

WORKFORCE DEVELOPMENT BOARD
 Workforce Innovation and Opportunity Act Area 8
 Workforce Innovation and Opportunity Act Policy Letter

Policy number	215
Subject	Individual Training Account Policy (ITA) State Policy WIOAPL 15-11.1
This policy obsoletes	Area 8 Individual Training Account Policy (ITA) 7/1/12 amended 9/3/15
May apply for waiver	NA
Board approved	5/17/18
Effective date	5/1/18
Revisions approved	

I. Purpose.

The WIOA Individual Training Account (“ITA”) Program is administered by the Area Workforce under the authorization of the Workforce Innovation and Opportunity Act. This policy is drafted with the intention that it be interpreted consistent with all applicable federal and state laws, regulations, and policies, issued by ODJFS [WIOAPL 15-11.1](#).

Individual Training Accounts may be provided to eligible WIOA adult workers, dislocated workers, and/or youth who are assessed as in need of training services in an attempt to obtain or retain self-sufficiency employment. The customer must demonstrate a need for training. The following policy and procedure applies to managing all WIOA, ITA activity.

II. Effective Date.

May 1, 2018

III. Background.

Under the Workforce Innovation and Opportunity Act, the use of ITAs are an allowable form of training for adults, dislocated workers, and youth pursuant to terms and conditions set forth by the Area Workforce. This policy is intended to establish those terms and conditions.

IV. Requirements.

A. Eligibility for ITAs.

Pursuant to section 134 (b)(3)(A) of WIOA, training services, including ITAs may be provided to Adults and Dislocated Workers who:

1. After an interview, evaluation or assessment and career planning, have been determined by OhioMeansJobs staff or OhioMeansJobs center partner staff to be:
 - a. unlikely or unable to obtain or retain employment that leads to economic self-sufficiency or wages comparable to or higher than wages from previous employment through career services;
 - b. in need of training services to obtain or retain employment that leads to economic self-sufficiency or wages comparable to or higher than wages from previous employment; and
 - c. have the skills and qualifications to successfully participate in the selected program of training services.
2. Selects a program of training services that are directly linked to the employment opportunities in the local area, or the planning region, or in another area, to which the adults or dislocated workers are willing to commute or relocate.
3. Are unable to obtain other grant assistance for training or require assistance beyond the assistance made available under other grant assistance programs, including Pell Grant funds.
-AND-
4. Are appropriate to engage in the training services selected.

B. Miscellaneous Training Requirements.

1. Two Individualized Career Services are **Encouraged** to be Provided Prior to the Provision of ITA Training.
2. Documentation.

The case files for adults, dislocated worker, and youth participants must document the participant's eligibility for training services and explain how this determination was made. In addition to eligibility, appropriateness, and a number of other issues must be considered and addressed. **(see AREA 8 eligibility policy 500)**. It is important that WIOA staff gather enough information, through an interview, through career services or other avenues, to justify the need for training services.

3. Use of Previous Assessment.

When determining the services needed for an individual to obtain or retain employment, the local area or an OhioMeansJobs center partner shall not be required to complete a new interview, evaluation, or assessment of a participant if the local area or OhioMeansJobs partner determines it is appropriate to use a recent interview, evaluation, or assessment (within six (6) months) of the participant conducted pursuant to another education or training program. This may include evaluations completed by a secondary school, Vocational Rehabilitation, ABLE, Veteran Program, or other education or training providers.

4. Priority for the Adult Program.

Priority for training services funded by and provided through the adult program shall be given to recipients of public assistance, other low-income individuals, and individuals who are basic skills deficient for receipt of training services determined appropriate to obtain or retain employment.

5. Registered Apprenticeship Programs and Individual Training Accounts

Registered apprenticeship is a proven model of job preparation that combines paid on-the-job training (OJT) with related instruction to progressively increase a workers' skill levels and wages. Registered apprenticeship is also a proven business-driven model that provides an effective way for employers to recruit, train, and retain highly skilled workers. Graduates of registered apprenticeship programs receive nationally-recognized, portable credentials, and in some instances their training may be applied toward further postsecondary education.

Only registered apprenticeship programs that have been approved by the Ohio Department of Job and Family Services (ODJFS) as recognized State apprenticeship programs, will be permitted to enter into ITAs with local areas to fund the educational portion of the registered apprenticeship for eligible apprentices. ITAs may also be used to finance pre-apprenticeship training in preparation for the formal registered apprenticeship training if the pre-apprenticeship program provider has been approved as an Ohio eligible training provider and listed on WIET per WIOAPL No. 16-02, Eligible Training Providers.

All registered apprenticeship programs approved by ODJFS are automatically approved as eligible training providers and included on Ohio's eligible training provider list contained on WIET.

C. ITAs.

1. Linkage to Occupations in Demand.

a. **In-Demand Occupations as defined by the State of Ohio.** Of all of the ITA's made within a program year, by a provider, a minimum eighty-five percent (85%) of those placements must be made within occupations that are deemed by the State of Ohio to be "in-demand".

i. The state's "in-demand" occupations are chosen using various industry and occupation-focused measures. These measures include: projected openings; projected growth; select JobsOhio industry cluster occupations; and historic job posting data. The list of in-demand occupations maintained by ODJFS is validated or further enhanced using business data from the online Workforce Information Exchange job forecasts on a monthly basis.

ii. The following link provides access to the in-demand occupation list maintained by the State of Ohio:

<http://jfs.ohio.gov/owd/OMJResources/InDemandOccupations.stm>

iii. If an occupation is part of this list, then the occupation is in-demand. The provider shall check this list prior to approving any individual for placement as part of an OJT. If the occupation is on this list, a print-out of the section of the list showing that this position is in-demand shall be obtained and placed within the participant's file.

- iv. If an occupation is not part of this list, then the occupation is not considered in-demand by the State of Ohio. The provider must either then forego the placement within this occupation, or alternatively determine that the position to be filled by the OJT is an in-demand occupation as set forth below in section b.

b. In-Demand Occupations as defined by the Area Workforce or its Providers. The Area Workforce has the authority to also establish what positions of employment are in-demand either by establishing a list, or through the real time intelligence developed by its providers. Of all of the ITA placements made within a program year by a provider, a maximum of fifteen percent (15%) of those placements must be made within occupations that are deemed by the Area Workforce or provider to be with in-demand.

- i. If the Area Workforce establishes a list of occupations it deems to be in-demand that are not provided for within the State of Ohio's list, it will be provided to each provider, and the providers may use this list for engaging in placements.
- ii. In addition to, or in place of a list prepared by the Area Workforce, providers are also permitted to use their discretion in determining whether a position is in-demand on a case-by-case, individual basis. Some reason why a provider may deem a position to be an in-demand occupation may include, but are not limited to, the following:
 - The position of employment is associated with regional industry sector or career pathway consortium for workforce development.
 - Intelligence developed by the Area's WIOA staff, including staff involved in placements, and/or business services has established that the position is currently in demand within the Area. This could include intelligence regarding new businesses established in the Area, expansion by current businesses, a large number of retirements in an occupation that need to be replaced, a large influx of job position postings for a particular occupation, etc.
- iii. The provider's staff will document within the case file of each individual placed within an OJT with a position that is deemed to not be on the State's "in-demand" list the reasons for which it determined the position of employment to meet the local's reasons for considering the position of employment to be in-demand at the time that the placement is made.
- iv. Should a provider have a need or desire to go over the fifteen percent (15%) maximum local threshold, it must notify the Area Workforce Director, who will advise the provider whether it can or cannot make placements in excess of the fifteen percent (15%) maximum threshold. The Area Workforce Director will manage

this request by either seeking relief from other providers within the Area who are below their fifteen percent (15%) threshold, or by alternatively successfully petitioning the state to exceed the fifteen percent (15%) threshold.

2. Eligible Training Providers.

Training services shall only be provided by providers who have met the criteria to be eligible and have been identified as being on the State of Ohio's list of eligible providers of training services pursuant to section 122 of WIOA, and pursuant to any requirements set forth **Area 8 Preferred Providers:**

- Community colleges, school districts, area vocational-technical centers, state universities, licensed and certified private institutions, and other training institutions on the Eligible Training Provider (ETP) list.
- Business owned facilities, training provider's facility or combination of sites.
- Full or part-time educators, professional trainers from the business community including staff from the employer applying for funds.

Training services and occupational skills training for which ITAs are used shall only be delivered by providers who have met the eligibility criteria and have been listed on Ohio's Workforce Inventory of Education and Training (WIET) pursuant to section 122 of the WIOA. WIOAPL No. 16-02, Eligible Training Providers, establishes the criteria for eligible training providers and the procedures for approval on WIET.

Pursuant to 20 C.F.R. 680.530, providers of OJT, customized training, incumbent worker training, internships, paid or unpaid work experience, or transitional jobs are not subject to the requirements applicable to entities listed on the eligible training provider list, and are not included on WIET, the state's list of eligible training providers.

3. Informed Customer Choice.

Training services shall be provided in a manner which maximizes consumer choice in the selection of an eligible provider of such services. Each Area Workforce OhioMeansJobs center shall make available the list of eligible providers of training services and accompanying performance information to the extent it has been made available by the State of Ohio. Based upon the available information, participants will be asked to make informed workforce decisions with the assistance of Workforce staff.

4. Type of Training Permitted.

Providers may approve ITAs for any program of training services that leads to recognized post-secondary credentials, industry-recognized credentials, and/or a degree. Providers will only allow individuals to pursue post-secondary Associate's Degrees, or post-secondary studies that are the equivalent of an Associate's Degree or results in a certificate, that is deemed to be a benchmark that is less than that of an Associate's Degree. Associate's Degree equates to roughly two (2) years of college level post-secondary studies, regardless of whether the period of time to complete the education is more or less than that of two (2) years.

The emphasis of training shall be "short term" training. Such training, consistent may be from several weeks to up to three (3) years in length, but not to exceed the equivalent of two years' worth of post-secondary college credit or post-secondary studies. The training needs of the participant, coupled with the training institution schedule, shall play a major role in determining the length of "short term" training. It is anticipated and

expected that all training will be completed within a maximum of three years (3) after enrollment. The funding of training beyond the three-year (3) maximum **may occur only if extenuating circumstances are found to exist.**

5. Limits on Training.

a. Per Year Limitation.

Providers may not incur and/or pay for expenses associated with ITA training in an amount in excess of Five Thousand and 00/100 Dollars (\$5000.00) for any one participant in any one program year.

b. Per ITA Limitation.

Providers may not incur and/or pay for expenses associated with ITA training in an amount in excess of Five Thousand and 00/100 Dollars (\$5,000.00) for any one participant over the course of the pursuit of any one post-secondary credential, industry-recognized credentials, and/or a degree.

The Area does not expressly prohibit an individual being approved for more than one lifetime ITA.

Each provider has the authority to negotiate with each individual regarding what percentage of the ITA that they will pay for and reduce the results of that negotiation to writing within the ITA itself so long as they do not exceed a one hundred percent (100%) reimbursement rate. Each provider is encouraged to either set its own lower limits, or to maximize the use of its funding by selecting a reimbursement rate that makes the most sense on a case by case basis, so long as its rates do not exceed the limits provided for above. In determining what percentage of the ITA to pay for, providers may take into consideration some, or all of the following criteria:

- Participant's need.
- The relative cost of the training program compared to other available, less expensive appropriate training programs.
- The amount of funding that the provider has compared with the provider's projected need to have funding last for the remainder of the year to continuously be able to provide for training.
- Special needs of the participant.
- Requirement to use grants (such as Pell) to be used towards tuition and fees prior to using WIOA training dollars. (Excluding Loans)

6. ITAs are Agreements Between the Educational Provider and the OhioMeansJob Center \Workforce Area.

Reimbursement to program clients for ITA costs is not permitted unless there is no way that the expense can be directly invoiced to the provider. Tuition and other payments on behalf of program participants should be made directly to the training facility as part of the ITA voucher.

7. Pending Pell Grants.

A participant may enroll in WIOA-funded training while his/her application for a Pell Grant is pending as long as the OhioMeansJobs Center operator has made arrangements with the training provider and the WIOA participant regarding the allocation of the Pell Grant if it is awarded. The training provider must

reimburse the OhioMeansJobs Center/Area 8 the WIOA funds that were used to underwrite the tuition covered by the Pell Grant. Reimbursement is not required from the portion of Pell Grant assistance disbursed to the WIOA participant for education-related expenses.

8. Applicants who Have Defaulted on Student Loans.

Program applicants and participants who have defaulted on Student Loans may be considered for ITAs only if they have made a good faith demonstration to the provider that they have made arrangements with the lender to engage in a repayment schedule, and repayment on that schedule has commenced.

9. Strategies for achieving positive outcomes.

Provider staff shall contact the participant personally, that is, face to face, telephone, email, etc. to gauge progress and offer additional assistance and encouragement. The results of these contacts must be recorded in the participant's case notes.

Provider staff shall encourage the participant to enroll in any career transition service available at the educational agency, especially during the six (6) months prior to graduation/completion.

10. Participation Requirements.

Participants are required to attend school continually from fall through spring sessions. Summer session attendance is encouraged. Waivers from the credit hour norm may be considered at this time (Military Reservists and National Guard personnel that are called to active duty may be exempt from this participation requirement). Other participants may be exempt from the participation requirements based upon circumstances beyond their control.

In most cases, participants should enroll as full-time students, taking as many required courses as possible for each session, but not less than twelve (12) credit hours per session. Various factors such as: age, health, career goal, work schedule, etc., may indicate a more appropriate course load to be higher or lower than the standard in certain instances.

Course work must be only those courses necessary for completion of the degree/certificate/credential requirements, or those courses needed to achieve a specific skill level or competency recognized by employers, as established by the educational agency and monitored by staff.

Clients requesting funding for training programs which have specific acceptance criteria, and/or limited enrollments each year, such as truck driving, must present an official letter of acceptance and a written offer of employment upon successful completion of the program.

11. Onset of Allowable ITA costs.

All payment for financial assistance for training will only be permissible for training received **ON OR AFTER** the date of eligibility. Funding will not be approved for any training already received by the applicant.

Area 8 staff **may approve** financial assistance for all appropriate training for eligible participants for any period after eligibility has been determined and documented.

12. Client Reporting Responsibilities.

Program participants must present grades and schedules for succeeding terms to provider's staff at the end of each grading period prior to the next term. A minimum 2.00 GPA must be maintained unless a higher GPA is required by the course of study. It is recognized that the participant must pre-register for the next season's courses before a grading period ends. Whenever it becomes evident that a participant has achieved a GPA below 2.00, his/her staff counselor **may** at that time discontinue financial assistance or place the participant on probation for the next session. Should this occur, the participant must achieve a 2.00 GPA or higher for the next session to avoid the discontinuation of his/her funding assistance.

Participants **must** submit in writing a request to drop/add courses, change majors and/or program design to provider staff. These requests will then be reviewed for appropriateness and authorization.

Failure to adhere to the participant reporting responsibilities may result in termination of funding. When participants fail to maintain the required standards and/or fail to adhere to their reporting responsibilities, provider staff must submit a written recommendation for termination to their supervisor prior to taking action.

13. Allowable ITA Costs.

ITA expenditures are costs required by the training institution to complete the training. ITA costs required to complete the training may include, but are not limited to:

- Tuition and fees;
- Books;
- Tools;
- Uniforms;
- Tests;
- Medical immunizations/tests.

ITA costs do not include any supportive services' costs related to the ITA (e.g. transportation or child care). Costs must be reasonable and necessary and must represent a sound investment of public funds.

14. Miscellaneous Considerations for Inclusion in Local ITA Policies.

Training services must be provided in a manner which maximizes informed consumer choice in selecting an eligible provider. When participants select an eligible training provider, they should consider providers who are eligible for financial aid to ensure best utilization of WIOA funds.

In relation to training, it is the intent that WIOA funding is the payer of last resort. A comprehensive assessment of the cost of the ITA, which involves accessing other grants or funding, including Federal Pell Grants, Trade Adjustment Assistance (TAA), and scholarships, must be conducted to ensure best utilization of WIOA funds. The provider shall make sure that the participant utilizes all financial aid resources available to minimize any out-of-pocket expense to the participant.

16. Coordination with the TRADE ("TAA") Program.

Individuals who are eligible for assistance under TAA (Trade Adjustment Assistance) are not eligible for WIOA-funded ITAs.

If a participant is already enrolled in a WIOA-funded ITA and subsequently becomes eligible for funding through TAA, it must be determined whether to continue funding the ITA with formula dollars or to fund the remainder of the training with TAA funds based on the following criteria:

- If the WIOA-funded ITA uses the same payment point as the Trade program ITA, the local area must make arrangements for the remainder of the ITA to be funded by TAA beginning at the next payment point. Local areas must coordinate with Trade staff to develop a plan for transitioning participants from one funding stream to another without negatively affecting the employer or the participant.
- Regardless of whether participants remain in the WIOA-funded ITA or transition to TAA funding, it is required that the participant be co-enrolled in both the WIOA-funded ITA and Trade programs and that the ITA be approved under both programs (even if it is being fully funded by formula dollars) to ensure the participant may qualify for other associated Trade benefits and services.

V. Definitions.

Appropriateness: the possession of qualities which are right, needed, or suitable for training services.

Extenuating circumstances: an economic hardship that is beyond the reasonable control of the person(s) responsible for providing financial assistance to the WIOA participant for training.

In-demand industry sector: an industry sector that has a substantial current or potential impact (including through jobs that lead to economic self-sufficiency and opportunities for advancement) on the State, regional, and local economy, as appropriate, and that contributes to the growth or stability of other supporting businesses, or the growth of other industry sectors as listed on the State In-Demand Occupations list or as defined by the local area per the Workforce Innovation and Opportunity Act Policy Letter (WIOAPL) No. 14-XX, Use of Individual Training Accounts (ITA).

In-demand occupation: an occupation that currently has or is projected to have a number of positions (including positions that lead to economic self-sufficiency and opportunities for advancement) in an industry sector so as to have a significant impact on the State, regional, or local economy as listed on the State In-Demand Occupations list or as defined by the local area per WIOAPL No. 14-XX.

Program of training services: a structured regimen leading to recognized post-secondary credentials, industry-recognized credentials, employment, and measurable skill gains toward credentials or employment.

VI. Reporting Requirements.

As recipients of WIOA funds, the Area Workforce, the OMJ operators, partners, and providers will be required to maintain and report accurate program and financial information. Pursuant to rule 5101:9-30-04 of the Ohio Administrative Code, information regarding WIOA participants and their activities and performance must be entered into Ohio Workforce Case Management System (OWCMS) accurately and timely. OWCMS may be used to assist in the determination of eligibility. However, OWCMS cannot be used as verification of adult or dislocated worker eligibility.

VII. Monitoring.

The Area will conduct oversight and monitoring of the implementation of all WIOA programming by all OMJ Center operators, partners, and/or providers.

VIII. Technical Assistance.

For additional information, you may send your questions to ODJFS, Office of Workforce Development:
WIOAQNA@JFS.OHIO.GOV.

Area 8 WDB Approval

Date: 5/17/2018

Motion made by: Rob Radway

Motion seconded by: Michelle Steinke

Vote 4 aye 0 nay 0 abstain X motion carries motion rejected