

## Policy 12-501: Individual Training Accounts (ITA)

<b>Reference State Policy:</b>	WIOAPL 15-26; WIOAPL 15-11.3, WIOA 15-09.01
<b>Board Approved:</b>	12/5/2007
<b>Revision Approved:</b>	11/6/2015; 5/31/2016; 12/2/2021, 7/18/2023 (Any program 6 months or less cannot exceed \$6,500).
<b>Effective Date:</b>	7/1/2016; 12/2/2021, 8/1/2023
<b>Policy Obsoletes:</b>	N/A

### Purpose:

The purpose of this policy is to identify the parameters for providing training for in-demand occupations that lead to unsubsidized employment, self-sufficiency and/or a self-sufficient career path.

### Background:

WIOA Section 134(3) (G), of the WIOA law states that the system of Individual Training Accounts (ITAs) will be utilized through the One-Stop delivery system. Linkage to occupations in demand is described as being directly linked to occupations that are in demand in the local area or one where the participant is willing to relocate as approved by the board. Ohio Administrative Code 5101:9-2-03 & 5101:9-3-05 set forth complaint procedures.

### Policy:

Depending upon the availability of funds and the suitability of the individual for classroom training, funds for training will be distributed through the ITA system. The need for training will be evaluated against the customer's need to reach a level of self-sufficiency, his/her current level of training and the appropriateness of training to current needs of the workplace.

Program training services are defined as one or more courses or classes, or a structured regimen that, upon completion leads to:

- A certificate, associate degree, baccalaureate degree, or
- The skills or competencies needed for a specific job or jobs, an occupational group, or generally, for many types of jobs or occupations, as recognized by employers and determined prior to training.

It is the policy of the Area 12 Workforce Development Board to establish a priority of service system for that includes the following:

1. Each county agrees to serve its own residents first;
2. Each county agrees to serve residents of the other county with up to 30% of the programmatic dollars available, if that would enhance customer service and access to the WIOA programs and services;
3. Each county agrees to serve residents from outside Area 12 if the customer's region
  - Would not, or could not, provide the individual with OST services;
  - If the resident provided evidence of such an occurrence, and;
  - Area 12 has the Education and/or Training funds available to provide services.

The Area 12 Workforce Development Board will also ensure that the WIOA programs in the local area shall allow customers access to training opportunities in order to advance themselves and ensure that employers have a well-trained workforce. However, customers must meet the following criteria in order to receive training services:

- Be unlikely to obtain or retain self-sufficient employment or higher wages from previous employment via Career Services
- Need training to obtain or retain self-sufficient employment or higher wages from previous employment
- Have the skills and qualification to participate in training
- Select that is training directly linked to employment opportunities
- Unable to Obtain Other Grant Assistance or Require Assistance in Addition to Other Grants
- Be likely to be successful in the training and career.

Training programs approved for Area 12 must be on the Area 12 Eligible Training Provider List, provided the Area 12 Eligible Training Provider policy has been developed and fully implemented. Exceptions may be made in cases where a provider /program is on the State approved provider list and there is insufficient time to complete the process to place the provider/program on the Area 12 approved list in a time frame that would allow an interested customer to access the training . It is the intent of Area 12 to ensure WIOA customers are fully informed regarding training options, not to restrict customer choice.

In addition, the Workforce Development Board will permit the use of virtual training opportunities on a case-by-case basis, depending on the need and the circumstances of the customer provided the training is indicated by needs of the local labor market or that of an identified area of re-location. Further, the Area 12 Workforce Development Board grants the WIOA agencies the responsibility for determining the validity of the training, whether the vendor is on the Statewide list and whether the training is in-demand.

Training at institutions outside of the region will be permitted if the institution is on the Eligible Training Provider list. However, travel expense reimbursement will be capped at a level that would be allowed for schools within a 75-mile radius of the participant's home. No relocation expenses will be paid.

### **Use of Sector Strategies**

Requests for training should indicate areas that show real growth in the local economy or should be occupational areas that will help to enhance economic growth. Ohio Department of Job and Family Services (OJDFS) requires that least 85% of the ITA enrollments must be in an in-demand occupation as defined by and published by the State of Ohio. Area 12 also requires that:

- a) 85% of the ITAs be in one of the Area 12 in-demand industry sectors as well as the State defined in- demand industry sectors, or
- b) the training must be on the State in-demand list and be tied to a company or industry identified

by a local Economic Development official as a growth field within the county/area. Those ITAs falling into the category “b” will need to have a bona-fide, verifiable pre-hire letter from a company or industry that requires individuals to have skills relating to the identified training field.

The remaining 15% of ITAs may include occupations in a geographic area in which the participant is willing to work or relocate or a written and verifiable guarantee of a bona fide job upon completion of training. It is the responsibility of each county to remain within the 85%:15% guidelines to assure that Area 12 is compliant. When any partner county reaches a level of 10% of its ITAs in the exception category, notification needs to be provided to the other two counties. Appropriate documentation, including a print out of the ODJFS list of in-demand occupations showing the appropriate occupation and time frame, must be maintained in the case file to be reviewed during the comprehensive monitoring visit.

Waivers may be requested to exceed the State’s 15% enrollment requirement. It is understood that waivers will be approved on a case by case basis, with appropriate documentation. The Area 12 Workforce Development Board staff will send such waiver requests via email to [WIAQNA@JFS.OHIO.GOV](mailto:WIAQNA@JFS.OHIO.GOV), with the subject line “ITA Waiver Request”.

### **Allowable Costs and Fees**

The maximum amount for an ITA may not exceed \$15,000 of WIOA funds for program costs. Any program 6 months or less cannot exceed \$6,500. Costs must be reasonable and necessary pursuant to proposed regulation. The cost of a program must also be in line with the average cost of similar programs of study within the area. The costs must also be in line with projected future wages that an individual may reasonably be expected to earn within that occupation in the future. One additional consideration should be the ability of the individual to continue advancement within that particular career path and the expectations for sustainability of employment in that career. The funding cap will be reviewed by the Operational Compliance Team at a minimum of once a year.

The amount for an ITA shall include costs required by the training institution to complete the training. That may include, but is not limited to the following:

- Tuition and fees
- Books
- Tools
- Uniforms
- Tests
- Medical immunizations/tests\*

The ITA costs are not to include supportive services. Costs must be reasonable and necessary and must represent a sound investment of public funds. All financial aid resources should be used to minimize any out-of-pocket expense to the participant.

If Area 12 is declared to be in a limited funding status, each individual county may become more restrictive in the ceiling placed on ITAs, depending upon the status of their expenditures and

obligations. It is the responsibility of the county personnel to submit ITA ceiling information to the Workforce Development Board staff.

When choosing an eligible training provider, it is required that participants and Area 12 staff first consider providers who are eligible for financial aid to ensure the best utilization of WIOA funds. A comprehensive assessment, a budget and determination of access to other grants or funding (including Pell, TAA and scholarships) must be conducted. Any grants received, such as Pell, shall be applied toward tuition cost prior to the ITA. It is the intent of the WIOA to be the payer of last resort. Most certainly, the graduation rates, placement rates and wage rates of the graduates from the training provider need to be carefully considered.

The duration of an ITA will be determined by the course of study chosen; however, it must fall within the guidelines indicated below. The training plan must be realistic and attainable.

The maximum duration of any ITA may not exceed a 24 (twenty-four) month period. Exceptions may be granted in instances where, through no fault of the student, the student is unable to complete the training as planned. Exceptions may include:

- Lack of availability of classes
- Cancellation of classes
- Unforeseen illness (of the participant or an immediate family member of the participant)
- Military service or leave time

The Area 12 Workforce Development Board will permit Area 12 WIOA staff to establish a reasonable and customary (average) cost in regards to the same or similar type of training offered by more than one vendor used by the agency. The reasonable and customary (average) cost is determined by considering the lowest and best cost of a training program which takes into account the options of length of training course, location, specifics of the training offered, etc. plus 20%. The approach to be used will be to advise customers seeking training that an ITA could be issued in an amount that could cover the actual lowest cost of a training program or any cost 20% above the lowest cost of similar types of training are being compared. If the customer chooses to attend a more expensive school/program, an ITA will be issued for not more than the lowest cost plus 20%. However, the customer must document the ability to make payment for balance of the tuition and fees. The customer's funding must be applied before WIOA funding is used.

When decisions are made regarding the amount of an ITA, the cost must be determined by the average cost of training in in-demand occupations within the local area as well as:

- The training investment should be in line with future wages earned by the participant.
- When reviewing the overall cost and investment, the participant may have the ability to complete the training at a slightly higher cost in a shorter time frame.. The cost of training, the commitment of the participant, fees, books, tuition and other associated costs such as child care while in training, should be factored and a cost benefit analysis performed.

#### Establishment of In-Demand Industry Sectors

Biennially, the Area 12 Workforce Development Board will review the list of in-demand sectors

and select the sectors most relevant to the needs of the local area. These must also be listed on the Ohio in demand list of occupations. Occupational training that does not fall into one of the Area 12 chosen sectors, but is on the Ohio in demand list of occupations will require pre-hire letters to be considered.

### Suitability for ITAs

A high school diploma or High School Equivalency (HSE) is seen as being of utmost importance to the individual's future in the workforce. Individuals not having a diploma or HSE will be referred to the Aspire program to receive assistance in preparing for their HSE test. A genuine effort to attain the HSE must be made. If it is determined by instructional staff of the Aspire program or an Area 12 Career Advisor that an individual who has been referred by WIOA for HSE preparation is in immediate need of training in order to get a job and they will need a substantial period of time to attain passage of the HSE, they may make a recommendation that the individual be permitted to enroll in an occupational training. Enrollment in training is dependent upon the fact that the training area does not require a HSE or diploma, therefore training options will be limited. WIOA assistance will however, be contingent upon agreement on the part the individual to continue pursuit of the HSE.

Potential participants must also be suitable for training services. As deemed appropriate by the WIOA caseworker, individuals seeking training services may be required to complete an academic assessment to confirm the possession of the “skills and qualifications to successfully participate in the selected program of training services” (WIOA pgs. 105-106, sec.134).

Assessment of suitability should also include interviews, inventory of skills and interests (through inventory or interview), career information and any appropriate labor market information.

Applicants with Associate Degree or higher may be considered employable and capable of achieving self-sufficiency, depending upon the area of study and work experience.

The following exceptions may apply:

- Documented disability that prohibits or severely limits the applicant from returning to previous occupation.
- Conditions related to age that severely limit the applicant from returning to previous occupation.
- The existing degree or certification is attained outside the State of Ohio and does not transfer all credits and/or occupational credentials (proof required).
- The degree is no longer desirable in any marketable occupation or the degree is considered outdated given the requirements / coursework that existed at the time the degree was attained. Applicant must provide supporting documentation to this fact.
- The individual's work experience or occupational skills are no longer marketable in any desirable occupation.

## Self Sufficiency and Family Self-Sufficiency

The Area 12 Workforce Development Board establishes, in accordance with the five-year strategic plan, a definition of self-sufficiency as a goal for Adults to reach when seeking WIOA services. Self-sufficiency is viewed as a family's gross wage in excess of 250% of the poverty level for adults, or for a dislocated worker, at least 90% of one's previous salary (also to be seen as the Area 12 definition of Family Self Sufficiency) The goal of self-sufficiency is meant to be as inclusive as possible in terms of providing services to the county's residents in that many residents will need services to reach self-sufficiency and the goal is also to ensure that all low income customers will have available employment and training resources.

The Area 12 Workforce Development Board establishes that the expenditure of funds by the WIOA Agencies are subject to the availability of WIOA and/or TANF dollars as appropriated to the local area.

## Process for Obtaining Services, as Exception to ITA Process

There will be no contracts with entities not on the State approved eligible training provider list. Any contracts under the exception provisions of the WIOA will follow local procurement procedures along with any State and federal OMB requirements applicable to the management of grant funds.

The local board is charged with approving decisions and RFP specifications. Committees of the local board will evaluate proposals and make recommendations for the selection to the county elected officials who are the grant recipients for the funds. Contracts will be executed with the providers who are awarded funding.

On-the-job and customized training will not be subject to procurement as these exceptions to the ITA system are developed on a one to one basis for employers with whom there is a specific customer who meets a match in interests and aptitudes for the job vacancy available.

Adult Basic and Literacy Education provides basic skills and English-as-a-second-language on a referral basis, usually at no cost. If there is a cost, Adult Basic and Literacy Education and English-as-a-second-language will be provided as a service either through commercially off-the-shelf, sole source procurement with public education providers or through competitive contracts.

It is the expectation of the Area 12 WIOA staff will determine completeness, authenticity and validity of the related documentation