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**BUREAU OF EMPLOYMENT SERVICES
 POLICY AND PROCEDURES**

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To: Local Board Directors

From: **Melanie Arsenault, Director**
 Bureau of Employment Services

CC: CareerCenter Distribution
 Service Provider Directors
 BRS Director
 BES **Commerce Center-Augusta**

SUBJECT: Individual Training Accounts

BACKGROUND

Under the Workforce Investment Act (WIA), Title I-B training services for adults and dislocated workers will be provided through Individual Training Accounts (ITAs). Youth training activities are not subject to the policy governing the issuance of ITAs.

The intent of this Act is to allow individuals to take an active role in managing their employment future through the use of ITAs. Adults and dislocated workers receiving training under this approach will receive information they need (e.g., skills assessment, labor market conditions and trends, training vendor performance) to make a self-informed choice about their own employment future and the training to support their decision.

The ITA is established on behalf of a registrant. An Individual Service Strategy (ISS) does not constitute an "obligation" of the ITA award. Using ITA funds, WIA Title I-B adults and dislocated workers purchase training services from eligible training providers they select in consultation with a Career Consultant. Payments from ITAs may be made in a variety of ways, including the electronic transfer of funds through financial institutions, vouchers, or other appropriate methods. Payments may also be made incrementally, through payment of a portion of the costs at different points in the training course.

The WIA regulations allow the state or local workforce boards to impose limits on the dollar amount and/or duration for ITAs.

- There may be a limit for an individual participant that is based on the needs identified in the Individual Service Strategy (ISS); or
- There may be a policy decision by the LWIB to establish a range of amounts and/or a maximum amount applicable to all ITAs.

Limitations established by LWIB policies must not undermine, but maximize customer choice in the selection of an eligible training provider. ITA limitations may provide for exceptions to the limitations in individual cases.

This policy also clarifies the process and procedures that customers can expect to experience when the choice to seek skills training through WIA is made.

REFERENCE:

Additional guidance may be found as follows:

- State of Maine Workforce Investment Act of 1998, Title I Planning Guidelines (April 2000); Maine's Workforce Investment Act Strategic Plan Modification (May 2005)
- Workforce Investment Act of 1998
 - Title 1, Section 134(d)(4)(F) Consumer Choice Requirements
 - Title 1, Section 134(d)(4)(G) Individual Training Accounts
 - Title 1, Section 134(d)(4)(B) Coordination with other Grant Assistance
- WIA Final Regulations
 - 20 CFR § 663.320 Coordination with other Grant Assistance
 - 20 CFR § 663.400-663.440 Individual Training Accounts

POLICY

Individuals may use ITAs in exchange for training services for skills in demand occupations as defined by the LWIB from training providers on the approved list of eligible training providers (Sections 134(F)(ii) and 134(G)(iii)). WIA mandates that all training services (except for on-the-job training and customized training) be provided through the use of ITAs and that eligible individuals shall receive ITAs through the One-Stop Delivery System (Section 134(G) of WIA).

1. LWIBs shall issue ITAs at the customer's request under the following conditions:
 - a. Funds are available,
 - b. The customer chooses an eligible training provider consistent with WIA §134(d)(4)(G),
 - c. The customer is eligible for Level 3 Training services, and
 - d. The customer demonstrates appropriate career choices based on work experience and occupational preferences. There is a reasonable expectation of completing training and a reasonable expectation of obtaining employment.

I. General:

1. Individual Training Accounts (ITAs) are established on behalf of an eligible individual to finance training services (§663.400).
2. WIA Title I adults and dislocated workers will select from the list of eligible training providers who best meet their needs in consultation with their case manager (§663.410).
3. Training shall be directly linked to occupations that are in demand in the local area or in another area if the adult or dislocated worker is willing to relocate. The LWIB may approve training services for occupations they determine to have a high potential for sustained demand or growth in the local area [134(d)(4)(G)(iii)].
4. ITAs will be available through the One-Stop delivery system with the exceptions listed in paragraph VI of this section [134(d)(4)(G)(ii)(I)].

II. Eligibility for Individual Training Accounts:

1. WIA funding for training is limited to eligible participants who:

- a. Are unable to obtain grant assistance from other sources to pay the costs of their training [134(d)(4)(B)(i)(I)]; or
- b. Require assistance beyond that available under grant assistance from other sources to pay the costs of such training [134(d)(4)(B)(i)(II)].

III. Local Policy Must Incorporate the Following:

1. How participants will receive assessment, counseling, and an individual employment plan through intensive services prior to selecting a training program.
2. These elements of intensive services are mandatory under state policy before arranging for WIA training services:
 - a. How the training will be limited to skills relevant to demand occupations;
 - b. How the participants will learn of the demand occupations or skills and how exceptions to the list of locally recognized demand occupations will be handled. The LWIB must be involved in the exception process. The demand occupations or skills are to be contained in the local workforce development plan;
 - c. How the ITA training services policy will be communicated in simple, understandable language to customers of the CareerCenter Center;
 - d. How the participant will have access to the list of eligible providers through the One-Stop system. Note: BES will provide a published list of eligible providers on its Internet website for customer convenience. Participants must be able to access WIA training services from any eligible training provider on the state list.
 - e. Whether the ITA covers books, fees, and other education materials in addition to tuition;
 - f. The duration of the ITA; and
 - g. How the value of each ITA will be determined (e.g., will there be a cap on value, will the cap vary for occupations or populations, etc.).

IV. Payments of ITAs (663.410):

1. Payments may be made in a variety of ways, including electronic transfer of funds through financial institutions, vouchers, or other appropriate methods.
2. The LWIB will determine when payments will be made, incrementally or at different points in the training.

V. Limitations on ITAs:

1. The LWIB may impose limitations on the dollar amount and/or duration based upon criteria established by the board [§ 663.420(a)].
2. There may be a limit for an individual participant that is based on their needs as identified in the Individual Service Strategy (ISS); or the LWIB may establish a range of amounts and/or a maximum amount applicable to all ITAs [§ 663.420(b)(1&2)].
3. Any limitations established by the LWIB must be described in the Local Plan and must ensure that training services are provided in a manner that maximizes customer choice in the selection of an eligible training provider. ITA limitations may provide for exceptions to the limitations in individual cases [§ 663.420(c)].
4. An individual may select training that costs more than the maximum amount available for the ITAs under a state or local policy when other sources of funding are available to supplement the ITA. These other sources may include: Pell Grants, scholarships, severance pay, etc. [§ 663.420(d)].

VI. ITAs for Youth (§ 664.510):

1. ITAs are not allowed for youth except for those individuals age 18 and above who are eligible for training services under the adult and dislocated worker programs.
2. To the extent possible, in order to enhance youth participant choice, youth participants should be involved in the selection of educational and training activities.

VII. Other Mechanisms for Payment [§ 663.430(a)(b)]:

1. Contracts for services may be used instead of ITAs when the LWIB has requested and received a waiver for one of the following three exceptions:
 - a. When the services provided are on-the-job training (OJT) or customized training;
 - b. When the LWIB determines that there are an insufficient number of eligible providers in the local area to accomplish the purpose of an ITA system. The local plan must describe the process for selection of providers under a contract for services system. This process must include a public comment period for interested providers of at least 30 days;
 - c. When the LWIB determines that there is a training program of demonstrated effectiveness offered in the area by a community-based organization (CBO) or another private organization to service special participant populations that face multiple barriers to employment as described in §663.430(b). The LWIB must develop criteria to be used in determining demonstrated effectiveness, particularly as it applies to the special participant population to be served. The criteria may include:
 - i. Financial stability of the organization;
 - ii. Demonstrated performance in the delivery of services to hard to serve participant populations through such means as program completion rate; attainment of the skills, certificates, or degrees the program is designed to provide; placement after training in unsubsidized employment; and retention in employment; and
 - iii. How the specific program relates to the workforce investment needs identified in the local plan

VIII. Coordination of ITAs with other Grant Assistance

The Act limits funding for training to individuals who are unable to find other grant assistance for training or whose financial needs exceed the assistance available from other sources. WIA funds are intended to supplement other sources of funding (Section 134(d)(4)(B)). LWIBs are encouraged to adopt policies that require local CareerCenters leverage resources for sources such as TAA (as appropriate) and Pell to augment ITA investments in training. The CareerCenter should ensure that duplicate payments are not made to training providers for the cost of training. CareerCenter staff and training providers shall coordinate available funds to pay for training costs, so that WIA funds supplement other sources of funds to pay for training and avoid duplication of payments (See Section VI below for background information on Pell Grants).

The exact mix of funds should be determined based on the availability of funding for either training costs or supportive services, with the goal of ensuring that the costs of the training program the customer selects are fully paid for and that necessary supportive services are available so that training can be successfully completed. The LWIBs should develop written guidelines for how dislocated workers may access TAA funds to support their training plans.

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