



### **Individual Training Accounts (ITAs) Policy**

**Purpose:** A Policy for providing Individual Training Accounts (ITAs) for participants enrolled in Workforce Innovation and Opportunity Act (WIOA) programs, including Out-of-School Youth, ages 16 to 24.

**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 Career Training Services 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:** Residents of Cumberland, Salem and Cape May Counties interested in ITAs must attend a One-Stop Career Center, complete initial intake documents and meet with Career Services counselors to discuss available programs and the individual's needs and goals. ITA funding is directed to program 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 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 (ETPL) and are directly linked to an in-demand industry sector or occupation or sectors that have a high potential of sustained demand or growth in the WDB Local Area; and
- Maintain satisfactory progress/grades throughout the training program.

The documentation of these requirements along with supporting material must be documented/noted in the participant's AOSOS record.

**A. Coordination of WIOA Training Funds and Other Federal Assistance:** WIOA Training 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 Training 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; Title IV Programs such as Federal Pell Grants, Academic Competitiveness Grants, Federal Supplemental Educational Opportunity Grants, or Federal Work-Study; and state-funded grants.

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 Training Service Providers are not required to consider the availability of those funds.

Training 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 existence of a federal loan, regardless of the status, must not impact ITA eligibility determinations.

Training Service Providers must work with participants to identify opportunities to braid funding sources as appropriate and document the availability and coordination of other training funds in the participant record.

**B. ITA Authorization:** ITAs must be approved by a WIOA Training 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).

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 online training if the training program is listed on the ETPL.

**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.

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

**D. ITA Funding Limit:** Limitations established by WDB policies must but must not be implemented in a manner that undermines WIOA's requirement that training services are provided in a manner that maximizes customer choice in the selection of an eligible training program (20 FR 680.310).

The ITA funding limit in the local area is an average of \$4,000 - \$6,000 for tuition costs.

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 that are included on the ETPL.

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

The WDB Supportive Services Policy may be used to assist ITA participants with other training costs.

**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. Training Service Providers must review the participant's training progress and expenses quarterly more frequently depending on the training institution's schedule.

Training Service Providers must complete training progress reports for participants in adequate time to process payments. Progress reports, transcripts, or other training-issued updates must be part of the participant's record.

Training 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” 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.

**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, when extraordinary program expenses develop, or when training is disrupted by state- or nation-wide emergencies, 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 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 that former program. Training Service Providers must use discretion in determining the amount of ITA modifications, and document modifications in the participant’s case notes.

**G. Recovery of Tuition Funds:** In the event a participant discontinues training, the Training Service Provider must demonstrate due diligence to ensure the recovery of WIOA funds.

**H. Documentation Requirements:** The following must be recorded in case notes and be part of the training service recorded in the participant’s record:

1. Documented assessment results that justify the need for training and includes evidence that: 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 Greater Raritan Local Area.
4. Completed IEP (Adult and Dislocated Worker) or ISS (Out-of-School Youth ages 16 to 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.
6. Verification of FAFSA or other financial award status, if applicable.
7. Authorization of the ITA and any approved modification.
8. Copies of transcripts, grades, progress reports or other documentation providing evidence of the participant’s satisfactory progress in training.
9. Training outcome, including a reason for the participant’s discontinuation of training and the change in service delivery as a result of this decision; and a copy of degree, certificate, or other evidence of satisfactory completion of training.