



LOS ANGELES COUNTY

WIA Adult and Dislocated Worker Programs

DIRECTIVE

NUMBER: LACOD-WIAD08-9

SUBJECT: Individual Training Accounts

DATE: 03/17/08

EFFECTIVE DATE: 03/17/08

Page 1 of 5

OVERVIEW:

The Los Angeles County Workforce Local Investment Area (LWIA) is committed to ensuring customer choice in participants' selection of training providers and, therefore, has established an Individual Training Account (ITA) system. Through this system, WIA participants are able to select their choice of training. Based on the availability of funds, the County's Adult and Dislocated Worker program contractors make available classroom training for demand occupations. ITAs are used to set aside funds and purchase programs from training vendors that have been approved and placed on the State's Eligible Training Provider List (ETPL).

Purpose:

This directive provides information and guidance to Workforce Investment Act (WIA) program contractors on the County's policy and procedures for ITAs. Specifically, in accordance with requirements of California Senate Bill (SB) 293, the directive conveys a policy adopted by the Los Angeles County Workforce Investment Board (LACWIB) regarding the maximum amount and duration of ITAs.

Scope:

This policy supplements State guidance on the management and use of ITAs by LWIAs. In addition, it incorporates SB 293 requirements pertaining to ITAs. In furtherance of this policy, County WIA contractors are required to develop and put into practice procedures to implement the policy. A 30-day comment period was initiated, during which time the policy was transmitted in draft form to system stakeholders and a WIA Contractors' Forum was held to discuss the policy.

Effective Date:

This directive is effective on the date of its issuance.

Definitions:

The WIA Regulations at Section 663.410 provide the following definition of ITAs.

“The ITA is established on behalf of a participant. WIA title I adults and dislocated workers purchase training services from eligible providers they select in consultation with the case manager. Payments from ITAs may be made in a variety of ways, including the electronic transfer of funds through financial institutions, vouchers, or other appropriate methods. Payments may also be made incrementally; through payment of a portion of the costs at different points in the training course.”

For the purposes of the policy and its application to the County’s WIA program, ITAs meet the above definition based on the fact that they are the mechanism used by WIA Adult and Dislocated Worker program contractors to purchase approved ETPL training as published on the I-TRAIN system, which is managed by the South Bay WIB on behalf of the County of Los Angeles and other LWIAs.

References:

- WIA Section 134 (d)(4)(G) – *Individual Training Accounts*
- Title 20 CFR Part 663.400 – *How are training services provided?*
- Title 20 CFR Part 663.410 – *What is an individual training account?*
- Title 20 CFR Part 663.420 – *Can the duration and amount of ITAs be limited?*
- Title 20 CFR Part 663.430 – *Under what circumstances may mechanisms other than ITAs be used to provide training services?*
- Title 20 CFR Part 663.400 – *What are the requirements for consumer choice?*
- State EDD Workforce Investment Act Directive WIAD06-21 (June 29, 2007) – *Workforce Training Act (SB 293) Implementation Guidance*
- State EDD Workforce Investment Act Directive WIAD06-15 (February 7, 2007) – *Eligible Training Provider List*

BACKGROUND:

WIA regulations provide a description of ITA systems to be established at the local level under WIA. In addition, the regulations state that WIBs may establish limits on the dollar amount and duration of an ITA based on:

- ❖ the needs identified in a participant’s individual employment plan; and/or
- ❖ a policy decision by the WIB to set a maximum amount of funds and time for all ITAs.

With the passage of SB 293, and the subsequent changes to the State Unemployment Insurance (UI) Code, local WIBs are required to develop written policies with regard to the maximum amount and duration of ITAs.

POLICY/PROCEDURES:

Pursuant to actions of the LACWIB, the County has implemented the following policies and procedures for WIA ITAs.

Policy:

It is the policy of the Los Angeles County Workforce Investment Area that:

1. An ITA may not be written in an amount that exceeds \$7,500. The ITA shall cover tuition and other necessary costs of participation in training. However, training-related tools and supplies may be purchased as supportive services.
2. The maximum duration (training period) for an ITA is 12 months from the date of enrollment.
3. Participants are required to apply for Pell Grants, when such funds are available in connection with desired training. In cases where Pell Grants are awarded, the WIA ITA shall fund the balance of tuition and other necessary training-related costs.
4. Priority for ITAs shall be given to programs in industry clusters targeted by the WIB, other growth industries/occupations, and occupations with identified career ladders.
5. A work-first approach to the three tiers of service under WIA (core, intensive and training) is not required. Participants may concurrently receive any combination of services necessary from these tiers to meet their employment objectives. A determination that a job seeker needs training may be made without regard to how long and to what extent such an individual has participated in core and intensive services.
6. While WIA funding is limited to \$7,500, customers may use other fund sources (Pell Grants, scholarships, severance pay, etc.) to cover costs in excess of this amount for programs costing more than \$7,500. Contractors must inform participants that they are not required to pursue non-WIA funding (e.g., student loans) to participate in training.

7. WIA contractors may request a waiver from Los Angeles County CSS to the ITA maximum amount and duration. Such requests must be in writing, provide a rationale for the request, and be directed to:

Robert Brieff, Project Supervisor
L.A. County CSS
WIA Planning and Operations Division
3175 West Sixth Street, Box 15
Los Angeles, CA 90020
(rbrieff@css.lacounty.gov)

Procedures:

WIA contactors must adopt and put into practice procedures to implement the above-described policy, which will include, but not necessarily be limited to the following:

1. Through the WorkSource Centers, contractors must make available to customers the State list of eligible providers. On behalf of the County, this list is locally maintained on-line by the South Bay WIB and may be viewed at www.i-train.org.
2. Contractors must establish procedures to maximize informed customer choice in the selection of eligible training providers. Such processes may include requirements for participants to visit or otherwise review several training programs before making a selection.
3. Contractors must have in place a system to assess participants' needs, desires, interests, aptitudes, and other factors that will assist them and their case managers in identifying and selecting an appropriate training program.
4. Procedures must be implemented to allow those participants who need training to secure employment to be referred to training without regard to the amount of time they have participated in core and intensive services.
5. Based on budget, program management plans, or other factors, Contractors may adopt more restrictive limits on the amount and duration of ITAs than expressed in the County's policy. Such contractors shall include a description of the limitation and the rationale for their internal policy.

ACTION:

Los Angeles County WIA Contractors should ensure that the policies and procedures described herein are communicated throughout the operations,

management and governance structure of the contractor organization and that this Directive is appropriately maintained until further notice.

INQUIRIES:

Inquiries regarding this directive and the policies and procedures described herein should be directed to Maggie Mireles at (213) 738-2198 or Robert Brieff at (213) 351-8924 or rbrieff@css.lacounty.gov .



JOSIE MARQUEZ, Executive Director
Workforce Investment Board