

Workforce Investment Act Title I-B

Washington State Policies

SECTION D: Program Plans and Operations

Grantees, subrecipients, and contractors funded under the Workforce Investment Act, (WIA) whether in whole or in part, must abide by the Workforce Investment Act of 1998, the WIA Regulations, all applicable Office of Management and Budget (OMB) Circulars, state regulations in laws and rules (Revised Code of Washington and Washington Administrative Code), Office of Financial Management (OFM) policies, and the Washington State WIA policies.

EFFECTIVE DATE: April 19, 2001
WIA POLICY NUMBER: 3655
SUBJECT: Individual Training Account

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).

Individuals are expected to take an active role in managing their employment future through the use of ITAs. Adults 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 a self-informed choice about their own employment future – and the training to support their decision.

The ITA is established on behalf of a registrant. An Individual Employability Plan (IEP) does not constitute an “obligation” of the ITA award. Using ITA funds, WIA Title I-B adults and dislocated workers purchase training services from eligible training providers they select in consultation with an employment counselor. Payments from ITAs 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 WIA regulations allow the state or local Workforce Development Councils (WDC) to impose limits on the dollar amount and/or duration for ITAs. [Reference: 20 CFR Part 652, 663.420 (a) and (b)]

- There may be a limit for an individual participant that is based on the needs identified in the individual employment plan; or
- There may be a policy decision by the WDC to establish a range of amounts and/or a maximum amount applicable to all ITAs.

Limitations established by WDC policies must not undermine, but maximize customer choice in the selection of an eligible training provider. ITA limitations may provide for exceptions to the limitations in individual cases.

POLICY

Based on individual assessment and funds available, an ITA may be awarded to eligible adults and/or dislocated workers. All Workforce Development Councils (WDCs) must establish a local ITA policy for adults and dislocated workers receiving WIA Title I-B training services. A local ITA policy must address if the WDC intends to impose any dollar and/or duration limit(s) for the ITAs and if the WDC intends to limit the number of times an individual may modify their ITA. Local policy must also address how the ITAs will be obligated and authorized.

Guidelines for Consideration

In order to ensure that an individual fully utilizes his/her ITA, the WDC may want to offer an explanation how the local system operates, the dollar limits, what the individual's responsibilities are and what choices are available to him/her.

Once an individual is awarded an ITA, local WDC policy could establish a time limit as to when the registrant must be enrolled in training.

If the WDC decides to limit the number of times an individual may modify their ITA, the WDC may want to coordinate this modification with the Individual's Employability Plan (IEP) with approval from the appropriate workforce system case manager.

The WDC may wish to consider providing quarterly statements to individuals enrolled in approved training and awarded an ITA. The statements would report the amount of funds that have been accessed from the ITA award and identify the amount of funds remaining.

When a program of training is removed from the state Eligible Training Provider (ETP) list, WIA participants currently enrolled in the program with the support of an ITA may be allowed to complete their training (see ETP Policy #3635). WDC policy should note that an ITA should not be modified or extended for a participant beyond the original plan approval as it related to a program of training that is no longer on the ETP list.

Local policy should allow for exceptions to ITA limitations in individual cases (e.g., individuals with physical or sensory disabilities who made need their duration of training extended beyond the duration limit established by the WDC.)

In order to fully obligate funds set-aside in support of ITA's awarded, local WDC policy could:

- In accordance with procurement guidelines, contract all ITA funds with a brokering agency who would be responsible for ITA payments; or
- Write a Purchase Order (PO) or Voucher for each individual identified to receive an ITA award. The PO or Voucher should document a three-way commitment between the individual, the service provider and the training institution. As a three-way contract, this PO or Voucher could obligate funds for the Program Year (PY). If additional ITA funds are required beyond the PY (two year cycle) and are needed by the individual in order to complete his/her training plan, a new PO or Voucher could be awarded at the beginning of the next PY. While ITA funds would be obligated through this PO or Voucher process, local areas would have the flexibility to decide when to bill actual

expenditures with the training provider. This PO or Voucher system would have to address deobligations as individuals receive additional resources and/or leave the training program prior to completion.

An ITA award could fund prerequisite training to a vocational training program if it is required by the educational institution. By law, short-term “prevocational services” are considered intensive services which include the development of learning skills, communication skills, interviewing skills, punctuality, personal maintenance skills, and professional conduct, to prepare individuals for unsubsidized employment or training. According to verbal instructions from the Department of Labor (DOL) (January 2001), if a WDC can defend their position on further defining prevocational skills, the WDC may want to further define prevocational services to include short-term or low-cost preparatory training lasting less than a week or at a cost of \$500 or less as an intensive service and not funded through an ITA award.

Training for dislocated workers applying for state funded Training Benefits must be in a high demand occupation. In accordance with Washington State Legislation Substitute House Bill 3077, “high demand” means that the number of job openings in the labor market for the occupation or skill set exceeds the supply of qualified workers. Please note, to be eligible for Unemployment Insurance (UI) Training Benefits (TB), an individual must submit an application packet to the Employment Security Department within 60-days of being notified of the TB program and must plan to enter training within 90-days following training plan approval.

The WDC may want to require that an individual must be making satisfactory progress in training to access all payments of their ITA. If satisfactory progress is used to authorize all ITA payments, “satisfactory progress” should be defined by local WDC policy. If a dislocated worker is receiving or has applied for state funded Training Benefits, satisfactory progress is defined as follows:

- The individual’s grade point average does not fall below 2.0 for more than one consecutive quarter;
- The individual maintains a grade point average sufficient to graduate from, or receive certification in, their approved area of study; and
- The individual is completing sufficient credit hours to finish their approved course of study within the time frame established under their approved training plan.
- 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.

DEFINITIONS

None.

REFERENCES

- PL 105-220 Section 134 (d) (4) (G)
- 20 CFR Part 652 et al.
- Workforce Investment Act; Final Rules (Sections 663.400; 663.410; 663.420; 663.430;

- 663.440)
• Washington Administrative Code (WAC) Chapter 192-270, Training Benefits for Dislocated Workers

SUPERSEDES

None. This communication is new.

WEBSITE

Not available at this time.

DIRECT INQUIRIES TO

Susan Harris

Employment Security Department, Employment and Training Division

Workforce Investment Act - Title I-B

P.O. Box 9046, MS 6000, Olympia, WA 98507-9046

E-Mail: sharris@esd.wa.gov

Telephone: (360) 438-4151

Fax: (360) 438-4666