



# Individual Training Accounts (ITAs)

Department: Office of Economic & Workforce Development

Effective Date: July 1, 2007

Directive # 15-07

Supersedes: N/A

## **PURPOSE**

This directive provides guidance regarding the policy and procedures for the use of individual training accounts under the Workforce Investment Act (WIA) program.

## **REFERENCES**

- Workforce Investment Act (WIA) Section 122
- WIA Regulations 20 CFR 663.100 and 585
- WIA Regulations 20 CFR 663.400-430

## **BACKGROUND:**

The Workforce Investment Act at Section 134(d)(4)(G), Use of individual training accounts, states:

“(i) In general --Except as provided in clause (ii), training services provided under this paragraph shall be provided through the use of individual training accounts in accordance with this paragraph, and shall be provided to eligible individuals through the one-stop delivery system.

(ii) Exceptions --Training services authorized under this paragraph may be provided pursuant to a contract for services in lieu of an individual training account if the requirements of subparagraph (F) are met and if--

- (I) Such services are on-the-job training provided by an employer or customized training;
- (II) The local board determines there are an insufficient number of eligible providers of training services in the local area involved (such as in a rural area) to accomplish the purposes of a system of individual training accounts; or
- (III) The local board determines that there is a training services program of demonstrated effectiveness offered in the local area by a community-based organization or another private organization to serve special customer populations that face multiple barriers to employment.

(iii) Linkage to occupations in demand --Training services provided under this paragraph shall be directly linked to occupations that are in demand in the local area, or in another area to which an adult or dislocated worker receiving such

services is willing to relocate, except that 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.

(iv) Definition --In this subparagraph, the term "special customer population that faces multiple barriers to employment" means a population of low-income individuals that is included in one or more of the following categories:

- (I) Individuals with substantial language or cultural barriers.
- (II) Offenders.
- (III) Homeless individuals.
- (IV) Other hard-to-serve populations as defined by the Governor involved."

The Workforce Investment Act at Section 134(d)(4)(F), Consumer choice requirements, states:

"(i) In general --Training services provided under this paragraph shall be provided in a manner that maximizes consumer choice in the selection of an eligible provider of such services.

(ii) Eligible providers --Each local board, through one-stop centers referred to in subsection (c), shall make available--

- (I) The State list of eligible providers of training services required under section 122(e), with a description of the programs through which the providers may offer the training services, and the information identifying eligible providers of on-the-job training and customized training required under section 122(h); and
- (II) The performance information and performance cost information relating to eligible providers of training services described in subsections (e) and (h) of section 122."

## **POLICY**

It is the policy to fund training through the use of Individual Training Accounts (ITAs) only with those vendors listed on the State of California Eligible Training Providers List (ETPL).

To be eligible for training services sponsored by the OEWD One-Stop system, the following criteria must be met:

- The individual has been certified eligible based upon income or worker dislocation.
- The individual meets the OEWD One-Stop system priority listing of most in need.
- The individual has completed core and intensive services and not found employment.
- The individual has completed career planning and assessment that recommends that training services best suits the customer's needs.

- The training sought is in a demand occupation.
- The training sought will be with a OEWD One-Stop system approved vendor.

Before counseling or advising a WIA Adult or Dislocated Worker customer about training, the case manager or employment counselor should familiarize themselves with the most recent ETPL issued by the State of California Employment Development Department (EDD). Customers must be advised by their case manager or employment counselor that their choice of training provider must come from this list.

The ITA request authorized by a case manager or employment counselor will be denied if a training vendor is NOT on the State ETPL. The OEWD service providers will not pay the invoices submitted by that training vendor and the customer will be liable for those charges if the ITA request should make it through all the approval points with a training vendor NOT on the State ETPL.

Case managers and employment counselors are advised to see their immediate supervisor to obtain the most recent version of the State ETPL.

For those individuals applying for ITA's provided through the One-Stop system the following guidelines are to be followed:

Training services may be made available to employed and unemployed adults and dislocated workers who:

- Have met the eligibility requirements for intensive services, have received at least one intensive service under Sec. 663.240, and have been determined to be unable to obtain or retain employment through such services;
- After an interview, evaluation, or assessment, and case management, have been determined by the One Stop system to be in need of training services and to have the skills and qualifications to successfully complete the selected training program;
- The customer selects a program of training services that is directly linked to the employment opportunities either in the local area or in another area to which the individual is willing to relocate; and
- The customer is unable to obtain grant assistance from other sources to pay the costs of such training, including Federal Pell Grants established under title IV of the Higher Education Act of 1965, or requires WIA assistance in addition to other sources of grant assistance, including Federal Pell Grants (provisions relating to fund coordination are found at Sec. 663.320 and WIA section 134(d)(4)(B)).

1. WIA funding for training is limited to customers who are unable to obtain grant assistance from other sources to pay the cost of training or require assistance beyond that available under grant assistance for other sources to pay the costs of such training.
2. ITA funding amounts are based on the individual needs of the customer as demonstrated in the customer's Individual Employment Plan, not to exceed \$6,000.
3. Payments from ITA's are requested using the procedure described in the operational directive.
4. When the services provided are on-the-job training (OJT), contracts for services may be used instead of ITA's.
5. Occupational classroom training will be provided through training vendors that are evaluated, approved and placed on the state Eligible Training Provider List (ETPL).
  - In no event shall an ITA carry a time or dollar balance after the program of training is either completed or terminated.
  - The maximum length of training under a single ITA shall be two years.
  - More than one ITA may be issued to a customer within a two-year period provided the total cost of the ITA does not exceed \$6,000.
  - An ITA shall cover the cost of training, including tuition and other training-related items supplied by the training provider (e.g., books, license fees, training materials, registration fees, supplies, uniforms, DMV printouts, physical examinations, immunizations, health fees and insurance) but will not include or consider the costs of supportive services.
6. Training services must lead to a certificate/license/credential/degree, a competency or skill recognized by employers, or a training regimen that provides individuals with additional skills or competencies generally recognized by employers.
7. Exceptions to this policy, on a case-by-case basis, can be made by the Director of OEWD should individual circumstances warrant exception.

## **PROCEDURES:**

### **I. Rights and Responsibilities:**

Attachment 1 of this policy is the listing of the rights and responsibilities of the student, Case Manager and Office of Economic and Workforce Development (OEWD). These rights and responsibilities will be given to the student as soon as they are identified as potential candidates for training.

One of the most important responsibilities of the student is to apply for financial aid as soon as possible. WIA regulations, section 663.320 states the following:

*(c) A WIA customer may enroll in WIA-funded training while his/her application for a Pell Grant is pending as long as the One-Stop operator has made arrangements with the training provider and the WIA customer regarding allocation of the Pell Grant, if it is subsequently awarded. In that case, the training provider must reimburse the One-Stop operator the WIA funds used to underwrite the training for the amount the Pell Grant covers. Reimbursement is not required from the portion of Pell Grant assistance disbursed to the WIA customer for education-related expenses. (WIA section 134(d)(4)(B).)*

## **II. Applications**

Attachment 2 of this policy is the application used for initial set-ups for training and/or supportive services, increases in established scholarships and changes in student's training. This application is completed by the case management staff with the customer and is sent to the OEWD staff for approval.

For those customers who are applying for a training scholarship, the customer will have the responsibility of completing their requirements not less than three weeks prior to the first day of the start of classes. The completed application with required documentation will be sent by the case management staff to the OEWD within two business days and the OEWD will return the application within five days with approval, denial or request for additional information. With this schedule, the student can register for classes two weeks before the first day of classes. Applications for supportive services will be accepted any time during the year for customers. The customer's case record will be checked in the following sections for accuracy:

### *Individual Employment Plan –*

- Is current activity recorded? *check both goals, action plan and financial plan*
- Are appropriate barriers checked? *i.e., if payment is requested for transportation, is transportation checked as a barrier; is payment in accordance with supportive services policy?*
- Is financial mix of services recorded? *Check both IEP and case note section.*

### *Case Notes –*

- Is monthly contact being documented? *Contact may include phone calls, office/home visits, timesheets, etc.*
- Is payment authorization documented? *Is the payment request action described in the case notes?*

### *WIA Application –*

- Eligible for funding requested?
- Reading and math scores recorded?

### *Enrollment –*

- Is the training site code(s) correct?

- Is the activity code(s) correct?

*Program Outcome (if applicable) –*

- Are services recorded?

The OEWD will approve payment for tuition and ancillary training costs only for those training vendors, who have entered an agreement with the OEWD and only for customers receiving training in demand occupations.

If further information is needed after the application has been submitted, the OEWD will notify One-Stop Management.

### **III. Training**

While a student is attending classes, the case management staff and the student will maintain monthly contact. The case management staff will establish minimum standards and goals for each student for continuing WISF supported training. These standards and goals may include GPA, attendance records, area of training, degree sought and school of record. These standards will be part of the student's ISS.

Case managers will reauthorize each semester's payment based upon the student's ability to meet the goals of their ISS.

Payment for tuition is done through a promissory note concept. The steps are as follows:

1. Student signs up for classes and receives schedule.
2. Student returns schedule to case manager for approval.
3. Case manager will sign off on schedule and complete form for authorization for payment.
4. Case Manager will take form and schedule to OEWD for payment.

NOTE: The cap for tuition reimbursement is \$6,000.

The student has a great deal of responsibility in this procedure. They will need to be reminded that this is their responsibility and if classes are purged because they didn't follow through, they may have to wait until next semester. No school will be asked to "hold" a student's schedule without a promissory note.

The week prior to the semester and the drop and add period, there is a 24 hour period that these steps have to be accomplished.

### **IV. Reauthorization**

Prior to the start of classes each semester, the case management staff will submit payment authorizations to the OEWD for tuition and training related expenses. Authorizations for training related expenses, mileage and childcare may be submitted through out the semester.

If further information is needed, the OEWD will notify One-Stop Management.

**V. Increase Adjustments**

If any line item of the student's scholarship needs to be increased, the student with the case management staff must apply for the increase by submitting a new application. All procedures remain the same.

**VI. Close outs**

When a student completes training and the related bills have been paid, accounts will be zeroed out by case management staff and the remaining balance will be returned to the case management staff's site quarterly allocation.

The OEWD will notify case management staff of terminated files with open finance accounts to the case management staff on a bi-monthly basis. Accounts open with a closed file for more than three months will be closed out by the OEWD

**INQUIRIES**

Inquiries should be addressed to the OEWD Director of Operations at 415-701-4848 or [workforce.development@sfgov.org](mailto:workforce.development@sfgov.org).

*OEWD and its service providers shall follow this policy. This policy will remain in effect from the date of issue until such time that a revision is required.*

**Responsibilities Related to Policy for Use of Individual Training Accounts**

**Student's responsibility** for continued payment authorizations:

1. Meeting standards and goals of ISS; documenting GPA, etc.
2. Maintaining enrollment with same training, degree, and educational entity. A new application must be submitted for changes in area of training, degree sought or educational entity.
3. To follow the procedures for payment with the educational entity, which includes registering for classes and submitting tuition authorization form to the school's bursar's or cashier's office.

**Case Management staff's responsibility** for continued payment authorizations:

1. Documenting standards and goals met
2. Update ISS, case notes and other related electronic and hard copy information of the student's file to reflect current activity.
3. Submitting payment authorizations to the OEWD
4. Entering payment authorizations into Customer File

**OEWD's via Program Analyst Responsibility** for continued payment authorizations:

1. Verify supporting documentation and payment authorization  
Pay authorization from student's scholarship fund. If scholarship fund account is overdrawn, the authorization will be denied.

**OFFICE OF ECONOMIC AND WORKFORCE DEVELOPMENT  
ITA WORKSHEET**

Customer Name _____		SSN _____	
<input type="checkbox"/> Adult	<input type="checkbox"/> Dislocated Worker	<input type="checkbox"/> Older Youth	
Training Facility _____		Begin Date _____	
Course of Study _____		Projected End Date _____	
ETPL Program Code _____	OES Code _____	Estimated Placement Wage _____	
Address _____		Fax _____	
Contact _____		Phone _____	

**OBLIGATION OF FUNDS**

	Program or Course Name	Course Number	Total Hours	Tuition Cost
a.				
b.				
c.				
d.				
			Tuition Subtotal	
			Enrollment Fee	
			Processing Fee	
			Other Expenses	
			Subtotal	
			Subtract:	
			<b>TOTAL AMOUNT</b>	

By signing and transmitting this ITA Worksheet, the undersigned intends for the Office of Economic and Workforce Development (OEWD) to rely upon and act in accordance with all of the information contained herein, as set forth in the OEWD Directive 07#4, Use of Individual Training Accounts dated July 1, 2007. WIA registrant shall be responsible to pay training provider for costs identified above (*To be paid by WIA registrant*). OEWD and IS provider shall not be held liable for costs in excess of \$6,000.

Signature and Date _____	Signature and Date _____
Print Name of WIA Registrant _____	Print Name of Case Manager _____
	Approved / Disapproved
Signature and Date _____	
Print Name of Manager _____	Signature and Date _____
	Print Name of OEWD Staff _____