

**Central Western Maine Workforce Development Board (CWMWDB)
General Policies and Procedures**

Policy: Individual Training Accounts

EFFECTIVE DATE: 09/16/2016
Review Date: 9/17/2018

Approved by: CWMWDB

Background

Under the Workforce Innovation and Opportunity Act (WIOA), Title 1, Sec. 134 (c) (3) (F) (iii) training services for adults and dislocated workers may be provided through Individual Training Accounts (ITAs). Under Sec. 129 (C) (2) (D) youth training activities are not subject to the policy governing the issuance and management of ITAs. However, under 20 CFR Sec. 681.550, ITAs may be allowed for out of school youth aged 16-24.

The intent of the WIOA is to allow individuals 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 (i.e., skills assessment, labor market conditions and trends, training vendor performance) to make a well-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 Service Strategy (ISS) does not constitute an "obligation" of the ITA. WIOA Title 1 adults and dislocated workers in consultation with CareerCenter Staff use the ITA to purchase training services from eligible training providers. Payments from ITAs maybe 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.

WIOA regulations allow the Local Workforce Development Board (LWDB) to impose limits on the dollar amount and/or the duration for ITAs.

There may be a limit for an individual participant that is based on the needs identified in the training plan; or

There may be a policy decision by the LWDB to establish a range of amounts and/or a maximum amount applicable to all ITAs.

Limitations established by LWDB 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.

This policy also clarifies the process and procedures that customers can expect to experience when the choice to seek skills training through WIOA is made.

Policy

Individuals may use ITAs in exchange for training services for skills in demand occupations within the identified industry clusters as defined by the LWDB from training providers on the approved list of eligible training providers (Sections 134 (B) (v) (I) (II). WIOA mandates that all training services (except for on-the-job training, customized training, and incumbent worker

training) be provided through the use of ITAs and that eligible individuals shall receive ITAs through the One-Stop Delivery System Sec. 134 (c) (3) (F) (iii).

1. Subcontracted service providers of the LWDB shall issue ITAs at the customer's request under the following conditions: Sec. 134 (c) (3) (A) (i)

- a. Funds are available,
- b. The customer chooses an eligible training provider consistent with the ETPL
- c. The customer is eligible for Training services,
- d. The customer is unlikely or unable to obtain or retain employment that leads to economic self-sufficiency or wages comparable to or higher than wages from previous employment and in need of training to obtain economic self-sufficiency and comparable or higher wages,
- e. The customer has the skills and qualifications to successfully participate in the selected program of training,
- f. The customer demonstrates appropriate career choices based on work experience and occupational preferences. There is a reasonable expectation of completing training and a reasonable expectation of obtaining employment,
- g. ITAs are granted in high-growth employment sectors within the designated industry clusters as determined and documented in the Local Area Plan.

I. General:

1. Individual Training Accounts (ITAs) are established on behalf of an eligible individual to finance training services (§680.230 (4.)).
2. WIOA Title I adults and dislocated workers will select from the list of eligible training providers who best meet their needs in consultation with their case manager (§680.340)
3. Training shall be directly linked to occupations within industry clusters that are in demand in the local area or in another area if the customer is willing to relocate. The LWDB's subcontracted service providers approve training services for occupations within industry clusters which have been determined to have a high potential for sustained demand or growth in the local area Sec. 134 (c) (3) (F) (v).
4. ITAs will be available through CareerCenters [Maine's One-Stop System] with the exceptions listed in paragraph VI of this section Sec. 134 (c) (3) (G) (ii).

II. Eligibility for Individual Training Accounts

1. WIOA funding for training is limited to eligible participants who:
 - a. Are unable to obtain grant assistance from other sources to pay the costs of their training Sec. 134 (a) (3) (A) (B) (i) (I)
 - b. Require assistance beyond that available under grant assistance from other sources to pay the costs of such training Sec. 134 (a) (3) (A) (B) (i) (I) (II)

III. Local Policy

1. Participants will receive assessment, counseling, and a basic and training plan prior to selecting a training program.
2. The following elements are mandated by both State and Local Area regulations before arranging for WIOA training services:
 - a. The training will be limited to skills relevant to demand occupations in identified industry clusters as defined and listed in the Area III's Local Plan.
 - b. Participants will be informed of the demand occupations or skills and how exceptions to the list of locally recognized in-demand occupations will be handled. The LWDB will be consulted when necessary should exceptions to the recognized in-demand occupations be significant sectors for ITAs.

- c. The participant will have access to the list of eligible providers through the CareerCenter system. Note: BES will provide a published list of eligible training providers electronically: participants must be able to access WIOA training services from any eligible training provider on the State list.
- d. ITAs may include fees for books, special fees levied by eligible providers, educational materials, clothing/footwear necessary for training to the extent documented in Area III's Local Area.

IV. Payments of ITAs (680.230):

1. Payments may be made in a variety of ways, including electronic transfer of funds through financial institutions, vouchers, or other appropriate methods.
2. The LWDB's subcontracted Service Providers will determine when payments will be made, incrementally or at different points in the training.

V. Limitations on ITAs:

1. The LWDB may impose limitations on the dollar amount and/or duration based upon criteria established by the Board. [§680.340]
2. There may be a limit for an individual participant based on the participant's needs as identified in the training plan or the LWDB may establish a range of amounts and/or a maximum amount applicable to all ITAs [680.340]
3. School supplies and books are paid out of supportive services and are covered under that policy.
4. ITA financial limitations may vary depending on the federal funding source, the duration of the award and customer needs that will be addressed. Providing a program title has sufficient funds, and after Pell and scholarships have been applied, a maximum financial limit of up to \$9,000 per year has been established by the Local Area III Board; starting from the initial training enrollment date, contingent upon the availability of funding. In addition, payments for training will observe the following time frames: if a training facility operates on a semester or module schedule, the limit will be up to \$3,000 per semester/mod for a period of 3 semesters/mods per year. If a training facility operates single payment programs, such as truck driving or oil burner, a single payment may be made based on what the program title can afford up to \$9,000. Any exceptions to this financial limit or the time frames must have prior approval of the LWDB Executive Director. The objective will be to extend the resources available for these services by aggressively leveraging other resources of both WIOA partner programs and outside sources of financial aid.
5. When an individual selects training, other sources must be considered to supplement the use of WIOA funds to finance an ITA. The other sources may include the Competitive Skills Scholarship Program [CSSP], scholarships, Pell Grants, severance pay, individual financing, etc. [680.230]

VI. ITAs for Youth (§681.550):

1. ITAs are not allowed for in school youth except for those individuals age 18 and above who are eligible for training services under the adult and dislocated worker programs.
2. ITAs are allowed for all out of school youth, ages 16 – 24. If youth funds are used, the Eligible Training Provider List (ETPL) must be used.
3. To the extent possible, in order to enhance youth participant choice, youth participants should be involved in the selection of educational and training activities.

VII. Other Mechanisms for Payment [Sec. 134 (a) (3) (G)(ii) (I – VI)]

1. Contracts for services may be used instead of ITAs when:
 - a. the services provided are on-the-job training (OJT) or customized training;

b. the LWDB determines that there are an insufficient number of eligible training providers in the local area to accomplish the purpose of the ITA in designated/identified industry clusters.

c. the LWDB determines that there is a training program of demonstrated effectiveness offered by a community-based or faith-based (CBO, FBO) or another private organization to service special participant populations that face multiple barriers to employment. The LWDB will develop criteria to be used in determining demonstrated effectiveness, particularly as it applies to the special participant population to be served. The criteria will normally include:

- i. Financial performance of the organization;
- ii. Demonstrated performance in the delivery of services for participant populations 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; retention in employment; and
- iii. How the specific program related to the workforce investment needs.

VIII. Coordination of ITAs with other Grant Assistance

The WIOA limits funding for training to individuals who are unable to find other grant assistance for training or whose financial needs exceed the assistance available from other sources. WIOA funds are intended to supplement other sources of funding [680.230]. The LWDB will work with its Service Providers to establish policies to assure that Area III CareerCenters leverage and coordinate such resources as are available through the CSSP, scholarships, TAA, Pell with WIOA funding. Service Providers must assure that duplicate payments are not made to training providers for the cost of training and will coordinate available funds to pay for training costs, so that WIOA funds supplement other sources of funds to pay for training and avoid duplication of payments. The exact mix of funds shall be determined on the availability of funding for either training costs or support service with the goal of planning for the completion of the training program that the customer has accepted.

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NOTES:

Amendment to Section V; Limitations on ITAs; #3 – approved at the Board meeting on September 15, 2017