



## Workforce Innovation and Opportunity Act (WIOA) Policies and Procedures

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### Individual Training Account (ITA) Policy and Procedures

**POLICY NUMBER: 1002, Rev. 3**

**REVISION DATE: 10-8-20**

**SUPERSEDES: ITA Policy & Procedures, effective 5-18-20**

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#### **PURPOSE**

This policy outlines WorkForce Central (WFC) directives for providing Individual Training Accounts (ITAs) for participants enrolled in WIOA-funded programs, including Out-of-School Youth (OSY) ages 16-24. The purpose of this policy revision is to increase the maximum allowed limit for training costs paid via an ITA.

#### **BACKGROUND**

WIOA Title I-funded training services for WIOA eligible participants are provided through ITAs. Using ITA funds, WIOA Title I eligible participants purchase training services from eligible training providers they select in consultation with a WIOA Title I-B Service Provider. 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.

#### **POLICY**

ITA funding is limited to participants who:

- Complete an assessment that:
  - Identifies a need for training that leads to self-sufficiency or wages comparable to or higher than wages from previous employment, and
  - Demonstrates the participant has the skills and qualifications to successfully complete the training program.
- Complete an Individual Employment Plan (IEP) or Individual Service Strategy (ISS) that identifies the selected training program with anticipated start and end dates.
- Are unable to obtain grant assistance from other sources to pay the costs of training or require assistance beyond available grant resources from other sources, such as Pell Grants in order to complete their training goals.
- Select training programs that are:
  - Included on the Eligible Training Provider List, and
  - Directly linked to an in-demand industry sector or occupation or sectors that have a high potential of sustained demand or growth in the local area or in the planning region or in another area in which the participant is willing to travel or relocate; and
- Maintain satisfactory progress/grades throughout the training program.

The above documentation must be uploaded into the applicable training service recorded in the participant's ETO record.

## A. Coordination of WIOA Training Funds and Other Federal Assistance

WIOA Service Providers must consider the availability of other sources of grants, excluding loans, to pay for training costs so that WIOA funds are used to supplement but not supplant other sources. WIOA funding for training is limited to participants who are unable to obtain grant assistance from other sources to pay the cost of their training or require assistance beyond that available under grant assistance from other sources to pay the costs of such training. In making the determination, WIOA Service Providers may take into account the full cost of participating in training services, including the cost of supportive services and other appropriate costs.

Additional grant assistance may be available through sources such as but not limited to: Temporary Assistance for Needy Families (TANF)-WorkFirst; Basic Food Employment & Training (BFET); Title IV Programs such as Federal Pell Grants, Academic Competitiveness Grants, National SMART Grants, Federal Supplemental Educational Opportunity Grants, or Federal Work-Study; and state-funded grants such as the Washington State Need Grant, and Worker Retraining.

As stated in WIOA Final Rules, page 56121 and TEGL 19-16, Department of Veterans Affairs benefits for education and training services are **not included** in the category of “other resources of training grants” listed in 20 CFR sec. 680.230(b). Therefore, veterans and spouses are not required to first use any available benefit entitlements associated with their military service before being considered eligible for WIOA-funded training, and Service Providers are not required to consider the availability of those funds.

Service Providers must consider and document in the participant file the availability of other sources of grants, **excluding loans**, to pay for training costs so that WIOA funds are used to supplement but not supplant other sources. The use of WIOA funds to make payments towards a personal loan of an otherwise eligible participant is prohibited. However, the mere existence of a federal loan, **regardless of the status**, must not impact ITA eligibility determinations.

Service Providers must document the availability and coordination of other training funds in the participant record.

## B. ITA Authorization

ITAs must be approved by a WIOA Service Provider authorized representative prior to issuance. ITA authorization must be documented in the participant record.

ITAs are authorized only for training programs listed on the Eligible Training Provider List (ETPL), as required in WIOA Section 134(c)(F)(iii). ITA funds are paid directly to the training provider using the Service Provider’s fiscal system.

ITAs may be used for pre-apprenticeship programs however, only pre-apprenticeship programs listed on the ETPL may be approved.

ITAs may be authorized for training programs in other states or online training if the training program is listed on that State’s ETPL or there exists reciprocity agreements with other states.

## C. Funding Mechanisms other than ITAs

Mechanisms other than ITAs may be used to provide training services that do not rise to the level of occupational skills training, including individualized services such as workforce preparation activities or short-term prevocational services. WIOA Sections 134(d)(3)(C) and 134(d)(3)(C)(vi) describe these services. Individualized services may include literacy, internship, work experience and other training activities that may not provide formal occupational skills training or be appropriate for an ITA.

Similarly, short-term prevocational services are designed to prepare a participant for work but do not provide formal occupational skills training. As such, ITAs are not authorized for individualized short-term prevocational training. Short-term prevocational training may include the development of learning skills, communication skills, interviewing skills, punctuality, personal maintenance skills, professional conduct, or other non-occupation-specific topics that are intended to prepare individuals for unsubsidized employment or training. Short-term prevocational training should not exceed 40 hours of instruction except in documented special circumstances.

20 FR 680.320 provides additional guidance regarding exceptions to the use of ITAs.

#### **D. ITA Funding Limit**

The ITA funding limit is \$6,500. WIOA Service Providers have the authority to increase the limit of an ITA by \$1,000 for a total of \$7,500 depending on the participant's need. Documentation of need and the Service Provider's approval authorizing the ITA increase must be included in the participant's record and in case notes recorded in ETO.

The maximum ITA limit is not an entitlement. The amount and duration of each participant's ITA award is determined on an individual basis. Funding amounts will take into account the total costs of the selected training program, any other financial assistance available to the participant, and available WIOA funding. Participants may select training programs that cost more than the maximum authorized limit when other sources of funds such as Pell Grants, scholarships, severance pay, or other resources are available to supplement the ITA.

The ITA funding can only include the cost of training services such as instructor salaries and benefits, classroom space, instructional materials, academic fees, educational testing and certification, tuition, books, individual materials, supplies, tools, and equipment.

An ITA may fund prerequisite training to a vocational training program if it is required by the educational institution.

#### **E. ITA Continued Funding, Satisfactory Progress**

Continued funding of an ITA is contingent on availability of WIOA funds and on the participant's satisfactory progress in school, except for good cause. Service Providers must review the participant's training progress and expenses quarterly or more frequently depending on the training institution's schedule. A participant's training progress will be considered satisfactory upon earning:

- A grade point average that does not fall below 2.0 for two consecutive terms, or
- A grade point average sufficient to graduate from, or receive certification in, the individual's approved area of study, or
- Sufficient credit hours to finish the approved course of study within the timeframe established under the approved training plan.
- In the case of self-paced or ungraded learning programs, satisfactory progress means participating in classes and passing certification examinations within the timeframe established under the approved training plan.

Service Providers must arrange to receive training progress reports (i.e. transcripts) from participants in adequate time to process the subsequent tuition payment. Progress reports, transcripts, or other training-issued updates must be uploaded into the applicable training service recorded in the participant's ETO record.

Service Providers, in collaboration with participants, must develop a service strategy to overcome barriers impacting progress for participants who are not earning satisfactory progress in their coursework. WIOA ITA funding may be terminated if participants do not earn satisfactory progress for two (2) or more consecutive school terms (i.e. quarters, semesters, etc.).

**Good Cause** - “Good cause” for failure to make satisfactory progress in training includes specific 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, or
- Accepting goal-related employment prior to completion of training.

## **F. ITA Modifications**

An ITA may be modified to ensure the participant attains their educational goals and subsequent employment. In some circumstances, such as when a program of training is removed from the ETPL, or when extraordinary program expenses develop, the participant and career planner must agree on whether to complete the plan of training with the existing provider, seek a similar program, or discontinue training.

When a program of training is removed from the state ETPL, WIOA participants in that program can complete their training. However, an ITA should not be modified or extended for a participant beyond the original plan approval as it relates to a program of training that is no longer on the ETPL.

Service Providers must use discretion in determining the amount of ITA modifications to authorize. Any modifications to the ITA must be documented in case notes in ETO.

## **G. ITA Obligations**

In order to obligate ITA funds, a Purchase Order (PO) may be written for individuals identified to receive an ITA award. The obligation would document a three-way commitment between the participant, the service provider, and the training institution. The Service Provider has the flexibility to decide when to bill actual expenditures with the training provider.

## **H. Recovery of Tuition Funds**

In the event a participant discontinues training, the career planner must demonstrate due diligence to ensure the recovery of WIOA funds provided to training institutions. Career planners must document the following:

- The refund policy of the training provider for early termination from the training program,
- A requirement for the training provider to notify the case manager of early customer dropout,
- The percentage of the advanced payment to be returned,
- Turnaround timeframe for the refund, and
- Time spent in training before a refund will no longer be honored.

## **I. Documentation Requirements**

The following must be recorded in case notes and uploaded in the applicable training service recorded in the participant’s ETO record:

1. Documented assessment results that justify the need for training and includes evidence:
  - The participant has the skills and qualifications necessary to successfully complete the

- training program, and
    - The participant is unlikely or unable to obtain or retain employment that leads to self-sufficiency or higher wages from previous employment through career services alone.
2. Evidence the selected program of study will result in employment leading to economic self-sufficiency or wages comparable to or higher than wages from previous employment.
  3. Evidence the selected training program is directly linked to an in-demand industry sector or occupation or sectors that have a high potential of sustained demand or growth in the local area or in the planning region or in another area in which the participant is willing to travel or relocate.
    - If applicable, documentation of the participant's willingness and ability to travel to locations outside of Pierce County if the selected training program and/or demand occupation is outside of Pierce County must be documented in case notes and on the IEP/ISS.
  4. Completed IEP (Adult and Dislocated Worker) or ISS (OSY ages 16-24) documenting the selected program of study, anticipated and actual start/end dates and training outcomes.
  5. Evidence the participant is unable to obtain grant assistance from other sources to pay the costs of training or require assistance beyond available grant resources from other sources, such as Pell Grants in order to complete their training goals.
  6. Verification of FAFSA or other financial award status, if applicable.
  7. Evidence the selected training program is on the Eligible Training Provider List (ETPL).
  8. Authorization of the ITA and any approved increase or modification.
  9. Copies of transcripts, grades, progress reports or other documentation providing evidence of the participant's satisfactory progress in training.
  10. Training outcome. This includes:
    - If applicable, reason for the participant's discontinuation of training and the change in service delivery as a result of this decision.
    - Copy of degree, certificate, or other evidence of satisfactory completion of training

## REFERENCES

- WIOA Section 134 (c)(G)
- WIOA Section 129 (c) (2) (D)
- 20 CFR 680.230, 680.300, 680.310(d), 680.320, 680.330
- 20 CFR 681.550
- WAC Chapter 192-270
- ESD WIOA Policy 5601, Rev. 2
- ESD WIOA Policy 5611, Rev. 1

## REVISION APPROVED

*Katie Condit*

Katie Condit (Oct 8, 2020 14:29 PDT)

WFC CEO

**10/8/20**

Date

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