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| Northeastern Workforce Development Board (NWDB) General Policies and Procedures INDIVIDUAL TRAINING ACCOUNTS (ITAs) | |
| Policy 014 | EFFECTIVE DATE: 06/10/2021 <i>Revised: 12/9/21; 09-14-2023</i> |
| Approved by: Northeastern Workforce Development Board | Executive Director: <i>Galan Williamson</i> |

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 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 using 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 may be 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 NWDB 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).

Subcontracted service providers of the NWDB 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 (§680.2304.).
2. WIOA Title I Adults and Dislocated Workers (DW) 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 NWDB'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).

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, prior to enrollment into 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 Northeastern Local Area's 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 NWDB 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 Northeastern Local Area's Plan.

IV. Payments of ITAs (20 CFR 680.300):

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 NWDB's subcontracted Service Providers will determine when payments will be made, incrementally or at different points in the training.
3. The NWDB subcontracted service providers will not pay for a course that has been previously failed. Supportive service funding may be used for tutoring.

V. Limitations on ITAs:

1. The NWDB 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 NWDB 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 over the entire period of a customer's enrollment has been established by the Northeastern Workforce Development Board, for tuition starting from the initial training enrollment date, contingent upon the availability of funding. Any exceptions to this financial limit must have prior approval of the NWDB 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 aged 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

WIOA limits funding for training to individuals who are unable to find other grant assistance or whose financial needs exceed the assistance available from other sources. WIOA funds are intended to be coordinated with other sources of funding and to avoid duplication [680.230]. Service Providers will work with partners to establish policies ensuring resources, including CSSP, scholarships, TAA, and Pell, are leveraged and coordinated with WIOA funding. Financial resources shall be determined on the availability of funding for either training costs or supportive services with the goal of planning for the completion of the training program.

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