

North Central Counties Consortium

INDIVIDUAL TRAINING ACCOUNT PROCEDURE

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North Central Counties Consortium Individual Training Account Procedure

Introduction

This procedure gives new guidance for the development of Individual Training Accounts (ITA) when paying for training for adult and dislocated worker participants. Also given in this document is guidance on the minimum requirements for local systems in the payments of ITA vouchers, referral of participants to eligible training providers, minimum file content, collection of training documentation and refunds.

This procedure applies to all NCCC Service Providers, including mandated partners, who provide training services through the One Stop delivery system to eligible individuals funded under Title I of the Workforce Investment Act (WIA).

References

WIA Section 134(d)(4)(G)(iv), Required Local Employment and Training Activities
WIA Section 195(12), General Program Requirements
WIA Final Rule Sections 663.310(b)(c)(d)
WIA Final Rule Section 663.320, Amount or Duration Limits on ITAs
WIA Final Rule Section 663.400-440, Individual Training Accounts
EDD WIAD04-4, Recovery of WIA Tuition and Training Refunds
EDD WIAD06-21, Workforce Training Act (SB 293) Implementation Guidance
NCCC Policy #14, Individual Training Account Policy
NCCC Policy #15, Referral to Training Services

Prohibitions and Limitations

Individual training accounts are not an allowable activity under the WIA youth program. [However, individuals 18 years or older who are eligible under the adult and dislocated worker programs may receive ITAs under these programs. Reference the *“Referral and Payment of Occupational Skills Training for Youth Procedure”*] [Ref: WIA Final Rule Section 664.510]

Under the WIA, access to training or any other services is not an entitlement.
[Ref: WIA 195(12)]

NCCC Procedural Guidelines

Training services shall be provided through the use of Individual Training Accounts (ITAs) as outlined within this document and shall be provided to appropriate eligible individuals through the One Stop delivery system.
[Ref: WIA 134(d) (4) (G) (i)]

Workforce Investment Act (WIA) states that funds may be used to provide training services to adults and dislocated workers who:

- Have met the eligibility criteria to receive intensive services; and
- Have been determined to be in need of training; and
- Have been determined to have the ability to successfully participate in programs of training services; and
- Have selected programs of training that are linked to the employment opportunities in the local area or other areas they are willing to commute or relocate to.

[Ref: WIA Final Rule 663.310]

Training services shall be provided in a manner that maximizes consumer choice in the selection of an eligible provider of such services. [WIA 134(d)(4)(F)(i)]

Training through intensive services may be exempt from the use of an ITA, see under Exclusions to the ITA Process in this document.

Training Providers Subject to the ITA Procedure

In order for a provider to receive WIA ITA funds, its program(s) must be listed on the Eligible Training Provider List and on the NCCC Local List as approved. To be listed the provider must meet the following requirements.

- A postsecondary educational institution that is eligible to receive federal funds under Title IV of the Higher Education Act of 1965, and provides a program that leads to an associate degree, baccalaureate degree, or certificate; or
- An entity that carries out programs under the National Apprenticeship Act of 1937; or
- Other public or private provider of a program of training services¹.

Exclusions to the ITA Process

There are some training programs that are exempt from the development of an Individual Training Account. These trainings are:

- On-the-Job Training and Customized Training (as defined by the WIA).
- Contract training providers that do not charge clients directly for their services must be listed on the ETPL, but are subject to different criteria specified in their contract with the local board.
- Non-WIA Funded Training: where the training costs are paid by non-WIA Title I funds, e.g. BOG, Pell, etc.
- Trainings offered under Intensive Services: Short Term Prevocational Services are defined in WIA as services that prepare individuals for unsubsidized employment or training and/or the development of learning skills. These services are considered to be Intensive Services and the development of an ITA is not necessary.

¹ Program of training services is one or more courses or classes, or a structured regimen that upon successful completion leads to: A certificate, an associate degree, baccalaureate degree; or the skills or competencies needed for a specific job or jobs, an occupation, occupational group, or generally, for many types of jobs or occupations, as recognized by employers and determined prior to training. [WIA Final Rule Section 663.508]

All Short Term Prevocational Services are paid through Supportive Services and information on payment is in the NCCC Procedure #8, Supportive Services.

The training-related expenses, such as books, supplies, etc., may be paid consistent with the NCCC Supportive Services/Training Needs Procedure.

NOTE: training providers that charge any fees, registration fees etc. are required to be on the ETPL (EDD response to question emailed dated 7/23/2009).

Program Requirements

NCCC Service Providers must develop local systems to ensure that trainings being supported with WIA funding include the following requirements:

Approved Providers: Service Providers must ensure that ITAs are developed with vendors who are listed on a NCCC Local List or through individual participant/course approval by the NCCC Administrative Office.

Process for Payments of ITAs: Service Provider is responsible for processing all ITA payments to Eligible Training Providers.

Tracking Expenditures: Ensure that training expenditure payments are charged to the correct grant/funding stream.

Participant Enrollment: Ensure that participants are enrolled and recorded in the correct funding stream and correct activity code before payments are processed for ITAs.

Actual Costs and Refunds: Ensure when paying for training and training-related expenses, actual costs are paid and that any refunds are returned accordance with section XI of this document.

Budget Statements: For each participant receiving WIA funding for training a budget statement must be developed and maintained by the Service Provider. The requirements for the development of the Participant Budget Statement are outlined in the NCCC Eligibility and Case Management Process Procedure.

Individual Service Strategy: It is a requirement of the WIA to develop a strategy with the participant and staff that identifies the employment goal, achievement objectives and services to help the participant to succeed. This strategy must be developed for any services beyond core services. The requirements for the development of the Participant Individual Service Strategy are outlined in the NCCC Eligibility and Case Management Process Procedure.

Self Sufficiency: The participant's training will lead to unsubsidized self sufficient employment and must be documented in the file, at a minimum, case noted in the file.

Supporting Demand Occupations: Participant files must have documentation that the training is a demand occupation and that the training is directly linked to occupations that are:

- demand occupations² in the local area, or in another area to which an individual is willing to relocate; *or*
- directly linked to the NCCC GB/WIB Targeted Industries Clusters³; *or*
- listed on EDD LMI information as growing; [WIA 134(d)(4)(G)(iii)]
- occupations that are emerging.

Selecting Training Providers: In addition to meeting the needs of the participant, other considerations for selecting training programs should include reasonableness of cost, available resources and training provider performance. The availability of other funding resources, e.g. TANF, Pell Grants, and other federal and state funding, shall be investigated and if applicable, included in the development of the ITA. [WIA Final Rule Sections 663.320b and 663.420b&c]

Individual Training Account (ITA) Development

An ITA voucher issued by the Service Provider staff to the selected training provider shall finance the participant's training expenses. The attached Individual Training Account (ITA) Voucher (Exhibit A) provides a sample format of what is the minimally required information for this form. Service Providers that choose to design their own format must, at a minimum, include the information contained in the attached sample (Exhibit A).

Each ITA shall be:

- Issued to the training provider prior to the start date of the participants training;
- Service Provider's name/address must be on the ITA;
- All costs directly associated with training provided by the provider shall be itemized on the voucher, e.g. tuition, books and supplies, application/registration fee, test fees, etc.;
- Signed by the designated Service Provider staff with authority to approve;
- The ITA and all payments must be maintained per NCCC Procedure #06, Record Retention Procedure.

ITA Amendments

An amendment is required in the event that the terms of the ITA are changed, i.e. training program, training hours, start and end dates, training costs. Amend the ITA voucher as follows:

- It must be noted on the ITA that an amendment has been made and each amended ITA, per participant, should be numbered consecutively beginning with the number "1"; for example, "Amendment No. 1".
- All the information in the amended voucher should be consistent with the initial voucher or the previous amendment, except for the information currently being amended. Identify all amended information with an asterisk;
- An explanation for the amendment must be listed on the ITA.

² Demand occupations for NCCC are those occupations for which there are known job openings.

³ NCCC GB and WIB priority industry clusters

ITAs Amounts and Duration

NCCC Policy #14, Individual Training Account Policy states that ITAs written within NCCC may not exceed the following restrictions:

- ITA may not exceed ten thousand (\$10,000) dollars
- Maximum training time may not exceed twenty-four (24) months
- A Service Provider must request, in writing, and receive permission from the NCCC Administrative Office to exceed the dollar or duration cap.

ITA Payment Methods

Local systems must include a system for paying ITAs. Payments to eligible training providers for training costs should be outlined on the ITA, e.g. tuition, books, supplies, application/ registration fees, etc.

NOTE: Payments to training providers must be consistent with the providers published payment schedule, e.g. at registration, monthly, quarterly, upon completion, etc.

The Service Provider must develop a system to redeem the voucher. Payments may be made incrementally, through payment of a portion of the costs at different points in the training course. The Service Provider's system must assure that the invoice is:

- An original signed invoice and not a copy;
- The invoice is accurately and fully completed. Invoice amounts must be consistent with the ITA and the provider's documented training cost and payment schedule, e.g. monthly, quarterly, thirds, at registration, upon completion, etc.;
- Upon completion of the review, staff signatures and dates are required on the invoice.

NOTE: Other training related payments such as childcare, mileage, etc. shall be made through the supportive services process. Refer to the NCCC Supportive Service and Training Needs Procedure for further instructions

Collection of Training Documentation

The Service Provider is required to collect attendance and progress reports from the training provider on each participant and to obtain a copy of each participant's certificate of completion, diploma, etc. The collection of these documents is to assure that training is being provided and that participants are benefiting from the training. Copies of these documents shall be maintained in the participant's file.

ITA Refund Procedure

This section outlines the requirement that a refund policy is in place when trainings are financed through ITAs and the procedural steps required of NCCC Service Providers for early termination of an ITA.

- The Service Provider staff is responsible for acknowledging and determining that a refund is due for early termination of a participant's training.
- The Service Provider staff is responsible for ensuring prompt return of any unused training monies.
- The Service Provider staff is responsible for the collection process of any outstanding training and/or tuition refund.
- Make all refund checks payable to the Service Provider. If local system is in place the refund(s) must be credited back to appropriate grant.

Service Provider staff will ensure that the refund policy of the training provider is reviewed and includes the following elements:

- Percentage of the advanced payment to be returned upon non-completion of courses;
- Turnaround time of refund;
- Time spent in training before a refund will no longer be honored;
- Requirement for the training provider to notify the Career Center staff of early participant dropout.

Forms

The attached Individual Training Account (ITA) Voucher (Exhibit A) provides a sample format of what is the minimally required information for this form. Service Providers that choose to design their own format must, at a minimum, include the information contained in the attached sample.

Individual Training Account (ITA) Voucher

The participant named below is eligible to receive the Workforce Investment Act (WIA) funded training services identified in this voucher.

REFERRING AGENCY

Please direct your questions to: *Insert the name, address, and contact person and phone number of the Service Provider*

PARTICIPANT

Name: _____ Soc.Sec. # (or part of) _____

Address: _____ Phone: _____

TRAINING INFORMATION

Training Provider: _____

Address: _____

Contact Person: _____ Phone: _____

Training Program: _____ Total Training Hours: _____

Start Date: _____ Estimated Completion Date: _____

TRAINING COSTS	TOTAL AMOUNT	WIA AMOUNT	PELL GRANT	OTHER	
				AMOUNT	SOURCE
Tuition					
Registration Fee					
Books/Supplies					
Other: (list) _____					
TOTAL					

Explanation for Amendment:

Please remit the enclosed invoice form for payment.

Refunds: Make all refund checks payable to (Name of Service Provider) and mail along with a copy of this ITA Voucher and a detailed calculation of the refund to the Referring Agency listed above.

Signature of Service Provider Person

Title

Date