



## **Individual Training Account Policy**

**Issue Date: July 1, 2016**

**Revision Date: January 8, 2020**

**Revision Effective Date: January 8, 2020**

### **I. PURPOSE:**

To provide guidance as to how an Individual Training Account (ITA) issued through Workforce Solutions for North Central Pennsylvania (North Central Workforce Development Board) will be administered.

Individual Training Accounts (ITAs) are the funding mechanism for classroom and occupational skills training for WIOA eligible adult, dislocated worker and youth participants. Considering reasonableness of cost for a selected program of training, the Title I Provider will issue an ITA up to a prescribed amount, but not to exceed the maximum allowance per person, per enrollment period.

### **II. REFERENCES:**

- DEPARTMENT OF LABOR Employment and Training Administration 20 CFR Parts 603, 651, 652, 653, 654, 658, 675, 679, 680, 681, 682, 683, 684, 685, 686, 687, and 688 Docket No. ETA-2015-0001 RIN: 1205-AB73 Workforce Innovation and Opportunity Act; Final Rule AGENCY: Employment and Training Administration (ETA), Labor
- WIOA Section 134 (c)(G)
- WIOA Section 129 (c) (2) (D)
- Proposed 20 CFR 680.300, 680.320, 680.330
- Proposed 20 CFR 681.550
- TEGL 03-15
- Workforce System Policy (WSP) No. 04-2015, December 23, 2015

### **III. BACKGROUND:**

WIOA Title I training services for WIOA eligible adults, dislocated workers and youth are provided through ITAs. Using ITA funds, WIOA eligible adults, dislocated workers and youth purchase training services from eligible training providers they select in consultation with Title I staff. 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.

ITAs are one training option available to eligible participants when it is determined by a career planner 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 18-24 (out-of-school youth ages 16-17 are not eligible for ITAs) per WIOA Section 129(c)(2)(D) and Proposed 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, 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 Title I staff.

Training services, when determined appropriate, must be provided either through an Individual Training Account (ITA) or through a training contract discussed in the next section (Training Contracts) of this policy. Training services must be linked to in-demand employment opportunities in the local area or planning region or in a geographic area in which the adult or dislocated worker is willing to commute or relocate. The selection of training services should be conducted in a manner that maximizes customer choice, is linked to in-demand occupations, informed by the performance of relevant training providers, and coordinated to the extent possible with other sources of assistance (see WIOA sec. 134(c)(3)).

#### **IV. POLICY:**

- a. Training cap is the maximum amount approved by Workforce Solutions. The current WIOA training cap is \$7,500 per customer as approved by the board. This is not a guarantee of \$7,500, but rather a maximum funding based on the actual costs of the approved training course / program. Funding will only be used towards the cost of tuition, not for the provision of supportive services. There are no exceptions to this funding cap.
- b. Training cap for customers receiving both an ITA and an OJT award is \$9,000.
- c. Workforce Solutions has selected to utilize the Secretary of Education's ruling (for PELL grant eligibility) that to ensure satisfactory academic progress, a participant should be able to meet course completion requirements within 150% of the advertised length of the program.
- d. Priority will be given to those training programs that are 104 weeks or less in length and that lead to occupational opportunities in demand in the North Central Workforce Development Area or in an area to which the participant is willing to relocate. Training most typically will lead to a certificate or associated degree. ITAs longer than 104 weeks will be evaluated on a case-by-case basis by Workforce Solutions. An example would be if someone was within 104 weeks of obtaining their bachelor's degree, Workforce Solutions may provide for up to the last 2 years' dependent upon individual review and approval.
- e. ITAs will only be issued for those occupations that are deemed in demand in the NCWDA through the High Priority Occupation List and the program must be on the Eligible Training Provider List (ETPL). All ITAs and modifications to ITAs must be approved by Workforce Solutions prior to the start of any award – see section VI.b - Procedures below.

- f. ITAs will only be issued for those training programs that are on ETPL. Programs and / or schools that are not on the ETPL are not eligible to receive a WIOA Title I ITA.
- g. The Title I provider must follow Workforce Solutions Priority of Service Policy (including the Veteran's Priority Policy) and other policies as appropriate for the North Central WDA at all times.
- h. All potential training participants must apply for financial aid before registering for training and participants must present their counselor verification that they have applied for financial assistance.
- i. Completion of the Educational Cost Worksheet is required in order to leverage other funding and resources.
- j. ITA's will not be issued to any individual in default of a student loan. The participant must have the default status removed prior to the approval of Title I WIOA funding.
- k. WIOA funds cannot be reimbursed to students when there is an overage of funding received. This funding must be returned to the Title I provider.

**V. EXCEPTIONS TO ITAs:**

Individual Training Accounts (ITAs) are the primary method to be used for accessing training services under WIOA, similar to under WIA. However, in certain circumstances a contract for training services may be developed by Workforce Solutions instead of an ITA.

Under section 134(c)(3)(G)(ii) of WIOA, the contract exceptions to an ITA have been expanded; the full list of exceptions is provided below:

- On-the-job training, which may include placing participants participating in customized training, incumbent worker training, or transitional jobs;
- The NCWDB will determine if there are an insufficient number of eligible providers of training services to use ITAs;
- If there is a training services program of demonstrated effectiveness offered in a local area by a community-based organization or other private organization;
- If the local board determines that the most appropriate training could be provided by an institution of higher education to train multiple individuals for jobs in in-demand sectors or occupations; and
- If the local board determines, a pay-for-performance contract is the most effective means of providing training services (note that no more than 10 percent of the local funds may be spent on pay-for-performance contract strategies as they are defined in section 3(47) of WIOA).

Additionally, the board may determine that providing training through a combination of ITAs and contracts is the most effective approach.

## **VI. PROCEDURES:**

- a. ITAs are accessed through the established PA CareerLink® centers in the North Central WDA through the Title I Operator.
- b. Title I staff must ensure that all required registrations, workshops and / or assessments are completed and successfully documented in an Individual Employment Plan prior to the issuance of an ITA.
- c. Awards will only be made when individuals have attained a scale score of 576 in Reading and 596 in Math on TABE 11-12. Exceptions may be made on a case-by-case basis as approved by Workforce Solutions.
- d. Title I staff are responsible for ensuring that participants are making an informed choice. This would include the sharing of Labor Market Information and Training Facility performance data and will become part of the Individual Employment Plan.
- e. Title I staff and participants must complete the “Educational Cost Worksheet” together to identify all costs and financial aid and then coordinate with partners in the PA CareerLink® to identify other resources in order to leverage other funding.
- f. The Title I Operator will be responsible for the issuance of the voucher during each semester/level/term with the implementation of the WIOA.
- g. Prior to initial approval of an ITA, the Title I Provider will review and identify the amount necessary and allowable to meet the needs of the participant. Upon this review, the Title I provider will submit to Workforce Solutions for approval. Upon final approval by Workforce Solutions, the Title I provider will complete the voucher, issue one (1) copy to the customer and send one (1) copy to the training provider. This will notify the school of the amount that will be paid via the voucher. The Title I provider will then process and submit payment. The local office must attach a copy of the student’s invoice / bill to the voucher that is submitted to the Title I provider.
- h. The Title I provider will be held accountable to make a photocopy of the voucher that is issued for the participant’s file and tracking of funds. The Title I provider will use this to assure that proper payment can be made via comparison of the original that was sent against the signed copy that will be received for the student / school.
- i. The Title I provider is under no obligation to approve funding for participants who start training prior to ITA approval.
- j. Because procedures for withdrawal vary from training provider to training provider, when participants receiving ITAs do not complete the training, the procedures to recover / refund these funds will coincide with that of the training provider’s reimbursement procedures. Documentation of reasons for withdrawal / termination as well as refunds must be included in participant files.

## **VII. EXPIRATION:**

Ongoing

## **VIII. INQUIRIES:**

Questions shall be directed to:

Pamela Streich, Executive Director at [pstreich@ncwdb.org](mailto:pstreich@ncwdb.org); or  
Donna Hottel, Strategic Planning and Project Manager at [dhottel@ncwdb.org](mailto:dhottel@ncwdb.org)

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