

AUTHORITY: The Michigan Works! Southwest Workforce Development Board is established under the Workforce Innovation and Opportunity Act of 2014, and subsequent changes. The Board is assigned the responsibility to set policy for the workforce investment system within the local area.

ORDER OF PRECEDENCE: Where any part of this policy is determined to conflict with any federal, state or local policy, the federal, state, and then local policy will take precedence without affecting any other part or parts of this policy.

Individual Training Account (ITA) System

BACKGROUND

The primary goals of training services are the development of a qualified workforce to meet the needs of local employers and to enable individuals to acquire skills that will assist them to obtain self-sustaining employment in a locally determined, in-demand occupation of their choice.

Key elements in the decision for training enrollment are participant freedom of choice, assuring that the type of training is linked to a career/employment goal of the individual and that the training results in an industry recognized credential. Allowable types of training, the amount of funding available for training, the length of time allowed for training and other aspects of the activity will vary by funding source.

To ensure quality and accountability of training providers, the Workforce Innovation and Opportunity Act (WIOA) regulations require the use of training providers who have been vetted against a set of eligibility criteria. In Michigan, the Eligible Training Providers List (ETPL) is posted on the Michigan Training Connect (MiTC) website www.mitalent.org/mitc WIOA participants interested in training will be directed to the ETPL on the MiTC website as part of the decision making process. Preference may also be given to providers on the ETPL for training funded by other sources.

In the Michigan Works! Southwest (MWSW) area, training is purchased through an Individual Training Account (ITA) voucher system that is administered using locally developed policies and procedures that incorporate the requirements of federal and state policies.

SCOPE

All workforce development programs, services and activities under the auspices of the Michigan Works! Southwest Workforce Development Board (WDB) except as noted otherwise.

REFERENCES

Workforce Innovation and Opportunity Act (WIOA) of 2014

The Trade Adjustment Act, all versions (TAA of 2002, TGAAA of 2009, TAAEA of 2011 and TAARA of 2015) and subsequent changes

Michigan workforce development department's Training Connect (MiTC) Policy Manual, June 2021 and subsequent changes

Michigan workforce development department's Trade Adjustment Assistance (TAA) Comprehensive Manual, May 10, 2019 and subsequent changes

Michigan workforce development department's Workforce Innovation and Opportunity Act (WIOA) Manual, March 11, 2021 and subsequent changes

Michigan workforce development department's Partnership.Accountability.Training.Hope.(PATH) Manual, December 15, 2020 and subsequent changes

Workforce Development Board (WDB) Policy 19 and subsequent revisions, "Participant Attendance and Satisfactory Progress in Training".

Workforce Development Board (WDB) Policy 17 and subsequent revisions: WIOA Program Eligibility

Training and Employment Guidance Letter (TEGL) 08-19 WIOA Eligible Training Provider (ETP)

POLICY

- I. Funding for Individual Training Account (ITA) Vouchers**
 - A. As part of the program design described in Request for Proposal (RFP) responses and the budget development process, each subrecipient/service provider that utilizes ITAs must set aside a portion of their allocation to fund training activities using ITA Vouchers. This level of funding will be negotiated annually with the Michigan Works! Southwest (MWSW) Administrative staff as part of the subrecipient/service provider renewal process.
 - B. The level of funding set aside for ITA Vouchers must consider both the demand for ITAs and the total amount of the annual program allocation.
 - C. All ITA Vouchers issued through MWSW will be processed through the MWSW Administrative/Finance Office including payment for training and the related expenses.

- II. Use of ITA Vouchers**
 - A. ITA Vouchers will be issued only for skill enrichment or skill training in an area that directly leads to the attainment of an occupationally recognized credential in an in-demand and/or emerging industry or occupation in the MWSW labor market area and whose completion time is within the allowable length of the ITA voucher. Decisions on length of training to be funded must take into consideration the availability of current and future funding and preference must be given to short-term training (less than 9 months) where an industry recognized credential is awarded at the end of the MWSW funded training period.
 - B. ITA vouchers may be used to fund training for WIOA Youth registered as Out-of-School and ages 18-24. Training decisions for this population must meet all other requirements of this policy and the accompanying procedures. The vouchers must be processed using local ITA procedures.
 - C. The Michigan Works! Southwest Agency will develop ITA System Procedures to assure consistent application of federal, state and local policies for training research, planning, decision making and fund obligations.
 1. Unless otherwise allowable by funding source or policy, subrecipients/service providers must only approve funding for those programs or courses of study for which vendors have successfully completed the process to be listed on the ETPL, which is posted on the Michigan Training Connect (MiTC) website, including maintenance of annual updates.

2. Being listed on the ETPL as available in the Michigan Works! Southwest area does not necessarily constitute approval of a training program for use by local subrecipients/service providers. The stipulations of this policy and other local policies and priorities must be considered before approving and funding training through the ITA system.
- D. On a case by case basis, ITAs may be issued for participants who had previously received training or need to repeat a component of training. These decisions must be reviewed with the MWSW administrative entity and documented in the participant's program file.
- E. Allowable costs to be covered by an ITA Voucher include:
 1. Tuition
 2. Fees required by the training provider
 3. Books, materials, and supplies required for a specific class or program
 4. Auxiliary supplies not required by the training institution but necessary for the class (e.g., calculators, binders, paper, etc.) up to a maximum of \$25 per semester
 5. Academic support services
- F. Eligibility for, and receipt of financial aid or grants for training costs, does not prohibit a program participant from receiving ITA assistance for training costs.
 1. Program participants, except for those using the TAA training benefit, will be required to complete the Free Application for Federal Student Aid (FAFSA) process to determine their eligibility for other sources of financial assistance for training.
 2. In situations where the financial aid or grant may only be used for direct training costs, the Michigan Works! Southwest ITA may fund the portion of training not otherwise covered within the allowable training expenses noted in this policy.
 3. Financial aid or grants must be applied first to pay for the direct training costs unless specified otherwise.
- G. ITA vouchers must include a start date and an estimated end date consistent with the start and end date for the training period as given by the training institution.
 1. An extension to an ITA Voucher may be requested in writing by the subrecipient/service provider to the MWSW administration.
 2. Extensions may be authorized following a case-by-case review of the circumstances. A written decision from the MWSW administration must be received prior to any commitment to extend a voucher.
 3. An Individual Training Account Voucher or ITA Letter of Authorization (used for Trade Act training) must be prepared separately for each term, semester, or period when new classes are recommended to begin. (This includes mid-term courses that may be initiated subsequent to the development of the class schedule for the full-term).
 4. Renewal of an ITA voucher/modification for a subsequent training period must be based on successful completion of each prior training period. Successful completion is defined in WDB Policy 19 and subsequent revisions: Participant Attendance and Satisfactory Progress in Training.
- H. Internet-based learning may be considered for ITA Vouchers if the program/course of study meets the following conditions:
 1. The training is listed on the ETPL, as an eligible ITA training program, and
 2. The final credential awarded must be equivalent in content and standard of achievement to the same program completed on campus or at an institutional training location.
- I. ITA Vouchers may be used for classroom training required under apprenticeship agreements if the employer does not provide financial support for such training either through direct payment to the training institution or through an employee education reimbursement process.

III. Trade Act ITA Policy Exceptions

- A. Under the Trade Adjustment Assistance (TAA) Act, all versions (TAA of 2002, TGAAA of 2009, TAAEA of 2011 and TAARA of 2015), participants are not limited to programs listed on the ETPL posted on the MiTC website when seeking approval for a training program or course of study.
 - 1. As part of the training approval process, participants must document that the training is linked to an in-demand career.
 - 2. Priority must be given to the use of training programs listed on the ETPL posted on the MiTC website.
- B. When considering the use of a training provider not listed on the ETPL posted on the MiTC website, the following selection criteria must be used:
 - 1. The education and training provider must be licensed and/or certified by the appropriate state agency.
 - 2. The “credibility” of the training provider or training program must be validated using the following criteria:
 - a. Confirmation that the training program has an established curriculum, and
 - b. The training provider has a history of training which leads to employment and can document successful training related placements, and
 - c. The training provider has credentialed instructors, and
 - d. The training provider awards a recognized credential or certification for successful completion of the course of study.
- C. The length of enrollment in training, including any allowable pre-requisite or remedial training, supported by funding from any version of TAA must not exceed the number of weeks of training allowable for the version of the Act under which the individual was certified.
- D. Training at a facility outside of the local commuting area may be approved only if comparable training is not available within the commuting area.
 - 1. Individuals can attend training outside of the State of Michigan under the aforementioned circumstance, or if the individual resides closer to the out-of-state training provider and the training is within the commuting area.
 - 2. In either circumstance described above, in order to be approved, the training facility must be licensed by the state in which it is located.

IV. Partnership.Accountability.Training.Hope. (PATH) ITA Policy Exceptions

- A. All training identified for PATH participants must follow the ITA policies and procedures with the exception of Condensed Vocational Training or short-term Vocational/Occupational Training that is in-demand, but not otherwise provided through an eligible provider/program listed on the ETPL posted on the MiTC website.
- B. Participants are not limited to programs listed on the ETPL posted on the MiTC website when seeking approval for a training program or course of study. Providers/programs not listed on the ETPL, which is posted on the MiTC website, must meet the following criteria:
 - 1. Be in full compliance with Michigan licensing and certification requirements, and
 - 2. Be approved by the Michigan Works! Southwest agency’s administration and entered into the OSMIS as a training provider prior to initiating a training voucher: and
 - 3. The training provider must have a history of providing training which leads to employment and can document successful training related placements.

V. In-Demand Employment

- A. Details regarding local in-demand employment are outlined in the WDB Policy 17 and subsequent revisions: WIOA Program Eligibility, Section VI.A.2.

VI. Criteria for Approval of Schools Under Initial and Continued Eligibility

- A. Initial Eligibility - The following factors will be reviewed for the initial approval of a training provider:
1. Whether or not the training provider is in partnership with a business.
 2. Other information to demonstrate high-quality training services, including whether or not the training leads to a recognized postsecondary credential.
 3. Information that addresses the alignment of the training with in-demand industry sectors and occupations, to the extent possible.
- B. Continued Eligibility – The following factors will be reviewed for the continued eligibility of a training provider:
1. Access to training services throughout the state and rural areas through the use of technology.
 2. Information reported to state agencies on federal and state training programs other than programs within WIOA Title I.
 3. The degree to which training programs relate to in-demand industry sectors and occupations within the state.
 4. The provider's ability to offer industry-recognized certificates and/or credentials.
 5. The ability of providers to offer programs that lead to postsecondary credentials.
 6. The quality of the training program, including a program leading to a recognized postsecondary credential.
 7. The ability of the providers to provide training services that are physically and programmatically accessible for individuals who are employed and individuals with barriers to employment, including individuals with disabilities.
 8. The timeliness and accuracy of performance reports.
- C. State minimum performance levels shall be used when determining eligibility of a training provider.
- D. MWSW, may at its discretion, request additional information from the school prior to the MWA approval, such as the name of employers involved in partnership with the training institution, additional information on the school's alignment with in-demand industry sectors, occupations, etc.
- E. MWSW may include other factors to ensure quality and value, as appropriate, including and/or not limited to:
1. The accountability of providers.
 2. A requirement of additional criteria and information from local providers as criteria to become or remain eligible in the MWSW area
 3. The ability of a provider to partner with employers and to provide job placement services.
 4. The drop-out rate of the training provider.
 5. Student loan default rate of the provider.
- F. Programs that do not meet local performance standards can be approved or disapproved at the discretion of the MWA.

1. The school may provide supplemental information that demonstrates that local economic conditions render the earnings and credentials expectations unrealistic and/or that the program serves many hard-to-serve students to be taken into consideration when determining the eligibility of the training institution.
2. The school may lack a documented track record, such as
 - a. Programs with cohorts lasting more than one year that can experience years in which no one graduates, and no one drops out for which credential attainment cannot be calculated.
 - b. All program graduate transfer to continuing education in a related field where there may be zero graduates available for employment and therefore, wages are undefined.

VII. Appeals Process

- A. The training provider has the right to appeal their removal from the MiTC within 30 working days from the date of the revocation, following the [WD Grievance and Complaint Policy](#) in effect at the time of training provider’s removal from the MiTC.
- B. When a **program** is denied by the State during the initial application review, the system generated notification will include the WD or MWA-entered reason for denial and the appeal process language.
- C. State level appeals can be addressed to the Talent Information Systems (TIS) supervisor and sent to LEO-MiTC@Michigan.gov for review. A final determination at the state level stands and is not afforded an additional appeal.

INITIAL EFFECTIVE DATE

7/1/2005

APPROVED

Initial Policy	WDB Executive Committee	8/4/2005
Revision 01	WDB Executive Committee	8/1/2007
Revision 02	WDB Executive Committee	1/7/2010
Revision 03	WDB Executive Committee	4/5/2012
Revision 03	WDB Executive Committee	10/15/2014 <i>(All WDB policies accepted to apply to all four counties)</i>
Revision 04	WDB Executive Committee	6/17/2015
Revision 05	WDB Executive Committee	4/10/2020
Revision 06	WDB Executive Committee	7/15/2021

EXPIRATION

Ongoing