COLORADO
Department of Labor and Employment

Workforce Development Programs
633 17th Street, Suite 700
Denver, CO 80202

Category/Subject:	Individual Training Accounts for WIOA Title I Adult and Dislocated Worker Programs
Colorado Policy Guidance Letter#:	WIOA-2015-09 (prior #15-15-WIOA)
Revise/Replace PGL#:	01-15-WIA1
Date:	December 16, 2015
Distribution:	CDLE Management, State/Local Staff, Workforce Directors, Partners

I. REFERENCE(S):

- Title I of the Workforce Innovation and Opportunity Act (WIOA) of 2014, Sections 108 and 134(c)(3).
- PGL WIOA-2015-06 (prior #15-10-WIOA), Eligible Training Providers for WIOA Title I Adult and Dislocated Worker Programs.

II. PURPOSE:

To provide guidance to Local Workforce Development Boards and Local Areas in the development of a local policy on Individual Training Accounts. **To require new or updated local policies on Individual Training Accounts be submitted within 90 days of receipt of this PGL to your Regional Liaison.**

III. BACKGROUND:

The Workforce Innovation and Opportunity Act (WIOA) requires that training services are provided to eligible Title I Adults and Dislocated Workers, in most cases, through use of the Eligible Training Provider List (ETPL) and Individual Training Accounts (ITAs). The intent is to maximize informed customer choice in the selection of qualified training providers. A participant in a Title I formula program, who is seeking specific types of training services, must select an eligible provider of training services from the ETPL, in consultation with a career planner or case manager Once the selection is made, the case manager is expected to arrange for payment of such services through an ITA. Use of the ETPL and ITAs is required for classroom training, with limited exceptions (Sec. 134(c)(3)(G)), and may include apprenticeship training or other training options. The ETPL and ITAs may also be used as appropriate for out-of-school youth, ages 18 to 24, utilizing WIOA Title I Youth program funds.

IV: POLICY/ACTION:

A. General ITA Requirements

Under Title I of WIOA, training services must be provided in a manner that maximizes informed consumer choice in selecting an eligible provider. Each Local Board, through the workforce center, must make the ETPL available to customers. Eligible individuals may select training services from the ETPL, in consultation with a case manager, in order to maximize informed customer choice. The one-stop delivery system will refer the individual to training and coordinate payment with the

eligible training provider through an ITA. The ITA is a payment agreement established on behalf of a participant with a training provider. Only those training providers that are on the State's ETPL, and are approved for use of WIOA funding, are able to redeem ITAs for payment.

In order to enhance individual participant choice in their education and training plans and provide flexibility to service providers, the U.S. Department of Labor (USDOL) allows ITAs for out-of-school youth, ages 18 to 24, using WIOA youth program funds when appropriate.

B. Informed Customer Choice

Training services, whether accessed by ITAs, or under contract, must be provided in a manner that maximizes informed consumer choice in selecting an eligible training service provider in accordance with the goals and objectives outlined in the client's individual employment plan. Workforce center staff assists the customer with career choices; however, the ultimate decision rests with the customer. Priority consideration shall be given to programs that lead to recognized postsecondary credentials that are aligned with in-demand industry sectors or occupations in the local area, as identified by the local board.

C. Coordinating ITAs with Other Sources of Funding

WIOA funding for training is limited to participants who are either unable to obtain grant assistance from other sources to pay the costs of their training; or require assistance beyond that available under grant assistance from other sources to pay the costs of such training. Each Local Board, through the workforce center, must consider the availability of other sources of grants to pay for training costs so that WIOA funds are used to supplement other funding sources. They must coordinate funding for ITAs with funding from other Federal, State, local, or private job training programs or sources, including Federal Pell grants, to assist the individual in obtaining training services. In making the funding determination, one-stop operators should take into account the full cost of participating in training services, including the cost of support services and other appropriate costs. A WIOA participant may enroll in WIOA-funded training while an application for a Pell Grant is pending as long as the workforce center has made arrangements with the training provider and the WIOA participant regarding allocation of the Pell Grant, if it is subsequently awarded.

D. ITAs In Conjunction with OJTs or Registered Apprenticeship

ITAs 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.

Registered apprenticeships automatically qualify to be on a State's ETPL, but may not always be listed on the ETPL because apprenticeship programs may choose whether to be included. ITAs can be used for the following apprenticeship-related costs:

1. Tuition, books, and related for pre-apprenticeship training;
2. Tuition, books and related for classroom training that is part of the apprenticeship;
3. Supportive services.

E. Exceptions to the ITA and the ETPL Requirements

There are several exceptions to the required use of an ITA for training. In situations covered by these exceptions, a contract for services may be used to provide for training in lieu of the ETPL process.

1. On-the-job training, customized training, incumbent worker training, internships, paid or unpaid work experience, and transitional employment are not included on the ETPL and therefore are not subject to the eligibility requirements. Local Boards are required to identify their criteria for selecting such contractors in local policy and any performance information required by the state will be specified in the specific policies for those types of training.
2. Where a Local Board determines there are an insufficient number of eligible providers in the local area to accomplish the purpose of an ITA. The local plan and local policy must describe how this determination was made and the process used for contracting for services.
3. If the Local Board determines that a community-based organization (CBO) or nonprofit whose primary mission is to serve individuals with barriers to employment provides effective training services. The Local Board must develop criteria in local policy to determine that the program is effective.
4. Training for multiple individuals in in-demand industry sectors or occupations, as long as the contract does not limit the individual's consumer choice.
5. Circumstances in which a pay-for-performance contract is appropriate, if the Local Board chooses to utilize this strategy.

F. Documentation

1. Local areas must document that a training program was on the ETPL in approved status for WIOA funding at the time that training is approved by the local area. The individual's case file must include a screen shot or printout that shows the WIOA approved program on the ETPL.
2. The individual case file must contain a copy of an ITA commitment or agreement document and supporting source documentation, signed by the participant and training vendor, that identifies at a minimum the amount of funding, the school and program, and the duration of the ITA.

G. Local Policy Requirements

At a minimum, the following items must be addressed in local policy:

1. ITA Limits

   Local Boards may impose limits in two ways:

   a. There may be a limit for an individual participant that is based on the needs identified in the individual employment plan, such as the participant's occupational choice or goal and the level of training needed to succeed in that goal; or
   b. There may be a policy decision by the Local Board to establish a range of amounts and/or a maximum amount applicable to all ITAs.

   The local policy should describe the basis for any limitations. Limitations established by Local Board policies must not be implemented in a manner that undermines WIOA's requirement that training services are provided in a manner that maximizes customer choice in the selection of an eligible training provider.

2. Internal procedure for the issuance of an ITA, that identifies the type of documentation to be used, required signatures and staff authorized to issue the ITAs. In addition to tuition cost, does the ITA pay for books, fees, equipment or other education materials? If payments are made incrementally, will factors such as enrollment, program completion, and continued attendance be considered? Are ITAs issued for a single term, semester, and/or as renewals for longer-term training? How will "unused" money in an ITA account be utilized?

3. Guidelines for the coordination of available Federal, State, and local resources to meet the training and education-related costs of services. This includes documenting how WIOA funds are being used to supplement other available sources of funds.

4. Procedures that workforce center staff will use to record the participant training-related financial assistance needs, the methodology of how the needs were determined and the mix of funding assistance in the participant's record.

5. Procedures to authorize the release of a participant's financial aid information by the post-secondary institution. This includes requiring the educational institution's financial aid officer to inform the local workforce center staff of the amounts and disposition of any awards and other types of financial aid to each participant awarded after the enrollment of the participant, as part of an ongoing information sharing process.

6. The criteria for Local Boards to determine the in-demand industry sectors or occupations for the local area.

7. The criteria for Local Boards to give priority consideration to programs that lead to recognized postsecondary credentials that are aligned with the in-demand industry sectors or occupations in the local area.

8. The process by which participants will receive an interview, assessment, or evaluation to determine the need for training services before selecting a training program. Workforce center staff assists customers by providing current and projected labor market information to customers to inform decision making.

9. How the participant will have access to the list of eligible providers through the One-Stop system.

10. Coordination of the local ITA policy with the local Adult priority of service policy procedures.

11. Internal monitoring procedures for the local ITA system.

12. All policy requirements identified in section E of this PGL: Exceptions to the ITA and ETPL Requirements.

13. The documentation requirements listed in Section F of this PGL: Documentation.

V. IMPLEMENTATION DATE:

Effective immediately. **A copy of new or updated local policies must be submitted within 90 days of receipt of this PGL via e-mail to your Regional Liaison.**

VI. INQUIRIES:

Please direct all inquiries to your Regional Liaison at Workforce Development Programs.

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Elise Lowe-Vaughn, Director
Workforce Programs, Policy, and Strategic Initiatives