

		POLICY NUMBER 074
Title:	Individual Training Account Expenditure Requirements and Waiver Request Process	
Program:	Workforce Innovation and Opportunity Act (WIOA)	
Effective:	TBD	

I. PURPOSE AND SCOPE

The purpose of this administrative policy is to outline the requirements to Local Workforce Development Boards (LWDBs) for Individual Training Account (ITA) expenditures and the procedures to obtain a waiver from CareerSource Florida (CSF) per Section 445.003(3)(a)(1), Florida Statutes (F.S.).

II. BACKGROUND

Section [445.003\(3\)\(a\)\(1\)](#), F.S. requires that at least 50 percent of the Title I WIOA Adults and Dislocated Workers funds that are passed through to LWDBs be allocated to ITAs, unless a LWDB obtains a waiver from CSF.

The attached [Allowable Programmatic Training and ITA Costs Crosswalk](#) reflects those expenditures that qualify for state ITA.

III. AUTHORITIES

Workforce Innovation and Opportunity Act of 2014, [Public Law 113-128](#), Section 134(c)(2)(A)(xii)(VII), Section 134(c)(3)(D) and Section 134(c)(3)(F)(v)

[Section 445.003\(3\)\(a\)\(1\), Florida Statutes](#)

[CareerSource Florida Strategic Policy 2012.05.24.A.2.1, Local Area Individual Training Account Reporting Requirements](#)

[CareerSource Florida Strategic Policy 2012.05.24.A.2.2, Qualified Training Expenditures](#)

CareerSource Florida Strategic Policy 2012.05.24.A.2.3 [Individual Training Accounts Waiver Criteria and Waiver Review Process](#)

IV. POLICIES AND PROCEDURES

WIOA funds must be used to provide training services to eligible participants when there is no grant or other assistance available to pay for training. Training services for WIOA-eligible participants may be paid for using an ITA. An ITA is a payment agreement between a LWDB and a training provider, made on behalf of a WIOA-eligible participant. Pursuant to [Section 445.003\(3\)\(a\)\(1\)](#), F.S., tuition, books and fees of training providers, and other training services authorized by WIOA qualify as ITA expenditures.

The Department of Economic Opportunity (DEO) established “ITA cost-categories” to track associated costs and expenditures in the Subrecipient Enterprise Resource Application (SERA) formerly known as the One-Stop Management Information System or OSMIS, for awards allocated to LWDBs using WIOA Adult and Dislocated Worker funds to align with Section Florida Statutes.

LWDBs are required to submit ITA expenditures as outlined in this policy.

A. Sub-Cost Categories

The ITA cost category is broken down into sub-cost categories, which further specify activities allowable under the ITA. The sub-cost categories for the ITA are:

1. Occupational Skills Training

An organized program of study that provides specific vocational skills that lead to proficiency in performing actual tasks and technical functions required by certain occupational fields at entry, intermediate, or advanced levels. LWDBs must give priority consideration to training programs that lead to recognized postsecondary credentials that align with in-demand industry sectors or occupations in the local area. The chosen occupational skills training must meet the quality standards in WIOA.

The training must:

- a. Be outcome-oriented and focused on an occupational goal specified in the individual service strategy;
- b. Be of sufficient duration to impart the skills needed to meet the occupational goal; and
- c. Lead to the attainment of a recognized postsecondary credential.

2. Other Types of WIOA Training Activities

- a. On-the-job training (OJT);
- b. Incumbent worker training (IWT);

- c. Programs that combine workplace training with related instruction, and may include cooperative education programs, and registered apprenticeships;
- d. Training programs operated by the private sector;
- e. Skill upgrading and retraining;
- f. Entrepreneurial training;
- g. Job readiness training in combination with other training activities;
- h. Adult education and literacy in combination with other training activities; or
- i. Customized training

3. Work Experiences, Internships and Transitional Jobs

Work experiences, internships and transitional jobs afford WIOA-eligible participants opportunities for career exploration and enhanced skill development. LWDBs are required to offer programs that incorporate paid and/or unpaid work experiences and have a combined instructional component of academic and occupational education. The educational component may occur concurrently or sequentially with the work experience.

Work experiences and/or internships are a planned, structured learning experience that takes place in a workplace for a limited period of time. Work experiences, internships and transitional jobs may include:

- a. Summer employment opportunities and other employment opportunities available throughout the school year;
- b. Pre-apprenticeship programs;
- c. Registered apprenticeships;
- d. Industry-recognized apprenticeships programs;
- e. Internships and job shadowing; and
- f. On-the-job training opportunities.

Internships and/or work experiences are considered individualized career services and are linked to occupations or careers. Because they are considered a career service, there are no eligibility requirements for adults to participate in work experiences beyond the assessment of their employment goals. There are no spending restrictions for work experiences for adult and dislocated workers. However, LWDBs must spend at least 20 percent of the funds allocated to youth participants with paid and/or unpaid work experiences.

4. Training Program Management

Costs associated with training program management are:

- a. Staff costs directly related to developing, implementing, or coordinating authorized training programs identified in sections V.A–C of this policy;

- b. Staff costs associated with developing, implementing, or coordinating local training for eligible clients participating in training programs leveraged through other grants (e.g., Temporary Assistance for Needy Families, Pell Grants); and
- c. Staff costs limited to salaries and benefits.

5. Training Case Management

Cost associated with training case management are:

- a. Staff costs directly related to case management and job placement services for clients in training (not clients seeking training);
- b. Staff expenditures associated with the provision of support services to individuals while they are in training; and
- c. Staff costs are limited to salaries and benefits.

The [Allowable Programmatic Training and ITA Costs Crosswalk](#) outlines the allowable WIOA training activities, and ITA activities and how they are categorized in SERA.

Supportive Services *are not* paid for using the ITA and will not be included in the expenditures reported under the ITA. ITAs must not be used to pay for supportive services.

B. Requirements for Allocating Funds

LWDBs must allocate a minimum of 50 percent of the Adult and Dislocated Worker formula funds that they expect to expend each fiscal year (July-June) to satisfy the ITA requirement. The percentage allocated for ITA expenditures must be calculated using the carry-forward (estimated or actual when available) plus the portion of any new allocation budgeted for the current year. The required minimum allocation of 50 percent (or waiver percentage) of funds to be expended in the fiscal year must be reflected in the budget that is submitted to CSF.

LWDBs must report related expenditures monthly in the SERA, for each of the five specified sub-cost categories listed in Section IV. A of this policy.

LWDBs are allowed an automatic waiver based on CSF's sliding scale. Local areas that require a waiver that is lower than the sliding scale must submit a formal request to their local board for approval. The local board-approved ITA percentage waiver request must be submitted in an application to the Bureau of Financial Management for the initial review.

Applications for waivers must be submitted no later than July 1 of the fiscal year for which the waiver applies. Approved waivers are limited to one year. Waiver applications may be reviewed after July 1 when circumstances occur beyond the local board's control.

A chart showing the maximum amount of sliding scale waiver that each local area may claim for the current fiscal year will be updated annually and provided to each local area by DEO's Bureau of Financial Management.

C. Waiver Application Criteria

LWDBs that submit a waiver application to request a rate lower than the sliding scale must include documentation for the following:

1. The lack of demand for each authorized training service;
2. The substantially greater demand for career services and business services, relative to training services;
3. The qualitative and quantitative financial impact that the statutorily-required ITA reserve requirement has on the provision of services for clients seeking or receiving training services; or
4. The exceptional circumstances that warrant granting a waiver. Factors to consider may include:
 - a. The local area is contractually obligated or is seeking participation in a training program funded by a partner, for which the LWDB will provide career services;
 - b. The local area is contractually obligated or is seeking participation in a major economic development initiative of regional impact, that will result in significant job creation, to the extent the initiative does not interfere with the priority of services to other clients, as required by federal law; or
 - c. The local area is entirely contained within a statutorily designated Rural Area of Critical Economic Concern (RACEC).
5. A budget (or proposed budget) showing program components and major breakouts for each program (one-stop services, training providers, supportive services, administrative costs, etc.);
6. A description of how the current and long-term unemployment rate for the local area will be impacted by a waiver, should it be approved;
7. Documents identifying the local area's efforts to increase demand from individuals to meet market needs (to address the talent gap);
8. Documentation that the Chief Elected Official approved the waiver request; and
9. An agreement that, if conditions warrant a waiver change, the local area commits to comply with the ITA reserve requirement and will notify CSF of such compliance.

D. Waiver Application Review Process

The following guidelines are implemented for the required waiver review process:

1. Local areas that require a waiver that is lower than the sliding scale must submit an application to the Bureau of Financial Management for initial review.

2. The Bureau of Financial Management will review waiver applications for completeness and submit each to CareerSource Florida staff for final review and approval.

E. State and Local Monitoring

Services and activities provided under WIOA must be monitored annually for compliance with WIOA requirements by DEO. DEO will monitor the requirements outlined in this policy and local operating procedures. Additionally, LWDBs must establish local monitoring policies and procedures that include, at minimum:

- the roles of the participant and LWDB staff and
- local monitoring procedures for implementation of the state's policy.

LWDBs must ensure participating providers of related career services agree to cooperate with monitoring efforts by the state and/or LWDB and adhere to all other applicable local, state and federal rules and regulations.

V. Revision History

This policy updates and replaces DEO FG-074, June 29, 2012.

VI. ATTACHMENTS

[CareerSource Florida Strategic Policy 2012.05.24.A.2.1, *Local Area Individual Training Account Reporting Requirements*](#)

[CareerSource Florida Strategic Policy 2012.05.24.A.2.2, *Qualified Training Expenditures*](#)

CareerSource Florida Strategic Policy 2012.05.24.A.2.3 [*Individual Training Accounts Waiver Criteria and Waiver Review Process*](#)

[Allowable Programmatic Training and ITA Costs Crosswalk](#)