



Montgomery County Workforce Investment Board

Policy: **INDIVIDUAL TRAINING ACCOUNT (ITA)**

Effective Date: July 1, 2012

Policy Number: 2012-08

SUBJECT: Individual Training Account (ITA)

PURPOSE: To establish a policy for selection of entities and programs eligible to receive funding through Individual Training Accounts (ITA) to provide training to MontgomeryWorks One-Stop customers.

REFERENCES: Workforce Investment Act of 1998 and the Rules and Regulations governing the training programs authorized under WIA Regulations that are defined in Sections 663.300 through 663.565.

EFFECTIVE DATE: July 1, 2012

ACTION REQUIRED: Within 15 days of the receipt of this policy it is the recipient's responsibility to ensure all staff are informed of the policy and to create an internal process to ensure accountability.

POLICY:

Education and training for qualified WIA customers will be administered by means of Individual Training Accounts (ITAs) in order to provide formal schooling or training designed to assist these individuals to obtain or retain self-sufficiency. Customers must demonstrate a) a need for formal training through the Core and Intensive Service tiers of the One-Stop Center operations, and b) the customer has failed to obtain and retain employment that leads to self-sufficiency through the Self Service, Core, and Intensive Service tiers of the One-Stop.

DEMAND OCCUPATION REQUIREMENT FOR TRAINING

The Montgomery County WIB is committed to increasing income levels and creating employment opportunities for customers in Montgomery County. The WIB has established priorities for High Demand, High Growth and High Wage employment opportunities in Montgomery County.

It is the policy of the WIB to work with the Maryland Department of Labor, Licensing and Regulation's Labor Market Information (LMI) section and local labor market information systems to identify targeted industries and occupations prioritized for WIB funding. Occupations must be identified through local labor market information as having the potential for high entry wages and projected growth and/or significant job openings in the area. To be considered for funding through WIA, a training program must lead to a recognized credential as defined by the U.S. Department of Labor in its Training and Employment Guidance Letter 17-05. (TEGL 17-05).

TEGL 17-05 defines certificate as “A certificate is awarded in recognition of an individual’s attainment of measurable technical or occupational skills necessary to gain employment or advance within an occupation. These technical or occupational skills are based on standards developed or endorsed by employers. Certificates awarded by workforce investment boards are not included in this definition. Work readiness certificates are also not included in this definition. A certificate is awarded in recognition of an individual’s attainment of technical or occupational skills by:

- A state educational agency or a state agency responsible for administering vocational and technical education within a state.
- An institution of higher education described in Section 102 of the Higher Education Act (20 USC 1002) that is qualified to participate in the student financial assistance programs authorized by Title IV of that Act. This includes community colleges, proprietary schools, and all other institutions of higher education that are eligible to participate in federal student financial aid programs.
- A professional, industry, or employer organization (e.g., National Institute for Automotive Service Excellence certification, National Institute for Metalworking Skills, Inc., Machining Level I credential) or a product manufacturer or developer (e.g., Microsoft Certified Database Administrator, Certified Novell Engineer, Sun Certified Java Programmer) using a valid and reliable assessment of an individual’s knowledge, skills, and abilities.
- A registered apprenticeship program.
- A public regulatory agency, upon an individual’s fulfillment of educational, work experience, or skill requirements that are legally necessary for an individual to use an occupational or professional title or to practice an occupation or profession (e.g., FAA aviation mechanic certification, state certified asbestos inspector).
- A program that has been approved by the Department of Veterans Affairs to offer education benefits to veterans and other eligible persons.
- Job Corps centers that issue certificates.
- Institutions of higher education which is formally controlled, or has been formally sanctioned, or chartered, by the governing body of an Indian tribe or tribes

Montgomery County has identified three priority industries for training: Health, Professional and Business Services, and Food Services (part of Hospitality). A list of priority occupations and corresponding training programs targeted in the area and currently approved on the State List of Occupational Training Providers maintained by the Maryland Higher Education Commission that can be found at <http://www.mhec.maryland.gov/career/WIA/searchfor.asp>.

If the provider is not on the approved list, the vendor may submit Form – The Locally Approved Training Provider (to be developed) to obtain approval to use an ITA. The request must be submitted to the WIB’s Director.

SELECTION OF ITA PROGRAMS

- It will be the policy of the WIB to deliver occupational skills training to adults, regardless of funding source, through the MontgomeryWorks One-Stop System using, to the maximum extent possible, an Individual Training Account (ITA). ITAs are the mechanism, under the Workforce Investment Act (WIA), for providing eligible customers with the resources to access training in demand occupations through approved training providers.
- To be eligible for an ITA, an eligible customer must, at a minimum:
 - have a high school diploma or the equivalency, ITAs for customers concurrently enrolled in high school completion or GED programs may be approved on a case-by-case basis
 - be unable to find suitable employment with existing skills and/or academic credentials as evidenced through unsuccessful job search efforts while actively participating in both core and intensive services offered through MontgomeryWorks, and/or
 - through assessment be determined to be appropriate for and able to complete the chosen employment training program, and
 - select a training program as defined by the parameters of this policy and linked to a demand occupation within the WIB's targeted industries in the local area and make a commitment to seek employment in the field once trained.

The WIB establishes the following eligibility for intensive and training services to these populations in Montgomery County:

- United States Veterans who meet one or more of the listed priorities will always have priority over non-veterans for service;
- Unemployed or under-employed Adults (18 years +) who are residents of Montgomery County and are low income as defined as having an income in the preceding 12 months that is at or below **150%** of the Federal poverty guidelines; *eligibility will be determined and documented by the WIA Title I Contractor;*
- TANF clients able to benefit from WIA services;
- Dislocated workers where intensive services or training will enhance the likelihood of at least 85% wage replacement of their pre lay-off wage;
- Incumbent workers “at risk” of job or wage loss, and in need of skills upgrades in order to maintain or achieve at least 80% of the wages required to meet the wages at placement performance measure for dislocated workers (currently \$19.23 per hour or more for 2 quarters following exit).

It will further be the policy of the WIB that when funds are severely limited (defined as 20% or less of the WIA training funds are remaining) training services will be prioritized to:

- 1) Intensive service customers who have already met one of the eligibility criteria above, and
- 2) Those who are most in need, and best able to benefit from training..

Customers will be ranked in terms of level of need based upon each customer's

level of transferable skills, work experience and education credentials; customers determined to have high priority for training will have fewer transferable skills, fewer or lower education credentials and less work experience.

3) When **5% or less of training funds are remaining, TANF customers will have the highest priority for training, followed by WIA Low Income Adults. In all cases veterans' priority still applies.**

The following guidelines apply in managing WIA ITA awards:

WIA ITA Requirements

1. ITA will only be approved for training courses that are on the Eligible Training Provider (ETP) list for the state of Maryland. By securing this approval the Training Provider has made a commitment to meet the performance standards as outlined in the WIA Rules and Regulations.
2. A program of training services is one or more courses or classes, or structured curriculum that upon successful completion, leads to:
 - a.) A certificate, an associate degree, baccalaureate degree, or
 - b.) 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.
3. ITA funding will not pay for such things as master's or doctorate degrees. All training programs on the state eligible list will be considered eligible in the local area unless removed by the local Workforce Investment Board as a training provider.
4. WIA ITA funds are only authorized to pay for tuition and books, required equipment, and other associated fees for the training program, less the PELL, OIG, and other grants, financial aid, or Work Study contributions. Other Supportive Services programs may address other needs. (See Supportive Services Policy that is currently in effect when the customer needs services and not necessarily the date of this policy.)
5. ITA funds in Montgomery County are limited to:
 - a. \$3,500 maximum per fiscal year
 - b. \$7,000 maximum lifetime funding
 - c. Maximum period for funding will be three (3) training years depending on the availability of funding, where a training year begins on the first day of training and runs for twelve (12) consecutive months.
 - d. The ITA will not cover a Bachelor's Degree unless the recipient has successfully completed at least 4 full-time semesters or 6 full-time quarters AND the recipient can complete the degree within the three (3) year maximum training period. The customer must provide a transcript and a plan of study from the institution documenting they can complete the degree requirements in the three year time limit.
 - e. The ITA will cover training up to one year for a customer holding a Bachelor's Degree for upgrade purposes only if the current diploma will not lead to direct employment.

6. Montgomery County ITA funds will pay for education and training expenses at any educational institution that appears on the state Eligible Training Provider list at the maximums as stated above.
7. In case of limited funds it becomes necessary to assign a priority system for ITA funding, service will first be given to recipients of Public Assistance, then to low-income individuals, as determined by the WIB (See Priority for Services above)
8. The training occupation should have career advancement potential and must be in accordance with the recipients' Individual Employment Plan (IEP).

WIA Eligible Participant Requirements

1. Participants must have applied for WIA services and have been determined by a WIA Case Manager to be eligible for training services, having completed at least one Core and one Intensive Service through the Montgomery County One-Stop or by a business or agency that provides Core and Intensive Services.
2. Participants must complete an Individual Employment Plan (IEP) that details the participant's skills, interests, and abilities, documents the Core and Intensive Services provided to the participant, and sets specific goals for the participant to meet in order to obtain or retain employment that leads to self-sufficiency.
3. Participants must choose a training program that is consistent with their skills, interests, and abilities, with the assistance of the WIA Case Manager.
4. Participants in qualifying programs must apply for PELL, OIG, and other appropriate grants before utilizing WIA funds.
5. Individuals, whose services are provided under the adult funding stream, must be determined eligible under the priority system when those funds are limited.
6. All eligible participants may receive the first ITA without restrictions. After the first quarter or semester, the student must be in good academic standing and/or have maintained a "C" average in the program of study, unless a higher grade point average is required by the IEP. In the case of courses that are Pass/Fail they must maintain work that indicates they will pass. In the event that the student does not reach this standard, interventions, including intensive case management services, will be offered to the student. A student may not change majors after the ITA is signed; if the student does change majors, ITA funds will not be obligated for payment nor continuation of the ITA.

If the student fails to maintain good academic standing and/or a "C" average for the second consecutive quarter or semester, that student will be ineligible to receive additional WIA funding until the student makes a "good faith" effort to modify his/her circumstances. This "good faith" effort can include life skills classes, counseling, a reevaluation of skills, interests, and abilities, a request for additional supportive services, etc, and will be coordinated by the student's WIA Case Manager.

If the student continues to fail to maintain good academic standing and/or a "C" average for three consecutive quarters or semesters, that student will be ineligible for WIA funding for one (1) calendar year.

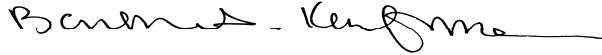
If a student quits a training program, he/she may be required to pay back (reimburse) the amount of funding received.

If the student has no contact with their WIA Case Manager for ninety (90) days, the ITA will be deemed inactive and the contract may be cancelled. The student is obligated to pay back any costs incurred after the 90 day period.

Approved:

September 12, 2012

Date of Board Approval



Barbara Kaufmann, WIB Director