

Eastern Area Workforce Development Board
Workforce Innovation and Opportunity Act
Policy 11-12 Individual Training Accounts (ITAs)

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Contact Entity: Inquiries regarding this document should be directed to Administrative Staff of the EAWDB at (575)208-2210.

REFERENCES:

Title I of the Workforce Innovation and Opportunities Act (WIOA) of 2014; WIOA Regulations, Office of Management and Budget (OMB) cost principles codified in 2 CFR Part 220, Part 225 and Part 230

1. PURPOSE

This policy provides instruction and guidance on the use and administration of individual training accounts for training in demand occupations as identified in the state and local plans.

2. BACKGROUND

The individual training account (ITA) is established for eligible individuals to receive assistance financing training services with eligible training providers. It is essentially a voucher given to customers who need occupational skills training to become gainfully employed or re-employed. Under the WIOA training services are purchased from eligible providers selected in consultation with the career development specialist.

Supported by assessment and informed decision-making, customers may use their ITAs to purchase training slots in any program on the eligible training provider list (ETPL). Customers approved for ITA funds can only select from programs on the statewide program/provider list. If a program is not on the list, WIOA cannot pay the cost of attendance.

An ITA will be provided after an assessment of customer needs, present skill levels, and demand occupations. The selection of a training program will occur after consultation with a career development specialist (CDS). The process will be recorded in a career plan called an Individual Employment Plan (IEP).

3. DEFINITIONS: Reserved

4. ACTION:

(A) ITA's:

1. ITA's will be issued for training in demand driven occupations. The EAWDB wants to provide the broadest access possible to training services to meet the needs of the individuals in the area as well as the employers. Therefore, ITA's can be utilized in conjunction with other types of training on a full or part-time basis following the criteria outlined below.
2. ITA's shall be issued only to individuals who meet WIOA eligibility criterion and have been determined through assessment and their individual employment plan (IEP) to be in need of training services to obtain employment or increase their employability and earnings potential in a demand occupation that will lead to a career path of self-sufficiency. ITAs can be provided to individuals enrolled in WIOA Title I Adult, dislocated worker or youth programs. ITAs are not an entitlement. Customer choice shall be exercised within the targeted industries and demand occupations designated by state and local board policy. Individuals, eligible or otherwise, that seek training outside of these designated areas can be provided assistance in pursuing other sources of financial aid. If it is determined that WIOA ITA funding is not appropriate for a customer because it is outside of the areas targeted by the state or local board as occupations in demand, centers will assist customers with other financial aid application (i.e., Pell, etc.) and alternative options. Staff will assist customers with accessing the statewide list of eligible training providers and programs in the New Mexico Workforce Connection Online System (NMWCOS).

Before an individual is eligible to receive an ITA, the need for training, appropriate occupational choice for training and their ability to successfully participate in the chosen training must be established through assessment. A full education and work history as well as a skills determination must be utilized to determine if the individual is employable at a self-sufficient level with skills already in their possession. Individuals that possess the skills to obtain self-sufficient employment in the local area are not eligible for ITA training unless there is a substantiated cause that makes them unable to perform that occupation e.g. injury etc. This information must be included in the case file and utilized in the development of the individual employment plan.

The IEP shall be developed jointly with the participant utilizing the NMWCOS plan and should include information substantiating the individual is able to participate in and complete training. This should include information on how the participant will support themselves while in training. Participants identified to be in need of training must sign a Family Education Rights to Privacy Act (FERPA) release of information authorization allowing the career coach (CC) to obtain information on their financial aid information, grades and attendance information as necessary. For participants receiving services under partner programs staff must work with partner staff to ensure alignment of the IEP with the partner program goals as well.

The IEP must include an anticipated timeframe for completion and must also address goals and objectives that lead to a measurable skills gain on an annual basis. Since this requires the successful completion of a twelve-credit hour semester annually, provision for this must be addressed with the customer in alignment with the degree plan and included in the IEP.

ITA funding limits are not to exceed \$2,000.00 total expense for an adult participant, or \$5000.00 total expense for a dislocated worker and youth participant per semester. This limit applies only to the direct cost of expenses to the training institution and does not include supportive services if needed.

Occupational guidance should be provided to the participant and should include a review of the local labor market as it applies to the demand occupations. The goal is to train for jobs available or growing in the local area. If the customer wants to participate in training in an occupation that is in demand within the Eastern Area but not the local community the participant must sign an acknowledgement that they are willing to relocate to obtain employment in the chosen training category.

- a. Full time attendance – Unemployed individuals are required to attend training on a full-time basis. New Mexico identifies full time status as twelve (12) credit hours. Participants that are enrolled in training programs that require classes to be taken in a specified semester e.g. nursing students will be considered full time if the degree plan requirements for the semester are met. The supporting documentation must be maintained in the file. In these cases, documentation must be maintained in the file. At any point during their training that they are not employed, participants must either attend school full-time or obtain other part-time employment.

- b. Part-time attendance – Individuals working to improve their employability and earnings potential while they are working are allowed to attend training on a part-time basis. For individuals that cannot meet the measurable skills gain through credit hours or training milestones (OJT/RA) by June 30th, it is recommended they be engaged in other skills upgrading activities (e.g. basic skills, work keys etc.) as allowable for federal performance reporting for attainment of the MSG performance indicator. All active services for the individual should be included in the ISS/IEP/Plan

ITA's in Conjunction with OJT's and Apprenticeships

- ITA's may be provided to individuals in conjunction with On-the-Job Training (OJT) funds when appropriate, and the ITA may be used before, during, or after an OJT.
- ITA's can be used to support participants enrolled in apprenticeship programs by providing:
 - Pre-apprenticeship training – Basic skills preparation; under WIOA funds can be used to fund pre-apprenticeship programs that provide basic skills, work experiences, and other support to help participants obtain the skills needed to be placed into an apprenticeship.
 - Related instruction – Related classroom instruction component of an apprenticeship program, as long as the apprenticeship program or the education/training provider is on the ETPL. Under WIOA, all Registered Apprenticeship programs sponsors are automatically eligible to be on the ETPL.

ITAs shall be limited to individuals unable to obtain other grant assistance or who require assistance beyond that available from other grant assistance programs and who have been identified on their IEP/ISS to be in need of training. It is expected that the primary source of ITA funding will be the adult/dislocated worker program, however, the Title I youth program may provide ITAs for training assistance to enrolled individuals in need of training. The youth program must adhere to the same requirements for training and assistance as the adult/DW program. If the youth is co-enrolled with the Title I Adult/DW program the ITA can be paid through whichever funding stream is most appropriate. Youth participants 18 years of age or older are encouraged to co-enroll with the adult/DW program.

As discussed in 20 CFR § 681.550 "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 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.

ISY cannot use youth program funded ITAs. However, ISY between the ages of 18 and 21 may co-enroll in the WIOA Adult program if the young adult's individual needs, knowledge, skills, and interests align with the WIOA adult program and may receive training services through an ITA funded by the adult program.

The career coach shall document the availability of other funding sources such as Pell grants, Trade Adjustment Assistance (TAA) or other federal grants for each training enrollment period (i.e., semester, quarter). The financial aid office of the training institution shall provide information of need related to cost of attendance and the CC will utilize this information for the determination of the need for assistance beyond that available from other grant assistance programs.

Unmet need shall be calculated on a line item basis by subtracting grant assistance received from the amount of need supplied by the training institution. This information shall be documented, calculated and recorded on the Cost Sharing Agreement or its subsequent replacement documents. This form must be completed in its entirety for individuals even if no financial aid is available to the individual or for the training program.

When unmet need has been established in the presence of additional funding sources the WIOA share shall be apportioned as follows:

- (a) In the presence of assistance from the NM Lottery or other tuition-based scholarships, WIOA funds shall not be expended for tuition unless the cost of tuition exceeds the amount available under the scholarship.
- (b) For individuals eligible for Pell grants, Pell funds can be utilized for cost of attendance related expenses such as living expenses but shall be limited to the balance of unmet need.
- (c) For individuals eligible for TAA, WIOA can pay supportive services based on EAWDB Policy.
- (d) For individuals receiving other scholarships that do not have a defined use then it will be treated like a Pell grant and applied to unmet need so long as the need is sufficient and substantiated. Documentation on the scholarship's lack of designation or defined use must be supplied by the student or the financial aid office and included as part of the file.
- (e) For individuals receiving other scholarships with a defined use the scholarship MUST be applied to the designated category e.g. tuition, books, uniforms etc. In those cases, WIOA is limited to assistance with balances of the applicable cost category and other assistance as allowed above.
- (f) For individuals receiving training assistance from partner entities WIOA will pay the balances of tuition, books and fees and supportive services. Supportive services will only be available if those services are unavailable through other partner programs.
- (g) GI Bill availability cannot be counted against veterans eligible for that benefit. It is not to be treated as financial aid for Veterans or covered persons requesting training assistance or applied toward the balance of unmet need.
- (h) Loans do not count as financial aid for the purposes of WIOA assistance and do not apply against unmet need.

All contract documents and forms must be scanned and uploaded into the NMWCOS and the financial voucher created and approved in a timely manner.

3. An ITA contract modification must be completed utilizing the designated local area forms or their subsequent replacements and should be used in any of the circumstances listed below. The modification should include the reason the modification was necessary.

- (a) When the actual cost of training is more than was anticipated on the original contract
 - (b) To correct training term dates
 - (c) If financial aid is awarded after completion of the contract
 - (d) If there is a class schedule change
 - (e) Any other situation that would make the original contract inaccurate
4. The Financial Claim for Payment (FCP) shall be sent to the One Stop office responsible for the participant after the institutions drop/add period is complete. It will be reviewed for accuracy and completeness, uploaded to the NMWCOS and notice sent to the fiscal agent for payment. Fiscal staff will also review the FCP for completeness and accuracy and then process it for payment. When processed, a payment will be created against the voucher with a status of approved for payment and an anticipated check issue date. When the check has been issued the status will be changed to paid and a check number with the paid date entered by the fiscal department.
5. Supporting documentation
- EAWDB Cost Sharing Agreement
 - EAWDB ITA Contract
 - EAWDB ITA Contract modification
 - EAWDB ITA Contract Training Term Modification
 - EAWDB FCP