



Spokane Area Workforce Development Council

808 W. Spokane Falls Blvd, Room 606
Spokane, Washington 99201-3302

John Baumhofer, Director



POLICY DIRECTIVE NO.: C.6
EFFECTIVE DATE: June 15, 2004

SUBJECT: Final ITA Policy

REFERENCE: WIA Section 134 (d)(4)(G)
20 CFR 663
State Policy 3655

CANCELLATION: December 18, 2000, interim ITA Operating Policy

1. PURPOSE: To put into Policy Directive form earlier policy guidance and transmit State Policy 3655, Individual Training Account.

2. BACKGROUND: Under the Workforce Investment Act (WIA), Title I-B training services for adults and dislocated workers will be provided through Individual Training Accounts (ITAs).

Individuals are expected 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 (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 training to support their decision.

The ITA is established on behalf of a registrant. An Individual Employability Plan (IEP) does not constitute an "obligation" of the ITA award. Using ITA funds, WIA Title I-B adults and dislocated workers purchase training services from eligible training providers they select in consultation with an employment counselor. 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.

The WIA regulations allow the state or local Workforce Development Councils (WDC) to impose limits on the dollar amount and/or duration for ITAs. [Reference: 20 CFR Part 652. 663.420 (a) and (b)].

- There may be a limit for an individual participant that is based on the needs identified in the individual employment plan; or
- There may be a policy decision by the WDC to establish a range of amounts and/or a maximum amount applicable to all ITAs.

Limitations established by WDC 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.

Based on individual assessment and funds available, an ITA may be awarded to eligible adults and/or dislocated workers. All Workforce Development Councils (WDCs) must establish a local ITA policy for adults and dislocated workers receiving WIA Title I-B training services. A local ITA policy must address if the WDC intends to impose any dollar and/or duration limit(s) for the ITAs and if the WDC intends to limit the number of times an individual may modify their ITA. Local policy must also address how the ITAs will be obligated and authorized.

3. POLICY: By the intent of the RFP and the terms of the Subgrant Agreement, you are the broker of ITA's for Adult and Dislocated Worker Programs. The expectation is that you would have a master agreement with an eligible provider covering such things as descriptions of training, invoicing process, attendance reporting, EEO, accessibility, liability and expectations upon completion. i.e. certificate reporting, placement, follow-up assistance etc. This master agreement would provide the framework for individual ITA activity.

- Given our previous success in managing JTPA IST, balancing customer choice, resources available, program accountability and the requirement to maximize customer choice requires comprehensive ISS planning.
- WIA, including access to training or any other service, is not an entitlement. In fact by definition our resources are limited and in most cases is the "last dollar resource, not the first dollar resource". Case management prescribed by the Act and Regulations must be followed.
- The maximum limit (cap) established is \$5,000 covering costs of training, but not supportive services. This is the WIA limit; other sources must help finance higher cost training. The \$5,000 is an ITA participant limit. Limited exceptions can be approved given individual circumstances, conditions, and potential return on investment. Decisions are made on individual referral basis.
- Coordination requirements are important:
 - With PELL and other sources of financial aid
 - With TANF/Workfirst
 - With Worker Re-training
 - With CAT, TB, and UI
- Guidelines for WIA funding amounts equals Training Cost (Total Cost of Tuition, Book Fees) minus Grants received. If training at PELL institution, individual must apply for PELL first. Individuals must apply for financial aid packages that the training provider offers. Example:
 - Title IV (federal grants) free application for Federal Student Aid Application (FASFAA).

- Internal implementing ITA policy should be explained to the individual as case management decisions are made. This should include training as a component of the ISS, ITA dollar limits, use of the ETPL, and the mutual responsibilities of the case manager relationship during training. Modifications to the ITA must be reflected in the ISS.
- Generally individuals are expected to start training within 60 days of the award of an ITA.
- No time limits are established on the length of training: the overall ITA guideline is the \$5,000 limit.
- Satisfactory progress should be documented and can include grade reports, test scores, reports of attendance and participation, and other progress reports from the training institution.
- Within the definition of intensive level “pre-vocational services”, the major determinant is a cost of less than \$500 (see example enclosed).
- Subagents should review the training institution’s course catalog to determine costs, payment procedures, progress reporting, and refund policy. These policies are required by the state and generally apply to all students. Any special reporting, progress payment points, and placement assistance or other service, should be negotiated up front and part of a written agreement or memo of understanding between the subagent and the training institution.
- Subagent implementing policy should be described in Internal Policy and Procedures.

4. ACTION REQUIRED: Subagents to implement internal ITA program.

5. DISTRIBUTION: All Subagents

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Encl.: State Policy
WIA Training
ITA Work Group

WIA Training

Adults/Dislocated Workers

General:

- Delivered through One-Stop Delivery system i.e. continuum of services, provision of core, intensive, training services levels. While no minimum timeframe or number of activities exists, individuals are expected to move from one level of service to another based upon an assessment of need for the more intensive level of service to obtain or retain employment leading to self sufficiency.
- Individuals must receive at least one core service before receiving intensive services.
- Individuals must receive at least one intensive service before individual may receive training services.
- Individuals must have case file documenting need for appropriate level of services and individual employment plan/service strategy identifying employment goals and appropriate combination of services for the participant to achieve the employment goals.

Criteria for Individuals:

- Determined to be in need of training services and to have the skills and qualifications to successfully participate in the selected program of training services.
- Unable to obtain other grant assistance for such training services, including Federal Pell Grants; or requires assistance beyond the assistance made available under other grant assistance programs.
- General legislative priority for adult programs where funding is limited. "Priority shall be given to recipients of public assistance and other low income individuals."

Criteria for training programs:

- Linked to employment opportunities in the local area involved or in another in which the individual is willing to relocate.
- Occupational skills, retraining, etc. must be provided through individual training accounts (ITA's) with programs on approved Eligible Training Providers List.
- Exceptions to ITA system are OJT and customized training.

Criteria for training providers:

- Must apply to state Workforce Board, be approved and be placed on state Eligible Training Providers List. These lists contain quality consumer information, including cost, and performance information for each of the providers' programs, so that participants can make informed choices on where to use their ITA's.
- Training to be provided in a manner that maximizes consumer choice in the selection of an eligible provider of such services.
- Selected in consultation with case manager.

Role of Service Providers:

- WIA subagents are brokers for ITA's, establishing internal implementing policy given Act, Regulations, state and WDC policy.
- Determining WIA eligibility, appropriateness and develop Individuals Service Strategy.

Workforce Investment Act Title I-B Washington State Policies

SECTION D: Program Plans and Operations

This document has been formatted for use on this website. It contains hyperlinks that enable the user to jump directly to specific areas within the document or to related documents.

Grantees, subrecipients, and contractors funded under the Workforce Investment Act, (WIA) whether in whole or in part, must abide by the Workforce Investment Act of 1998, the WIA Regulations, all applicable Office of Management and Budget (OMB) Circulars, state regulations in laws and rules (Revised Code of Washington and Washington Administrative Code), Office of Financial Management (OFM) policies, and the Washington State WIA policies.

EFFECTIVE DATE: April 19, 2001

WIA POLICY NUMBER: 3655

SUBJECT: Individual Training Accounts (ITAs)

BACKGROUND

Under the Workforce Investment Act (WIA), Title I-B training services for adults and dislocated workers will be provided through Individual Training Accounts (ITAs).

Individuals are expected 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 (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 training to support their decision.

The ITA is established on behalf of a registrant. An Individual Employability Plan (IEP) does not constitute an "obligation" of the ITA award. Using ITA funds, WIA Title I-B adults and dislocated workers purchase training services from eligible training providers they select in consultation with an employment counselor. 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.

The WIA regulations allow the state or local Workforce Development Councils (WDC) to impose limits on the dollar amount and/or duration for ITAs. [Reference: 20 CFR Part 652. 663.420 (a) and (b)]

- There may be a limit for an individual participant that is based on the needs identified in the individual employment plan; or
- There may be a policy decision by the WDC to establish a range of amounts and/or a maximum amount applicable to all ITAs.

Limitations established by WDC 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.

POLICY

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Guidelines for Consideration

In order to ensure that an individual fully utilizes his/her ITA, the WDC may want to offer an explanation on how the local system operates, the dollar limits, what the individual's responsibilities are and what choices are available to him/her.

Once an individual is awarded an ITA, local WDC policy could establish a time limit as to when the registrant must be enrolled in training.

If the WDC decides to limit the number of times an individual may modify their ITA, the WDC may want to coordinate this modification with the Individual's Employability Plan (IEP) with approval from the appropriate workforce system case manager.

The WDC may wish to consider providing quarterly statements to individuals enrolled in approved training and awarded an ITA. The statements would report the amount of funds that have been accessed from the ITA award and identify the amount of funds remaining.

When a program of training is removed from the state Eligible Training Provider (ETP) list, WIA participants currently enrolled in the program with the support of an ITA may be allowed to complete their training (see ETP Policy #3635). WDC policy should note that an ITA should not be modified or extended for a participant beyond the original plan approval as it related to a program of training that is no longer on the ETP list.

Local policy should allow for exceptions to ITA limitations in individual cases (e.g., individuals with physical or sensory disabilities who may need their duration of training extended beyond the duration limit established by the WDC.)

In order to fully obligate funds set-aside in support of ITA's awarded, local WDC policy could:

- In accordance with procurement guidelines, contract all ITA funds with a brokering agency who would be responsible for ITA payments; or

- Write a Purchase Order (PO) or Voucher for each individual identified to receive an ITA award. The PO or Voucher should document a three-way commitment between the individual, the service provider, and the training institution. As a three-way contract, this PO or Voucher could obligate funds for the Program Year (PY). If additional ITA funds are required beyond the PY (two-year cycle) and are needed by the individual in order to complete his/her training plan, a new PO or Voucher could be awarded at the beginning of the next PY. While ITA funds would be obligated through this PO or Voucher process, local areas would have the flexibility to decide when to bill actual expenditures with the training provider. This PO or Voucher system would have to address de-obligations as individuals receive additional resources and/or leave the training program prior to completion.

An ITA award could fund prerequisite training to a vocational training program if it is required by the educational institution. By law, short-term "prevocational services" are considered intensive services which include the development of learning skills, communication skills, interviewing skills, punctuality, personal maintenance skills, and professional conduct, to prepare individuals for unsubsidized employment or training. According to verbal instructions from the Department of Labor (DOL) (January 2001), if a WDC can defend their position on further defining prevocational skills, the WDC may want to further define prevocational 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 and not funded through an ITA award.

Training for dislocated workers applying for state funded Training Benefits must be in a high demand occupation. In accordance with Washington State Legislation Substitute House Bill 3077, "high demand" means that the number of job openings in the labor market for the occupation or skill set exceeds the supply of qualified workers. Please note, to be eligible for Unemployment Insurance (UI) Training Benefits (TB), an individual must submit an application packet to the Employment Security Department within 60-days of being notified of the TB program and must plan to enter training within 90-days following training plan approval.

The WDC may want to require that an individual must be making satisfactory progress in training to access all payments of their ITA. If satisfactory progress is used to authorize all ITA payments, "satisfactory progress" should be defined by local WDC policy. If a dislocated worker is receiving or has applied for state funded Training Benefits, satisfactory progress is defined as follows:

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

DEFINITIONS

None.

REFERENCES

PL 105-220 Section 134 (d) (4) (G)

20 CFR Part 652 et al.

Workforce Investment Act; Final Rules (Sections 663.400; 663.410; 663.420; 663.430; 663.440)

Washington Administrative Code (WAC) Chapter 192-270, Training Benefits for Dislocated Workers

SUPERSEDES

None. This communication is new.

WEBSITE

<http://www.wa.gov/esd/policies>

DIRECT INQUIRIES TO

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A Two-Tiered ITA:

Full ITA Process:

Training which costs more than \$600.00, or lasts more than 50 hours, or results in more than 5 Credits.

Full assessment, appearance before, and approval by, the "Scholarship Committee", oversight by this committee, full contact with Coordinator in accordance with Contact Policy. Example: 2-year vocational training.

Abbreviated ITA Process:

Training of \$600.00 or less, or 50 hours or less, or 5 Credits or less. If any one of these categories exceeds the amount indicated, this would be a Full IT A.

The ITA process is managed by the Coordinator only-no Committee. Example: a one week / month computer course

Short-term Pre-Vocational Classes as an Intensive Service:

Short-term pre-vocational classes are those which develop learning skills and that are required as a knowledge and skill base before most people could either be admitted to, or progress satisfactorily in a vocational program which offers a degree or a certificate; or are classes that are required to enter into and progress satisfactorily in a specific occupation or career path. Examples of pre-vocational classes include, but are not limited to: mathematics or language skills at the 12th grade level or lower; occupational specific mathematics and language skills such as technical writing and pre-calculus even though they may be above the 12th grade level; communication skills; basic computer and software application skills; occupational specific baseline courses such as medical terminology for medical support occupations; and any class which completes a gap in baseline knowledge for a given occupation as determined by assessment against industry standards.

ITA Work Group Members:

Alex Kosmides, Dale Kiser, Kathy Haven, Sunny Beua, Jonette Martin, Kit Vonnegut