
INDIVIDUAL TRAINING ACCOUNT

POLICY #: 115

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Purpose:

To provide policy and procedures regarding the use of Workforce Investment Act funds for Individual Training Account (ITA) assistance including eligibility, funding allocation and locally imposed limitations.

This policy only applies to WIA-funded programs within the SW Washington Workforce Development Area comprised of Clark, Cowlitz, and Wahkiakum Counties.

Background

The Workforce Investment Act (WIA) stipulates that all training services (except for limited exceptions identified 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(d) 4(G) of WIA

An ITA is an account established on behalf of an eligible customer to procure training services in demand occupations as defined by the local Workforce Development Council (WDC). Training must be obtained from an eligible provider selected in consultation with an employment counselor.

Participants are expected to take an active role in managing their employment future through the use of ITAs. Customers receiving training under this approach will be provided the 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 selection of an appropriate training provider.

At the same time, WIA regulations allow the state or Local Board to impose limits on the dollar amount and/or duration of ITAs. [Reference: 20 CFR Part 652, 663.420 (a) and (b)] Limits to ITA's may be established in different ways:

1. There may be a limit for an individual participant that is based on the needs identified in the individual employment plan; or
2. There may be a policy decision to establish a range of amounts and/or a maximum amount applicable to all ITAs.
3. Limitations should not be implemented in a manner that undermines the Act's requirement that training services are provided in a manner that maximizes customer choice in the selection of an eligible training provider.

ITAs are funded with WIA Title 1 adult and dislocated worker funds and are not allowed for youth participants (age 14-21). However, individuals age 18 and above, who are eligible for training services under the adult and dislocated worker programs, may receive ITAs through those funds.

POLICY AND PROCEDURE

Individual Training Account (ITA)

An ITA is a training option available to eligible and appropriate individuals when it is determined by a case manager that they will be unable to obtain or retain employment through core or intensive services alone. An ITA is limited in cost, duration, and must lead to employment in an approved occupation.

Training services funded through an ITA 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 SWWDC; or
- a training regimen that provides individuals with additional skills or competencies generally recognized by employers and the SWWDC.

ITAs are not intended to facilitate the acquisition of degrees, diplomas, or certificates strictly for the sake of education. Acquisition of an ITA must have a direct connection in preparing the customer for a specific occupation available in the labor market.

ITAs represent a considerable monetary investment and are an invaluable resource to help build the skill level of our local workforce. As such, ITAs 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 for the registrant, even when training is provided in another WDC jurisdiction. The WDC awarding the ITA will be designated as the "area of registration" for anyone in training, thereby identifying the source of any 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 training is provided, support services needs are the responsibility of the registering area. Emergency job or program counseling may be provided in either area of registration in which the training occurs.

Prior to the issuance of an ITA, customers must receive a continuum of services in at least one of the Core and one of the Intensive service categories. After receiving at least one Core and one Intensive service, a customer may be considered for referral for training services. Individuals, who have been assessed and identified with specific barriers to employment, may be issued ITAs only after their specific barriers have been addressed.

WIA funding for training is limited to customers who are unable to obtain other grant assistance for training or who have a financial need that exceeds the assistance available from other sources. Training providers must consider the availability of Pell Grants and other grant sources to pay for training costs, so that WIA funds supplement rather than replace the other sources of training grants.

Once awarded, the 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.

a) Pre-requisite to Skill Training Programs

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.

b) Pre-Vocational Skill Training

Washington State WIA Policy #3655 indicates that according to verbal instructions from the U.S. Department of Labor in January 2001, if a WDC can defend their position on further defining prevocational skills, the WDC may want to further define prevocational intensive 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 not to be funded through an ITA award. The Southwest Washington Workforce Development Council has adopted the above further definition of pre-vocational services. Prevocational training may be considered an intensive service.

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 IB. By SWWDC definition, 'English as a Second Language', (ESL) falls under 'Other Intensive' services. The requirements for Individual Training Accounts do not apply for these services. Please refer to the "WIA Intensive and Training Reference Chart" - Attachment A.

c) Eligible Training Providers

An ITA can only be issued to training provided by an educational institution that is on the Washington State Eligible Training Provider List (ETP) and in a program also listed on the ETP. This information is posted on the Internet at: www.wtb.wa.gov/etp/

The SWWDC, in partnership with the state, will identify training providers whose performance qualifies them to receive WIA funds to train adults and dislocated workers. These include post secondary educational institutions, national apprenticeship programs, community-based organizations and private organizations, other public or private providers, and local Workforce Councils who meet conditions of WIA Section 117(f)(1).

Out-of-State/Out-of-Area Providers: All training programs must be within a reasonable commute of the SW Washington WDC area. Out-of-the area training programs that are not within commuting, may be approved on a case-by-case basis pending the participant's demonstrated ability to incur all extraordinary costs, e.g., living expenses. All approved training must be located within the contiguous United States, and those training providers must be listed on that state's eligible training provider list.

d) Covered costs

Only required costs associated with approved training programs will be covered. Optional costs, including tuition and fees for coursework not included in the required course of study; textbooks not listed as required on course syllabi; and supplies, training materials, and tools which are not required for all participants in the training program, are not covered.

Exceptions will be considered on a case by case basis and must be pre-approved by the trainee's WorkSource employment counselor.

Required costs covered through an ITA for approved training programs are as follows:

- tuition, enrollment fees, and other fees such as lab and testing required for coursework outlined in the required course of study;
- required textbooks as listed on course syllabi;
- required supplies and training materials as listed on course syllabi or supply lists; and required tools as listed on course tool lists.
- Prerequisite coursework may be included under the maximum authorization and duration as long as it is obtained from an eligible training provider listed on the ITA form.

Supportive services, if appropriate, shall be delivered pursuant to the Board's Supportive Services Policy.

e) Needs Assessment/Employment Plan

A thorough assessment of each candidate should be done prior to final approval of an ITA.

Recommended assessment criteria include:

- Customer's educational level;
- Previous skills training;
- Employment readiness level;
- Career goals;
- Customer's aptitude for the selected training;
- Availability and length of training;
- Cost of training;
- Financial ability of customer to undertake and complete training;
- Potential for a customer to obtain employment at a livable wage.

The ultimate choice of an employment goal and subsequent training program requires careful consideration of a variety of factors. It is strongly recommended that in addition to taking into account an individual's personal interests, Select Fit or other occupational matching tool(s) and/or aptitude assessments be utilized to validate and ensure an appropriate match.

f) 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:

- The participant's grade point average does not fall below 2.0 for more than one consecutive quarter or semester;
- The participant maintains a grade point average sufficient to graduate from, or receive certification in, their approved area of study; and,
- The participant 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.

Contact with the employment counselor/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.

g) Modification to Employment Plan/Subsequent ITA:

An individual may only modify their Employment Plan with prior approval from the One Stop Operator or designated staff. The same is true for second and subsequent ITAs. In this case, justification which supports that further training is needed in order for this individual to obtain employment is required.

h) Availability of Funds Disclaimer

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

ITA FUNDING AMOUNTS AND LOCAL LIMITATIONS

It is the intent of the SWWDC to use ITA dollars to help eligible residents gain a livable wage and to primarily focus training “investments” on building skills for occupations determined to be in high demand and/or critical to the local economy. As a result, ITA funding through the SWWDC will be limited to only those individuals who reside or work in Clark, Cowlitz, and Wahkiakum Counties. Dislocated Workers who are program eligible as a result of lost employment from a job within any of the three counties may also receive ITA funding.

The SWWDC has chosen to impose limits on the dollar amount, duration of ITAs, and specific occupations not approved for ITA funding as described below.

a) Occupations approved for ITA funding:

In response to the target industry investment priorities identified in the Strategic Plan, the SWWDC has established four occupational categories eligible for ITA funding.

The SWWDC authorizes ITA funding as follows:

- **Demand Occupations**

With limited exceptions (see below), training services may be approved for occupations that the SWWDC has determined to be in high demand as listed on the Qualifying Occupation List.

Maximum ITA Amount: \$5,000 for the duration of training

Duration of Training: Up to 2 years

- **Demand Occupations in Targeted Industries**

Training services may be approved for occupations listed as in high demand on the Qualifying Occupation List that are also in SWWDC targeted industries (manufacturing, construction, health care, high tech, transportation/logistics, and alternative energy/“green”).

Maximum ITA Amount: \$7,000 for the duration of training

Duration of Training: Up to 2 years

This maximum ITA limit is in response to activities around the 2009 American Recovery and Reinvestment Act and will be reviewed for continuation by SWWDC no later than June 30, 2010.

- **Provisional Demand Occupations**

In some cases, training services may be approved for occupations listed as “not in demand” if evidence exists that there is a sufficient local demand. Evidence may include results from a local skills panel, employer surveys, or other documentation that indicates the industry is experiencing difficulty finding qualified workers or is anticipated to experience a significant workforce loss due to future retirements. Priority occupations will be individually listed on the SWWDC website along with corresponding funding amounts and any limitations on the length of training.

Maximum ITA Amount: \$5,000 for the duration of training
Duration of Training: Up to 2 years

- **Priority Occupations**

Priority occupations are those that the SWWDC has determined to be in sectors of the economy that have a high potential for sustained growth, identified as critical by a local skill panel, have local economic significance and/or where documentation indicates future employment prospects. In some cases, these may be occupations that are currently not in demand but are anticipated to experience significant workforce loss as a result of future retirement or are seen as otherwise critical to the local economy. In other cases, these may be occupations that are classified as in-demand but have been elevated to priority standing.

Priority occupations will be individually listed on the SWWDC website along with corresponding funding amounts and any limitations on the length of training.

ITA Amount: Up to \$9,000 for the duration of training
The specific amount will be determined by occupation
Duration: Up to 3 years

In no event shall an ITA carry a time or dollar balance after the program of training is either completed or terminated.

NOTE: ITA's and OJT's can be combined as long the total cost does not exceed the maximum funding cap for that specific occupation. Exceptions require prior approval from the SWWDC program manager.

b) Occupations Not approved for ITA funding:

There are two categories of occupations that generally do not qualify for ITA funding through the SWWDC.

- **Not In-Demand Occupations**

Occupations that have a Not in Demand or Balanced designation on the Qualifying Occupation List (except as stated above) will not be eligible for ITA funding.

- **Restricted Training**

In some cases, training for an occupation that is designated as in demand will not be eligible for funding using ITA support. Rationale for ITA restriction includes but is not limited to: Repeated poor post-training placement and retention rates, the current number of enrollments/exits are anticipated to meet hiring needs, and the occupation provides does not provide entry level or significant wage progression to warrant the investment of resources into the training activities. These occupations will be listed on the SWWDC website.

WAIVERS

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

Under special circumstances and with proper justification, a request can be made to exceed the ITA funding limit, training duration or to authorize training in a not-in-demand or otherwise restricted occupation.

A completed ITA Waiver Request form and appropriate supporting documentation must be submitted to the One Stop Manager for review. If approved, the request will be forwarded to the SWWDC for final determination.

EXCEPTIONS TO THE USE OF ITAS FOR THE DELIVERY OF TRAINING

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

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

- (a) When the training services provided are for on-the-job training or customized training.
- (b) When the Council determines there is an insufficient number of training providers in the region and the local workforce system must therefore, make use of all qualified training providers in order to maximize customers' choices of training options.
- (c) When the Council determines there are training service programs of demonstrated effectiveness offered in the area by community-based organizations (CBO) or other private organizations to service special participant populations that face multiple barriers to employment. Special populations that face multiple barriers to employment are populations of low-income individuals that are included in one or more of the following categories:
 - Individuals with substantial language or cultural barriers;
 - Offenders;
 - Homeless individuals; and
 - Other hard-to-service populations.
- (d) The Council's criteria for determining demonstrated effectiveness, particularly as it applies to the special participant population to be served, includes the following:
 - Financial stability of the organization;
 - 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
- How the specific program relates to the workforce investment needs identified in the local plan.
- (e) If a training provider opts out of the eligible Training Provider List (presumably by not reapplying), the ITA shall be honored for the participants that are already enrolled and funded by an ITA at that institution. (Note: An ITA would not be modified or extended for a participant beyond the original plan approval for those training institutions that are no longer on the Eligible Training Provider List.)

ITA PAYMENT METHODS

The procurement of goods or services required for participation in training will be achieved by means of a voucher or purchase order.

Vouchers will be issued only to training providers that are listed on a state's Eligible Training Provider List. The voucher form authorizes the named training provider to invoice the indicated funding source for the cost of tuition and materials necessary for program participation which are available for purchase from that named training provider.

Vouchers may only be issued to cover the costs of goods or services available from the ETPL training provider(s) listed on the ITA form. If goods or services required for participation in training are not available from the training provider then they must be purchased via a purchase order or other normal procurement procedures, rather than a voucher.

In summary:

- **Vouchers**: are procurement mechanisms issued to cover the costs of training, and the cost of goods or services required for participation in training that are available from the training provider named on the ITA. Therefore vouchers will only be sent to eligible training providers.
- **Purchase Orders (and other normal procurement mechanisms)**: are the procurement mechanisms that a funding source should use to cover the costs of goods or services that are required for participation in training but are not available from the provider named on the ITA.

Vouchers will be issued in increments appropriate to the training program (such as by quarters, semesters, 3 or 4 quarter school years, or other training program durations) or appropriate to individual training provider's usual billing cycles. Continued issuance is contingent on satisfactory progress in training, as defined by the training provider. In the event of unsatisfactory progress in training or change in availability of funds, an individual training account may be revoked with notice to the participant. Training providers are required to inform the ITA funding source of a participant's known failure to maintain satisfactory progress.

DEFINITIONS

For purposes of this policy, the following definitions are adopted:

Employable: The individual currently has the skills, knowledge, and life circumstances that would allow them to obtain employment, to stay in employment and to move on in the workplace.

Living or Livable Wage: A wage greater than \$9.00/hr and considered sufficient to meet the basic needs of the worker and their dependents as determined by the case manager and individual job seeker. Generally, this is interpreted as the hourly wage that the individual,

working forty hours a week, would need to earn to be able to afford basic housing, food, utilities, transportation, and healthcare.

The SWWDC reserves the right to make exceptions to this policy, on a case by case basis, should individual circumstances warrant exception.

ATTACHMENT A

WIA Intensive & Training Services Reference Chart

The following chart is a reference guide to use when making decisions as to when an instructional service is considered “intensive” and when the instructional program is considered “training”

Description of WIA Title I-B Funded Activity	Intensive Service	Training Service	Requires An ITA	Must be on State ETP List
Comprehensive and specialized assessments of the skill levels and service needs, which may include: (1) diagnostic testing and assessment tools; and (2) in-depth interviewing/evaluation to identify employment barriers & appropriate employment goals and barriers.	X			
Development of an individual employment plan, to identify the employment goals, appropriate achievement objectives, and appropriate combination of services for the participant to achieve the employment goals.	X			
Group counseling, individual counseling, career planning, and case management.	X			
Short-term pre-vocational services, including development of learning skills, communication skills, interviewing skills, personal maintenance skills, and professional conduct, to prepare individuals for employment or training.	X			
Out-of-area job search assistance.	X			
Literacy activities related to basic workforce readiness.	X			
Relocation assistance.	X			
Internships.	X			
Work Experience.	X			
Other “Intensive Services” as identified and defined by the local area Workforce Development Council. For further clarification refer to SWWDC ITA policy, Section: Pre-vocational Training.	X			
Occupational skills training, including training for nontraditional employment. The following WIA definition helps to define occupational skills training and other training requiring an Individual Training Account (ITA) as...“one or more courses or classes, or a structured regimen, that upon successful completion, leads to: (a) A certificate, an associate degree, baccalaureate degree, or (b) The skills or competencies needed for a specific job or jobs, an occupation, occupational group, or generally, for many types of jobs or occupations, as recognized by employers and determined prior to training.”		X	Yes	Yes
On-The-Job Training. WIA Sec. 134(d)(4)(D)(ii)		X	No	No
Training programs operated by the private sector.		X	Yes	
Skill upgrading and retraining.		X	Yes	Yes
Entrepreneurial training.		X	Yes	Yes
Customized training conducted with a commitment by an employer or group of employers to employ an individual upon successful completion of the training.		X	No	No
A training services program of demonstrated effectiveness (as determined/approved by the local area Workforce Development Council) offered in the local area by a community-based organization or another private organization to serve special participant populations that face multiple barriers to employment. The U.S. Department of Labor suggests that this contracted approach be used infrequently.		X	No	No
Introductory computer classes & hands-on keyboarding practice, word processing, spreadsheet, database, Internet, and other introductory computer instruction considered as entry level skill requirements by many kinds of employers when not accompanied by other occupational skills training.	X			
A sequence or package of three or more courses in computer applications covering three or more software programs for skills or competencies needed for a specific job or occupation.		X	Yes	Yes
Classes to prepare to pass a personal driving test.	X			
Classes to prepare to pass a commercial driver's license.		X	Yes	
Remedial education class or classes to meet educational requirements to qualify for entry into a vocational program.	X			

