



Workforce Innovation and Opportunity Act Policy
Employment System Administration and Policy

Washington envisions a nationally recognized fully integrated One-Stop system with enhanced customer access to program services, improved long-term employment outcomes for job seekers and consistent, high quality services to business customers. In order to achieve this vision, Employment System Administration and Policy sets a common direction and standards for Washington's WorkSource system through the development of WorkSource system policies, information memoranda, and technical assistance.

Policy Number: 5601 Revision 1
To: Washington WorkSource System
Effective Date: October 18, 2016
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 utilize information that is provided (e.g., skills assessment, labor market conditions/trends and training vendor performance) to take an active role in managing their employment future through the use of ITAs. Individuals are expected to make a self-informed choice about their own employment future and the training services needed.

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.

a. Guidelines and Considerations for Local Policy Development

Guidelines:

- Define expenditures directly related to training that qualify to be paid through ITAs (e.g., tuition, books, academic fees, 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 within 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](#)). ITAs should not be modified or extended for participants beyond the original plan approval as it relates to a program of training that is no longer on the ETPL.
- In order to fully obligate funds set-aside in support of ITAs awarded, LWDBs can:
 - In accordance with 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 identified to receive an ITA award. The PO or voucher should document a three-way commitment between the individual, service provider, and training institution. As a three-way contract, this PO or voucher could obligate funds for the Program Year (PY). If additional ITA funds are required beyond the PY (two-year cycle) and are needed by the individual in order to complete his/her 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 must require that participants demonstrate satisfactory progress in training, except for good cause (see Section 4 - Definitions), to access payments through their ITAs. If satisfactory progress is used to authorize ITA payments, "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 and/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 and/or a maximum amount applicable to all ITAs.
- Limitations established by LWDB policies 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 training services that do not rise to the level of occupational skills training, including intensive and short-term prevocational services. WIOA Sections 134(d)(3)(C) and 134(d)(3)(C)(vi) describe these services. Intensive services may include literacy, internship, work experience and other training

activities that may not provide formal occupational skills training or be appropriate for an ITA. Similarly, short-term prevocational services are designed 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:

- In order to ensure that participants fully utilize their ITAs, LWDBs may want to offer explanations as to 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)).

b. 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 (i.e., 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.

c. 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;
- Parameters for “short-term prevocational services” under WIOA Section 134(c)(A)(xii)(VI), including, but not limited to, duration limits; 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)(G) – Adult and Dislocated Workers
- 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
- [WAC Chapter 192-270](#) (Training Benefits)
- [WIOA Title I Policy 5611 – Governor's Procedures for Determining Training Provider Eligibility](#)
- [Washington State Unemployment Insurance Training Benefits Program](#)

6. Supersedes:

WIOA Title I Policy 5601

7. Website:

http://www.wa.gov/esd/1stop/policies/wioa_title1.htm

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:

None.

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