**INDIVIDUAL TRAINING ACCOUNT POLICY**

**Purpose**

To establish local policy for providing Individual Training Accounts, and identify the requirements One Stop Operators and Service Providers must adhere to in providing such services to participants in the Workforce Innovation and Opportunity Act (WIOA) Adult, Dislocated Worker, and Youth programs.

**Individual Training Account (ITA):** Training services authorized under WIOA shall be provided to eligible Adults and Dislocated Workers (including displaced homemakers) utilizing individual training accounts established on behalf of the client so they may purchase training services for skills in demand occupations from eligible training providers they select in consultation with the Service Provider. The ITA will be established and provided through the One Stop delivery system.

**Contractual Agreements:** Contractual agreements may be used in lieu of an ITA when one of the following conditions exists:

* Training is provided by an employer through an On-the-Job Training (OJT) or customized training project.
* The Workforce Development Board (WDB) determines there are an insufficient number of eligible training providers (ETP) in the local area to accomplish the purpose of the ITA system.
* The WDB determines a training service program, which has demonstrated its effectiveness, and is offered in the local area by a community based organization or another private organization, and serves the special clients population. Special clients are individuals who face barriers to employment such as: offenders, homeless, individuals with substantial language or cultural barriers, and other hard to serve populations as described by the strategic plan.

**Criteria:** The HWS Board has established the following criteria:

* An Individual Training Account (ITA) must be established for all eligible adults and dislocated workers who are enrolled and receive training services under WIOA.
* Eligible youth who are only enrolled in the youth program activities are not eligible for an ITA.
* The costs for these participants will be reimbursed to the training provider through the financial voucher system.
* Eligible youth ages 18 to 24 years may be enrolled in Adult program training activities, Youth program training activities, or both programs concurrently (must have approval of the HWS Director of Operations or designated representative).
* Youth who are enrolled in the Adult programs and receive training services may be issued an ITA for the services provided under the Adult program.
* Costs for participants who are concurrently enrolled in the Youth program and Adult program must be tracked and reported separately so the costs may be charged to the appropriate program.
* Concurrent enrollment does not allow the time limitations or cost limitations, as specified by this policy, to be exceeded.

**Individual Training Account (ITA):** ITAs may only be issued after the following determinations or activities have taken place:

* The participant has been determined eligible, and after an interview, evaluation, or objective assessment under intensive services has been determined to need training services, and to have the skills and qualifications necessary to complete a selected training program.
* It has been determined the participant is unable to obtain financial assistance from other sources to pay for the cost of training such as Trade Adjustment Assistance, Pell Grants, Welfare to Work Programs, State training funds, or will require financial assistance in addition to the other sources of funds.
* An individual employment plan (IEP) has been jointly developed between the participant and the Career Specialist utilizing the results of the interview, evaluation or objective assessment conducted under intensive services. The IEP must identify the participant’s employment goals, the appropriate achievement objectives, the combination of services required to achieve the employment goals, and the program of training selected to directly link the participant to the employment opportunities in the local area or in another area where the participant is willing to relocate.
* The participant has been given the opportunity to review the State eligible training provider list so the participant may make an informed choice in the selection of a training provider.
* Individual Training Accounts are established for participants who have been determined eligible ~~received at least one intensive~~ for training service, and are currently enrolled or will be enrolled in a program of training that can be completed by a full time student in two years or less. A program of training is defined as one or more courses or classes or a structured regiment, which upon successful completion, leads to:
  + A certificate, an associate degree, a 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.
* Participants must maintain at least a 2.0 grade average in graded courses or programs, and at least a satisfactory rating in un-graded courses, each quarter/semester/term. If a client has two consecutive quarters/semesters/terms where they fall below a 2.0 GPA, HWSB approval is required to continue utilizing ITA funds. A client’s previously earned grades, prior to enrollment in WIOA, will not be considered in a participant’s maintenance of a cumulative 2.0 GPA.
* The individual training account may cover the costs of tuition, fees, books, and supplies. The supplies may include such items as pencils, paper, protective clothing, tools, or other materials that are specified by the training provider as a requirement under the training program curriculum. The costs for supplies such as pencils, paper notebooks, computer discs, etc. should be limited and only be approved for the training period the participant is enrolled in (i.e. semester, quarter, etc.) and not the entire period of training.

**Request to Exceed Cost Limitation:** Any increase in the maximum cost limitation must be forwarded to the HWS Program Director accompanied by the following documentation. The HWS Program Director will make the determination for an increase in the cost limitations.

* Client’s name and Social Security Number and;
* Justification for the request including a timeline and total program and supportive service expenditures to date and;
* The signed (by both the participants and the Career Specialist) and updated Individual Employment Plan and;
* A current copy of the student’s transcripts.

The maximum duration of WIOA training services shall not exceed 30 months starting at the time of assignment of a Participation Date in NEworks.

**Extension Request:** Any extension beyond 30 months must be forwarded to the HWS Program Director accompanied by the following documentation. The HWS Program Director will make the determination for an extension of the 30 month time limitation.

* Client’s name and Social Security Number and;
* Justification for the request including a timeline and total program and supportive service expenditures to date and;
* The signed (by both the participants and the Career Specialist) and updated Individual Employment Plan and;
* A current copy of the student’s transcripts.

**Procedure for Coordination of Individual Training Accounts with Other Grant Assistance**

WIOA requires training funds be coordinated with other grant sources for training such as the Pell Grant. The WIOA limits funding for training to individuals who are:

* Unable to obtain grant assistance from other sources to pay the costs of their training; or
* Require assistance beyond what is available under grant assistance from other sources to pay the costs of such training.

WIOA funds are intended to supplement other sources of training grants; therefore training providers must consider the availability of Pell Grants and other sources of financial assistance to pay for training costs. Program operators and training providers must coordinate available funds to pay for training and prevent duplication of payments.

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 the costs of the training program the participant selects are fully paid, and necessary supportive services are available so the training can be successfully completed. This determination should focus on the needs of the participant and satisfy the three conditions:

1. WIOA funds for training services are limited to instances when there is inadequate or no grant assistance from other sources.
2. Duplicate payments of costs when an individual is eligible for both WIOA and other assistance including Pell Grants must be avoided.
3. Participation in a training program funded under WIOA may not be conditioned on applying for or using a loan to help finance training costs.

Program operators and training providers must coordinate by entering into arrangements with the entities administering the alternate sources of funds, including eligible providers administering Pell Grants [20 CFR Part 663.320(b).] These entities should consider all available sources of funds, excluding loans, in determining an individual's overall need for WIOA funds.

The service provider needs to work with the WIOA participant to calculate the total funding resources available as well as to assess the full "education and education related costs" (training and supportive services costs) if the participant is to complete the chosen program.

Section 134(d)(4)(B)(ii) permits a WIOA participant to enroll in a training program with WIOA funds while an application for Pell Grant funds is pending. However the WDB must be reimbursed if both funding sources end up paying the same costs for the same client.

When the agreements negotiated are performance-based contracts, the Service Provider must prohibit training institutions or organizations from holding the student liable for outstanding charges. Otherwise, the performance agreements would be undercut because the incentive for the institution or organization to perform would be removed. Also, the practice of withholding Pell Grants from students is prohibited by the U. S. Department of Education.

Background on the Pell Grant: Federal Pell Grants are considered to be the foundation of a student's financial aid, to which other Federal and non-Federal sources of aid may be added. Pell Grants are reserved for the student's use to cover tuition and living expenses incurred for undergraduate, post-secondary education or training.

Preliminary eligibility for Pell Grant can, and should, be determined before the participant enrolls in a particular school or training program. The application for determining eligibility and ultimately the amount of the grant should be readily available at all one-stop centers for assistance in the completion of these "gateway" financial aid applications.

The Student Financial Aid Program uses the following two figures when calculating a student's eligibility for and amount of Pell Grant assistance:

* The Expected Family Contribution (EFC) formula is the standard formula used in determining financial need for Federal Pell Grants and other student financial aid programs. The EFC is based on information the student reports on the financial aid application form.
* The Cost of Attendance (COA) is an estimate of a student's education expenses for the period of enrollment. These expenses include tuition and fees, room and board, books, supplies, transportation and miscellaneous expenses, childcare, and special costs for handicapped students/participants.

For WIOA purposes, a student's unmet financial need for Student Financial Aid Program funds is equal to the student's Cost of Attendance, minus his/her Expected Family Contribution, minus his/her Pell Grant eligibility, minus financial aid from other sources. The total aid a student may receive from all sources may not exceed the student's Cost of Attendance. [A student may borrow the amount of the EFC from the Federal Family Education Loan Program (FFELP).]

**Procedure for Eligible Training Providers (ETPs)**

Description: Requirements to become an eligible provider:

* Training provider be certified under the Higher Education Act and provide a program that leads to an associate degree, baccalaureate degree or certificate or;
* Provide training under the National Apprenticeship Act; or provide a program of training services as an alternative public or private provider.
* All providers must apply for certification and submit the performance and cost information required. To remain eligible, providers must meet or exceed minimum levels of performance established by the State and localities.
* Providers certified as eligible providers in a one Workforce Investment Area are eligible providers for all areas. The State will compile a list of eligible providers with cost and performance information. This information is provided so the customer is able to make an informed decision on which provider and program of training services best meets his/her needs. The list will be widely disseminated (i.e. One Stop Career Centers, libraries, and will be available electronically on the NDOL website).
* There are procedures for removing institutions from the eligible provider list if the certification criteria are not met, and there are appeal procedures for institutions that have been removed.

Eligibility Requirements: The WIA emphasizes informed customer choice, system performance, and continuous improvement. The eligible provider process is part of the strategy to achieve these goals. The state has the responsibility of managing the eligible training process to ensure its success. Although the state establishes the minimum performance levels for initial determination of non-Higher Education Act/registered apprenticeship providers and all subsequent eligibility determinations, the local boards may establish additional performance levels for subsequent eligibility determinations.

Many types of training services are eligible to be certified as eligible providers. A program of training services is one or more courses or classes, or a structured regimen, which upon successful completion, leads to:

* A certificate, an associate degree, or 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.

There are two types of eligibility, initial and subsequent. They have slightly different qualifying procedures and will be discussed separately.

Initial Eligibility Requirements: Nebraska has established the following policies and procedures for determining the initial eligibility for training providers based on Section 122 of the Act:

**Step 1**

All institutions and public or private providers desiring to provide training services shall submit an application through the state TrainingLink system. This application was developed by the local boards, keeping in mind the necessary information spelled out in the state plan. To assure the training provider complies fully with nondiscrimination, equal opportunity, and accessibility requirements, this application has questions addressing these issues. Only those providers answering affirmatively shall be given further consideration as applicants. These application forms can be accessed through the NDOL website: [www.dol.nebraska.gov](http://www.dol.nebraska.gov). The provider must submit this application in the time frame and manner prescribed by the local board ensuring all necessary information is included. The TrainingLink Coordinator will send a notice to the local area for Board review and approval. After the local board reviews the initial application, it will approve or disapprove it and forward the list of eligible providers and programs to the state.

**STATE REVIEW NOT REQUIRED**

According to Section 122 of WIA, a training provider that meets one of the following criteria is initially eligible without State agency review:

* A post-secondary educational institution that is able to receive Federal funds under title IV of the Higher Education Act of 1965 and provides a program which leads to an associate degree, a baccalaureate degree, or certificate; OR
* An entity that carries out programs under the National Apprenticeship Act.

This initial eligibility will be for a maximum of eighteen months. In limited circumstances when insufficient data is available, initial eligibility may be extended for a period of up to six additional months.

**REVIEW BY STATE REQUIRED - Other Public or Private Providers**

Other public or private providers of a program of training services may be included on the initial eligible provider list even though they do not meet the criteria described above. However, they have to follow the procedure for use by local boards to determine the eligibility of a provider to receive funds for a program of training services. Examples of providers that might be included in this category include:

* Community-based organizations
* Local boards, if those local boards meet the waiver criteria for providing training (discussed later in this policy).

Programs of training services provided by postsecondary educational institutions which do not lead to an associate or baccalaureate degree or certificate, and apprenticeship programs not registered under the National Apprenticeship Act must be determined for initial eligibility under these provisions. Customers may nominate to the local board providers to be considered on the initial eligible provider list.

**Step 2 - Performance Information** [Required for Other Public or Private Providers]

**Current Provider of Training Services**

If the provider provides training services through a program on the date of application, they shall include performance information on the program. There are seven measures for which providers must submit performance data and meet the standards.

Three of the measures cover all individuals participating in the program and include:

1. Program completion rates for all individuals participating in the applicable program. [For programs longer than one year in length, participants may be identified by their major. If a student (who earlier declared a major) transfers out of the program, they are no longer identified with that program.]
2. Percentage of all individuals participating in the applicable programs who obtain unsubsidized employment, which may also include information specifying the percentage of individuals who obtain unsubsidized employment in an occupation related to the program.
3. Wages at placement in employment of all individuals participating in the applicable program.

Four of the measures concern only customers who complete the training program and cover:

1. The percentage of applicants who have completed the applicable program and have been placed in unsubsidized employment.
2. The retention rates in unsubsidized employment of participants who have completed the applicable program, 6 months after the first day of the employment involved.
3. The wages received by participants who have completed the applicable program, 6 months after the first day of the employment involved.
4. The rates of licensure or certification, attainment of academic degrees or equivalents, or attainment of other measures of skills, of the training participants who graduate from applicable programs.

**Non-Current Provider of Training Services**

If the provider does not provide training services on the date of the application, the provider must meet the appropriate requirements as specified in the state and local procedures.

The initial eligibility for approved Other Public or Private Providers will be for a maximum of eighteen months. In limited circumstances when insufficient data is available, initial eligibility may be extended for a period of up to six additional months.

**Step 3 - Cost Information** [Required for All Providers]

Each provider must submit information relating to the program costs (such as tuition and fees) for participants of each program.

**Step 4 - Verification of Performance**

After the state receives the local lists of eligible providers and programs, the designated state agency (the Nebraska Department of Labor) has thirty days to verify whether the provider meets the required performance levels as required by the state plan. A provider who is placed on the list for a program, and is not removed by the Nebraska Department of Labor, shall be considered to be an eligible provider of training services for the program. The state then compiles the lists from all the local areas and widely disseminates the list.

Subsequent Eligibility Requirements: The State of Nebraska has elected to utilize the waiver, approved by the Federal Government, which extends all initial certifications until June 30, 2007.

Eligible Providers of Youth Activities:The local board for each area shall identify eligible providers of youth activities by awarding grants or contracts on a competitive basis, based on the recommendations of the Youth Council (when possible) and on the criteria contained in the State plan. [Refer to State WIA policy on Procurement Standards.]

Administration:The Governor has designated the Nebraska Department of Labor (NDOL) as the agency responsible for carrying out the responsibilities associated with the selection of service providers for ITAs. These responsibilities include making determinations on whether a provider has met its performance levels and carrying out enforcement measures. The NDOL was chosen as an unbiased broker of information and services. This agency is responsible for the employment statistics used to help eligible providers gather performance information.

Availability of the Eligible Provider Information**:** NDOL shall compile a single list of eligible providers from applications forwarded by the state board. It will maintain the list in at least two formats. They will disseminate the list, which includes performance information and program cost information. The list will be posted on the NDOL website. The information shall be made widely available to participants in employment and training activities authorized under the WIA and others, through One Stop Career Centers, NDOL local offices and partner agencies, schools and libraries.

The public list of eligible providers will contain the following information at a minimum:

* program and provider name and address;
* program completion rates for all individuals participating in the applicable programs;
* percentage of all individuals participating in the applicable programs who obtain unsubsidized employment;
* wages at placement; and
* program cost.

NDOL is well positioned to provide access to the list of eligible providers and accompanying performance data. The NDOL website is a well-known site for career information. The Department regularly prints pamphlets and brochures, and maintains mailing lists that include; libraries, schools, and organizations involved in workforce development.

Individual customers eligible to receive training services under Section 134 (d) (4) of the WIA shall have the opportunity to select any of the "eligible providers," from any of the local Workforce Investment Areas in Nebraska with the concurrence of the Service Provider staff.

Nebraska may enter into reciprocal agreements to permit eligible providers to accept ITAs provided in another state.