

INDIVIDUAL TRAINING ACCOUNTS

EXECUTIVE SUMMARY

The purpose of this policy is to provide guidelines for implementing Individual Training Accounts (ITAs) that are flexible and maximize informed customer choice in the selection of an eligible training provider. This policy sets the maximum ITA duration and training dollar amount for individuals funded under the WIOA/non-WIOA programs provided by the Monterey County Workforce Development Board (WDB). This policy emphasizes support for training in the local high demand/high growth industries identified by the WDB. Training services may be made available to WIOA Title I Adults, Dislocated Workers and Out-of-School Youth (ages 18-24) and non-WIOA participants who have met eligibility requirements.

REFERENCES

WIOA Section 134(c)(3); Title 20 Code of Federal Regulations (CFR) Sections 680.200-230, Training Services; Title 20 CFR Sections 680.300-350, Individual Training Accounts; Title 20 CFR Sections 680.400-530, Eligible Training Providers; Title 20 CFR Section 680.310, Amount or Duration Limits on ITAs; Employment Development Department (EDD), Workforce Services Directive (WSD) 15-07, WIOA Eligible Training Provider List – Policy and Procedures; EDD WSD18-10, WIOA Training Expenditure Requirement; Training and Employment Guidance Letter (TEGL) 19-16, Guidance on Services Provided Through the Adult and Dislocated Worker Programs under WIOA; TEGL 21-16, Third WIOA Title I Youth Formula Program Guidance.

BACKGROUND

All local WDBs, as recipients of WIOA Title I funds, are charged with ensuring that all expenditures have been made in accordance with cost limitations specified in the WIOA and its regulations. WIOA and non-WIOA subrecipients are also required to have a process or procedure in place for funds expended on training and the recovery of unused or unexpended training monies, and/or tuition refunds. The following operational guidance is established for WIOA/non-WIOA service providers (case managers) to determine if a participant is eligible for an ITA and provide the process for developing, reviewing/approving, tracking, amending, and de-obligating ITAs.

For the purpose of this policy, the Monterey County WDB has established an ITA funding limit of up to \$8,000 per person (with a waiver, up to \$10,000) for participants determined eligible and suitable for training services in the WDB's priority industry sectors (Agriculture, Tourism & Hospitality, Health & Social Assistance, Logistics & Transportation, and Construction), and \$5,000 for training in occupations outside of these industry sectors, for a duration of up to eighteen (18) months. The training must lead to employment wages of at least \$15 per hour.

An ITA is designed to provide services to participants who are in need of training that prepares them for employment in in-demand occupations within the Monterey County local area. WIOA-funded participants may access occupational skills training services a maximum of once every three (3) years through training providers who have met eligibility requirements set by the State of California Employment Development Department to be listed on the Eligible Training Provider List (ETPL).

It is anticipated that all training completions shall lead to and provide participants with one or more of the following:

- An industry recognized post-secondary credential, secondary school diploma or its equivalent, national or state certificate, or degree, including all industry appropriate competencies, licensing and/or certification requirements; and/or
- Employment.

This ITA operational guidance is designed to ensure consistency among training providers and streamline the process for participants to obtain an ITA while ensuring that the requirement for “informed customer choice” is still being met.

PROCEDURAL GUIDANCE

The following must be adhered to prior to authorization of training for WIOA/non-WIOA clients. Staff shall use the Individual Training Account (ITA) Checklist (Exhibit A) to ensure that ITA paperwork is completed and/or is being tracked for any waivers, amendments, or de-obligations.

I. Identification of the Need for Training:

Training services may be provided if WIOA/non-WIOA service provider counselors (case managers) determine, after an interview, comprehensive and specialized assessments (including WorkKeys); completion of an Individual Employment Plan (IEP) for adults/dislocated workers or Individual Service Strategy (ISS) for out-of-school youth (ages 18-24); and career planning, that the individual:

- a. Is unlikely or unable to obtain or retain employment that leads to economic self-sufficiency, or wages comparable to or higher than wages from previous employment through provision of career services alone;
- b. Is in need of training services to obtain or retain employment that leads to economic self-sufficiency, or wages comparable to or higher than wages from previous employment, through provision of career services alone; and
- c. Has the skills and qualifications to successfully participate in the selected program of training services.

II. Training Readiness Requirements:

1. **Labor Market Research** – Training services must be linked to in-demand employment opportunities in the local area. Participants seeking training must conduct in-depth labor market research in the area that they are interested in attending training to ensure their knowledge of the market for their contemplated occupation and how the training will increase their earning potential. Participants must complete the Labor Market Research Form provided as Exhibit B to this ITA policy to be eligible for training.
2. **Informed Customer Choice** – Prior to being approved for training, participants must review the ETPL, research the trainings that are linked to the in-demand occupations of interest and assess the performance of relevant training providers listed on the ETPL in CalJOBS.

Participants shall complete research on two training providers using the internet and document the information on the attached Training Program & Provider Research Form (Exhibit C). If attending classroom training in the Monterey County local area, participants will be required to complete a

physical site visit to a minimum of two training providers to determine if the facilities are adequate and accessible. The participant must consider transportation, classroom setting, and if applicable, necessary accommodations for persons with disabilities. Research may be conducted at just one training provider at the discretion of the WIOA/non-WIOA service provider (case manager) to streamline the ITA process, if only one training provider is listed on the ETPL.

It is also strongly recommended that participants contact at least one business to inquire about the opportunity to obtain employment with the business upon completion of the chosen training program. Participants must determine whether the selected training program meets all employment requirements, (e.g., credentialing, internship, skill standards, etc.).

3. **WorkKeys Assessments** – Participants' WorkKeys core assessments (Applied Math, Graphic Literacy, and Workplace Documents) must be completed prior to training. To be considered for training, a participant must score at least a level 3 on all three WorkKeys core assessments. Career Ready 101 pretests may be administered to pre-screen the readiness of a participant to take the WorkKeys core assessments. Career Ready 101 online training may also be provided to participants to help improve their scores.
4. **Prevocational/Job Readiness Training** – Prior to enrollment in long-term occupational skills training, participants must first work with their case manager(s) to complete a short-term online training program, provided by Metrix Learning or Dynamic Works Institute, in the area of their training. Participants must complete a Pre-Vocational /Job Readiness Online Training Form to show the connection between their pre-vocational/job readiness skills training and their occupational skills training (Exhibit D).
5. **Financial Assistance** – All other training options and funding sources shall be exhausted prior to utilizing WIOA/non-WIOA training funds. Efforts to first utilize Pell grants and other "need based" fiscal resources, as well as supportive services from partnership agencies, should be made prior to the request for WIOA/non-WIOA training funds.

Case managers shall work with participants to complete a Budget form (Exhibit E) to determine if other training options and funding sources are considered and exhausted prior to utilizing WIOA/non-WIOA training funds, and if applicable, completion of the FAFSA online www.fafsa.ed.gov to determine whether participants are eligible for financial aid, such as Pell grants.

Supportive services may be available to adult and dislocated worker individuals participating in WIOA career services or training activities that are unable to obtain supportive services through other programs providing such services. Additionally, supportive services must be necessary to enable the individual to participate in career services or training activities.

For out-of-school youth (ages 18-24), supportive services may be available during program participation to enable an individual to participate in WIOA youth program activities. Supportive services may also be provided to youth during the follow-up period.

Supportive services may include but are not limited to: assistance with State-licensed child care and dependent care; assistance with transportation; assistance with emergency housing; assistance with uniforms or other appropriate work attire and work-related tools; referrals to healthcare; and linkages to community services.

III. CalJOBS Training Application, Enrollment & Documentation:

Upon identification of the need for training and completion of the training readiness requirements listed above, the following steps must be completed prior to the submission of an ITA to the WDB Fiscal Manager for review and approval:

1. **Participant Training Commitment Form** – Participants must agree to and sign this form (Exhibit F) and must provide information on their labor market and training program/provider research.
2. **Master Agreement and Authorized Signature Form** – The case manager shall verify that the

selected training provider has a signed an active Master Agreement and Authorized Signature Form on file with the WDB. The WDB's ETPL Coordinator is Linda L Avakian; she can be reached at (831) 796-3505 or by email at AvakianL@countyofmonterey.gov.

3. **CalJOBS Training Application, Activities and Case Notes** – The case manager shall review participant's WIOA/non-WIOA training application to ensure that it is complete and accurate in CalJOBS and shall enter the appropriate activity codes into CalJOBS (including case notes for each service/activity)

NOTE: All CalJOBS activities/services and case notes must be entered in the CalJOBS system within 3 days of the interaction between WIOA/non-WIOA service provider (case manager) and participant.

IV. ITA Authorization Approval: The following general rules, sequence and timeline must be followed to ensure adequate review time prior to final approval of all ITA Contracts and Invoices:

1. ITA General Rules

- a. All ITA Contract documents (Exhibits G-1 through G-3) must be completed and approved prior to commencement of any training program.
- b. All ITA Contract documents must be submitted to the WDB Fiscal Manager via email for review and approval to obligate funds, at least ten (10) days prior to the start of training.
- c. Under no circumstances will the participant begin training without an approved and signed ITA Contract in place.
- d. No ITA Contract will be issued, approved or paid retroactively for any WIOA participant previously enrolled in training by an ETPL training provider, prior or concurrently to their enrollment into a WIOA/non-WIOA program.
- e. The maximum dollar limit for training is \$8,000 (with a waiver, up to \$10,000) for occupations in the WDB's priority industry sectors (Agriculture, Tourism & Hospitality, Health & Social Assistance, Logistics and Transportation, and Construction), and \$5,000 for training in occupations outside of these industry sectors. This amount must be used for tuition-related fees and other costs, such as: books, licenses, tools, equipment, safety gear, drug testing, testing and/or certification fees, student association fees, and uniforms.
- f. The duration of training shall not exceed eighteen (18) months.

Any exceptions to the general rules stated above must have the approval of both the WDB Finance Manager and the WDB Executive Director and may only be granted on a case-by-case basis due to extreme financial hardship, following the ITA Waiver process under section V of this policy.

2. ITA Sequence and Timeline

- a. **ITA Contract and Invoices** – must be completed and emailed to the WDB Fiscal Manager, a minimum of ten (10) days prior to the start date of training.
- b. **WDB Fiscal Manager Pre-Approval & Obligation** – Within two (2) working days upon receipt of the ITA Contract and Invoices, the WDB Fiscal Manager shall review and approve the contract, obligate the funds for training, and return the contract to the originating WIOA/non-WIOA service provider (case manager) via email, confirming approval of the ITA Contract.

In the event that the ITA Invoices are missing information, the WDB Fiscal Manager shall return the ITA Invoices to the originating WIOA/non-WIOA service provider (case manager) with an explanation listing the specific reason(s) for the return.

- c. **WIOA/non-WIOA Supervisor and ETPL Training Provider Approval** – Upon receipt of the pre-approved ITA, the WIOA/non-WIOA service provider (case manager) shall forward a PDF of the ITA Contract and Invoices to the WIOA/non-WIOA supervisor and ETPL training

provider for approval, then return the signed ITA Contract to the WDB Fiscal Manager via email within two (2) working days.

- d. **WDB Fiscal Manager Final Approval** – Within two (2) working days upon receipt of an ITA Contract, the WDB Fiscal Manager will review and approve/deny the ITA Contract and notify the WIOA/non-WIOA service provider (case manager) if the ITA Contract has been approved or denied.

V. ITA Waivers:

An ITA Waiver (Exhibit G-4) must be completed and submitted to the WDB Fiscal Manager by the case manager when a participant is having difficulties meeting the training readiness requirements or other ITA requirements/limits:

1. WorkKeys scores are below level 3;
2. Requesting an exception to the \$8,000 training limit (up to \$10,000) for WDB priority industry sector training;
3. Requesting an exception to the \$5,000 training limit for training not in WDB priority industry sectors;
4. Justification(s) for multiple ITAs within a 3-year period; or
5. Other (e.g., not meeting the 10-day submission timeline, requesting exception to the 18-month training duration cap, etc.).

An anticipated employment wage of at least \$18 per hour is required for a waiver of the \$8,000 training limit.

Within two (2) working days upon receipt of the ITA Waiver and Contract, both the WDB Fiscal Manager and WDB Executive Director (or the WDB Executive Director's designee) will review and approve/deny the ITA Waiver, and the WDB Fiscal Manager shall notify the WIOA/non-WIOA service provider (case manager) if the ITA Waiver has been approved or denied.

An Amendment to the ITA Contract (Exhibit G-5) may be needed when a training program or provider is removed from the ETPL or changed to inactive, or when extraordinary program expenses develop, the participant and WIOA/non-WIOA service provider (case manager) must agree on whether to complete the plan of training with the existing provider, seek a similar program, or discontinue training. When a program of training is removed from the state ETPL, participants in that program can complete their training. However, an ITA should not be modified or extended for a participant beyond the original plan approval as it relates to a program of training that is no longer on the ETPL.

The ITA Waiver must be approved and signed by the WIOA/non-WIOA service provider (case manager) and WIOA/non-WIOA Program Manager and then submitted to the WDB Fiscal Manager with the ITA Invoice. Within two (2) working days upon receipt of the ITA Waiver and ITA Invoice, both the WDB Fiscal Manager and WDB Executive Director, or the WDB Executive Director's designee, will review and approve/deny the ITA Waiver and notify the WIOA/non-WIOA service provider (case manager) if the ITA Waiver has been approved or denied.

No hand-written alterations will be allowed on the ITA Invoices. Altered ITA Invoices will be returned and not processed. Any modifications to the ITA should be documented in a case note in CalJOBS.

ITA Deobligations: In the event that the ITA Contract needs to be deobligated, an ITA Deobligation with justification explaining the reason for the deobligation must be completed, signed and submitted to the WDF Fiscal Manager with the ITA Contract (Exhibit G-6).

Identifying and Collecting Outstanding Training and/or Tuition Refunds: The training participant's case manager is responsible to track training participants every 30 days to determine if the participant is still engaged in training. If the participant is no longer in training, the case manager will notify the Program Management Team, which will notify the Finance Manager to ensure prompt return of any unused training money. The responsibility for the collection of any outstanding training and/or tuition refunds lies with the Finance Manager and/or Fiscal Unit in coordination with the Program Management Team. The Fiscal Unit will oversee the administration and tracking of any refunds due to the program, while the Program Management Team ensures that program participants comply with the requirements outlined in the WIOA program.

The Fiscal Unit has concluded that collecting refunds is a labor-extensive task which can result in long refund processing times or loss of funds if the refunds are not received. For this reason, the Fiscal Unit avoids the need to collect training and/or tuition refunds by ensuring invoices are paid when the deliverables have been met. This approach saves time and helps ensure no overpayments are made and no refunds are required.

Recovery of ITA Tuition Funds: Unused training funds under WIOA are recovered when participants withdraw or do not complete training, when there are overpayments or excess funds, or if funds are not used within the approved timeframe. The recovery process involves notifying relevant parties, reconciling funds, and making adjustments to accounts or invoices. Recovered funds are reallocated to serve other eligible participants, with all actions documented and reported per WIOA regulations.

In the event a participant discontinues training, the WIOA/non-WIOA service provider (case manager) must conduct due diligence to ensure the recovery of WIOA/non-WIOA funds provided to training institutions. WIOA/non-WIOA service providers (case managers) must verify the following:

- a. The refund policy of the training provider for early termination from the training program;
- b. The requirement for the training provider to notify the WIOA/non-WIOA service provider (case manager) of early participant dropout;
- c. The percentage of the advance payment to be returned;
- d. Turnaround timeframe for the refund; and
- e. Time spent in training before a refund will no longer be honored.

Refund for Over-Invoiced Training Funds: Pursuant to the audit and review process, invoices are reviewed, audited, or monitored to catch over-invoicing before payments are made, which may help prevent the need for refunds. However, in the event an overpayment occurs:

The LWDA will require a refund for over-invoiced training in circumstances such as when training services were not provided as contracted, when invoiced amounts exceed actual costs, or when unallowable costs are included in the invoice. Additionally, refunds may be required if a training provider fails to meet performance targets, if duplicate payments occur, or if the provider is found to be non-compliant with WIOA guidelines. Once over-invoicing or discrepancies are identified, the LWDA will notify the provider, request supporting documentation, and work with the provider to agree on the refund amount, which may be repaid directly.

Process to Address Over-invoicing and Services not Provided: If evidence of over-invoicing or invoicing of services that were not provided is uncovered by Fiscal, the ETPL training provider shall be notified and asked to provide supporting documentation. Upon verification of the actual circumstances by Fiscal, the training provider may be required to repay the overcharged amount(s) or make adjustments to invoices. Any needed corrective actions regarding repayments or adjustments will be documented and monitored by the MCWDB to ensure ongoing compliance with WIOA regulations. Additionally, the MCWDB is required to implement corrective measures as appropriate to prevent future discrepancies.

VI. Confirmation of Participant Training & Documentation: Upon receipt of the completed and signed ITA Contract (Exhibits G-1 through G-3), and the signed Participant Training Contract and Commitment Form (Exhibit F), the WIOA/non-WIOA service provider (case manager) shall confirm with the participant the start of training and document the enrollment into the CalJOBS system, (including case notes for each service/activity), as appropriate.

VII. Payment of ITA Invoices: ITA Invoices shall follow a 40%/50%/10% submission and payment process, where each % represents the amount of the participant's ITA Contract to be paid.

1. **First Invoice (40%):** Training Provider(s) shall complete, sign and submit the first training invoice upon completion of the first four (4) days of training, representing 40% of the total amount of the participant's ITA. Attached to the invoice, Training Provider(s) must provide proof of successful participant enrollment and attendance;
2. **Second Invoice (50%):** Training Provider(s) shall complete, sign and submit the second training invoice halfway through the training class/program, representing an additional 50% of the total amount of the participant's ITA. Attached to the invoice, Training Provider(s) must provide proof of successful participant attendance signed by the participant and successful performance.
3. **Third and Final Invoice (10%):** Training Provider(s) shall complete, sign and submit the third and final invoice for the remaining 10% of the total amount of the participant's ITA. Attached to the invoice, Training Provider(s) must provide proof of successful student completion of training; proof of an industry recognized credential, certificate and/or license obtained in a field related to the participant's training to obtain the remaining 10% of payment. All attendance sheets shall be signed by the participant.

All invoices shall specify charges on an individual student basis, not to exceed the total participant ITA Invoice amount. In the event that the participant ITA Contract changes, e.g., change of courses, increased book costs, actual financial aid awards differing from projected awards, the WIOA/non-WIOA service provider will complete and forward to the training provider an amended participant ITA Invoice.

All invoices must include documentation to show that performance outcomes have been met in accordance with the participant's ITA.

For participants who obtain a credential, certificate or license upon completion of their training, training provider shall submit a copy of the industry-recognized credential, certificate and/or license obtained with the last invoice.

For participants who enter into unsubsidized employment upon completion of their training, training provider shall submit placement information (e.g., name of employer, date of hire, job title, occupation/industry, hourly wage, and schedule of hours) with the last invoice.

Upon receipt of all invoices, the WIOA/non-WIOA service provider (case manager) will perform an independent review and validation of the invoice and documentation of performance outcomes before obtaining signatures and submitting the invoice and documentation to the WDB Fiscal Office to process for payment. Payment will be made to the training provider within thirty (45) days from receipt of the invoice from the WIOA/non-WIOA service provider (case manager).

The WDB will reallocate the remainder of total participant ITA funds not paid to the training provider if participant's ITA goals are not met.

ATTACHMENTS: Exhibit A – ITA Checklist
Exhibit B – Labor Market Research Form
Exhibit C – Training Program & Provider Research Form
Exhibit D – Pre-Vocational/Job Readiness Online Training Form
Exhibit E – Budget Form

INQUIRIES

If you have questions please contact staff at (831) 796-3505. This policy is posted on the WDB website located at: www.montereycountywdb.org.

CHRIS DONNELLY, Executive Director
Monterey County Workforce Development
Board