

**WDA 16**

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**Policy Letter 04-2021**

**Policy: Use of Individual Training Accounts (ITAs)**

**Revised 3/11/22 Motion 05-2022**

**Revised 3/10/23 Motion 05-2023**

**I.        Purpose**

A. The purpose of this policy is to identify the parameters to implement a Workforce Development Area 16 (WDA16) Individual Training Account (ITA) policy and to standardize the delivery of ITAs in WDA16, consistently providing training opportunities to participants leading to employment in an in-demand occupations or critical jobs.

**II.       Effective Date**

1. Motion 39-2021 approved on December 10, 2021. This replaces Policy Letter 03-2020.
2. This Policy is in compliance with Ohio WIOAPL 15-11.3.

**III.      Background**

1. **Overview**

A program of training services is one or more courses or classes, or a structured regimen that provides the services that are listed in 20 C.F.R. 680.200 and leads to:

1.       An industry-recognized certificate or certification, a certification of completion of a registered apprenticeship (RA), a license recognized by Ohio or the Federal government, or an associate or baccalaureate degree;

2.       A secondary school diploma or its equivalent;

3.       Employment; or

4.       Measurable skill gains toward a credential described in paragraphs 1 and 2 of this section or employment.

To be eligible for training services, the local area or the Comprehensive Case Management and Employment Program (CCMEP) lead agency must determine whether adult, dislocated worker, out-of-school and, per waiver authority in-school youth participants are appropriate for training services.  Determination of appropriateness will be done by completion of an interview, evaluation or assessment, and career planning.  Assessment may include, among other things;

1.       A combination of standardized tests;

2.       Inventory of participant's interests, skills assessment, career exploration, and

3.       Available labor market information.

Training services must be provided in a manner which maximizes informed consumer choice in selecting an eligible provider. When participants and local areas select an eligible training provider (ETP), they should consider providers who are eligible for financial aid to ensure best utilization of Workforce Innovation and Opportunity Act (WIOA) funds.

**IV.       Definitions:** See attached Glossary.

**V. Policy Letter Implementation**

**A.       Individual Training Accounts**

Eligibility information, combined with assessment information, help determine the need for training assistance. Additionally, local areas or CCMEP lead agencies must review family self-sufficiency if the ITA is provided to an adult or youth participant age 18-24.  WIOAPL No. 15-09.1, Training Services for Adults and Dislocated Workers, WIOAPL No. 15-10, Youth Program Services, and WIOAPL 17-04, Waivers for Implementation of CCMEP, provide further direction for determining appropriateness for training services for adults, dislocated workers, and youth.  Limits to training services may be based on the needs of the adult, dislocated worker, or youth and identified in the individual employment plan (IEP) or the individual service strategy (ISS), such as the participant’s occupational choice or goal and the level of training to succeed in that goal.

Training services for adults, dislocated workers, and youth are typically provided by training providers who receive payment for their services through an ITA.  An ITA is a key tool used in the delivery of training services and is one of the primary methods through which training is financed and provided. ITAs are established on behalf of the WIOA participant to purchase a program of training services from eligible providers selected in consultation with the case manager. Additionally, the cost of training, time commitment of the participant, fees and books, tuition, and other associated costs should be considered when conducting a cost benefit analysis for the ITA.

Per WIOAPL No. 15-09.1, WIOAPL No. 15-10, and rule 5101:14-1-02 of the Administrative Code, training services for which ITAs are used shall only be delivered by providers who have met the eligibility criteria and have at least one (1) approved program on the ETP list contained on the Workforce Inventory of Education and Training (WIET) pursuant to section 122 of WIOA.

Training services under ITAs must be provided in a manner that maximizes informed customer choice in selecting an eligible training provider (ETP).  Workforce Development Board 16 (WDB16), through the OhioMeansJobs Centers in WDA16, must make available to job seekers the State list of eligible training providers.

WDB16 may also coordinate funding for ITAs with funding from other Federal, State, local, or private job training programs or sources to assist the individual in obtaining training services.

Priority consideration must be given to training programs that lead to recognized postsecondary credentials that are aligned with in-demand industry sectors or critical jobs, in the local area.

**B.       Registered Apprenticeship Programs and Individual Training Accounts**

Registered apprenticeship (RA) is a proven model of job preparation that combines paid on-the-job training (OJT) with related instruction to progressively increase a workers’ skill levels and wages.  RA is also a proven business-driven model that provides an effective way for employers to recruit, train, and retain highly skilled workers.  Graduates of registered apprenticeship programs (RAPs) receive nationally-recognized, portable credentials, and in some instances their training may be applied toward further postsecondary education.

ALL RAPs are considered in-demand occupations and are automatically eligible for inclusion on Ohio’s ETP list contained in WIET. These RAPs must opt-in to the ETP list to be added, as not all sponsors are currently hiring new apprentices and may not want to be included, despite automatic eligibility. Any local ETP list, where they exist, must be a subset of the statewide ETP list. All RAPs on a statewide ETP list must be included on any local ETP lists.

ITAs may also be used to finance State-recognized pre-apprenticeship training in preparation for the formal RA training if the pre-apprenticeship program training provider has been approved as an Ohio ETP and is listed on WIET per WIOAPL No. 16.02.1, Eligible Training Providers.

**C.       Considerations for Funding Individual Training Accounts**

1.       Duration of ITAs

The duration of an ITA is determined by a participant’s course of study. Realistic and attainable training plans must be considered. Generally, training is either short-term or long-term. Short-term training is training which is completed in 12 months or less. Short-term training is the preferred method since the goal is to attain employment quickly.

However, WDA16 must keep in mind that participant’s career pathway and the training and services necessary to meet the participant’s goals. For instance, the classroom training portion of a RAP is typically longer than a year. However, this training is part of a career pathway involving longer training, and the apprentice is also simultaneously employed.

Long-term training is training whose length does not exceed 24 months. Four-year degree programs may be funded when the customer can document that he or she is in the last 2 years of the program (e.g., remaining hours are equal to or less than 50 percent of the total credit hours required for the degree) and is in an in-demand occupation or critical job.

At the discretion of the program operator, the duration of in-demand occupation or critical job training may be extended beyond the 24-month period up to a maximum of 48 months.

ITA funding may not be used for Master degrees or higher terminal degrees.

Justification for extensions and waivers must be documented and maintained in the participant file.

For the Registered Apprenticeship program, the length of training and the skills and competencies required for mastery of an occupation are set by industry.

Traditional registered apprenticeship programs are time-based and require a specific number of hours of OJT and related instruction.  Because of all the benefits of a registered apprenticeship program, including an established career pathway and simultaneous employment, the classroom training portion of the Registered Apprenticeship programs may be up to 4 years (48 months) in length. For this program, the local areas may fund the full length of the training.  This is to enable and encourage the completion of baccalaureate degrees in vital career fields, such as critical jobs which support the health and well-being of Ohioans.

 There may be instances where a participant is unable to complete the training program within the time frame outlined in the ITA, and the ITA may be extended. While determinations have to be based on the factual circumstances of each case, some instances when more time may be warranted include, but are not limited to, those directly related to:

a.       A participant's military service or military-related leave time;

b.       Lack of availability of classes;

c.       Cancellations of classes; or

d.       Unforeseen illness (of the participant or an immediate family member of the participant).

For the purposes of this policy, immediate family members include the participant’s parents (including step-parents), spouse, domestic partner, and children (including step-children or children who the participant has been awarded custody of through a court).

2.       Funding ITAs

The cost for ITAs are determined by the average cost of training for specific in-demand occupations within the local area as well as the following criteria:

a.       Whether the training investment is in line with the future expected earnings of the participant;

b.       Whether the training is being provided as part of the registered apprenticeship program (RAP) ; and

c.       Consideration of the full cost of participating in training services, including costs for fees and books, tuition and other associated costs.

An adult, dislocated worker, or out-of-school youth participant may select training that costs more than the maximum amount available for ITAs when other sources of funds are available to supplement the ITA.

3.       Allowable Individual Training Account Costs

ITA expenditures are costs required by the training institution to complete the training.  ITA costs required to complete the training may include, but are not limited to:

a.       Tuition and fees;

b.       Books;

c. Computers and related software

d.       Tools;

e.       Uniforms;

f.       Tests; and

g.      Medical immunizations/tests.

ITA costs do not include any supportive services' costs related to the ITA (e.g. transportation or child care).

 4. Limits on WDA16 ITA Funding

 WDB16 has determined the following annual limits on ITA funding:

1. General ITA funding limit $7,000
2. Specialized Training approval funding limits:
	* + 1. Dual Credentialing $14,000 for Heavy Equipment/CDL combination, or any other dual credential which is in-demand.
			2. Heavy Equipment is in-demand but is offered in a variety of formats and combinations. This policy authorizes the OMJ Operators to use their discretion to award up to $14,000 for a Heavy Equipment ITA
			3. Welding Basics and Advanced $13,500
			4. Advanced Welding $8,000 (stand-alone program)
			5. Class A/Heavy Equipment/ Rigging/OSHA (400 hours) $15,995

This $7,000 ITA limit may be raised to $8,000 if the training provider requires participants to have a computer and/or software.

Justification for operator discretion for exceeding the above amounts, or extensions and waivers must be documented and maintained in the participant file.

Annual funding limits is defined as any 12-month period of enrollment for a participant, beginning at the date they begin training.

For programs that have a waiting list, WIOA and CCMEP applicants will be reviewed to determine when to enroll individuals. This would require obtaining information from the training provider to determine when the best time would be to begin the training program.

Program Operators have the discretion to determine when WIOA or CCMEP assistance can be provided to a participant for prerequisite classes prior to the participant beginning the actual training program.

It is the intent of the WIOA and CCMEP programs not to pay for any repeat classes previously paid for through the ITA. This includes books, supplies, testing, travel, etc., or any supportive services, as related to the class. Payment of repeat classes or supportive service for repeat class (s) will be at the discretion of the Program Operator and documented and maintained in the participant file.

 5 . Limits on WDA16 RAP Funding

WDB16 may also allow for additional ITA funding limits for those enrolled in a registered apprenticeship program (RAP).  Additional federal funding for registered apprenticeship programs is available through.

several federal agencies to support business investments in apprentices and to assist educators and intermediaries in strengthening the tie between training and employment through registered apprenticeship.  The Department of Labor’s Training and Employment Guidance Letter No. 13-16 provides websites for several registered apprenticeships.

WDA16 sets a limit of $12,000 for an individual total WIOA support for the duration of their approved RAP.

**D.       In-Demand Occupations and Critical Jobs**

To receive an ITA, a participant must select a training program that is directly linked to employment that is in high demand or considered critical through the state strategic priority.

1.       State In-Demand Occupations and Critical Jobs (85 Percent)

“In-demand" occupations were chosen using various industry- and occupation-focused measures. These measures include projected openings; projected growth; select JobsOhio industry cluster occupations; and historic job posting data. The list of in-demand occupations will be validated or further enhanced using business data from the online Workforce Information Exchange job forecasts monthly.

Critical jobs are determined through state strategic priority and considered critical to the health and well-being of Ohioans, their families, and our communities. Such examples of critical jobs may include occupations in early childhood education, mental/behavioral health, and recovery. These areas have been determined a priority because of their impact on the lives of Ohioans at every stage of life.

Each program year, at least 85 percent of new ITA enrollments for the local area must be in an "in-demand" occupation or critical job as defined by the State of Ohio. Participants who have a current program year training service start date and whose ITA will carry into the next program year, will not be counted in the next program year’s percentage.

The latest list of Ohio In-Demand and Critical Job occupations can be found at:

<https://topjobs.ohio.gov/wps/portal/gov/indemand/top-jobs-list>

2.       Local Area In-Demand Occupations (15 Percent)

The remaining 15 percent of ITA enrollments for WDA16 may be for occupations defined as in-demand within the local area. Some examples of local area in-demand occupations may include, but are not limited to:

a.       A local in-demand occupation in a geographic area to which the participant is willing to work or relocate;

b.       Employment associated with a regional industry sector or career pathway consortium for workforce development;

c.       A written guarantee of a bona fide job upon completion of training.

Appropriate documentation must be maintained in the case files. ODJFS will review adherence

to this policy and the federal law during comprehensive monitoring visits.

**VI.** **Waiver Request**

Each program year, at least 85 percent of new ITA enrollments for the local area must be in “in-demand” occupations as defined by the State.  The remaining 15 percent of ITA enrollments for the local area may be for occupations defined as “in-demand” for the local area.

In situations where the local area may exceed the 15 percent enrollment requirement for local “in-demand” occupations, the local WDBs may request a waiver to exceed this requirement. Waivers will be approved on a case by case basis. The waiver template must be completed providing the appropriate justification for the waiver and submitted to WIOAQNA@JFS.OHIO.GOV.  The subject of the email should read, "ITA Waiver Request."

**VII.     Reporting Requirements**

Pursuant to rule 5101:9-30-04 of the Administrative Code, the local board shall ensure, within 30 days, accurate reporting of WIOA participants, activities, case management, and performance information by using the Ohio Workforce Case Management System (OWCMS).

**VIII.    Monitoring**

The local area will conduct oversight of the implementation of the WIOA programs to ensure that participants are enrolled in the programs and have been provided identified services.

Through the state’s monitoring system, program monitors will review the local area’s implementation of the WIOA programs, including a participant file review, during the annual onsite monitoring review for compliance with federal and state laws and regulations.  Any issues will be handled through the state’s monitoring resolution process.

**Attachment A:** Use of Individual Training Accounts Glossary

END