



September 27, 2021

Workforce Innovation and Opportunity Act Policy Letter No. 15-11.3

To: Local Workforce Development Boards Directors, Fiscal Agents,
OhioMeansJobs Center Operators, and CCMEP Lead Agencies

From: Matthew Damschroder, Director

Subject: Use of Individual Training Accounts

I. Purpose

The purpose of this policy is to identify the parameters for development of a local area Individual Training Account (ITA) policy and to standardize the delivery of ITAs so local workforce development areas (local areas) consistently provide training opportunities to participants leading to employment in an in-demand occupation or critical job.

II. Effective Date

Immediately

III. Rescission

ODJFS, Workforce Innovation and Opportunity Act Policy Letter No. 15-11.2, Use of Individual Training Accounts (ITAs), (August 11, 2020).

IV. Background

A program of training services is one or more courses or classes, or a structured regimen that provides the services that are listed in 20 C.F.R. 680.200 and leads to:

1. An industry-recognized certificate or certification, a certification of completion of a registered apprenticeship (RA), 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

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4. Measurable skill gains toward a credential described in paragraphs 1 and 2 of this section or employment.

To be eligible for training services, the local area or the Comprehensive Case Management and Employment Program (CCMEP) lead agency must determine whether adult, dislocated worker, out-of-school youth, and – per waiver authority – in-school youth participants, are appropriate for training services.

Determination of appropriateness should be done by completion of an interview, evaluation or assessment, and career planning. Assessment may include, among other things;

1. A combination of standardized tests;
2. Inventory of participant's interests, skills assessment, career exploration; and
3. Available labor market information.

Training services must be provided in a manner which maximizes informed consumer choice in selecting an eligible training provider (ETP). When participants and local areas select an ETP, they should consider providers who are eligible for financial aid to ensure best utilization of Workforce Innovation and Opportunity Act (WIOA) funds.

A. Individual Training Accounts

Eligibility information, combined with assessment information, help determine the need for training assistance. Additionally, local areas or CCMEP lead agencies must review family self-sufficiency if the ITA is provided to an adult or youth participant age 18-24. WIOAPL No. 15-09.1, Training Services for Adults and Dislocated Workers, and WIOAPL No. 15-10, Youth Program Services, provide further direction for determining appropriateness for training services for adults, dislocated workers, and youth. Limits to training services may be based on the needs of the adult, dislocated worker, or youth and identified in the individual employment plan or the individual service strategy, such as the participant's occupational choice or goal and the level of training to succeed in that goal.

Training services for adults, dislocated workers, and youth are typically delivered by training providers who receive payment for their services through an ITA. An ITA is a key tool used in the delivery of training services and is the primary method through which training is financed and provided. ITAs are established on behalf of the WIOA participant to purchase a program of training services from eligible providers selected in consultation with the case manager. Additionally, the cost of training, time commitment of the participant, fees and books, tuition, and other associated costs should be considered when conducting a cost benefit analysis for the ITA.

Per WIOAPL No. 15-09.1, WIOAPL No. 15-10, and rule 5101:14-1-02 of the Administrative Code, training services for which ITAs are used shall only be

delivered by providers who have met the provider eligibility criteria and have at least one approved program on the ETP list contained on Workforce Inventory of Education and Training (WIET) pursuant to section 122 of WIOA.

Training services under ITAs must be provided in a manner that maximizes informed customer choice in selecting an ETP. Each local area through the OhioMeansJobs center, must make the State list of ETPs available to job seekers.

The local area may also coordinate funding for ITAs with funding from other Federal, State, local, or private job training programs or sources to assist the individual in obtaining training services.

Priority consideration must be given to training programs that lead to recognized postsecondary credentials that are aligned with in-demand industry sectors or critical jobs in the local area.

B. Registered Apprenticeship Programs and Individual Training Accounts

RA is a proven model of job preparation that combines paid on-the-job training (OJT) with related instruction to progressively increase a worker's skill levels and wages. RA is also a proven business-driven model that provides an effective way for employers to recruit, train, and retain highly skilled workers. Graduates of Registered Apprenticeship Programs (RAPs) receive nationally recognized, portable credentials, and in some instances their training may be applied toward further postsecondary education.

All RAPs are considered in-demand occupations and automatically eligible for inclusion on Ohio's ETP list contained on WIET. These RAPs must opt-in to the ETP list to be added, as not all sponsors are currently hiring new apprentices and may not want to be included, despite automatic eligibility. Any local ETP list, where they exist, must be a subset of the statewide ETP list. All RAPs on a statewide ETP list must be included on any local ETP lists.

ITAs may also be used to finance State-recognized pre-apprenticeship training in preparation for the formal RA training if the pre-apprenticeship program training provider has been approved as an Ohio ETP and is listed on WIET per WIOAPL No. 16-02.1, Eligible Training Providers.

C. Considerations for Funding Individual Training Accounts

Duration of ITAs

The duration of an ITA is determined by a participant's course of study. Realistic and attainable training plans must be considered. Generally, training is either short-term or long-term. Short-term training is training which is completed in 12

months or less. Short-term training is the preferred method since the goal is to attain employment quickly.

However, the local areas must keep in mind the participant's career pathway, and the training and services necessary to meet the participant's goal. For instance, the classroom training portion of a RAP is typically longer than a year. However, this training is part of a career pathway involving longer training, and the apprentice is also simultaneously employed.

Long-term training is training whose length does not exceed 24 months. Four-year degree programs may be funded when the customer can document that he or she is in the last two years of the program (e.g., remaining hours are equal to or less than 50 percent of the total credit hours required for the degree) and is in an in-demand occupation or critical job.

The following exceptions to the 24-month limit on long-term ITA training are permitted:

1. ITA-funded training necessary to enter occupations of state strategic priority may continue for up to 48 months. This is to enable and encourage the completion of baccalaureate degrees in vital career fields, such as critical jobs which directly support the health and well-being of Ohioans.
2. Because of all the benefits of a RAP, including an established career pathway and simultaneous employment, the classroom training portion of RAPs may be up to 4 years in length. For this program, the local areas may fund the full length of the training.
3. In instances where a participant is unable to complete the training program within the time frame outlined in the ITA, the ITA may be extended. While determinations have to be based on the factual circumstances of each case, some instances when more time may be warranted include, but are not limited to, those directly related to:
 - a. A participant's military service or military-related leave time;
 - b. Lack of availability of classes;
 - c. Cancellations of classes; or
 - d. Unforeseen illness (of the participant or an immediate family member of the participant). For the purposes of this policy, immediate family members include the participant's parents (including step-parents), spouse, domestic partner, and children (including step-children or children of whom the participant has been awarded custody through a court).

Funding ITAs

The cost for ITAs are determined by the average cost of training for specific in-demand occupations or critical jobs within the local area as well as the following criteria:

1. Whether the training investment is in line with the future expected earnings of the participant;
2. Whether the training is being provided as part of the RAP; and
3. Consideration of the full cost of participating in training services, including costs for fees and books, tuition and other associated costs.

Allowable Individual Training Account Costs

ITA expenditures are costs required by the training institution to complete the training. ITA costs required to complete the training may include, but are not limited to:

1. Tuition and fees;
2. Books;
3. Tools;
4. Uniforms;
5. Tests; and
6. Medical immunizations/tests.

ITA costs do not include any supportive services' costs related to the ITA (e.g. transportation or childcare).

A. In-Demand Occupations and Critical Jobs

To receive an ITA, a participant must select a training program that is directly linked to employment that is in high demand or considered critical through state strategic priority.

1. State In-Demand Occupations and Critical Jobs (85 Percent)

In-demand occupations 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.

Critical jobs 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. These areas have been determined a priority because of their impact on the lives of Ohioans at every stage of life.

Each program year, at least 85 percent of new ITA enrollments for the local area must be in an in-demand occupation or critical job as defined by the state of Ohio. Participants who have a current program year training service start

date and whose ITA will carry into the next program year, will not be counted in the next program year's percentage.

Ohio's Top Jobs List includes both In-Demand Jobs and Critical Jobs. The Top Jobs link below provides access to in-demand occupation and critical jobs data: <https://topjobs.ohio.gov/wps/portal/gov/indemand/top-jobs-list>.

2. Local Area In-Demand Occupations (15 Percent)

The remaining 15 percent of ITA enrollments for the local area may be for occupations defined as in-demand within the local area. Some examples of local area in-demand occupations may include, but are not limited to:

- a. A local in-demand occupation in a geographic area to which the participant is willing to work or relocate;
- b. Employment associated with a regional industry sector or career pathway consortium for workforce development;
- c. A written guarantee of a bona fide job upon completion of training.

Appropriate documentation must be maintained in the case files. ODJFS will review adherence to this policy and the federal law during comprehensive monitoring visits.

V. Local Workforce Development Area Requirements

A. Development of a Local ITA Policy

Each local area is required to develop an ITA policy. There may be instances where dislocated workers from multiple local areas or a planning region are impacted from one business downsizing or one dislocation event. Local areas are encouraged to work with contiguous local areas and other local areas in the same planning region to develop consistent eligibility requirements and delivery of services for ITAs. Consistency between contiguous local areas and planning regions is particularly crucial if the ITAs are funded through the rapid response program because of a mass layoff or employer closing or through a national dislocated worker grant.

The local area's ITA policy must include, but is not limited to, the following criteria:

Maximum duration of an ITA

For the RAP, the length of training and the skills and competencies required for mastery of an occupation are set by industry. Traditional RAPs are time-based and require a specific number of hours of OJT and related instruction. As such, local areas should make allowances in their local ITA policies to accommodate the required training hours for a RAP.

The local area may also permit up to 48 months of training for critical jobs of state strategic priority as approved by ODJFS. In this case, the local ITA policy must identify the ODJFS approved occupations for which the local area will permit the extended training period, such as by referencing critical job data at this link: <https://topjobs.ohio.gov/wps/portal/gov/indemand/top-jobs-list>

Maximum funding for training financed through ITAs

The local area may establish a range of amounts and/or a maximum amount applicable to all ITAs. This limitation must not be implemented in a manner that undermines WIOA's requirement for training services to be provided in a manner that maximizes customer choice in the selection of an ETP.

The local area may also allow for additional ITA funding limits for those enrolled in a RAP. Additional federal funding for RAPs is available through several federal agencies to support business investments in apprentices and to assist educators and intermediaries in strengthening the tie between training and employment through RA. The Department of Labor's Training and Employment Guidance Letter (TEGL) No. 13-16 provides websites for several RA funding resources.

Furthermore, the policy must contain language that would allow a way to override the maximum funding cap based upon the needs of the individual, the selected program of training services, and/or other criteria established by the local board.

Allowable costs to complete training financed through ITAs

Costs must be reasonable and necessary and must represent a sound investment of public funds.

Other locally defined considerations

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. The local area should utilize all financial aid resources available to minimize any out-of-pocket expense to the participant. The local ITA policy should not be so limited that a participant cannot be served because the training in an in-demand occupation or critical job exceeds the maximum ITA funding limit.

Local areas may implement evaluation and performance requirements for those training providers and programs, which the State and/or local area has approved to be on the statewide ETP list contained on WIET. Local areas may want to review the performance of a provider to determine whether the training provider meets established local program and cost requirements. If a training provider does not meet the performance requirements, local areas may choose not to use the

provider. Criteria to be considered for evaluation may include, but is not limited to, ability to accept financial aid and grants, availability of student support, graduation rates, placement rates, and wage rates of the graduates from the institution.

B. Waiver Request

Each program year, at least 85 percent of new ITA enrollments for the local area must be in in-demand occupations or critical job as defined by the State. The remaining 15 percent of ITA enrollments for the local area may be for occupations defined as in-demand for the local area.

In situations where the local area may exceed the 15 percent enrollment requirement for local “in-demand” occupations, the local area may request a waiver to exceed this requirement. Waivers will be approved on a case-by-case basis. The waiver template must be completed providing the appropriate justification for the waiver and submitted to WIOAQNA@JFS.OHIO.GOV. The subject of the email should read, "ITA Waiver Request."

VI. Reporting Requirements

Pursuant to rule 5101:9-30-04 of the Administrative Code, the local board shall ensure, within 30 days, accurate reporting of WIOA participants, activities, case management, and performance information by using Ohio’s designated case management system.

VII. Monitoring

At the local level, the local area must conduct oversight of the implementation of the WIOA programs to ensure that participants are enrolled in the programs and have been provided identified services.

Through the state’s monitoring system, program monitors will review the local area’s implementation of the WIOA programs, including a participant file review, during the annual onsite monitoring review for compliance with federal and state laws and regulations. Any issues will be handled through the state’s monitoring resolution process.

VIII. Technical Assistance

For technical assistance, you may send your request to the Office of Workforce Development: WIOAQNA@jfs.ohio.gov.

IX. References

Workforce Innovation and Opportunity Act, §§ 122 and 134, Pub. L. 113-128

20 C.F.R. §§ 680.300-680.340, 680.410-420, and 680.450.

29 U.S.C. 3101 et seq.

O.A.C. 5101:9-30-04, and 5101:14-1-02.

USDOL, Training and Employment Guidance Letter No. 19-16, Guidance on Services provided through the Adult and Dislocated Worker Programs under the Workforce Innovation and Opportunity Act (WIOA) and the Wagner-Peyser Act Employment Services (ES), as amended by Title III of WIOA, and for Implementation of the WIOA Final Rules, (March 1, 2017).

USDOL, Training and Employment Guidance Letter No. 13-16, Guidance on Registered Apprenticeship Provisions and Opportunities in the Workforce Innovation and Opportunity Act (WIOA), (January 12, 2017); and, TEGL 13-16, Change 1 (May 17, 2021).

ODJFS, Workforce Innovation and Opportunity Act Policy Letter No. 15-09.1, Training Services for Adults and Dislocated Workers, (January 8, 2018).

ODJFS, Workforce Innovation and Opportunity Act Policy Letter No. 15-10, Youth Program Services, (July 15, 2015).

ODJFS, Workforce Innovation and Opportunity Act Policy Letter No. 16-02.1, Eligible Training Providers, (May 28, 2019).

Attachment A: Use of Individual Training Accounts Glossary

Attachment A: Use of Individual Training Accounts (ITA) Glossary

Term	Definition
Comprehensive Case Management and Employment Program (CCMEP)	An integrated intervention program that combines the Temporary Assistance for Needy Families (TANF) program and WIOA Youth program to provide employment and training services to individuals ages 14 through 24 years.
Critical job	As determined by state strategic priority, an occupation considered critical to the health and well-being of Ohioans, their families, and our communities.
Eligible training provider (ETP)	<p>An entity that receives funding for training services through an ITA; must be included on the State list of eligible training providers and programs; must provide a program of training services; and must be one of the following entities:</p> <ol style="list-style-type: none"> 1. Institution of higher education that provides a program which leads to a recognized postsecondary credential; 2. Entity that carries out programs registered under the National Apprenticeship Act (29 U.S.C. 50 et seq.); or 3. Other public or private provider of training services, which may include: <ol style="list-style-type: none"> a. Community-based organizations; b. Joint labor-management organizations; and <p>Eligible providers of adult education and literacy activities under Title II of WIOA if such activities are provided in combination with training services described in 20 C.F.R. 680.350.</p>
In-demand occupation	As determined by the State or local board, an occupation that currently has or is projected to have a number of positions (including positions that lead to economic self-sufficiency and opportunities for advancement) in an industry sector so as to have a significant impact on the State, regional, or local economy, as appropriate.
Lead agency	The local participating agency designated under section 5116.22 of the Revised Code to serve for a fiscal biennial period, or part thereof, as a county's lead agency for the purpose of CCMEP.
Planning region	A region comprised of two or more local areas that are collectively aligned with the region.
Recognized postsecondary credential (RPC)	A degree, license, or certification 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 awarded by an accredited college or university
Registered apprenticeship program (RAP)	A program meeting Federal and/or State standards of job preparation that combines paid on-the-job training and related instruction to progressively increase workers' skill levels and wages.

Attachment A: Use of Individual Training Accounts (ITA) Glossary

State ETP List	An online database of the ODJFS-approved training providers who may receive WIOA title I funds to provide training services to eligible WIOA title I-B participants, including relevant performance and cost information on each training program. This database is contained on the Workforce Inventory of Education and Training (WIET).
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