



INDIVIDUAL TRAINING ACCOUNT POLICY

EDD Revision Date: N/A

WDB Review Date: 9/11/00; 7/17/06; 3/22/07, 12/18/09, 6/21/12; 2/28/13; 6/27/13; 5/22/14; 12/17/15; 5/4/16; 6/16/16; 7/28/16, 12/15/16; 8/23/18; 6/17/21; 6/16/22; 4/17/25

EXECUTIVE SUMMARY:

Purpose:

This document establishes the policy of the Workforce Development Board of Madera County on training services for adults, dislocated workers, and out-of-school youth ages 18-24 as provided through Individual Training Accounts and is effective upon approval by the Board.

References:

- Workforce Innovation & Opportunity Act (WIOA) Section 134(c)(3)
- Title 20 CFR 680.230
- Title 20 CFR 680.300-340

Policy:

WIOA funding for training is limited to participants who are unable to obtain grant assistance from other sources to pay the costs of their training or who require assistance beyond that available under grant assistance from other sources to pay the costs of such training. One-stop operators and training providers must coordinate funds available to pay for training, taking into account the full cost of participating in training, including the cost of support services and other appropriate costs. Program staff must consider the availability of other sources of grants to pay for training costs such as Temporary Assistance for Needy Families (TANF), State-funded training programs, and Federal Pell Grants, so that WIOA funds supplement other sources of grant funding. A WIOA participant may enroll in WIOA-funded training while their application for a Pell Grant is pending, as long as arrangements have been made with the training provider and participant regarding allocation of the Pell Grant. If a Pell Grant is subsequently awarded, the training provider must reimburse the one-stop operator for the amount of WIOA funds used to underwrite the training for the amount covered by the Pell Grant.

Training services for eligible individuals are typically provided by training providers who receive payment for their services through an Individual Training Account (ITA). The ITA is a payment agreement established on behalf of a participant with a training provider. WIOA title I-eligible adults who are members of a priority group, dislocated workers, and out-of-school youth ages 18-24 may purchase training services from eligible providers they select in consultation with the

case manager. This consultation will include discussion of the quality and performance information on the available training providers. Training programs selected must be directly linked to an in-demand industry sector or occupation in the local area or in the planning region, or in another area to which a participant receiving such services is willing to relocate. Priority will be given to programs that lead to recognized post-secondary credentials that are aligned with such in-demand industry sectors or occupations in the local area. A local board may approve training services for occupations determined by the local board to be in sectors of the economy that have a high potential for sustained demand or growth in the local area.

Payments from ITA's may be made in a variety of ways, including the electronic transfer of funds through financial institutions, vouchers, or other appropriate payment methods. Payment for ITA's issued under this policy may be paid:

- Incrementally, at an hourly rate for training, based on the hours of training successfully completed each month, throughout the participant's training program; or
- Incrementally, at a per module rate for training, based on the successful completion of specific modules or other measurable segments of training; or
- For community college or other public educational institution-based training, at the time of enrollment into each semester or quarter of the training program, as specified by the enrollment policies of the institution.

The agreed upon payment structure for each occupational skills training provider will be outlined in the payment provisions section of the contract between the institution and the Board and will be specified for each participant enrolled in the ITA voucher issued for that participant.

Title 20 CFR 680.310 allows the State or Local Workforce Development Board to impose limits on the dollar amount and/or duration for Individual Training Accounts. Limitations established by a local Board policy must not undermine, but rather should maximize, customer choice in the selection of an eligible training provider.

Based on the results of an individual assessment and on funding availability, ITA's may be awarded to eligible adults who are members of a priority group, dislocated workers, and out-of-school youth ages 18-24. Each ITA will be subject to a maximum dollar amount of \$6,000 for tuition and additional training costs as listed on the ETPL. The maximum duration of an ITA will be two years. A second ITA may be issued to a participant based on exceptional economic or personal circumstances at the discretion of the Executive Director; however, a second ITA would generally not be approved for training requests in the same occupation or within less than 3 years of the completion of the first ITA. Prior to the issuance of an ITA, justification must be provided which supports that training is necessary for the individual to obtain appropriate employment leading to self-sufficiency, and that the career options following completion of training are in demand in the local area. An ITA will only be issued for those costs in excess of all other available sources of financial assistance, including PELL Grants, Community College Board of Governors (BOG) fee waivers, Cal Grants, private or institution-specific scholarships, or other available resources.

The \$6,000 limit is for costs required for the selected training program and may be waived for extenuating circumstances as determined by the local Board or the Executive Director. One example of such extenuating circumstances would be for those dislocated workers who are eligible for training services, but, due to their earnings prior to dislocation, are not eligible for any

other form of non-repayable financial assistance, or for whom such financial assistance is limited. The \$6,000 limit includes all training costs required to participate in and successfully complete a training program, as listed on the ETPL. When awarding an ITA, consideration must be given to labor market demand in the local area or in the area to which the trainee intends to relocate.

An ITA may only be issued for courses or programs published in the Statewide Eligible Training Provider List and approved by the local Board. Local Community Colleges, Adult Schools, and other public training institutions will always be given priority for training referrals, when the training course is comparable to that offered at a Private Training Institution.

An individual must be enrolled in approved training within 90 days from the date of issuance of the ITA. An individual will be considered “enrolled” in training if they are: 1) pre-registered for classes or on the waiting list for an approved provider; and 2) have a start date for their training; and 3) the start date is not more than one quarter or term away.

An individual must be making satisfactory progress in training to access all payments from their ITA. Satisfactory progress is defined, for local purposes, as receiving passing scores in all courses related to their program and meeting all attendance and behavior requirements mandated by their school of attendance. The educational institution will certify that an individual is making satisfactory progress through official attendance and progress reports signed by the registrar, instructor, or equivalent person designated by the educational institution.

If an individual drops out or otherwise withdraws from ITA-funded training prior to completion **without cause**, the individual will be billed for ITA payments made to the training provider on their behalf. Adequate cause for dropping or otherwise withdrawing from training could include, but is not limited to: severe medical condition which prevents the individual from participating for a period of more than 90 days; serious illness or death of a family member that prevents the individual from participating for more than 90 days; or the necessity to relocate out of the area. The Executive Director will determine whether sufficient cause for dropping or withdrawing from training exists on a case-by-case basis.

EXCEPTIONS TO INDIVIDUAL TRAINING ACCOUNTS:

Title 20 CFR Section 680.320 allows the use of contracts for training services other than Individual Training Accounts under certain circumstances. These circumstances include only one or more of the following:

- When the services provided are On-the-Job Training, customized training, incumbent worker training or transitional jobs;
- When the local Board determines that there are an insufficient number of eligible providers in the local area to accomplish the purpose of a system of ITA’s. In this event, the local Plan will describe the process to be used in selecting the providers under a contract for services. The process will include a public comment period for interested providers of at least 30 days;
- When the local Board determines that there is a training services program of demonstrated effectiveness offered in the area by a community-based organization or another private organization to serve individuals with barriers to employment. The local

Board will determine criteria to be used in determining demonstrated effectiveness as required in 20 CFR 680.320(a)(3);

- When the local Board determines that it would be most appropriate to contract with an institution of higher education or other eligible provider of training services to facilitate the training of multiple individuals in in-demand industry sectors or occupations, provided that the contract does not limit customer choice; and/or
- When the local Board is considering entering into a pay-for-performance contract consistent with the requirements of 20 CFR 683.510.

ACTION:

This policy replaces the previous version approved by the Board on June 16, 2022 and is effective on the date of approval by the Board. Please retain this policy until further notice.

INQUIRIES:

If you have questions, please contact the Executive Director at (559) 662-4589.