

AREA 2 | SUMMIT & MEDINA  
WORKFORCE INNOVATION & OPPORTUNITY ACT (WIOA)  
POLICY LETTER C-05 | USE OF INDIVIDUAL TRAINING  
ACCOUNTS (ITA)

- I. **SUBJECT:** Use of Individual Training Accounts (ITA)
  - II. **PURPOSE:** The purpose of this policy is to align Workforce Area 2 Use of Individual Training Accounts (ITA) policy with controlling authority while outlining flexibility required to meet local needs within in-demand and critical occupations.
  - III. **EFFECTIVE DATE:** November 12, 2014
  - IV. **DATES REVISED:** January 17, 2018; July 1, 2019; October 17, 2019; November 14, 2019; December 20, 2019; August 21, 2020; November 24, 2020
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V. **BACKGROUND:**

Individual Training Accounts (ITAs) are the primary WIOA funding mechanism to provide underemployed or unemployed persons training to establish self-sufficiency (see **Area 2 Policy Letter A-07 Standard of Self-Sufficiency**). Training services are defined as one or more courses of short-term, structured study that upon completion lead to:

1. An industry-recognized certificate or certification, a certification of completion of a registered apprenticeship, a license recognized by Ohio or the Federal government, or an associate or baccalaureate degree;
2. A secondary school diploma or its equivalent;
3. Employment; or
4. Measurable skill gains leading toward a credential or employment.

To qualify for training services, the Area 2 Career Services providers, serving adults and dislocated workers or the Comprehensive Case Management Employment Program (CCMEP) staff, serving youth ages 14 to 24, must determine a person is an appropriate candidate for training services. Appropriateness is determined by completion of an interview, evaluation or assessment and career planning. Assessments may include, but not limited to:

1. A combination of standardized tests;
2. Inventory of interests;

3. Skills assessments;
4. Career exploration;
5. Evaluation of the participant's soft skills, and;
6. Available labor market data.

## VI. DEFINITIONS:

**Critical Job.** Jobs that are determined through state strategic priority and considered critical to the health and well-being of Ohioans, their families, and our communities. Some examples of critical jobs may include occupations in early childhood education, mental/behavioral health, and recovery.

**In-Demand Occupation.** Occupations that were chosen using various industry- and occupation-focused measures. These measures include: projected openings; projected growth; select JobsOhio industry cluster occupations; and historic job posting data. The list of in-demand occupations will be validated or further enhanced using business data from the online Workforce Information Exchange job forecasts monthly.

**Institution of Higher Education.** An educational institution in any State that—

1. Admits as regular students only persons having a certificate of graduation from a school providing secondary education, or the recognized equivalent of such a certificate;
2. Is legally authorized within such State to provide a program of education beyond secondary education;
3. Provides an educational program for which the institution awards a bachelor's degree or provides not less than a 2-year program that is acceptable for full credit toward such a degree, or awards a degree that is acceptable for admission to a graduate or professional degree program;
4. Is a public or other non-profit institution; and
5. Is accredited by a nationally recognized accrediting agency or association, or if not so accredited, is an institution that has been granted pre-accreditation status by such an agency or association that has been recognized by the Dept. of Education Secretary for the granting of pre-accreditation status, and the Secretary has determined that there is satisfactory assurance that the institution will meet the accreditation standards of such an agency or association within a reasonable time.

**Industry-Recognized Apprenticeship Program (IRAP).** High-quality apprenticeship programs recognized as such by a Standards Recognition Entity (SRE) pursuant to the DOL's standards. These programs provide individuals with opportunities to obtain workplace-relevant knowledge and progressively higher skills. IRAPs include a paid-work component and an educational component and result in an industry-recognized credential. An IRAP is developed or delivered by entities such as trade and industry groups, corporations, non-profit organizations, educational institutions, unions, and

joint labor-management organizations. IRAPs fall under the umbrella of training services under WIOA section 134(c)(3)(D). ITAs may be used to finance the training component of IRAPs if the program and training provider has been approved as an Ohio eligible training provider and is listed on WIET.

**Recognized Postsecondary Credential.** A credential consisting of an industry recognized certificate or certification, a certificate of completion of an apprenticeship, a license recognized by the State involved or Federal Government, or an associate or baccalaureate degree.

## VII. ELIGIBILITY AND REQUIREMENTS:

WIOA eligibility information is combined with the assessment information to fully determine the need exists for a training service versus basic employment placement assistance. Following the determination for appropriateness, if the discovery of deficiencies, particularly those that would prohibit successful completion of a training program, the Area 2 provider or CCMEP staff may preclude approval of an ITA until the deficiency is rectified.

### **In-Demand Occupations and Critical Jobs**

To receive an ITA, a participant must select a training program that is directly linked and leads to employment in an occupation that is in high demand or critical in Ohio. The Ohio in-demand occupations /critical jobs list can be found on <https://topjobs.ohio.gov/wps/portal/gov/indemand/top-jobs-list>. Each program year, at least 85% of new ITA enrollments must be in an in-demand occupation or critical job as defined by the State of Ohio. The remaining 15% may be used on training programs leading to employment in an occupation that is in high demand specifically in Area 2. Training for these occupations should supplement, and not replicate, occupations listed on the Ohio in-demand occupation or critical jobs list. Local in-demand occupations consist of employment associated with a regional high-demand employment sector as approved by the Area 2 Workforce Development Board (WDB). Appropriate documentation must be maintained in participant files to prove the local in-demand occupation is actively hiring.

### **ITA Participant Requirements**

1. An Adult or Dislocated Worker must meet the eligibility requirements for training services (i.e., be a registered, eligible applicant with a high school diploma or GED and has been interviewed, evaluated, and assessed with career planning) and be unable to obtain or retain employment without training services. An out-of-school Youth must have met the eligibility requirements for Youth services.
2. The individual must reside within Summit County or Medina County.
3. Assessment by a service provider or CCMEP staff member which documents the customer's need for training services through the following criteria:
  - a. The individual is unlikely or unable, by only receiving career services, to retain employment that leads to economic self-sufficiency or wages comparable to or higher

- than wages from previous employment;
  - b. The training the individual receives would result in employment leading to economic self-sufficiency or wages comparable to higher than wages from previous employment, and
  - c. The individual has the skills and qualifications to successfully participate and complete the training, including soft skills and professionalism.
  - d. ITAs should only be provided to individuals who lack a marketable skill through a credential or work experience, or individuals who need skill enhancements to make them more employable.
    - i. Participants who already have an industry credential or certification may not be automatically provided an ITA without approval from the Area 2 Executive Director. The participant should be ready to produce evidence which supports how receiving an additional credential or certification will either enable them to gain a better position in their current place of employment or be hired by an employer by producing a pre-hire letter.
4. Prior to training, an Individual Employment Plan (IEP) or Individual Opportunity Plan (IOP), which identifies the participant's employment goals, appropriate achievement objectives, and the appropriate combination of services for the participant to achieve the employment goals shall be developed by the customer and the service provider staff member.
  5. The individual must be able to pass a background check should the program and/or goal occupation require a clean background in order to become licensed or practice.
    - a. Please note: An Ohio Certificate of Qualification for Employment (CQE) allows individuals in the community who have a previous felony or misdemeanor conviction to apply to the court to lift the barrier that prevents them from obtaining general employment or licensure. If applicable, this may be presented rather than a passed background check.
  6. If the individual plans to obtain their CDL, a hire letter must be produced in advance of ITA approval. The hire letter must state the employer's ability to hire the individual upon successful completion and licensing.
    - a. It is considered a good practice for all individuals seeking an ITA to produce a hiring letter to bolster the approval of their ITA.

#### **ITA Training Provider Requirements**

1. A program of training services is selected that is directly linked to the employment opportunities found to be in-demand or critical. The in-demand/critical occupations list can be found on <https://topjobs.ohio.gov/wps/portal/gov/indemand/top-jobs-list>. Training services leading to occupations not found on this list must be supported by supplementary labor market data.
2. The training provider must be listed on the Workforce Inventory of Education and Training List (WIET) for the State of Ohio. The specific program the participant wishes to enroll in must be listed in WIET.
3. At this time, Area 2 does not write ITAs for degree-program training at for-profit or proprietary institutions of higher education at which credits do not transfer. This determination is made by the case manager based on the school's information from the National Center for Education

Statistics, which can be found on [nces.ed.gov/collegenavigator](https://nces.ed.gov/collegenavigator).

4. Area 2 considers training provider performance when writing ITAs. Training providers must supply the program's performance outcomes on either WIET or directly to Area 2. The following measures are subject to performance standards:
  - b. The graduation or credential attainment rate, as a percentage, specific to the program;
  - c. Percentage of graduates who are employed within 6 months of graduation or credential attainment;
  - d. Percentage of graduates who are employed within 12 months of graduation or credential attainment; and
  - e. Median annual wages of program graduates.
5. Area 2 requests training providers meet the following minimums in the above-described performance measures:

Graduation rate	80%
Employed within 6 months of graduation	75%
Employed within 12 months of graduation	85%
Median annual wages	\$31,200.00 or \$15.00/hour

Included in the performance data should be the results of the entire of the training program, not just of WIOA-funded ITA clients.
6. Failure to supply performance or meet the performance standards affects the training provider's ITA reimbursement schedule.
7. Training providers must renew their program in WIET annually. Area 2 will monitor training providers' performance reported in WIET at the beginning of each program year.
8. Training providers must sign a one-time acknowledgement of Area 2's performance requirements and reimbursement schedules. If the training provider has multiple training programs, one signed acknowledgement form is sufficient, but the training provider understands that reimbursement is based on the specific program's performance and subsequent reimbursement schedule.
9. Training providers who exhibit a pattern of incomplete or unsuccessful ITAs may be excluded from Area 2 ITA training dollars even if their performance measures meet the Area's standards.

## VIII. DURATION AND FUNDING:

### **Maximum Duration and Time Frame**

Maximum duration of an ITA is governed by the length of the training program, although it may not exceed 12 months in total length. Short-term training is the goal when funding an ITA in order to attain employment as soon as possible. In Area 2, extensions beyond 12 months may be awarded for the following circumstances upon documentation:

1. Consideration of the identified occupational goal where course work might be longer than 12 months;
2. Military service or leave time;
3. Lack of available classes required to complete program;

4. Cancellation of classes required to complete program; and
5. Unforeseen illness of the individual or an immediate family member.
  - a. For the purpose of this policy, immediate family members are defined as: participant's parents (including step-parents), spouse, domestic partner, and children (including step-children or children who the participant has been awarded custody of by a court).

Long-term training is up to 24 months in length. Area 2 will consider long-term training when:

1. The participant is able to document they are in the last two years of a program **and** the credential is in an in-demand occupation that will lead directly to their occupational goal;
2. Training is for a state-defined critical job; or
3. The ITA is for the training component of an IRAP.

Approval for ITA funding must be in place prior to commencement of training. Approval may not be retroactive. This rule is waived, under written request to the Area 2 Executive Director, when an individual who has begun training loses the ability to continue paying for training due to dislocation. Participants have up to three months to begin training after an ITA has been issued. Participants are limited to just one ITA contract in a lifetime, excluding appropriate modifications.

#### **Allowable Costs**

Area 2's maximum funding limit of \$7,000 is placed upon the following fees deemed directly related to training:

1. Admission fees;
2. Tuition;
3. Training facility parking;
4. Required books;
5. Lab fees;
6. Required tools;
7. Tests;
8. Required uniforms; and
9. Physical exams and screenings.

All fees combined may not exceed \$7,000. Other expenses (e.g., child care, bus passes, needs-based) are supportive services and may not be included in the cost of the ITA.

Some training programs are allowed a higher funding limit. Area 2 allows a maximum funding limit of \$10,000 on the following training programs:

1. Training that leads to a licensure or certification for a state-defined critical job; or
2. Training that leads to a licensure or certification for an Opioid Emergency Recovery Grant Community-specific occupation:
  - a. For Summit County (Community I), that means the following professions:
    - i. Emergency Medical Technician (EMT);

- ii. Healthcare, child, family, and school or mental health and substance abuse social worker;
  - iii. Medical Assistant; and
  - iv. Nurse
- b. For Medina County (Community II):
- i. Emergency Medical Technician (EMT);
  - ii. Healthcare, child, family, and school or mental health and substance abuse social worker; and
  - iii. Nurse

A training provider may not charge a WIOA client more than their publicly advertised tuition and fees. Should it be discovered that WIOA was charged more than the what the program cost is advertised at, a refund request will be issued.

### **Supportive Services**

Supportive services are specific services which enable participants enrolled in WIOA programming (including training) to continue to participate in agreed upon activities. An identified supportive service which requires funding may be provided to ITA participants with WIOA funds should funding be available. See **Area 2 Policy Letter C-12 Supportive Services** for additional guidance.

### **Other Grants, Scholarships, and Loans**

It is the intent that WIOA is the payer of last resort. A comprehensive assessment of the cost of the ITA, which involves accessing other grants or funding, including Federal Pell Grants, Trade Adjustment Assistance (TAA), and scholarships must be conducted to ensure best utilization of WIOA funds. Participants qualifying for and receiving grants and/or scholarships, or other workforce funding like Rapid Response or National Emergency Grant, or any successor program yet unnamed, must first apply those funds to training costs. It is the responsibility of the service provider staff to confirm and coordinate all funding sources to support a participant's ITA; provider and CCMEP staff must submit this information along with the ITA funding request to the Area 2 staff.

Although student loans are one of the forms of financial aid that may be available to participants, WIOA participants are not required or encouraged to incur personal debt as a condition of participation in an ITA. Should the participant choose to incur personal debt, acknowledgement that they have been advised by WIOA Staff regarding the responsibilities associated with this indebtedness will be recorded in the participant's file.

### **Reimbursement Schedule**

Training fees are paid directly to the training provider after receipt of an invoice and approval by Area 2 staff. The payment schedule varies depending on the institution's reported performance for the specific program the ITA is written for:

1. **Training provider meets or exceeds all four performance standards.** Training providers that meet or exceed all four performance standards may invoice for 50% of the agreed upon cost

when the program commences and the student has attended the first class and 50% after the student has attended the last day of the training program. Should the student participant withdraw from school or stop attending, the training provider *may not* attempt to collect any remaining tuition or fees stated on the ITA from the student participant.

**2. Training provider fails to meet one or more performance standards or fails to provide one or more performance measures.** If the training provider does not meet one or more performance minimums, or cannot supply data for one or more performance minimums, the training provider may invoice on the following schedule:

- a. 30 percent of the total cost approved for an ITA may be invoiced upon the commencement of the program after the student has attended the first class;
- b. 60 percent of the total cost may be invoiced upon the student’s successful completion of the program; and
- c. The final 10 percent of the total cost may be invoiced upon placement of the student participant in a job in the field for which they were trained within a six-month period following the last day of the training program. Confirmation from the student participant is required.
  - i. Example: the total cost of the training program approved for an ITA is \$5,000. \$1,500 may be invoiced after the student participant has attended the first day. \$3,000 may be invoiced when the student participant has successfully completed the training program. The remaining \$500 may be invoiced upon placement of the student participant in a job in the field for which they were trained.
- d. Should the student participant withdraw from school or stop attending, the training provider *may not* attempt to collect any remaining tuition or fees stated on the ITA from the student participant.
- e. The percentage owed at each payment point is calculated based on the total amount of the ITA, including all fees, tuition, books, tests, screenings and other costs. Training providers may not invoice for more than the stated percentages regardless of up-front fees or other costs. Allocation of reimbursement is the responsibility of the training provider.

**3.** Training providers may not seek ITA reimbursement if the student participant drops out or withdraws from their class or training program within the first 5 days. If it is discovered at a later date that the training provider was reimbursed for a student participant who stopped attending within the first 5 days of the training program, Area 2 reserves the right to seek a refund in the full amount paid to the training provider.

**IX. PARTICIPANT RESPONSIBILITIES**

**Professional Behavior and Honesty**

It is expected that the participant acts in a professional, respectful manner at all times while communicating with training provider and career services staff. A participant must sign the **Area 2 Rights and Responsibilities Form** in order to be considered for an ITA. The participant is also expected



to be honest with their case manager, disclosing any potential barriers to completing a training program and finding a job in the field (ex. a felony conviction, unreliable transportation, etc.) Failure to do so may result in termination of the ITA funds and, potentially, termination from the WIOA program. The participant may also be asked to reimburse the WIOA program for ITA funds already expended.

**Grade Point Average and Attendance**

Participants must maintain the equivalent of a 2.0 or higher on a 4.0 scale, if applicable. Failure to maintain this average may result in the termination of the remainder of the ITA funds. The participant is expected to attend every class and miss no more than the allowed number of absences by the training provider. If a participant quits their training program, or fails to attend as required, he or she may be required to reimburse the amount of funding received.

**X. ADDITIONAL CONSIDERATIONS AND REQUIREMENTS:**

**Entitlement**

An ITA is not an entitlement. Every request for an ITA will be assessed on an individual basis to determine if the training investment will produce the desired results. Participants should not consider the Area's \$7,000 limit as a personal limit; the amount required to participate in the specified program is that ITA's limit. All other funding sources will be examined and applied prior to recommending an ITA.

**Direct Path to Work**

An ITA may only be approved if completion of the program will lead directly to a job. For example, if the participant's ultimate goal is to become a dental hygienist, it would not be appropriate to write an ITA for the participant to finish the last year of their associate degree in psychology. The program must directly relate to the occupational goal.

**Bachelor's and Associate Degrees**

ITAs may not cover a bachelor's or associate degree unless the participant has successfully completed all but two full-time semesters of the program and can complete the remainder of the program within 12 months. The participant must provide a transcript and signed plan-of-study from the institution documenting that the participant can complete the degree requirements within 12 months. Participants may not change their major/degree program after the ITA is signed.

**Training Contracts**

WIOA allows for Training Contracts for services in lieu of an ITA if:

1. Such services are on-the-job training, customized training, incumbent worker training, or transitional employment;
2. The WDB determines there are an insufficient number of eligible providers of training services in the local area involved to accomplish the purposes of a system of ITAs;
3. The WDB determines that there is a training services program of demonstrated effectiveness

offered in the local area by a community-based organization or another private organization to service individuals with barriers to employment;

4. The WDB determines that
  - a. It would be most appropriate to award a contract to an institution of higher education or other eligible provider of training services in order to facilitate the training of multiple individuals in in-demand/critical industry sectors or occupations; and
  - b. Such contract does not limit client choice; **OR**
5. The contract is a pay-for-performance contract.

## **XI. MONITORING**

The service provider or CCMEP staff member working with the participant will conduct/collect the following reports, review the information provided, and pursue any corrective action necessary.

1. Participant six-week monitoring report (every six weeks while participant is in training)
  - a. Perform a desk audit of the participant's file;
  - b. Review the IEP/IOP and ITA;
  - c. Follow up with participant via phone call or email to check on the status of training;
  - d. Follow up with the training provider via phone call or email to check on the status of training, including the participant's attendance and performance;
  - e. Report any issues or discrepancies to the program manager for corrective action.
2. Area 2 staff will conduct oversight of the ITA program by review of the participant files to ensure participants are enrolled and provided intended training services. Additionally, the training programs will be reviewed to make certain the programs are in compliance with the standards required of a training provider to be eligible to receive ITA funds based on local, state, and federal requirements.

## **XII. REFERENCES**

1. Area 2 Policy Letter A-03 Eligible Training Providers
2. Area 2 Policy Letter C-03 Training Services for Adults and Dislocated Workers
3. Area 2 Policy Letter C-12 Supportive Services
4. ODJFS WIOA Policy Letter 15-11.1 Use of Individual Training Accounts
5. WIOA Public Law 113-128
6. 20 U.S. Code § 1001 General definition of institution of higher education
7. OhioMeansJobs In-Demand/Critical Occupations  
<https://topjobs.ohio.gov/wps/portal/gov/indemand/top-jobs-list>
8. National Center for Education Statistics College Navigator <https://nces.ed.gov/collegenavigator>
9. Workforce Inventory of Education and Training (WIET) <https://owcms.ohio.gov/wiet/index.xhtml>