

TECHNICAL ASSISTANCE - #TA-03-2019

DATE: November 5, 2019

SUBJECT: Coordination of Workforce Innovation and Opportunity Act Training Funds and Other Grant Assistance

PURPOSE: The Oklahoma Office of Workforce Development (OOWD), provides the following technical assistance in relation to Individual Training Accounts for youth to reiterate that the requirements for coordination of Workforce Innovation and Opportunity Act (WIOA) training funds and other grant assistance in section 680.230 apply to the WIOA Title I Youth Program.

REFERENCES:

- Federal Register, Vol. 81, No. 161, Part VI, August 19, 2016
- TEGl 21-16
- §680.230
- §680.400
- §680.410
- §681.550

MESSAGE:

As discussed in 20 CFR § 681.550, “in order to enhance individual participant choice in education and training plans and provide flexibility to service providers, the Department allows WIOA Individual Training Accounts (ITAs) for Out-of-School Youth (OSY), ages 16 to 24, using WIOA youth funds, when appropriate.” ITAs allow participants the opportunity to choose the training provider that best meets their needs. To receive funds from an ITA, the training provider must be on the Eligible Training Provider List as outlined in §680.400 and 680.410.

The State agrees that once local areas utilize ITAs for serving WIOA OSY, the local area is subsequently required to follow the processes detailed in Part 680; Subpart C- Individual Training Accounts since ITAs are an Adult and Dislocated Worker strategy that the Department and State allows for expanding participant options for entering and/or completing training goals which requires coordination of Workforce Innovation and Opportunity Act training funds and other grant assistance in accordance with §680.230.

“Oklahoma Office of Workforce Development State Guidance-September 10, 2019” was generated to provide clarity in response to a local area question on coordination of WIOA training funds and other grant assistance under the WIOA Youth Program.

Service Provider September 4, 2019 Comments

OWDI 19-2017 Change 1 addresses Pell on pages 10-11. It specifically addresses that Pell Grants must be utilized prior to Adult & DLW Funds, and would otherwise be determined a disallowed cost. However, I have been unable to find the same or similar language in any of the youth OWDI’s.

OOWD September 10, 2019 Response

The State will allow the local area to carry out its role in determining which costs are allowable vs. disallowed based on cost principles and the statutory requirement in section 680.230. You will not find the specific language in OWDI 02-2016 Change 2. However, the required application of the Adult and Dislocated Worker process for coordinating the refund of WIOA grant funds is in subsection 680.230 and is inclusive to the WIOA Youth program use of ITAs for eligible youth as well.

The Department received a number of comments regarding whether youth may use ITAs in response to proposed § 681.550 (Are Individual Training Accounts permitted for youth participants?).

Department Response in §680.400:

The Department has added that this subpart describes the process for determining eligible training providers and programs for the adult, dislocated worker, and youth programs. More information about this is provided in the preamble corresponding to §681.550. The Department has updated §680.400(a), 680.430, and 680.490 to clarify which requirements of this subpart apply to the eligible training providers and programs that serve OSY aged 16 through 24 with ITAs.

§680.230: One-stop centers 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 funds, and Federal Pell Grants, so that WIOA funds supplement other sources of training grants. (c) A WIOA participant may enroll in WIOA-funded training while his/her application for a Pell Grant is pending as long as the one-stop center has made arrangements with the training provider and the WIOA participant regarding allocation of the Pell Grant, if it is subsequently awarded. In that case, the training provider must reimburse the one-stop center the WIOA funds used to underwrite the training for the amount the Pell Grant covers, including any education fees the training provider charges to attend training. Reimbursement is not required from the portion of Pell Grant assistance disbursed to the WIOA participant for education-related expenses.

ITAs are an adult and dislocated worker training strategy that the Department allows for OSY aged 16 through 24.

U.S. Department of Labor ETA September 20, 2019 Response

WIOA Title I-funded ITAs are the main mechanism to fund occupational training for eligible WIOA Out-of-School Youth customers. This allows for ITAs to be used for OSY customers to increase the pipeline of talent into the workforce, particularly in occupations requiring less than a four-year college degree, and to address increased demand for workplace training that incorporates occupational training.

WIOA acknowledges the critical role that ITAs help individuals obtain the skills they need to succeed in the workplace. ITAs are helpful means of an individual to gain knowledge and training that leads to unsubsidized employment. ITAs for OSY are intended to help Youth who have been unsuccessful gain knowledge and a skill through training with an Eligible Training Provider who could assist the OSY with knowledge and lead them to better opportunities. ITAs are also a benefit to the OSY and will have a positive impact on the State's Registered Apprenticeship and Pre-Apprenticeship Programs.

The State's approach aligns with the 20 CFR 681.550 and ITAs are permitted for OSY. (U.S. Department of Labor Employment and Training Administration September 20, 2019)