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**DIVISION OF WORKFORCE SERVICES  
ISSUANCE NUMBER PY 23-04**

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**FROM:** Charisse Childers, Ph.D., Director

**TO:** Local Workforce Development Board Members, Area Administrators, and Service Providers

**SUBJECT:** Required Local ITA Policy and Procedures

I. **Purpose:** To provide local workforce development boards (LWDBs) guidance concerning the requirements for Local Individual Training Accounts (ITA) Policy and Procedures.

II. **References:**

WIOA §§ 122(h) & 134(c)(3)(G)  
20 CFR 679.560(b)(18)  
20 CFR 680, Subpart C  
20 CFR 680.230 & 680.750  
TEGLs 19-16, 21-16, 3-18, & 8-19  
ADWS Issuance PY19-09

III. **Background:** Except in specific circumstances listed in WIOA § 122(h), WIOA § 134(c)(3)(G)(ii), 20 CFR 680.320, TEGL 19-16, and TEGL 8-19, Occupational Skills Training is provided for a WIOA title I Adult, Dislocated Worker, or Out-of-School Youth through an individual training account (ITA) that is used to purchase training from an Eligible Training Provider [WIOA § 134(c)(3)(G)(i); TEGL 19-16; TEGL 3-18; TEGL 8-19]. (ITAs cannot be provided to In-School-Youth unless the youth also qualifies for and is co-enrolled as an Adult [20 CFR 681.550; TEGL 21-16]).

An ITA is an agreement established by a WIOA title I service provider with a training provider to pay certain required costs on behalf of a participant. It may be written for any allowable type of program of study that is on the state eligible training provider list (ETPL) and has been approved by the local workforce development board (LWDB). Any payments to be made **directly to the training provider** must be listed on the ITA, whether the payments are for direct training costs or supportive services (such as books, supplies, and fees).

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, such as through payments of a portion of the cost at different points in the program of study [20 CFR 680.300].

#### IV. Policy:

- A. Every local area must have a written ITA policy and procedures that outlines the local area's policy and procedures for awarding ITAs to eligible adults, dislocated workers, and out-of-school youth. The entire document may be called an ITA Policy, although the policy portion will specify what is to be done and the procedures portion will detail the process for carrying out the policy.
- B. The policy and procedures must be consistent with WIOA Federal and State laws, regulations, guidance, issuances, and policies.
- C. The procedures must contain internal controls that must be followed to ensure fiscal responsibility in the issuance of the ITAs.
- D. The policy must outline the participant agreement concerning the program of study. Obligations of the participant, the case manager, and the WIOA program provider must be detailed. The policy must specify that the agreement will be signed by the case manager, the participant, and the individual authorized to write the ITA. The policy must also specify that a copy of the agreement will be given to the participant, a copy will be given to the training provider, and a copy will be kept in the participant file.
- E. The policy must be consistent with the information in the local plan concerning how training services will be provided, the limits to be imposed, if any, and any other ITA information in the local plan [20 CFR 680.310]. Each policy must include:
  - 1. The procedures for issuing an ITA, including who is authorized to issue an ITA
    - a) The procedure must include the requirement to mark "ITA issued" in the "Educational Grants" section in the Enrollment Details of AJL to create the record that an ITA was issued.
    - b) The procedure must explain that if no WIOA title I-B payments are to be made directly to the training provider, then an ITA is not needed.
  - 2. The maximum amount of funding of an ITA for a participant [20 CFR 680.310]
    - a) The maximum amount of funding is the limit on the total dollar amount that may be spent through ITAs for each participant. The total of all individual ITAs for a participant may not exceed this amount.
    - b) In addition, a local board may determine the funding limit for each individual ITA, if they so choose. ADWS encourages local boards to establish funding limits as a manner to provide equitable services to all WIOA participants and to promote providing services through the use of braided funding.
    - c) The policy must state the limit in the total amount of ITA funding per participant and/or the limit on the amount of each ITA, if there is such a limit.
    - d) If there is no maximum amount of funding for an ITA (either individual or total), the policy must specify that there is no funding limit.
    - e) If there are exceptions to these limits, the circumstances of exceptions must be detailed in the policy.
    - f) The policy must state that an individual may select training that costs more than the maximum amount available for ITAs under the local policy when other sources of funds are available. (e.g., Pell Grants, scholarships, etc.).
  - 3. Maximum duration of an ITA [20 CFR 680.310]
    - a) The maximum duration is the limit on the time for which an individual ITA may be

- written. (i.e., the number of semesters or years for college courses or the number of weeks or months for other training). Individual ITAs must be written for no more than this amount of time.
- b) The policy must state the maximum time for which an individual ITA may be written if there is such a limit.
  - c) If there is no maximum allowed duration for an ITA, the policy must specify that there is no duration limit.
  - d) Because the purpose of the training is to obtain employment, ADWS encourages local areas to set a maximum duration of training for which an individual ITA may be written.
4. Limits on the number of ITAs a person may receive
    - a) Describe the conditions under which a person may receive multiple ITAs over a period of time, if participants may receive multiple ITAs. If no such limit exists or if a person may receive only one ITA, the policy must state that information.
    - b) Describe the conditions under which a person may receive more than one ITA for the same program of study or the same course. If a person may receive only one ITA per program of study or per course in the program of study, the policy must include that information.
  5. Limits in the amounts or duration of ITAs based on the type of credential [20 CFR 680.310(b)(1)]
    - a) The policy must include the limits on the amount of funding or duration of an ITA based on the type of credential (i.e., bachelor's degree, associate's degree, technical certificate, occupational license, etc.), if there is such a limit.
    - b) If there is no such limit, the policy must specify that there are no funding and/or duration limits based on the type of credential.
    - c) Because the purpose of the training is to obtain employment, ADWS encourages local areas to set a maximum duration of training by type of credential.
  6. Limits on the amounts or duration of ITAs (individual or total) specified by program of study
    - a) The policy must include limits on amounts or duration of individual ITAs or the limits on the amounts or duration of the total of the ITAs for a participant based on the program of study (i.e., welding, plumbing, nursing, teaching, etc.), if such limits exist.
    - b) If there is no such limit, the policy must state that there are no funding and/or duration limits based on the program of study.
    - c) Because the purpose of the training is to obtain employment, ADWS encourages local areas to set a maximum duration of training by program or program type.
  7. Limit on the number of times an individual may modify an ITA and any conditions under which a person may modify the ITA
    - a) The policy must include the limit on the number of times an individual may modify an ITA and any conditions under which a person may modify the ITA if participants are allowed to modify the ITA.
    - b) If participants are not allowed to modify an ITA, the policy must specify that a participant is not allowed to modify an ITA.
  8. How exceptions to the above limits will be determined if the local area allows exceptions [20 CFR 680.310(c)].
    - a) Specify any exemptions allowed for the above limitations, when these exemptions may apply, and the process for determining if these exemptions will

- be allowed.
  - b) Include the conditions under which a participant may be able to extend an ITA (or surpass the allowed number of ITAs) if the course of study is not completed in the expected time frame.
  - c) If there are no exceptions to the limits described in the policy, the policy must explain that there are no exceptions to the limits detailed in the policy and procedures.
- F. The policy must describe how informed customer choice in the selection of training programs will be ensured, in accordance with the local plan [20 CFR 679.560(b)(18)].
- G. The policy must describe how ITAs will be used to support placing participants into registered apprenticeship programs, if ITAs will be used this way. If ITAs will not be used to support registered apprenticeship programs, the policy must specify how the occupational skills portion of registered apprenticeships will be supported [20 CFR 680.330 & 750].
- H. The policy must specify that all payments to the training provider will be paid through the ITA when an ITA is determined to be appropriate for the training to be provided.
- I. The policy must include information regarding coordination of funding with other entities as appropriate. WIOA funds must **supplement** other sources of training grants. WIOA Title 1-B training funds must always be the **final**, not the first, resort for funding training.
- J. The policy must describe any arrangements made with training providers concerning repayment of funds when the ITA is written before Pell Grant eligibility is established, as described in 20 CFR 680.230. Such agreements must be maintained for inspection by monitors.
- K. The policy must specify that the following information will be provided to interested individuals:
- i. The Eligible Training Provider list of appropriate providers for the training desired, along with performance information concerning these providers, and
  - ii. Information concerning the limits in general, for specific credentials, and for specific programs, if any.
- V. **Action Required:** Please provide this policy to appropriate staff.
- VI. **Inquires:** Email [WIOATA@arkansas.gov](mailto:WIOATA@arkansas.gov)
- VII. **Expiration Date:** Continuing