



OKLAHOMA WORKFORCE DEVELOPMENT ISSUANCE # 16-2013

TO: Workforce Investment Board Staff

FROM: Deidre Myers, Deputy Director
Office of Economic and Workforce Policy

DATE: September 16, 2013

SUBJECT: Policy on Development of Individual Training Accounts

PURPOSE: To provide policy regarding the minimum requirements for the establishment of Individual Training Accounts (ITAs) for Adults, Dislocated Workers and Older/Out of School Youth, the requirements for the coordination with other funding sources, and the requirements for grant recipients to substantiate ITA expenditures.

REFERENCES: The Workforce Investment Act of 1998, in §134(d)(4)(F) establishes the requirement that “training services...shall be provided in a manner that maximizes consumer choice in the selection of an eligible provider of such services,” and further establishes, in §134(d)(4)(G) that “training services shall be provided through the use of individual training accounts (ITA’s)...and shall be provided to eligible individuals through the one-stop delivery system.” Training services must be linked to occupations that are in demand in the local area, (134(d)(4)(G)(iii)), or in another area to which an Adult, Dislocated Worker (DLW) or Older and/or Out-of-School Youth receiving such services is willing to relocate. Section 134(d)(4)(B) of the Act explains that training services shall be limited to individuals who are unable to obtain other grant assistance for such services, including Federal Pell Grants or require assistance beyond the assistance made available under other grant assistance programs, including Pell Grants. Additional references to the development of the ITA can be found at 134(d) (4) (G) (iv), 20 CFR 663.430, 20 CFR 663.310-320 and 20 CFR 661.120. Reference to the exclusion of funding from the Veterans Administration can be found in Technical Employment Guidance Letter (TEGL) no. 10-09 issued by the U.S. Department of Labor, Employment and Training Division. (DOLETA)

MESSAGE: This policy will apply to any participant enrolled in the WIA Adult, DLW, National Emergency Grant Program, and Older and/or Out-of-School Youth receiving training through an ITA. The ITA is a tool for providing WIA Title I funded training services under WIA §134(d) (4) (G). The Workforce Investment Act of 1998 establishes the basic principle that the cost of an eligible participant’s selected training program is fully paid and that necessary supportive services are available so that the training can be successfully completed. As stated in the preamble of the WIA Final Rules the intent is to ensure that WIA funds are not duplicating other grant assistance payments or exceeding the allowable cost of attendance.

ITAs are established with WIA funds for participants who are unable to obtain grant assistance from other sources or require assistance beyond that available under grant assistance from other sources for training services. The requirement to coordinate ITAs with other grant sources is intended to ensure the use of WIA funds is always secondary to the use of funds from other sources. Coordination of funds that are available from other sources will allow the funding to maximize the amount available to the customer while not duplicating funding for the same purposes. ITAs must be established to account for WIA funds expended for training or training-related activities and must be used for training which leads qualifying individuals to self-sufficiency. ITAs are required when training is funded for Adult and DLWs and may be established for Older and/or Out of

School Youth. Pursuant to Oklahoma’s waiver, Older and/or Out-of-School Youth may select eligible training providers from the Eligible Training Provider List through the use of an ITA.

Individual Training Accounts

Establishment

ITAs are financed with Adult and DLW funds authorized under WIA Title I. Older and/or Out of School Youth participants may select eligible training providers from the Eligible Training Provider List and through use of ITAs. These participants may be financed with funds allotted to the State for youth activities pursuant to WIA Section 127. ITAs make it possible to pay for training services that provide skills in demand occupations as defined by the Local Workforce Investment Board (LWIB) from eligible training providers on the State’s approved listing of eligible training providers. [Sections 134(d) (4) (F) (ii) and 134(d) (4) (G) (iii)].

The State has provided a sample ITA Agreement Form (Attachment A) for establishing ITAs. Local areas may modify this form to meet local requirements; however, the form used must include at a minimum all of the information contained in the sample.

Dollar amount and/or duration limits established by LWIB policies if any, must be described in local workforce development plans, but should not be implemented in a way which undermines the Act’s requirement that training services are provided in a manner which maximizes customer choice in the selection of an eligible training provider.

Exceptions to the use of ITAs (20 CFR 663.430)

Contracts for services may be used instead of ITAs only when one of the following exceptions applies:

- When the services provided are on-the-job (OJT) or customized training.
- When the LWIB determines there are an insufficient number of eligible providers in the local area to accomplish the purpose of a system of ITAs. The local plan must describe the process to be used in selecting the providers under a contract for services. This process must include a public comments period for interested providers of at least thirty (30) days.
- When the LWIB determines there is a training services program of demonstrated effectiveness offered in the area by a community-based organization or another private organization to serve special participant populations as defined in **WIA §134(d)(4)(G)(iv)**, which face multiple barriers to employment. Special participant population that faces multiple barriers to employment is defined as a population of low-income individuals that are included in one or more of the following categories:
 - Individuals with substantial language or cultural barriers;
 - Offenders;
 - Homeless; and
 - Other hard-to-serve populations to include “individuals with disabilities.”
- The LWIB must develop criteria to be used in determining demonstrated effectiveness, particularly as it applies to the special participant population to be served. This criterion may include, but is not limited to:
 - Financial stability of the organization;

- Demonstrated performance in measures appropriate to the program including program completion rate; attainment of the skills, certificates or degrees the program is designed to provide; placement after training in unsubsidized employment and retention in employment; and
- The relevance of the specific program to workforce investment needs identified in the local plan.
- Situations may occur when the development of an ITA is not necessary such as TAA funded training or training services provided to youth through a procurement process. Local boards may develop procedures to address these situations.

Customer Choice

An individual who has been determined eligible for training services will select a provider from the State Eligible Training Provider List after consultation with a WIA case manager. [20 CFR §663.440(c)] LWIBs may define the process for consultation between a case manager and a participant to ensure the participant has the skills and qualifications to successfully participate in the selected program of training.

LWIBs must make available to customers the State Eligible Training Provider List as required in WIA §122(e) through the local one-stop center. WIA funded training must be in compliance with LWIB demand occupation policy. Participants must have access to the LWIB's approved list of demand occupations when selecting a training program or provider.

Coordination of Training Funds

Funding for training is limited by WIA §134(d) (4) (B) to individuals who are:

- Unable to obtain grant assistance or assistance from other available sources to pay the costs of their training; Veterans' Administration Educational Benefits and loans are excluded.
- Or
- Require assistance beyond that available under grant assistance or from other available sources to pay the costs of such training.

WIA case managers will use the Coordination of Training Funds (COTF) (Attachment C) form to provide documentation of the coordination between the WIA funding and other funding sources. This form is to be completed by the training institution's financial aid office or representative. WIA staff may make revisions or additions to the information on the COTF that has been provided by the financial aid office in the event that cost of living or other allowable training expenses are not documented or miscalculations have been made.

WIA §134(d)(4)(B)(ii) permits a participant to enroll in an eligible training program with WIA funds while an application for Pell Grant funds is pending. However, the case manager must make prior arrangements with the training provider and the participant regarding allocation of the Pell Grant, if it is subsequently awarded (20 CFR Part 663 §663.320(c)). If the Pell Grant is awarded, the fiscal agent must be reimbursed for WIA funds previously used to underwrite training for the amount the Pell Grant covers. This is to ensure non-duplication of payments Pell Grants are intended to provide for both tuition and other education-related costs; only the portion specifically provided for tuition is subject to reimbursement.

A new COTF form is required annually at a minimum.

Training Vouchers

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. [WIA §134(d) (4) (G) and 20 CFR Part 663 §663.410]

The State has provided a sample Training Voucher Form (Attachment B) for establishing ITAs. Local areas may modify this form to meet local requirements; however, the form used must include at a minimum all of the information contained in the sample.

Local Board Policy

In developing local ITA policy, each LWIB should be mindful of the guidance given in TEGL No. 35-10, “Transparency and Integrity in Workforce Investment Board Decisions” issued by DOLETA.

Local board policy must:

- Communicate training services policy in simple, understandable language to customers of the one-stop center.
- Determine the maximum duration and amount of ITA.
- Develop procedures to determine and document that prior to attending training paid for with WIA funds, all sources of funds, excluding loans and Veterans’ Administration Educational Benefits (VA Benefits), are coordinated to the extent practical to meet training and supportive service costs so the participant can complete the training program successfully.
- Develop a process for tracking WIA Title I expenditures for the individual’s training, training-related, and supportive service cost to ensure the LWIB’s budget is not exceeded.
- Develop an ITA form and establish criteria for documenting the ITA which must include at a minimum:
 - IEP or ISS with information documenting eligibility for training services
 - ITA Form
 - COTF Form
- Develop a training voucher form that includes the following minimum information:
 - Funding stream
 - Amount paid by category
 - Total number of hours
 - Appropriate signatures and dates as specified by local board policy.
- Develop minimum documentation requirements necessary to validate the expenditure of WIA training funds including:
 - Source documentation that will support the payment mechanism such as a copy of the voucher, purchase order, invoice, source documentation, receipts, etc.
 - Tracking document to ensure that training, training-related and supportive services dollars do not exceed the unmet financial need.
 - Develop procedures that ensure training-related costs such as books, uniforms, tools, etc., not paid to the eligible training provider can be provided as a supportive service in accordance with LWIB’s supportive service policy and procurement policy.
- Outline responsibilities and procedures for revisions/additions to the COTF.

ACTION REQUIRED: Local policies and local operating procedures concerning the cost of training and training-related expenses must reflect prudent fiscal management to best enable students to achieve approved program success. While every effort should be made to honor commitments made to WIA program participants, those participants must understand program limitations and their own level of responsibility for program success.

RESCISSIONS: OETI # 17-2010

INQUIRIES: Robyn Coman, robyn_coman@okcommerce.gov
Emmit Grayson, emmit_grayson@okcommerce.gov

Attachment A – Individual Training Account (*Sample - Local areas may modify this form to meet local requirements, however, the form used must include at a minimum the information contained in the sample.*)

Attachment B – Individual Training Voucher Form / Modification Form (*Sample - Local areas may modify this to meet local requirements, however, the form used must include at a minimum the following: funding stream, amount paid by category, total number of hours, participant's signature and date, WIA Service Provider's signature and date.*)

Attachment C – Coordination of Training Funds Form (*Required*)

Individual Training Account (ITA)

Participant: _____

ITA Start Date: _____ ITA End Date: _____

Amount of Individual Training Account (ITA): \$ _____

Training Program: _____

Demand Occupation: _____

ACKNOWLEDGEMENT AND AGREEMENT

- The amount of my ITA has been awarded based on individual factors including cost of attendance, coordination of other funding sources, and needs identified in my IEP.
- ITA funding may be used to assist with tuition and fees as well as books, uniforms, tools, equipment, or supplies required for training/degree plan.
- This ITA is limited to the amount and the scheduled start and end date stated above.
- It is my responsibility to budget and track my ITA expenditures to insure that the funds available to me are not depleted prior to completion of training. I will coordinate with my case manager and verify my ITA balance as necessary.
- I understand that I must meet or exceed attendance and academic requirements of the school/training provider.
- I understand that I am not required to access student loans or incur personal debt as a condition of participation. However, if I chose to do so, I understand the responsibilities associated with such indebtedness, including loan repayment. My case manager has counseled me in regard to this issue.
- Continued participation is subject to continued availability of funding by the Department of Labor.
- I agree to monthly contact with my case manager to discuss my training progress and any other issues, whether academic, personal, or financial, that may affect the successful completion of my training.
- I will immediately inform my case manager of changes of name, address, phone number, or back-up contact information.
- Prior to the beginning of each new semester I will schedule an appointment with my case manger to complete a voucher for the upcoming semester. I agree to provide any documentation necessary for completion of the voucher, which may include class schedule, enrollment sheet, grade report from previous semester, and Financial Aid Award letter.
- In the event that I drop or add a class, I will notify my case manger immediately.
- Upon completion of my training, I agree to provide my case manager with information concerning my employment and copies of any diplomas, credentials, or licenses earned.

I have read this document and hereby understand and agree to comply with the terms herein described. I am receiving a copy of this agreement for my records.

ITA Participant's Signature

Date

I have established this ITA and reviewed the terms of this Agreement with the participant.

WIA Service Provider's Signature

Date

INDIVIDUAL TRAINING VOUCHER FORM

Training Institution: _____

Mod #: _____

Participant Name: _____

ID Number: _____

WIA PROGRAM / TRAINING COST:

ADULT YOUTH DLW OTHER: _____

(WIA Service Provider) agrees to sponsor the above named student in the course(s) or program(s) listed below and pay the training costs listed (based on off-the-shelf catalog prices) for the time period of _____ through _____ Refunds or returns for non-completion will be made to (WIA Service Provider).

Explanation if this is a Modification:

TRAINING

COURSE No.	COURSE TITLE	HOURS

AUTHORIZED TRAINING COSTS

ITEM	AMOUNT	ITEM	AMOUNT
Tuition	\$	Equipment and/or Tools	\$
Fees	\$	Uniforms	\$
Books	\$	Other	\$
Total			\$

As a recipient of WIA Program assistance with tuition, fees, books, or required supplies, I hereby authorize the training institution listed above to release information concerning my attendance, grades, and schedules to (WIA Service Provider).

 Participant's Signature

 WIA Service Provider's Signature

 Date

 Date

"Equal Opportunity Employer (EOE)/Program"
 "Auxiliary aids and services are available upon request to individuals with disabilities"

COORDINATION OF TRAINING FUNDS

SECTION I

TO: FINANCIAL AID OFFICE

ATTENTION: _____

SCHOOL: _____

FAX OR E-MAIL ADDRESS: _____

PARTICIPANT NAME: _____

FROM: _____

ATTENTION: _____

FAX OR E-MAIL ADDRESS: _____

ID NUMBER: _____

I hereby authorize the exchange of information between the WIA Case Manager and the Financial Aid Office at the above named School regarding the awarding of any financial aid from any source.

Participant's Signature

Date

SECTION II (The following section is to be completed by the financial aid office)

PERIODS COVERED

Start Date: _____

End Date _____

- Fall _____
- Spring _____
- Summer _____

- Trimester I
- Trimester II
- Trimester III

Full Length of Short Course

COST OF ATTENDANCE *

Tuition and Fees \$ _____

Books, Supplies and Tools \$ _____

Uniforms \$ _____

OTHER LIVING EXPENSES **

_____ \$ _____

_____ \$ _____

_____ \$ _____

_____ \$ _____

_____ \$ _____

_____ \$ _____

TOTAL COST OF ATTENDANCE \$ _____

STUDENT'S FINANCIAL AID

PELL Grant Eligibility \$ _____

_____ Student or Program is not PELL eligible

OTHER FINANCIAL RESOURCES EXCLUDING LOANS AND VA BENEFITS

_____ \$ _____

_____ \$ _____

_____ \$ _____

_____ \$ _____

_____ \$ _____

_____ \$ _____

TOTAL FINANCIAL AID \$ _____

Total Cost of Attendance \$ _____ minus Student's Financial Aid \$ _____ equals Unmet Financial Need \$ _____

By signing below, the financial aid officer (or those personnel who perform those duties) agrees to inform the local WIA program operator of the amounts and disposition of financial aid to each participant awarded after the enrollment of the participant, as part of a continuing, regular information sharing process.

Financial Aid Officer

Date

*As defined by the Higher Education Act Sec. 472

**Other Living Expenses may include transportation, room and board, utilities, dependent care, disability expenses, food, medical care, insurance, etc.

SECTION III (The following section is to be completed by the WIA Case Manager)

After review of partner agencies, other social service agencies, and other community resources, I have determined that WIA Funds must be used in the mix of available resources. I certify that WIA funds will be coordinated with other funds and there will be no duplication of resources.

WIA Service Provider's Signature

Date

"Equal Opportunity Employer (EOE) /Program." And "Auxiliary aids and services are available upon request to individuals with disabilities."