

**TO: Planning & Policy Development Committee**

**Date: October 17, 2001**

For Action  
 For Information  
 Meeting Notes

**FROM: WIB Staff**

**SUBJECT: Individual Training Account Policy**

**PROPOSED MOTION: N/A**

**DISCUSSION:**

**The Law** – Section 134(d)(4)(G)(ii) of the Workforce Investment Act of 1998 required that, absent specific conditions, the “normal” mode for delivery of training services shall be via Individual Training Accounts issued and administered through the One-Stop system.

**The Regulations** – 20 CFR § 663.410 describes an Individual Training Account as an account established on behalf of a participant (Adult or Dislocated Worker) and from which payments for training services are paid.

20 CFR § 663.420 allows that limits to ITA’s may be established in different ways:

- (1) There may be a limit for an individual participant that is based on the needs identified in the individual employment plan; or**
- (2) There may be a policy decision by the Local Board to establish a range of amounts and/or a maximum amount applicable to all ITA’s.**

**Limitations established by Local Board policies must be described in the Local Plan and should not be implemented in a manner that undermines the Act’s requirement that training services are provided in a manner that maximizes customer choice in the selection of an eligible training provider. Further, ITA limitations may provide for exceptions to the limitations in individual cases.**

**An individual may select training that costs more than the maximum amount available for ITAs under a local policy when other sources of funds are available to supplement the ITA. These other sources may include: Pell Grants; scholarships; severance pay; and other sources.**

**Staff Commentary – It appears there are a number of items requiring attention including:**

- **Existing references to PITD need to be changed to reflect the multiple roles**
- **Significant language revision/cleanup**
- **Current language does not anticipate “sufficient funds” and resultant lack of statutory priorities**
- **Current language defining “low income individual” is redundant**
- **Entire document/ITA approach (incl. current non-statutory priority scheme, ITA amount/cap, time limits, out of area training conditions, etc.) needs to be ratified or changed after review**

**ATTACHMENTS: Current ITA Policy – approved April 20, 2000 by the Transition Committee of the Merced County Private Industry Council.**

# Individual Training Account (ITA) Policy

Approved April 20, 2000

## 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 participants are able to select their choice of training. The Merced County Workforce Investment Board, through its agent the Merced County Private Industry Training Department, shall make available classroom training in occupations that are directly connected to occupations in demand, as established by the Board, based upon local labor market information (targeted demand occupations in the central San Joaquin Valley, Fresno through Stanislaus Counties). Occupational classroom training will be provided through training vendors evaluated, approved and placed on the approved Eligible Training Provider List.

B. The Merced County Workforce Investment Board, through the Private Industry Training Department, shall provide training services that leads 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 Private Industry Training Department, 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. In most cases, training will be provided through the use of an ITA, which is the vehicle that allows payment to the school/provider by the Private Industry Training Department. Individuals who have met the eligibility requirements for intensive services, but are unable to obtain or retain employment through such services, may be appropriate to utilize the ITA system.

B. Through the one-stop network, these individuals will be evaluated to determine whether or not they are in need of training and if they possess the skills and qualifications needed to participate successfully in the training program in which they express an interest. The vocational assessment results should support the desired training for approval to be granted.

C. ITA's shall be established for eligible customers as defined in Section 134 (d)(4)(A) of the Act. These ITA's shall be designed in such a way that each Workforce Investment Act vocational classroom training student will have available, or be provided data, regarding their ITA. Funds expended on a training program for any individual shall be determined as fulfilling the training agreement for the training customer. In no case will the individual's ITA carry a time or dollar balance after a training program is either completed or terminated. Training time limits are set for a maximum of two years under one ITA, with no more than three ITAs being issued to a client within a two year period.

D. Both the student and a representative of the Private Industry Training Department will sign a completed ITA. Signatory authority for the Private Industry Training Department on the ITA is the Program Manager responsible for Training Services at each of the Department's geographic locations (Merced County Board of Supervisor action on 7/25/00; Private Industry Training Department Director action on 7/25/00). Once a completed ITA is signed by the student and the Private Industry Training Department representative, copies will be provided to the Accounting/MIS unit of the Private Industry Training Department, 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, Merced will issue sequentially ITA certificate numbers 2000-2999, and Merced CalWorks will issue sequentially ITA certificate numbers 3000-3999.

E. The Private Industry Training Department 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 population.

### III. Training Activities

A. The types of training services made available through the Private Industry Training Department under the Workforce Investment Act shall include:

1. Occupational skills training in local (central San Joaquin Valley) targeted demand occupations, as well as training for non-traditional employment, offered in a classroom environment;
2. 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:

1. Programs that combine workplace training with related instruction, such as customized training programs;
2. On-the-job training;
3. Work experience;
4. Entrepreneurial training;
5. Adult education and literacy activities.

#### IV. Training Duration

The duration of training varies according to the skills of the job seeker, the particular training component, and the employment position sought. The maximum length of training under one ITA is two years. The number of ITAs an individual may access is limited to the classroom training that is required to achieve the occupational goals documented in the client's Individual Employment Plan, with no more than three ITAs being issued to a client within a two year period.

#### V. Eligibility For Training

A. The Private Industry Training Department 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 the economically disadvantaged individuals, dislocated workers, and incumbent workers who:

1. Are unable to obtain employment that leads to economic self-sufficiency through core and intensive services;
2. 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; and
  - b. have the skills and qualifications to successfully participate in the selected program;

3. 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;
4. Been determined eligible according to the "priority system" established by the Merced County Workforce Investment Board (next section of this policy).
5. Are unable to obtain sufficient grant assistance, including PELL grants;
6. Require support beyond the assistance made available under other grant assistance programs.

## VI. Training Priority System

A. The Private Industry Training Department shall provide services to specific target groups through a priority system in accordance with the Workforce Investment Act as determined by the Workforce Investment Board. The primary target groups for occupational training shall include:

1. Low income individuals, defined as:
  - a. receives, or is a member of a family that receives, cash payments under a Federal, State, or local income-based public assistance program;
  - b. 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 -
    - i. the poverty line, for an equivalent period; or
    - ii. 70% of the lower living standard income level, for an equivalent period;
  - c. 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.);

- d. 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);
  - e. is a foster child on behalf whom State or local government payments are made; or
  - f. 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 who is a member of family whose income does not meet such requirements.
2. Dislocated workers;
  3. Employed individuals in jobs that do not afford "economic self-sufficiency" (incumbent workers).
- B. Based upon the determination that sufficient Workforce Investment Act funds are available, a maximum of 10% of program funds will be available to provide training to:
1. Non- low income individuals who lack significant work history or job skills; or
  2. Individuals possessing a credential or certification that is more than five years old in a current, targeted demand occupation, who need skills upgrading.

## VII. 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 under an Individual Training Account will be limited to the needs identified in the Individual Employment Plan. This will include the cost of tuition and associated fees, as well as, but not limited to, equipment, tools, books, clothing, etc. provided by the training vendor to the client, as a requirement for participating in training.
- b. Additional support services, to raise the probability of successful completion of training, may be made available directly to the client in accordance with the Supportive Services Policy.

- c. For those clients who elect to attend occupational classroom training outside of the defined labor market area, no support services will be made available to the client by the Private Industry Training Department.
- d. 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.

#### VIII. Minimum Requirements For Training

In general, the minimum entry-level requirements for occupational classroom training shall be possession of a GED or high school diploma. Additionally, the training customer must have an 10.9 grade reading comprehension and math level. However, approval may be given by the Private Industry Training Department to waive the minimum training requirements for specific occupational classroom training.