



## POLICY

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CATEGORY:	Workforce Programs- WIA	No: 4.1.104.02
TITLE:	Individual Training Accounts (ITAs)	
SUPERSEDES:	4.1.104.01, dtd 10/26/2012	
EFFECTIVE:	October 26, 2012	
BOARD APPROVAL:	October 25, 2012	
DATE REVIEWED:	March 19, 2015	

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### I. PURPOSE:

An Individual Training Account (ITA) is an account established by Workforce Solutions of the Coastal Bend for the purpose of providing training to eligible WIA adults and dislocated workers. From time to time other funding sources require ITA's to be used to fund occupational skills training. Establishment and uses of ITA's is governed by the Workforce Investment Act (WIA) Sections 122, 134(d)(4)(D), and the Texas Administrative Code, Title 40, Part 20, Subchapter C. The ITA document is a cost disclosure and agreement between the program and the participant. It sets up an account for the participant and indicates the amount of funds budgeted for the training program and all supportive cost for the duration of the training program.

WIA provides workforce activities that increase employment, retention, and earnings of participants. WIA attempts to return adults and dislocated workers to employment as quickly as possible by testing the labor market for suitable employment and providing a sequence of services. If participants are unable to secure employment through core or intensive services, training can be the appropriate service to secure employment.

### II. DEFINITIONS:

*ITA* - Individual Training Accounts. Training accounts provided to eligible WIA candidates to utilize in the funding of approved programs.

*Participant* - An individual who has been determined to be eligible to participate in and who is receiving services under a program authorized by WIA. Participation will be considered to begin when the participant is regarded as eligible and registered.

*Service Provider* - An individual or organization under contract with the Board that provides training or professional services in support of workforce activities (administrative and operational) conducted by or on behalf of the Board.

### III. POLICY STATEMENT

All training for which an ITA is issued must be listed in the Eligible Training Provider System (ETPS). Additionally, consistent with the Board's Business & Strategic Plan, customers must receive core and intensive services before being considered and referred to training services.

### **WIA Funding**

It is important to emphasize that, under WIA; the opportunity for an individual to enroll in a training program does not rely exclusively on the availability of WIA training funds. In all cases, the resources of partners as well as federal, state, local, and personal funding sources must be taken in account in the development of the individual's employment plan. WIA funding for training is limited to participants who are unable to obtain sufficient grant assistance from other sources to pay the full costs of training.

However, WIA funds cannot be used to pay training costs:

- For any portion or term of training for which the participant has signed a loan as part of financial aid; or
- That were paid by the participant (or other source) prior to WIA program registration.

Occupational skills training for WIA eligible participants will be limited to those occupations for which there is a demand in the Coastal Bend region or in another area to which the participant is willing to relocate.

A waiver may be given to training in occupations that are not listed on the Board's Targeted Occupations List, but are determined to be in sectors of the economy which have a high potential for sustained demand or growth, if the following criteria are met:

- 1) Written evidence from employers that confirms projected annual openings for the occupation at a level equivalent to the Board's current annual opening criteria for targeted occupations;
- 2) Written evidence from employers that verifies completers of the training will be paid at a wage that is in compliance with the Board's current wage criteria for targeted occupations; and
- 3) Written evidence that the skill set which will be acquired through the skill training meets current skill needs of Coastal Bend employers.

### **Exceptions to ITAs**

Occupational skills training shall be delivered utilizing the Individual Training Account system for WIA Adult and Dislocated Worker participants, except in the following instances, whereby services may be provided through a contract.

- 1) Training is received through approved on-the-job training provided by an employer or through an approved customized training program; or,
- 2) The Board determines there is an insufficient number of eligible providers of training services in the Coastal Bend region to accomplish the purposes of a system of ITAs; or
- 3) The Board determines that there is a training services program of demonstrated effectiveness offered in the Coastal Bend by a community-based organization or another private organization which serves participant populations that face multiple barriers to employment, including one or more of the following categories:
  - a) Individuals with substantial language or cultural barriers;
  - b) Offenders;

- c) Homeless individuals; or
- d) Other such population defined by the Board.

### **ITA Limits**

The lifetime limit of an ITA is \$7,000 per program participant. The use of ITA funds is limited to tuition expenses, fees, and such books and supplies as are required by the training provider for any student enrolled in course of study covered by the ITA. If the customer is in need of remediation or basic skills or prerequisite training for participation in the principle course of study, up to two courses in any combination (other than two in the same subject) is allowable.

No participant can be enrolled for more than two and one half (2½) academic years (5 semesters, 4 summer sessions, 10 quarters or 7 trimesters). Exceptions to these limits may be made on a case-by-case basis. However, exceptions to the maximum limit and duration of an ITA must be submitted to the President/CEO of Workforce Solutions of the Coastal Bend with well documented justification for approval. Requests for an exception must include evidence that supports that all efforts were made to identify, secure, and use other financial resources prior to seeking WIA funding.

Changes to the training program (or majors) will be allowed as long as the change is in line with the training institution's satisfactory progress standards, the changes will allow the student to complete the new course of study within the original time period, and is approved by the WFSCB Career Center Manager. The request for change to the training program must be justified and properly documented. Participants who change course plans must provide a revised course plan, which demonstrates his/her ability to complete the course within the original time period. The change must be consistent with assessments, FEP/ISS, demand target occupations, skills and aptitudes of the student. Additionally, the new course of study must be on the state approved training provider/course list. A limit of one (1) training program change (school change or change of major) will be allowed on each ITA.

### **IV. PROCEDURES:**

At a minimum, an individual must receive at least one intensive service and have not been able to obtain and/or retain employment that leads to self-sufficiency, as defined by Board policy on self-sufficiency, through intensive services prior to a participant's admission into training. The participant's case file must contain a determination of need for training services as identified in the Family Employment Plan/Individual Services Strategy (FEP/ISS), comprehensive assessment, or through any other intensive service received.

Prior to enrolling a participant for any training service, a case manager must develop with the participant a Family Employment Plan/Individual Service Strategy (FEP/ISS). The FEP/ISS is used to develop an employment objective for the participant and a plan of action, including appropriate training, to achieve that objective.

The FEP/ISS shall identify the skill training for the occupation in demand that will be pursued and the required skill competency level associated with the additional training service. In addition to the FEP/ISS, documentation supporting the participant's eligibility and job search activity must be maintained in the participant's case file. The documentation must support the fact that the training is needed in order for the participant to gain the appropriate level of employment at a self-sufficient wage. If training services are identified as an appropriate and necessary step toward achievement of employment for the participant in an appropriate occupation included on the Board's targeted occupations list the customer can choose the

appropriate training provider from among those in the Eligible Training Provider System (ETPS). This determination that the training identified is required for the participant to achieve an appropriate level of employment at a self-sufficient wage must be supported by documentation in the participant's case file.

To help ensure that participants will complete their chosen training program, the participant will be required to demonstrate that they have the adequate resources to sustain themselves and/or their family during the training period without the use of student loans.

The WFSCB case manager will work with the customer to identify the resources that are needed and all resources that are currently available to pay for education and training, including the customer's financial resources, federal, state, and local grants and programs. All resources must be identified. Pell Grants and other financial resources will be combined with WIA funds to cover total training expenses, WIA funds will be considered the last resource of training funds.

Taking into account the cost of the training as shown in the ETPS, as well as other resources available to the participants, such as the GI Bill, other assistance from the Veterans Administration, Hazelwood Act, Texas Grant Monies, assistance from the Texas Rehabilitation Commission and other such agencies, private scholarships, Pell Grants and others, an ITA is created for the participant. A "deposit" is made to the participant's account sufficient to cover the cost of training, as identified in ETPS, less the sum of other resources available to the participant. All payments made to training providers from this ITA account and the balance remaining in the account must be documented in the participant's case file and entered into TWIST. At no time should the ITA account's initial deposit be exceeded without the signed approval of the Career Center manager, based on well-justified and documented good cause. Expenditures made in excess of the initial deposit without Career Center manager approval based on well-justified and documented good cause may not be reimbursable to the service provider.

Although great care should be taken by case managers to insure that deposits made to participants' ITA accounts correctly reflect training costs as stated in ETPS, in some cases actual cost may be less than the amount of the deposit. An unused balance in such a case is not money owed to the participant. In all cases, unused ITA balances should be "zeroed-out" as soon as it is determined that there is an excess. On the other hand, if actual costs exceed the training costs as stated in the ETPS, case managers must request approval from the Career Center manager for an adjustment in the ITA amount. Changes to the ITA amount must include evidence that supports the requested increase, e.g., the ETPS training detail print-outs that reflect the differences between both costs.

Participants in training who are unemployed must attend training full-time as determined by the training provider's determination of a full-time student.

Participants are not limited in time by the certification and expiration dates included in provider's ETPS certification. The two and one half year (2½) ITA time limit may be extended for participants who are enrolled in training while working full or part-time if such extension will allow the participant to complete the training. However, any extensions of time beyond the 2 ½ year ITA time limit must be approved by the Career Center manager and handled on a case by case basis. Requests for an exception must include evidence that financial support is available during this extended training period.

A statement that payment of training costs is subject to the availability of WIA funds should be included in every ITA. Additionally, a statement should also be added that ITAs may not be used for payment of late fees, fines, or penalties caused by participant error or delay.

Participants enrolled in training are expected to:

- attend school regularly,
- have contact with their case manager on a monthly basis to identify all problems that might affect their successful completion of training and
- to coordinate school registration requirements prior to actual registration.

The duration of training may consist of enrollment in a multi-quarter, multi-semester or multi-year educational or training program. Career Center professionals must inform customers that although any financial aid awarded is for a specific amount of money, individual vouchers will be issued to training providers on an interim basis, e.g., on a semester by semester basis. Before a new voucher is issued, Career Center professionals will meet with the participant to re-assess and update student's financial status. These meetings are to be conducted in person. By re-evaluating the participant's financial status, the Career Center professionals may use this information to help assess the customer's ability to contribute toward paying for requested services. Additionally, the Career Center professionals may recommend other outside resources to pay for needed training and/or supportive services.

The determination as to whether a customer receives another voucher for the requested services depends upon the results received from this evaluation process. A change in the student's financial condition may affect his/her level of financial support. Participants are expected to pass their classes and to request tutorial assistance if needed and to supply their grade reports to their case managers as they are received. These policies and expectations must be reflected in a Participant Service Agreement developed by the Career Center service provider.

### Service Provider Responsibilities

The Career Center service provider will be responsible for the development of the following procedures in the application of the WIA Adult and Dislocated Worker training services provided through an ITA:

- Written procedures for timely data entry of ITA information into TWIST for tracking purposes (program eligibility, agreements, verification of participant's enrollment into a vocational training component, financial assistance, funding sources, training amounts, transaction amounts, ITA balances, etc.)
- A process for tracking and documenting all resources paying for the participant's training including WIA Title I funds to ensure non-duplication of payments.
- Internal procedures for the issuance of financial support services including method of disbursement of funds and authorization for approval with Participant Agreement forms (cash reimbursement, lines of credit, etc.).
- A process for documenting how other sources of funding were sought and/or how they apply to the cost of an ITA.
- The internal procedure for the issuance of a check request. This must include identification of those individuals who are required and authorized to approve/sign ITAs. It must also specify the use of Participant Agreement forms.
- A process on how ITA and financial assistance policies and procedures will be disseminated to participants of the WFSCB Career Center in simple, concise, understandable language.
- A process to be used indicating how participants have demonstrated completion of a sequence of services as described in Board policies on core, assisted core, intensive and training services in

- accordance with Federal, State, and local requirements for WIA prior to issuance of individual training funds.
- A process to collect and coordinate the documentation of participant enrollment and attendance, grade/progress reports, and case management contacts required during enrollment in training services.
- A process for providing the following to participants:
  - Labor market information on targeted demand occupations and related skill standards/skill competencies of eligible program for which an ITA may be issued;
  - Access to the list of eligible certified training providers through the ETPS; and
  - On-going information on the status of their individual ITA account.
- Report deposits, withdrawals and balances by participant to the Board on a quarterly basis and compare the total obligation to available budget.

The Career Center service provider will also be responsible for the following:

- Assisting participants in applying for any financial aid that would cover expenses associated with attending training.
- The Career Center will be responsible for ensuring that Board funds purchase required tools, books, supplies, uniforms, etc.
- Conducting financial tracking for each service on the Financial Client Management System.
- Board approved pamphlets that communicate the policies, procedures, and financial tracking elements pertaining to ITAs for distribution to participants.
- Ensuring that each voucher will be valid only for the amount and length of time specified on the voucher, and each participant must follow his/hers individual FEP/ISS.
- Ensuring that a copy of the ITA vouchers issued are kept in the participant's file and in the accounting file.
- Developing an agreement with each local training institution that details the method of payment from all sources dedicated to completion of training.
- Adherence to Grievance procedure 29 CFR 37.70 – 37.80.

**V. RELATED POLICY INFORMATION:**

Workforce Investment Act of 1998  
 20 CFR Part 663  
 40 TAC 861  
 Title IV of the Higher Education Act of 1965  
 WD Letter 24-14, Change 1

**VI. RESPONSIBILITIES:**

WFSCB Career Center managers shall disseminate to appropriate Career Center professionals and follow the procedures outlined in this policy document.

The Board monitor shall provide oversight and monitoring to ensure full compliance with this policy.

**VII. FORMS AND INSTRUCTIONS:**

**VIII. DISTRIBUTION:**

Board of Directors     Board Professionals     Service Provider Professionals

IX. SIGNATURES:

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Reviewed by EO Officer

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Date

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President/CEO

\_\_\_\_\_  
Date