

# Washington State Workforce Innovation and Opportunity Act Policy

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**Policy Number:** 5601 Revision 2

**To:** Washington WorkSource System

**Effective Date:** August 17, 2020

**Subject:** Individual Training Accounts

## **1. Purpose:**

This policy provides guidance to Local Workforce Development Boards (LWDBs) on Individual Training Accounts (ITAs) for training services provided under Title I of the Workforce Innovation and Opportunity Act (WIOA).

## **2. Background:**

Funding of certain WIOA Title I training services for adults, dislocated workers, and out-of-school youth ages 16-24 are provided through ITAs. Using ITA funds, WIOA Title I adults, dislocated workers, and youth, when appropriate, purchase training services from eligible training providers they select in consultation with an employment counselor. Individuals are expected to use information that is provided (such as skills assessment, labor market conditions/trends and training vendor performance) to take an active role in managing their employment future through ITAs. Individuals are expected to make an informed choice about their own employment future and the training services needed.

Per 20 CFR 680.300 and Section 7 of TEGL 19-16, an ITA is triggered through an intentional process between a WIOA Title I participant and the participant's WIOA Title I case manager. That process, which leads to the selection of a training provider eligible to receive WIOA Title I funds via an ITA, is a condition of establishing the ITA itself.

## **3. Policy:**

LWDBs must have a local ITA policy for adults, dislocated workers and out-of-school youth ages 16-24 receiving WIOA Title I training services. See [Attachment A](#) for guidelines and considerations for local policy development.

### **a. Coordination of WIOA Training Funds and other Federal Assistance**

Local areas must consider the availability of other sources of grants, excluding loans, to pay for training costs so that WIOA funds are used to supplement but not supplant other sources. WIOA funds are intended to provide training services in instances when there is no grant assistance (or insufficient assistance) from other sources such as Temporary Assistance for Needy Families (TANF), Basic Food Employment and Training (BFET), Title IV Programs and

state-funded grants) to pay for those costs (20 CFR 680.310). The use of WIOA funds to pay down a loan of an otherwise eligible participant is prohibited; however, the mere existence of a federal loan must not impact eligibility determinations.

### **b. Use of ITA funds**

If an ITA has been established and the training is managed between the WIOA Title I case manager and the participant, those funds may be used to pay for allowable training-related expenses as well as tuition expenses.

If the training provider was selected by the WIOA Title I participant and the case manager, but the source of *payment* for training is Pell, other financial aid, or private scholarships, a WIOA-funded ITA **may be used** to pay allowable training costs not covered by those fund sources.

A WIOA-funded ITA is **not** appropriate if the WIOA Title I case manager and program played no role in training provider selection and the participant's training is selected, funded, and directed by a program other than Title I, such as Vocational Rehabilitation (VR), Trade Adjustment Assistance (TAA), or community and technical colleges (Worker Retraining (WRT)). However, if such funding ends after training has started, a WIOA Title I-funded ITA may be initiated if that program is on the Eligible Training Provider (ETP) list.

Refer to WIOA Title I Policy 5602, Revision 2, Supportive Services and Needs-Related Payments regarding payment of training-related expenses as supportive services.

### **c. In-demand occupations**

ITA funds must be directly linked to an in-demand industry sector or occupation in the local area, or in another area to which the individual is willing to relocate. Local boards may also approve training services for occupations determined by the local board to be in economic sectors that have high potential for sustained demand or growth in the local area.

DOL guidance is that registered apprenticeship programs are in-demand even if the labor market information may not list as "in-demand" the occupation for which the individual is apprenticed because registered apprenticeship programs, being tied to specific employers, only enroll individuals when there is employer demand, which makes it possible to carry out the on-the-job aspect of the instruction.

### **d. Local Policy Requirements**

Local ITA policies must address the following:

- How ITAs will be obligated and authorized;
- ITA dollar and/or duration limits, if any;
- The number of times participants may modify their ITA, if it is limited; and
- Other local policy decisions based on the guidance in this policy.

#### **4. Definitions:**

**Good Cause** - “Good cause” for failure to make satisfactory progress in training includes specific factors that would cause a reasonably prudent person in similar circumstances to fail to make satisfactory progress. Good cause includes, but is not limited to:

- a) Illness, injury or disability of the participant or a member of the participant’s immediate family;
- b) Severe weather conditions or natural disaster precluding safe travel;
- c) Destruction of the participant’s school records due to a natural disaster or other catastrophe not caused by the participant;
- d) Acting on advice received from an authority such as the training provider, instructor, or case manager;
- e) Training is delayed or cancelled;
- f) Accepting stop-gap employment with hours or other work conditions that conflict with the training;
- g) Accepting goal-related employment prior to completion of training.

#### **5. References:**

- [WIOA Section 134\(c\)\(3\)\(G\) – Adult and Dislocated Workers](#)
- [WIOA Section 134\(c\)\(3\)\(G\)\(iii\) – Linkage to occupations in demand](#)
- [WIOA Section 129\(c\)\(2\)\(D\) – Youth](#)
- [20 CFR 680.300, 680.310, 680.320, 680.330 – Adult and Dislocated Workers](#)
- [20 CFR 681.550 – Youth](#)
- [Training and Employment Guidance Letter \(TEGL\) 19-16, Section 7](#)
- [Training and Employment Guidance Letter \(TEGL\) 21-16, Section 7](#)
- [Training and Employment Guidance Letter \(TEGL\) 08-19, Attachment I](#)
- [WAC Chapter 192-270 \(Training Benefits\)](#)
- [WIOA Title I Policy 5611 – Governor’s Procedures for Determining Training Provider Eligibility](#)

#### **6. Supersedes:**

WIOA Title I Policy 5601 Revision 1

#### **7. Website:**

[Workforce Professionals Center](#)

#### **8. Action:**

Local Workforce Development Boards and their contractors, as well as Employment Security Regional Directors, must distribute this policy broadly throughout the system to ensure that WorkSource System staff are familiar with its content and requirements.

#### **9. Attachments:**

[Attachment A - Guidelines and Considerations for Local Policy Development](#)

**Direct Inquiries To:**

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## **Attachment A**

### **Guidelines and Considerations for Local Policy Development**

Guidelines:

- Define expenditures directly related to training that qualify to be paid through ITAs (such as tuition, books, academic fees, school supplies, educational testing and certification, equipment and tools, etc.).
- An ITA award could fund prerequisite training to a vocational training program if it is required by the educational institution.
- Once participants are awarded ITAs, limits can be placed on the time by which they must be enrolled in training.
- Limits can be placed on the number of times participants can modify their ITA.
- When a program of training is removed from the state Eligible Training Provider List (ETPL), WIOA participants in that program can complete their training (see [WIOA Title I Policy 5611](#)).
- To fully obligate funds set-aside in support of awarded ITAs, LWDBs can:
  - Within procurement guidelines, contract all ITA funds with a brokering agency who would be responsible for ITA payments; or
  - Write a Purchase Order (PO) or voucher for each individual who receives an ITA award. If additional ITA funds are required beyond the PY (two-year cycle) and are needed to complete an individual's training plan, a new PO or voucher could be awarded at the beginning of the next PY.
  - While ITA funds would be obligated through this PO or voucher process, local areas would have the flexibility to decide when to bill actual expenditures with the training provider. This PO or voucher system would have to address deobligations as individuals receive additional resources and/or leave the training program prior to completion.
- LWDBs may want to require that participants demonstrate satisfactory progress in training, except for good cause (see Section 4 - Definitions), to access payments through their ITAs. If they do so, "satisfactory progress" should be defined by LWDB policy. Washington's Unemployment Insurance Training Benefits program has specific criteria for determining satisfactory progress for claimants ([WAC 192-270-065](#)) that may serve as a helpful example.
- WIOA regulations allow LWDBs to impose limits on the dollar amount or duration for ITAs (20 CFR 680.310). There may be a limit for an individual participant that is based on the needs identified in the individual employment plan (IEP) or individual service strategy (ISS), or there may be a policy decision by the LWDB to establish a range of amounts or a maximum amount applicable to all ITAs.
- LWDB policy limitations should maximize, not limit, customer choice in the selection of eligible training providers. ITA policies may provide for exceptions to the limitations in individual cases (i.e., individuals with physical or sensory disabilities who may need their duration of training extended beyond the limits established by LWDBs).
- Mechanisms other than ITAs may be used to provide skill-building services that do not rise to the level of occupational skills training, such as short-term prevocational services or literacy, internship, work experience and other activities that are intended to prepare a participant for work but do not provide formal occupational skills training. As such, they generally are not appropriate for an ITA. 20 CFR 680.320 provides additional guidance regarding exceptions to the use of ITAs.

Procedural Considerations:

- To ensure that participants make full use of their ITAs, LWDBs may want to explain how the local system operates, including applicable dollar limits, individual responsibilities, and available choices.
- LWDBs may want to consider providing quarterly statements to participants enrolled in approved training and awarded an ITA. The statements would report the amount of funds that have been accessed from the ITA award and identify the amount of funds remaining.

LWDBs should coordinate modifications of ITAs and IEPs/ISSs with appropriate case managers. Individuals may select training that costs more than the maximum amount available for ITAs (based on locally established limits) when other sources of funds (e.g., Pell Grants, scholarships, severance pay, etc.) are available to supplement the ITA (20 CFR 680.310(d)).