlement. The amount and duration of each participant's ITA award is determined on an individual basis. Funding amounts will take into account the total costs of the selected training program, any other financial assistance available to the participant, and the WIOA funding available to the Adult, Dislocated Worker or Youth Programs.
- The ITA funding can only include the cost of training services such as instructor salaries and benefits, classroom space, instructional materials, tuition, books, individual materials, supplies, tools, and equipment.
- An ITA may fund prerequisite training to a vocational training program if it is required by the educational institution and there is no other way to pay for these prerequisites.

D. ITA Continued Funding

Continued funding of an ITA is contingent on availability of WIOA funds and on the participant's satisfactory progress in training. Providers will review the participant's training progress and expenses quarterly or more frequently depending on the training schedule. An individual's progress will be considered satisfactory upon earning:

- A grade point average that does not fall below 2.0 for two consecutive terms; or
- A grade point average sufficient to graduate from, or receive certification in, the individual's approved area of study; or
- Sufficient credit hours to finish the approved course of study within the timeframe established under the approved training plan.
- In the case of self-paced or ungraded learning programs, satisfactory progress means participating in classes and passing certification examinations within the timeframe established under the approved training plan.

Service providers must arrange to receive training progress reports (i.e. transcripts) from participants in adequate time to process the subsequent tuition payment.

Providers must develop with participants who are not earning satisfactory progress in their coursework, a service strategy to overcome the barriers impacting progress. WIOA

ITA funding may be terminated if participants do not earn satisfactory progress for two (2) or more consecutive school terms (i.e. quarters, semesters, etc.).

E. ITA Modifications

An ITA may be modified to ensure the individual attains their educational goals and subsequent employment. In some circumstances, such as when a program of training is removed from the ETPL, or when extraordinary program expenses develop, the participant and workforce professional must agree on whether to complete the plan of training with the existing provider, seek a similar program, or discontinue training. When a program of training is removed from the state ETPL, WIOA participants in that program can complete their training. However, an ITA should not be modified or extended for a participant beyond the original plan approval as it relates to a program of training that is no longer on the ETPL.

Any modifications to the ITA must be documented in the participant's case notes.

Questions regarding this policy should be directed to the Executive Director or designee of SOWIB.