

**TO: WIB**

**DATE: 09/28/04**

**FROM: WIB Program Planning & Development**

**For Action**

**For Information**

**For Discussion**

**SUBJECT: Individual Training Account (ITA) Policy**

**PROPOSED MOTION(S): Approve a new ITA Policy.**

**DISCUSSION: On September 11, 2003, the WIB approved a new ITA Policy. The new policy was instituted because of the 28% funding reduction for 2003 and the need for a timely management process. The new policy included: 1) The ITA cap and number of ITAs per two-year period were reduced; 2) A cap of \$2,500 per ITA (instead of \$6,000) with the authority to exceed the ITA cap resting with the Assistant Director of the One-Stop Operator, or in his/her absence, the Program Manager of the Worknet Employment Resource Center; and 3) A participant can be issued more than one (1) ITA within a two-year period (instead of no more than three (3) during a two-year period) as long as the total cost of the ITAs does not exceed \$2,500.**

**The training most clients have received has cost more than the \$2,500 cap. A check of the cost of ETPL training courses in Merced, Stanislaus and Fresno Counties reveals that roughly 75% of the training offered costs more than the \$2,500 cap. In order to provide training to WIA-enrolled participants, the request to exceed the ITA cap has become the norm rather than the exception.**

**A new policy is recommended with a new cap of \$4,500, with the same caveat of having to request for authority to exceed the cap resting with higher management. This action will reduce staff workload while helping to ensure that participants receive training without having to bear personal financial burden during attendance.**

**The Program Planning & Development Committee approved the new ITA policy during their September 22, 2004 meeting.**

**ATTACHMENT(S):  
ITA Policy**

## **ITA Policy**

- **Policy**
- **Individual Training Accounts (ITA's) - General Provisions**
- **Training Activities**
- **Eligibility for Training**
- **Training Priority System**
- **Limitations of Financial Support**

### **I. Policy**

- A. In order to provide customer choice in the selection of training providers, the Individual Training Account (ITA) system was established. Through this system, eligible Workforce Investment Act (WIA) participants are able to select their choice of training. The Merced County Workforce Investment Board, through the One-Stop Operator, the Merced County Department of Workforce Development (WI), shall make available classroom training in occupations that are directly connected to occupations in demand, as established by the Board. Occupational classroom training will be provided through training vendors evaluated, approved and placed on the state Eligible Training Provider List (ETPL).
- B. The Merced County Workforce Investment Board, through WI, shall provide training services that lead to a certificate/license/credential/degree, a competency or skill recognized by employers, or a training regimen that provides individuals with additional skills or competencies generally recognized by employers.
- C. The Merced County Workforce Investment Board, through the Department of Workforce Development, reserves the right to make exceptions to this policy, on a case by case basis, should individual circumstances warrant exception.

### **II. Individual Training Accounts (ITA's) - General Conditions**

- A. Except as provided in the Workforce Investment Act of 1998 and associated regulations, training services provided to eligible participants shall employ individual training accounts (ITAs) issued through the One-Stop Delivery System.

The "maximum Training Funds Available" on any individual ITA shall not exceed four thousand five hundred dollars (\$4,500) without prior, written approval of the Assistant Director of the One-Stop Operator or in his/her absence, the Program Manager of the One-Stop Career Center

- i. In no event shall an ITA carry a time or dollar balance after the program of training is either completed or terminated.
- ii. The maximum length of training under a single ITA shall be two years.
- iii. More than one ITA may be issued to a participant within a two- year period provided the total cost of the ITAs does not exceed \$4,500.
- iv. An ITA shall cover the cost of training including tuition and other training-related items supplied by the training provider (e.g., books, license fees, training materials, registration fees, supplies, uniforms, DMV printouts, physical examinations, immunizations, health fees and insurance) but will not include or consider the costs of supportive services. Supportive services, if appropriate, shall be delivered pursuant to the Board's Supportive Services

## Policy.

- B. Both the student and a representative of WI will sign a completed ITA. Signatory authority of WI on the ITA is the Program Manager responsible for Training Services at each of the Department's geographic locations (authorized by the Merced County Board of Supervisors on 7/25/00 and Department of Workforce Development Director on 7/25/00). Once a completed ITA is signed by the student and WI representative, copies will be provided to the Accounting/MIS unit of WI, the school/provider, the case manager and the student. Each geographic location will use the same ITA form, but will utilize Certificate Numbers unique to their location to designate point of origin. Initially, the Livingston office will issue sequentially ITA certificate numbers 1 - 999, Los Banos will issue sequentially ITA certificate numbers 1000-1999, and Merced will issue sequentially ITA certificate numbers 2000-2999.
- C. WI shall ensure that all training activities are provided in sites that are accessible to individuals with disabilities, and that all reasonable accommodations are made to provide services to this populations.

### III. Training Activities

- A. The types of training services made available through WI under the Workforce Investment Act shall include:
  - i. Occupational skills training as well as training for non-traditional employment, offered in a classroom environment;
  - ii. Skill upgrading and retraining, including training courses that build upon the individual's existing skills.
- B. Additional training services, not covered by this policy, include:
  - i. Programs that combine workplace training with related instruction, such as customized training programs;
  - ii. On-the-job training;
  - iii. Work experience;
  - iv. Entrepreneurial training;
  - v. Adult education and literacy activities.

### IV. Eligibility For Training

WI shall make available Workforce Investment Act funds for the provision of occupational classroom training to eligible populations in accordance with Section 134(d)(4)(A) of the Act. Eligible populations shall include adults, dislocated workers, and incumbent workers who:

- i. Are unable to obtain employment that leads to economic self-sufficiency through core and intensive services;
- ii. After an interview, evaluation or assessment, and case management, have been determined by a one-stop operator to:
  - a. be in need of training services;
  - b. have the skills and qualifications to successfully participate in the selected program;

- c. have selected programs of training services that are directly linked to the employment opportunities in the Merced County area, central San Joaquin Valley, or in another area in which the customer is willing to relocate;
- d. are unable to obtain sufficient grant assistance, including PELL grants;
- e. require support beyond the assistance made available under other grant assistance programs.

## **V. Training Priority System**

- A. If and when the Board declares that funds allocated to a local area for adult employment and training activities under paragraph (2)(A) or (3) of section 133 (b) are limited, then WI shall provide priority services to recipients of public assistance and other low-income individuals for intensive and training services. Low-income individuals are defined as:
  - i. receives, or is a member of a family that receives, cash payments under a Federal, State, or local income-based public assistance program;
  - ii. received an income, or is a member of a family that received a total family income, for the six-month period prior to application for the program involved (exclusive of un-employment compensation, child support payments, payments described in subparagraph (A), an old-age and survivors insurance benefits received under Section 202 of the Social Security Act (42 U.S.C. 402) that, in relation to family size, does not exceed the higher of:
    - a. the poverty line, for an equivalent period; or
    - b. 70% of the lower living standard income level, for an equivalent period;
  - iii. is a member of a household that receives (or has been determined within the six-month period prior to application for the program involved to be eligible to receive) food stamps pursuant to the Food Stamp Act of 1977 (7 U.S.C. 2011 et. Seq.);
  - iv. qualifies as a homeless individual, as defined in subsections (a) and (c) of Section 103 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11302);
  - v. is a foster child on behalf whom State or local government payments are made; or
  - vi. in cases permitted by regulations promulgated by the Secretary of Labor, is an individual with a disability whose own incomes meets the requirements of a program described in subparagraph (a) or of subparagraph (b), but is a member of family whose income does not meet such requirements.

## **VI. Limitations Of Financial Support**

- A. For those clients who elect to attend occupational classroom training within the local labor market area (defined as from Fresno County to the south to Stanislaus County to the north), the maximum amount of funds available will be limited to the needs identified in the Individual Employment Plan.
- B. For those clients who elect to attend occupational classroom training outside of the defined labor market area, no supportive services will be made available to the client by the Department of Workforce Development.
- C. For those clients who must attend occupational classroom training outside of the defined local labor market area because there are no providers of the training within

the area, the provisions for electing to attend within the local labor market area will apply.