



Montana Department of LABOR & INDUSTRY

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2 **Division: Workforce Services Division**
3 **Category: WIOA**
4 **Effective Date: TBD**
5 **Last Revised: N/A**
6 **Policy No.: TBD**

7 Individual Training Accounts (ITA) Policy

8 **Background:** Individual Training Accounts (ITAs) are established on behalf of the clients. WIOA Adult,
9 Dislocated Worker and Youth (16 to 24) clients will use ITAs to purchase training services from eligible
10 providers they select in consultation with the case manager.

11 **Scope:** This policy applies to all service providers operating WIOA Title I Adult, Dislocated Worker and/or Youth,
12 WIOA Title I Adult, Dislocated and Youth program manager(s), WIOA fiscal officers and the WIOA monitoring
13 team. This policy is effective (*insert date upon SWIB approval.*)

14 **Policy:**

15 **ITA Description:**

- 16 • ITA services may be made available to employed and unemployed adults and dislocated workers who
17 have met the eligibility requirements for Individualized Career services, and have been determined to be
18 unable to obtain or retain employment leading to self-sufficiency through such services. Youth are not
19 required to receive Individualized Career services as a condition for the ITA.
- 20 • The client must have a completed Individual Employment Plan (IEP) or Individual Service Strategy (ISS)
21 that indicates that, through interview, evaluation or assessment, the client has been determined to be
22 in need of training and has the necessary skills and qualifications to successfully complete the selected
23 training program.
- 24 • Selection of a training program must include identification that the training is directly linked to
25 occupations that are in demand in the service area, or in another area to which an adult or dislocated
26 worker is willing to relocate. In determining local demand occupation(s), providers may allow for training
27 in occupations that may have high potential for sustained demand or growth in the service area.
- 28 • Clients may select training programs in religious activities/occupations or self-employment provided the
29 training costs are covered through an ITA. The training must meet the requirements of the
30 [Administrative Standards Policy](#) and the [Eligible Training Provider List Policy](#) (ETPL).

31 **Limitations on who can Receive Training Services:**

- 32 • Training services may be made available to employed and unemployed adults, dislocated workers and
33 youth (age 16 to 24) who:
 - 34 ○ A case manager or career planner determines, after an interview, evaluation, or assessment
35 and career planning, are:
 - 36 ▪ Unlikely or unable to obtain or retain employment that leads to economic self-sufficiency
37 or wages comparable to or higher than wages from previous employment through career
38 services;

- 1 ▪ In need of training services to obtain or retain employment leading to economic self-
- 2 sufficiency or wages comparable to, or higher than, wages from previous employment;
- 3 and
- 4 ▪ Have the skills and qualifications to participate successfully in training services;
- 5 ○ Have selected a program of training services that is directly linked to the employment
- 6 opportunities in the local area or the planning region, or in another area to which the individuals
- 7 are willing to commute or relocate;
- 8 ○ Are unable to obtain grant assistance from other sources to pay the costs of such training,
- 9 including such sources as state-funded training funds, Trade Adjustment Assistance, Federal
- 10 Pell Grants, or require WIOA assistance in addition to other sources of grant assistance; and
- 11 ○ Provided training service through the adult funding stream, and are determined eligible in
- 12 accordance with the State priority system.
- 13 • Service providers and training providers must coordinate funds available and make funding
- 14 arrangements with partner agencies so that WIOA ITA funds supplement Pell and other grant sources to
- 15 pay for the cost of training.
- 16 • Clients may enroll in ITA funded training while their application for a Pell Grant is pending provided that
- 17 the service provider has made arrangements with the training provider and the client regarding the
- 18 allocation of the Pell Grant, if it is subsequently awarded. If a Pell Grant is awarded, the training provider
- 19 must reimburse the service provider the ITA funds used to underwrite the tuition portion of the training.
- 20 • Service providers shall consider all available sources of funds, excluding loans, in determining an
- 21 individual's overall need for WIOA funds. Resources such as Pell, GI Bill and other federal grants shall
- 22 not be included in calculations of the level of WIOA assistance until the grant has been awarded.
- 23 • Reimbursement is not required from the portion of the Pell Grant assistance disbursed to the client for
- 24 education-related expense. Tuition is the sum charged for instruction and fees and does not include
- 25 books, supplies, equipment and other training related expenses.

26 Duration, Cost Limits and Availability:

Option 1	There is no monetary limit or cap on ITAs; nor is there a limit on the length of the training. Service providers shall keep in mind that the intent of WIOA is to get clients training and into the workforce as quickly as possible. Training that can be completed within a few years or even shorter timeframe is the standard expectation. If a client is requesting a longer training program, service providers shall consult with a program manager. Service providers are to base the amount of the ITAs and duration of the training on each eligible client's needs and circumstances and the availability of program funds; with the goal to service as many individuals as possible with the funding available.	- This is the current policy language. - Discussion: 1) Does the board wish to continue with this policy? 2) Would setting a monetary limit and/or time limit aid in consistency across the state?
Option 2	In order to provide opportunities for as many adults and dislocated workers as possible, Individual Training may not exceed \$1,750 per semester and up to \$3,500.00 per year for a one-year diploma/certificate program to include the fall, spring and summer semesters. For a two-year curriculum program, the amount	- this option (taken from North Carolina) provides both monetary and time limits. - This would provide for a client to receive the same level of assistance regardless of the service

	will not exceed \$7,000.00 for the two-year period. If needed an extra \$1,000 will be provided under the ITA if an extra semester is required to successfully complete the training program for an Associate's or Bachelor's Degree. The case manager will also monitor the progress of the trainee to insure at least a 2.0 grade point average is maintained before funding is continued each semester.	provider arranging the training. -This option also gives a bit more guidance on how the ITA is to be administered
Option 3	<i>ITA Funding Cap</i> The maximum value of an ITA is \$5,000. <i>Maximum Duration Limit of ITA</i> ITAs will be valid for up to two years. An individual may only receive ITA funding once.	- This option (taken from Pennsylvania) provides a very straight forward limit on time and expenses.
Option 4	The maximum ITA amount is \$7,500 per customer. In general, training should not extend beyond twelve (12) consecutive months but can, in some instances, extend to eighteen (18) months or exceed \$7,500 with authorization by the Program Manager. Exceptions may occur where special grant funding allows for flexibility.	- This option (taken from California) provides a very straight forward limit on time and expenses but also allows for exceptions.
Agency Recommendation	Option 1	

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- - ITAs are awarded per semester, quarter or for uninterrupted training coursework. Second and subsequent ITAs will be awarded only for continuing classes in the educational or training institution initially attended, unless there is mutual and justifiable agreement between the service provider and the client that another training institution or training program is necessary.
 - An individual who has been determined eligible for an ITA may select a training institution and program from the [ETPL](#) or from another State, provided that the training institution and program is listed on that State's ETPL, after consultation with a case manager or career planner. Unless the program has exhausted funds for the program year, the service provider must refer the individual to the selected training program, and establish an ITA for the individual to pay for training.

11 **Payment System:**

- ITAs are designed to identify WIOA funded costs associated with the training cost of attendance. The cost of attendance may include tuition, fees, room and board, books, supplies, and tools (if required for the training course). The ITA identifies the WIOA obligation for the client and the client will be able to access information about the account from the service provider. Each service provider is responsible for maintaining an ITA payment system which ensures that payments made to Eligible Training Providers are timely, for the agreed upon amount and that the payments are supported by appropriate documentation.
- Financial responsibility for ITAs remains with the service provider who developed the ITA, in consultation with the client, throughout the period of training, regardless of the location of the training provider. The financial responsibility of the service provider also extends to supportive services.

22 **Retakes of Required Classes:**

Option 1	WIOA funds may be used to pay for retakes of required classes if there is sufficient justification that has been documented by the case manager. Justifiable reasons to pay	- This is the current policy language. - Discussion:
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	for a retake may include: requirement to attain a specific grade to advance to higher level coursework in the training program; or circumstances beyond the client's control such as an unforeseen health issue. Service providers shall consult with a program manager if they are uncertain about funding a specific retake request.	1) Does the board wish to continue with this policy? 2) Does the board want to pay for a class multiple times with limited funding?
Option 2	Retakes of required classes are a disallowed cost of an ITA.	- this option would not allow for paying for a class retake. -other options are welcomed.
Agency Recommendation	Option 1	

1 **Documentation:**

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- Contact between the case manager and the client must occur, at a minimum, at the end of each month, semester or uninterrupted training course during the lifetime of the training plan. Contact may be made by telephone, through the mail, personal contact or other appropriate means to provide documentation of successful progress.
 - Documentation such as attendance records, grade reports, and statements from the instructing agency, are required as proof of participation and satisfactory academic progress.
 - If the documentation indicates the client is having problems, the case manager shall maintain more frequent contact.
 - Documentation of status of the provider, either on Montana's ETPL or another state's list, must be maintained in the client's file.

12 **Monitoring and Evaluation:**

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- A formal monitoring will be conducted on an annual basis by the entity designated by SWIB.

14 **References:**

- 15
- [20 CFR 680 Subpart C – Individual Training Accounts](#)