

# EMPLOY MILWAUKEE POLICY 17.01, CHANGE 3: INDIVIDUAL TRAINING ACCOUNTS

EMPLOY MILWAUKEE POLICY: POLICY 17-01, **CHANGE 3**

SUBJECT: INDIVIDUAL TRAINING ACCOUNTS (ITA) POLICY

PRIOR ISSUANCE & EFFECTIVE DATE: 12/03/20

NEW ISSUANCE & EFFECTIVE DATE: 8/26/21

## REFERENCES:

- 29 USC 3101, Workforce Innovation and Opportunity Act (WIOA), §122 and 134
- 20 CFR 680 Subparts B-D
- United States Department of Labor Training and Employment Guidance Letters (TEGLs) WIOA 21-16, WIOA 19-16, and WIOA 03-15
- Wisconsin WIOA Titles I-A and I-B Policy and Procedure Manual Chapter 7.1 Individual Training Accounts; Chapter 8.3.4: Economic Self-Sufficiency

## POLICY SCOPE

- EMPLOY MILWAUKEE AGENCY
- WIOA WDA 2 SYSTEM
- WIOA TITLE I-B PROGRAM(S)
  - ADULT PROGRAM
  - DISLOCATED WORKER PROGRAM
  - YOUTH PROGRAM
- NON-WIOA PROGRAMS

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## I. BACKGROUND

WIOA allows participants of WIOA Title I-B Adult, Dislocated Worker and Out-of-School Youth Programs who seek training services to select an eligible provider of training services from the state list of eligible providers and programs (ETPL). Payment for such training services is arranged through an Individual Training Account (ITA). Participants of the WIOA In-School Youth Program may use ITA funding for such training services only when co-enrolled in the WIOA Adult Program and only when funded through that WIOA Adult Program.

## II. PURPOSE

Employ Milwaukee Policy 17-01, Change 3: Individual Training Accounts describes the process through which the Workforce Development Board (WDB) meets federal requirements related to the use of ITAs for training services. This policy also establishes local procedures to ensure consumer choice and limitations for ITAs in Workforce Development Area (WDA) 2.

## III. POLICY

### A. CONSUMER CHOICE

WIOA requires that the local WDB ensures informed consumer choice in the selection of training programs through the WDA's American Job Centers (AJCs). The area's One-Stop Operator ensures that the state's ETPL is available in all area AJCs. WIOA participants must select, in consultation with a Career Planner, an Eligible Training Provider (ETP) from the Wisconsin ETPL. Such consultation must include a discussion of program quality and performance information on the available ETPs. WIOA requires that priority consideration be given to programs that lead to recognized postsecondary credentials are aligned with in-demand industry sectors or occupations in the local WDA.

### B. FUNDING

20 CFR § 680.230 outlines the requirements for coordination of WIOA training funds and other grant assistance. WIOA funding for training is limited to participants who are unable to obtain grant assistance from other sources to pay the training costs or who require assistance beyond that available under grant assistance from other sources to

pay training costs. Therefore, Employ Milwaukee may only pay training costs that are not covered by another funding source.

### **C. REQUIRED PREDECESSORS**

An individual must complete the comprehensive or objective assessment requirements and have an Individualized Employment Plan (IEP) or Individualized Service Strategy (ISS) developed with their WIOA Career Planner. The Career Planner must document a determination of need for training services as determined through the assessment and career planning informed by local Labor Market Information and training provider performance information. The training services must align with the assessment results and be included in the IEP or ISS.

A WIOA Adult or Dislocated Worker Program participant may only receive WIOA Title I-B-funded training if s/he meets requirements of 20 CFR §680.210, which includes that “the individual is not considered economically self-sufficient and needs training to obtain economic self-sufficiency or the individual is considered economically self-sufficient but is unlikely to remain so without training” as stated in the Wisconsin WIOA Title I-A and I-B Policy and Procedures Manual. A WIOA Career Planner must use the Economic Self-Sufficiency Calculator in CEPT (Comprehensive Employment Planning Toolkit) to justify placing the participant into training.

### **D. LIMITATIONS**

#### **1. Program Limitations**

ITAs may only cover training programs for an in-demand occupation or sector, as substantiated by labor market information, including that provided on the State of Wisconsin Department of Workforce Development’s Hot Jobs List located on <https://www.jobcenterofwisconsin.com/wisconomy>.

ITAs for completion of a Baccalaureate (Bachelor’s) Degree will be considered only when the participant can provide documentation from the training provider that the degree can be completed in four semesters or less. ITAs may not be used to pay for costs associated with Post-Graduate Degrees.

#### **2. Duration Limitations**

One individual training voucher may not exceed 6 months of training. Multiple vouchers for the same course of study may not exceed 4 consecutive semesters. Individuals receiving a training voucher may not receive another for a different course of study until 12 months after the first training program has been completed. Dollar limitations detailed below are measured in seven-year increments, regardless of an individual’s exit from and subsequent reentry into a WIOA Program.

#### **3. Dollar Limitations**

WIOA participants in WDA 2 may not receive training services that exceed \$7,000 in costs. There are limited exceptions, outlined below, which allow the maximum cost to exceed this amount up to a total of \$10,000. The WDA 2 training cap is based on a seven-year look back period. The voucher shall document training costs covered by the ITA (tuition) and by Supportive Services (books, fees and other educational materials and supplies).

**No more than 5% of total annual program year WIOA Adult, WIOA Dislocated Worker, and/or WIOA Youth training funds may be used to serve participants living outside of Workforce Development Area #2 (Milwaukee County) without approval from the CEO.**

#### **4. Exceptions**

An exception to Employ Milwaukee’s requirement that a training program be for an in-demand occupation or sector

will be considered when provided with a justification statement accompanying the voucher packet. An exception to Employ Milwaukee's duration limitation per individual will be considered when provided with a justification statement accompanying the voucher packet. An exception to Employ Milwaukee's \$7,000 training cap per individual will be considered when provided with a justification statement accompanying the voucher packet. In such cases where an exception to the \$7,000 maximum is approved, a participant's training costs may not exceed \$10,000 in total.

A request for an exception to an Employ Milwaukee training cap must be made as outlined in the Procedures section below.

## IV. PROCEDURES

### A. PAYMENT METHOD

Because 20 CFR §680.300 states that "the ITA is a payment agreement established on behalf of a participant with a training provider," payment of ITA costs are made directly to the training provider providing the services. Direct reimbursements to participants for training dollars are not allowed.

Employ Milwaukee reimburses 100% of ITA costs at time of voucher approval for the following training providers: Wisconsin Technical Colleges, University of Wisconsin System and Wisconsin Association of Independent Colleges and Universities Institutions, 4Cs of Greater Milwaukee and others as approved by Employ Milwaukee.

ITA payments to all other training providers are based on the following benchmarks: 80% of the voucher value at program enrollment, 20% when the student has obtained placement. Employ Milwaukee defines enrollment as attending the first calendar week of a training, not including an orientation. A training invoice must be accompanied by an enrollment list that includes the WIOA participant and attendance sheets for the first calendar week, at which time a unit rate of 80% of the ITA cost will be paid.

Employ Milwaukee defines placement for training provider payment purposes as when a WIOA participant completes the training program, obtains unsubsidized employment, and retains that job for at least 30 calendar days. The employment must be documented on an Employ Milwaukee Verification of Employment (VOE) Form. Placement payment for a WIOA participant in a training program that exceeds one semester in length will be made upon placement substantiation after the entire training program is complete. Training providers are prohibited from holding the participant liable for costs covered by WIOA funds but not paid by Employ Milwaukee when the benchmark required to receive the final 20% payment is not met.

### B. CAREER PLANNER ACTIVITIES

WIOA Career Planners must review and discuss training provider options with a WIOA participant who is seeking training services. A case note must be made in ASSET stating the date on which the ETPL was reviewed with the participant to substantiate informed consumer choice.

A WIOA participant must complete a Free Application for Federal Student Aid (FAFSA) to see if a Federal Pell Grant may be available to assist with funding the training. A copy of the proof of FAFSA application submission document is placed in a participant's file with a case note that specifies the financial aid status. For training programs on the WI ETPL that indicate Financial Aid is not available, participants do not need to complete a FAFSA. In such instances, the Career Planner must indicate in an ASSET case note that Financial Aid is unavailable for the training program. A WIOA participant may enroll in WIOA-funded training while his/her application for a Pell grant is pending if the WIOA Career Planner has made arrangements with the training provider and the WIOA participant regarding allocation of the Pell Grant, should it be subsequently awarded. In that case, the training provider must reimburse the program the WIOA funds used to underwrite the training for the amount the Pell Grant covers, including any education fees the training provider charges to attend training.

Reimbursement is not required from the portion of Pell Grant assistance disbursed to the WIOA participant for education-related expenses, which includes supportive services, per 29 CFR §680.23(c). A copy of the completed FAFSA must be placed in the participant file.

When a WIOA participant has selected a provider, the Career Planner must submit a voucher packet containing the voucher and supporting documentation to the Employ Milwaukee designee. A voucher packet that includes a request for an exception to an Employ Milwaukee training or ITA limitation must include a justification statement and be provided to the Employ Milwaukee Program Specialist for preliminary approval. The Employ Milwaukee Program Specialist will consider the reasonableness of the request and will submit to an Employ Milwaukee Exception Approver if it has been preliminarily approved. Once Employ Milwaukee has granted an exception to the limitation and provided signatory approval, the voucher may be completed and processed as usual.

### C. POST-ENROLLMENT ACTIVITIES

After a WIOA participant has enrolled in a training program for which student financial aid is available, the training provider's financial aid officer or participant must inform the Career Planner of the amounts and dispositions of any financial assistance awarded to the individual for that training program. The training provider may not apply any Pell funds received for the participant to the participant's supportive services costs.

The Career Planner must update the training service in the participant's ASSET record in Manage Services with the actual open and closed dates, the completion code, the ITA Program Outcome, and the ITA Employment Outcome. Any credential received from the training services must be properly documented in the file and added to the participant's ASSET record in Manage Follow-ups. Any measurable skill gain achieved through the training services must be properly documented in the file and added to the participant's ASSET record in Manage Assessments.

## V. ACTION REQUIRED

WIOA Title I-B Service Providers in WDA 2 must share this policy with Career Planners and other WIOA staff immediately. All voucher requests for ITA costs submitted following this policy's effective date must meet the local requirements and follow prescribed procedures described herein.

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**REVISIONS:** N/A

**BOARD APPROVAL DATE:** 8/26/21

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