



ADMINISTRATIVE BULLETIN NO. 10A

TO: ALL WIA ADULT CONTRACTING AGENCIES

SUBJECT: INDIVIDUAL TRAINING ACCOUNT (ITA) POLICY

REFERENCE: WIA TITLE I-B  
Section 122 and 134, 20 CFR: 663.400-663.440 et al.

EFFECTIVE: JULY 1, 2009

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I. BACKGROUND

Under the Workforce Investment Act (WIA), Title I-B training services for adults and dislocated workers will be provided through Individual Training Accounts (ITAs). [*Reference – PL 105-220 Section 134 (d) (4) (G)*]

The Workforce Investment Act (WIA) states that, “Training services...shall be provided in a manner that maximizes customer choice in the selection of an eligible provider of such services.” (Section 134(d)(4)(F) of WIA)

To enable the participant to make a responsible and informed choice about where best to receive training, WIA uses three mechanisms:

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

This policy concerns Individual Training Accounts (ITAs) established on behalf of participants for the provision of training services through training providers using funds from the Workforce Investment Act.

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. Contractors are encouraged to use Adult ITA Packet in the process of awarding an ITA. (ITA packet Attachment 2)

## II. GENERAL POLICY

The Workforce Investment Act mandates that all training services (except for limited exceptions identified later in this policy) be provided through the use of Individual Training Accounts (ITAs) and that eligible individuals shall receive ITAs through the one-stop delivery system. (Section 134(G) of WIA) ITAs are funded with adult funds authorized under Title I of WIA. ITAs are not allowed for youth participants (age 14-21). However, individuals age 18 and above, who are eligible for training services under the adult program, may receive ITAs through that program. ITAs pay for training services for skills in demand occupations as defined by the local WDC from training providers on the approved list of eligible training providers. 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.

(20 CFR Part 663.410.)

### III. INDIVIDUAL TRAINING ACCOUNTS (ITA'S)

The ITA is established on behalf of a participant. WIA Title I-B adults purchase training services from eligible providers 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:

- 1.) a certificate or associate degree; or
- 2.) a competency or skill recognized by employers and WDC; or
- 3.) a training regimen that provides individuals with additional skill or competencies generally recognized by employers and the WDC.

The Department of Labor has determined that adult literacy or basic computer literacy services are not part of the definition of training services under WIA Title I-B. The requirements for Individual Training Accounts do not apply for these services.

### IV. LOCAL POLICIES

Individual Training Accounts or contracts for training services must be necessary to the success of the participant's Individual Employment Plan. **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 Individual Employment Plan 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.

When awarding an ITA, the registering WDC assumes full (program) financial responsibility (as determined by the IEP) for the registrant, even when training is provided in another WDC jurisdiction and subject to the conditions in the IEP and the availability of WIA 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.

#### A) Funding ITAs:

The funding level of Individual Training Accounts shall be determined on a **case-by-case** basis and shall be limited to the needs identified in each participant's **Individual Employment Plan** contingent on availability of training resources from WIA.

##### 1. 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. WIA funds are intended to supplement other sources of training grants.

WIA 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 costs of training.

2. Duration of Training Account:

The duration of Individual Training Accounts shall be determined on a case-by-case basis and shall be identified in each participant's IEP.

3. Satisfactory Progress:

An individual must be making satisfactory progress in training to access all payments of their ITA. Documentation of satisfactory progress will be provided by the educational institution. If the trainee is not making satisfactory progress each quarter, the WDC may either re-negotiate a new ITA or de-obligate ITA funds.

B) ITAs and ETPL:

An ITA can only be issued to training provided by an educational institution that is on the Washington State Eligible Training Provider List (ETPL) posted on the Internet. <http://www.careerbridge.wa.gov/>

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

**1. 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 South Central WDC area that may include out-of-the-area and out-of-state training institutions. Out-of-the-area training programs that are not within commuting distance to the South Central WDC 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. All approved training must be located within the contiguous United States.

**2. 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.

**a) 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. Training which is either a prerequisite or a pre-vocational training may be considered an intensive service.

**b) Disability Waivers:**

On an individual basis, the WDC 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.

**c) 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.

**d) Contact with and Reports to Participants:**

Contact with the employment counselor/case manager 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.

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

**e) Modified IEP/Subsequent ITA:**

An individual may only modify their Individual Employment Plan with approval from the workforce case manager. Second and subsequent ITAs 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.

**f) Availability of Funds Disclaimer:**

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

V. PROCEDURE

This system will cover all adult participants in need of training services funded by WIA Title I-B who:

- 1) Have met either the WIA Title I-B eligibility requirements for intensive services and have been determined eligible per the State and local adult priority system, if applicable.;
- 2) Have received at least one intensive service, including, but not limited to, development of an IEP training plan with an 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; and
- 3) Have been determined unable to obtain or retain employment through core and intensive services alone; and
- 4) Have the skills and qualifications to successfully complete the selected training program.

To be awarded an ITA, a customer must develop an Individual Employment Plan that provides a rationale for their career-training choices as well as support services necessary to attain their goals. The Individual Employment Plan 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 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.

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:

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

## VI. EXCEPTIONS

The South Central Workforce Council reserves the right to implement authorized exceptions to the use of Individual Training Accounts in accordance with WIA Section 134 and WIA 20-CFR 663-430.

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

- 1.) When the training services provided are for on-the-job training or customized training.
- 2.) The Local Council recognizes that there are a limited number of training providers in the region and the local workforce system may, therefore, make use of other qualified training providers in order to maximize customers' choices of training options.
- 3.) The Local Board recognizes there are training service 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; and
- d. Other hard-to-serve populations defined by the Governor.

#### Attachments

1. ITA State Policy
2. Adult ITA Packet