

Northwest Workforce Council

PO Box 2009 (101 Prospect Street), Bellingham, WA 98227 - 360.676.3209 • 2005 E. College Way, Mount Vernon, WA 98273 - 360.416.3600
265 NE Kettle St., Ste. 102, Oak Harbor, WA 98277 - 360.675.5966 • PO Box 1696 (540 Guard Street #210), Friday Harbor, WA 98250 - 360.378.4662
- www.nwboard.org -

POLICY DIRECTIVE

EFFECTIVE DATE: October 18, 2016

SUBJECT: Individual Training Account (ITA)

REFERENCE: WIOA 01-10 Revision 5

I. Background

Funding of certain WIOA Title I-B training services are provided by establishing an Individual Training Account (ITA). These ITA funds are used to purchase training services from eligible training providers selected by WIOA Title I-B adults and dislocated workers in consultation with their NWC Coordinator. Individuals are expected to utilize information that is provided (e.g., skills assessment, labor market conditions/trends and training vendor performance) to take an active role in selecting a training program and vendor to achieve their employment goals. This process is completed through the creation of an Individual Training Proposal (ITP). Individuals are expected to make an informed choice about their own employment future and the training services needed.

Training services that may occur outside of the ITA process are described in this policy under item VI
Exceptions to Use of ITAs: Contracts for Services

II. Adult and Dislocated Worker Eligibility

- A. An Individual Training Account is established for a participant who:
1. Is *unable* to obtain or retain employment that leads to self-sufficiency or wages comparable or higher than previous employment
 2. *Needs* training to be self-sufficient or the resulting high-wage employment creates a career pathway to self-sufficiency. For dislocated workers, the training may result in wages comparable or higher than the job of dislocation.
 3. Can *benefit* from training; able to attend training, have the physical and mental capabilities to complete the training
 4. Is capable of successful entry into the labor market in the selected occupation.
 5. Successfully completed a Training Proposal
 6. Is requesting training for an occupation in the Northwest Council's key sectors or an in-demand occupation that directly supports a key sector (e.g. Truck Driving supports both advanced manufacturing and construction).
 7. Have met all the prerequisites for a training program.

- B. Eligible Training Providers WIOA Title I-B adult and dislocated workers will be provided training services from a state's eligible training providers list that the participant selects in consultation with the Coordinator.

III. Self-Employment and Entrepreneurial Training is available for individuals with an expressed career goal of self-employment. An initial assessment must be completed to determine viability of the business sector of interest. The process also includes the completion of an Individual Training Proposal, and approval by the Scholarship Committee. *See item IV, Individual Training Account (ITA) Guidelines, below.*

IV. **Individuals Ineligible for ITAs**

- A. Adult participants who have post-Baccalaureate degrees (Masters, Doctoral, etc.) are not eligible for Occupational Training and may not be awarded an ITA.

Dislocated Workers who have post-Baccalaureate degrees may be granted an ITA on a case by case basis and require a review by the Deputy Director or designee.

- B. Adult participants who have a bachelor's degree (undergraduate degree) from a four-year institution will be reviewed on a case by case basis for their appropriateness to enter occupational skills training. The review will be conducted by the Deputy Director or designee in conjunction with the individual's coordinator.

Restrictions for participants who have a bachelor's degree do not apply to Dislocated Workers.

V. **ITAs and Occupational Skills Training for Young Adults (Youth)**

- A. ITAs **may** be granted to Out of School Young Adults (OSY) who have:
 1. An occupational goal outlined on the Individual Service Strategy
 2. Been assessed to need training *and* can benefit from training
 3. Successfully completed a Training Proposal
 4. A training plan that requires an obligation of funds for more than one academic quarter or semester in a key sector.
- B. Priority for OSY ITA's will be for in-demand occupations in the Northwest Workforce Council's key sectors and shall follow the ITA guidelines set forth in this policy.
- C. Occupational Skills Training Outside the ITA Process. While OSY participants may be granted an ITA, occupational skills training may occur outside the ITA process. Coordinators shall consider all objective assessment information and may provide occupational skills training that assists the young adult along an appropriate career pathway. For example, Certified Nursing Assistant training would be appropriate

occupational skills training for a young adult whose career path plan is to become a Registered Nurse.

While an ITA may not be appropriate for all young adults, any training that leads to a recognized credential shall occur through occupational skills training.

When an ITA is not used for OSY, the participant must complete a scholarship packet for training costs that exceed \$1000.00 or training that is more than one quarter in duration.

- D. **In School Young Adults (ISY) MAY NOT receive an ITA.** All occupational skills training for ISY must be done on a case by case basis taking into consideration assessment results and the goals outlined on the Individual Service Strategy. Assessment, at a minimum must take into consideration the result from the objective assessment with consideration for the individual's work readiness (work maturity) skills. ISY participants may receive occupational skills training concurrent with services to address work readiness skills.

While an ITA shall not be granted to In School Young Adults, they must complete a scholarship packet for training costs that exceed \$1000.00 or training that is more than one quarter in duration.

VI. Individual Training Account (ITA) Guidelines

A. Individual Training Application /Proposal

1. Individuals are expected to take an active role in selecting an appropriate training program and provider through participating in development of an Individual Training Proposal. All training services are provided only after an assessment which may include but is not limited to: abilities and aptitudes, interests, occupational skills, workforce skill standards, labor market demand for the occupation, self-management skills and resources, and program/provider research. This is all demonstrated through the Individual Training Proposal.
2. **Modified Individual Training Proposals.** Individuals who have substantive experience (more than one year) in an industry or occupation and those who have demonstrated substantial progress in a training program (successfully completed more than half the coursework) may be granted a modified or abbreviated ITP process. A modified ITP requires a waiver from the Deputy Director or designee. The minimum components of a modified ITP include:
 - a. **Print out from the demand list or other labor market information documenting demand which may include, but is not limited to: multiple job listings for an occupation that the individual would be qualified for upon completion of training, documentation from local businesses projecting a significant number of**

openings, print outs from reputable news sources, reputable web based documentation (e.g. O*Net, Career One Stop, etc.).

- b. Eligible Training Provider documentation
 - c. Personal Budget
 - d. Personal Information Worksheet
 - e. Unmet Need Form
 - f. Grades from current program or academic history (for individuals currently in a training program)
 - g. Resume
3. Scholarship Committee. The training proposal is reviewed by a “Scholarship Committee,” which involves staff review (in addition to that of the Coordinator assigned to the participant), of the Training Proposal to (1) ensure that all assessment and research materials are present and (2) that the participant has completed adequate planning to succeed in the training program. During a Scholarship Committee review, NWC staff review the ITP and conduct an interview with the participant requesting training funds. Offices that employ two or fewer Coordinators are exempt from the participant interview. A Modified Individual Training Proposal does not require review by a Scholarship Committee. The Workforce Program Managers approval is sufficient.
4. Individual Funding. Considerations include a participant’s indicated financial need, leveraged resources, *and* the availability of WIOA program funding. The decision to award the ITA will be based on the above information. No denial will be based solely on the basis of which provider is selected from a state’s Approved Eligible Training Provider List. *See ITA funding outlined in item F of this section for additional information.*

B. Demand Occupations

1. ITAs leading to anticipated employment in Washington State may only be issued for occupations that are in demand in this Washington State **and** in the Northwest Workforce Council’s key sectors. ITAs may be granted for demand occupations that directly support key sectors. Consideration may be given to labor market demand in an area to which the trainee intends to locate or relocate. A list of in demand occupations can be found at: <https://fortress.wa.gov/esd/wilma/wdclists/>
2. ITAs may be issued for occupations demonstrated to be in demand in other states where it is feasible for the worker to relocate. Under this circumstance, participants must commit, prior to the development of an ITA, their willingness to relocate to the areas they are willing to relocate to, *and* provide their relocation plan.
3. Exceptions to ITAs for Occupations not on the Demand List or Not in a Key Sector (Dislocated Worker Only)
 - a. Exceptions may be approved for occupations listed as balanced. In this situation, an applicant must provide significant labor market information evidencing market changes and a high likelihood of employment upon completion of the training in order to obtain an exception determination.

- b. Dislocated Workers who have significant prior experience in an occupation, but are lacking key marketable credential (s) or specific skill sets as reflected by job listings may have an exception determination.
- c. Exception determinations for occupations that are not on the demand list or in a key sector must be approved by the Deputy Director or designee.
Considerations is on a case by case basis.

C. Use of Financial Aid and Other Grant Funds

- 1. WIOA Title I-B funds cannot supplant financial aid available through the training institution. WIOA funding for training is limited to customers who are unable to obtain other grant assistance for training or who have an unmet financial need that exceeds the assistance available from other sources.
- 2. Training providers must consider the availability of Pell Grants and other grant sources to pay for training costs, so that WIOA funds supplement rather than replace the other available financial aid.
- 3. The availability and contribution of other training resources and financial aid grants, including Pell Grants, will be documented through the Program Costs/Resources worksheet, also known as the Unmet Needs Form – Program Costs and Resources.
- 4. Dislocated Workers may have a significant family contribution based on past income that is no longer available due to the dislocation. In these circumstances, ITAs may be funded at an amount that disregards family contribution in determining unmet need.

D. Final Approval and Obligation of Funds

All ITA obligations must be approved by Program Management. When an ITA is awarded, either:

- 1. An Authorization for Classroom Training is established. Authorization for Classroom Training is a contract among NWC, the training provider, and the participant. This contract outlines all allowable payments. This method must be used for ITA's that require more than two payments.

OR

- 2. A Training Request is completed. Training requests, a staff form, may be used for ITA's that require two or fewer payments.
- 3. Training Requests may also be used for training intuitions that do not recognize the Authorization for Classroom Training. In this case, an Authorization for Classroom Training is completed absent the provider's signature and submitted to fiscal. Payment against the ITA is done through a voucher or a check for each approved ITA item.

E. Eligible Training Providers

1. An ITA can only be issued for vocational training courses offered by an eligible training provider's approved programs, listed on Washington's Eligible Training Provider list.
2. Eligible WIOA participants residing in Washington State will be able to purchase training from an out-of-state provider as long as the provider is included on its own home state's Eligible Training Provider list as an approved program, accessible through www.careerbridge.wa.gov.

F. ITA Funding

1. Funding Levels ITAs shall be determined on a case-by-case basis and shall be limited to the needs identified for each participant. ITA funding for training is limited to participants who:
 - a. Are unable to obtain grant assistance from other sources to pay the costs of their training
OR
 - b. Require assistance beyond the available grant assistance from other sources. The need and amount of the ITA will be determined after consideration of all other training resources and financial aid grants, including Pell Grants.
2. Funding Limits
 - a. All Individual Training Accounts will be limited to a maximum (ceiling) amount of \$7,200 (pending funding availability) of unmet need for a six (6) quarter training program offered by an eligible training provider as determined by the Workforce Training and Education Coordinating Board.
 - b. The maximum amount per program year (July 1 to June 30) is \$3,600. A waiver of up to \$4,800 for four (4) quarters of instruction must be approved by the Deputy Director or designee.
 - c. It is expected that the allotment of funds over the course of a program will be disbursed equitably throughout its duration. However, only \$2000 of the allotment may be disbursed for any one academic quarter or semester.
 - d. The \$3,600 limit may be allocated in a single quarter, semester, or training session when the program meets the following criteria:
 - i. The programs offer a highly concentrated study for a short duration (e.g. Truck Driving Programs)
 - ii. The participant receives a credential recognized by business and industry
 - iii. The programs recent past performance demonstrates participants quickly obtain high wage jobs
3. Allowable ITA Costs Each individual participant's ITA will be limited to no more than the published cost of the selected training program, including tuition, fees, required books, tools, clothing and equipment. ITAs may also include licensing and other fees not listed in a training institution's published cost (e.g. the NCLEX testing fee and the Department of Health licensing fee).

4. Duration

- i. An ITA is limited in duration to 30 consecutive months and only one program may be funded.
- ii. The NWC's Deputy Director or designee can extend this duration limit if the participant's personal circumstances require additional training time such as individuals with disabilities who require a reasonable accommodation or modification of services or individuals who are English language learners.

5. Deobligation

Deobligation of funds may occur due to lack of need or a termination of the contract. An individual's ITA must have the funds deobligated for the following reasons:

- i. The participant completes the training program and did not use all funds that were originally obligated.
- ii. The participant drops out of school or fails to attend school. Failure to attend cannot be attributed to an allowable hold status.
- iii. An individual does not attend training for two consecutive quarters may not be placed back into Occupational Skills Training. Their Authorization for Classroom Training should be canceled with the training facility and funds deobligated. If the individual wishes to continue training and assessments document the benefit and need, a new Individual Training Account Proposal will need to be completed. A new Authorization for Classroom Training would also need to be completed less the previous funds spent in training. Administrative pre-approval would need to be obtained **before starting the above two processes**. Exception may be granted to individuals called into reserve or active military duty for short periods of time.
- iv. Individual refuses to meet the participant responsibilities as set forth and agreed upon prior to the establishment of an ITA.

G. Monitoring and Modifications

1. Satisfactory Progress. Individuals are expected to maintain satisfactory progress in the selected training program, with exception only for good cause as defined in this section below. Satisfactory progress is defined as:
 - i. Maintaining a grade point average sufficient to graduate from and/or receive certification in their approved area of study
 - ii. Maintaining sufficient credit hours to complete program in the timeframe established in the ITA.

Good cause for failure to make satisfactory progress is defined as factors that would cause a reasonably prudent person in similar circumstances to fail to make satisfactory progress. Good cause includes, but is not limited to:

- Illness, injury or disability of the participant or a member of the participant's immediate family;
- Severe weather conditions or natural disaster precluding safe travel;
- Destruction of the participant's school records due to a natural disaster or other catastrophe not caused by the participant;

- Acting on advice received from an authority such as the training provider, instructor, or case manager;
 - Training is delayed or cancelled:
 - Accepting stop-gap employment with hours or other work conditions that conflict with the training;
2. Hold Status In some cases, a participant may have to stop attending school for a quarter due to circumstances beyond their control (sick child, death in the family, etc.). When this occurs, the participant should be taken out of Occupational Skills Training in the MIS for that quarter and put on hold. When they return to school, they are placed back into Occupational Skills Training with a new start and end date. Case notes should reflect the circumstance for the break in services. Additionally, their Authorization for Classroom Training may need to be revised.
 3. Modifications
All modification and contract revisions require program management approval.
 - a. Revisions may be allowed for continuing classes in the educational or training institution initially attended and in the same occupational cluster, unless there is approval by NWC that another venue is necessary.
 - b. Modifications may be made to extend the completion date. However, the total duration of the ITA must be 30 months or fewer.
 - c. Transferring funding between line items (e.g. from books to tuition) require a modification and may require a contract revision if the training institution is affected.
 4. When a program of training is removed from the state's Eligible Training Provider list, participants currently enrolled in the program with the support of an ITA may be allowed to complete their training. However, such ITAs will not be modified or revised for a participant beyond the original plan approval.
 5. Coordinators must track progress in the program and record this in the MIS system for all participants who receive occupational skills training (for all titles in all training programs). This may also include tracking and recording progress towards annual skill goal attainment.

VII. Exceptions to Use of ITAs: Contracts for Services

Contracts for services instead of ITAs may be used to provide training when one of the following five exceptions applies and the local area has fulfilled the consumer choice requirements.

- A. When the services provided are on-the-job-training (OJT), customized training, incumbent worker training, or transitional jobs.
- B. When the Local WDB determines that there are an insufficient number of eligible training providers in the local area to accomplish the purpose of a system of ITAs. The determination process must include a public comment period for interested providers of at least 30 days, and be described in the Local Plan.

- C. When the Local WDB determines that there is a training services program of demonstrated effectiveness offered in the area by a community-based organization or another private organization to serve individuals with barriers to employment. *
- The criteria to determine effectiveness of the training services include:
1. Financial stability of the organization;
 2. Demonstrated performance in the delivery of services to individuals with barriers to employment through such means as 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
 3. How the specific program relates to the workforce investment needs identified in the local plan.
- D. When the Local WDB determines that it would be most appropriate to contract with an institution of higher education (see WIOA sec. 3(28)) or other provider of training services in order to facilitate the training of multiple individuals in in-demand industry sectors or occupations, provided that the contract does not limit consumer choice.
- E. When the Local WDB is considering entering into a Pay-for-Performance contract, and the Local WDB ensures that the contract is consistent with § 683.510 of this chapter.

* Under paragraph C of this section, individuals with barriers to employment include those individuals in one or more of the following categories, as prescribed by WIOA sec. 3(24):

- (1) Displaced homemakers;
- (2) Low-income individuals;
- (3) Indians, Alaska Natives, and Native Hawaiians;
- (4) Individuals with disabilities;
- (5) Older individuals, i.e., those aged 55 or over;
- (6) Ex-offenders;
- (7) Homeless individuals;
- (8) Youth who are in or have aged out of the foster care system;
- (9) Individuals who are English language learners, individuals who have low levels of literacy, and individuals facing substantial cultural barriers;
- (10) Eligible migrant and seasonal farmworkers, defined in WIOA sec. 167(i);
- (11) Individuals within 2 years of exhausting lifetime eligibility under TANF (part A of title IV of the Social Security Act);
- (12) Single-parents (including single pregnant women);
- (13) Long-term unemployed individuals; or
- (14) Other groups determined by the Governor to have barriers to employment.

VIII. References

Washington WorkSource System Policy# 5601, Revision 1

WIOA Section 134(c)(G)-Adult and Dislocated Workers

WIOA Section 129(c)(2)(D)- Youth

20 CFR 680.300, 680.310, 680.320, 680.330- Adult and Dislocated Workers

20 CFR 681.550- Youth

WAC Chapter 192-270 (Training Benefits)

WIOA Title I Policy 5611- Governor's Procedures for Determining Training Provider Eligibility

Washington State Unemployment Insurance Training Benefits Program