

ADMINISTRATIVE MEMORIAL WIOA-2017-001 AMENDED OCTOBER 2025

PROCEDURE FOR THE INDIVIDUAL TRAINING ACCOUNT SYSTEM FOR YOUTH, ADULT AND DISPLACED WORKERS PROGRAMMES

I. INTRODUCTION

The Bayamón – Comerío Consortium is a Local Workforce Development Area under the Workforce Innovation and Opportunity Act (WIOA), which began operations on July 22, 2014.

The Occupational Training services to be offered to participants in the Workforce Development System will be offered through a mechanism known as Individual Training Accounts (ITAs) in accordance with the requirements of Section 134 (c)(3)(G) for the Adult and Displaced Adult Program that will be used except for three conditions set forth in Section 134 (d)(d)(G)(ii) of the Act, and Regulations section 680.310, 680.320.

One of the most significant changes brought by the WIOA is that ITA's accounts can be granted to young people between 19 and 24 years of age, without the need for dispensations, as the previous law, so they are included in this policy.

II. PURPOSE

It is the purpose of this document to establish the policies that will guide the System of Individual Training Accounts (ITA's) of the Local Area of Labor Development (ALDL) Bayamón-Comerío and the procedures for its granting, management and monitoring.

III. LEGAL BASIS

The following have been used as statutory bases:

- 1) Public Law 113-128 of July 22, 2014, ("Workforce Innovation and Opportunity Act") in its Title I:
 - Section 3 -Definitions
 - Section 122 - Identification of eligible service providers
 - Section 123 - Identification of youth-eligible providers
 - Section 107 - Local Workforce Development Boards
 - Section 134 (c)(3)(G) - Individual Training Accounts
- 2) Regulation Workforce Innovation and Opportunity Act, Federal Register 20 CFR Part 603; 651; 652, et al. Part 680.400 to 680.530.
 - Code of Federal Regulation, CFR Part 97 Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.

IV. APPLICABLE DEFINITIONS

A. Eligible Service Providers

An entity that submitted your application and it was approved by the State and locality to provide a training services program, through the use of Individual Training Accounts (ITAs) and is part of the State and Local Area Eligible Service Provider Registry.

B. Supplier

An entity that meets the following requirements:

1. A postsecondary educational institution that is eligible for federal funding under Title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.) and provides programs leading to an associate's degree, baccalaureate degree, or certificate.
2. It is an entity that conducts programs under the Act of August 16, 1937, better known as the National Apprenticeship Act (20 U.S.C. 50 et seq.).
3. A public or private provider that offers a program of training services.

C. Training Services Program (Sec. 680.420)

A training services program includes one or more courses or classes, which upon successful completion lead to:

- 1) A certificate, associate's degree, or baccalaureate degree
- 2) A competence or skill recognized by employers
- 3) A training regimen that provides an individual with skills or competencies generally recognized by employers that leads to a credential.

D. Eligible Provider Registry/State List

Lists containing those providers who have met the eligibility determination criteria based on Section 122 of the statewide law and public policy.

And. Individual Training Account (CIA)

A benefit assigned to a participant eligible for training, to be used in the purchase of training services through an eligible service provider, and who was selected with the Case Manager, after evaluating the quality and performance of the eligible provider.

F. Selection by Competition

Competitive process between several suppliers for the same service to be contracted, in such a way as to optimize the use of WIOA's financial resources. This is getting the best service at the best cost. The process should include a determination of the ability to meet the programmatic design specifications and should be documented including the reason for selection.

G. Cost Reasonableness

A cost is permissible only if it is reasonable in terms of type and quantity. Reasonable is that cost that, according to the requirements of the requested, is determined if its quality, quantity of work and proposed materials are necessary and sufficient to carry out the work.

H. Community-Based Organizations

A private, not-for-profit entity that represents a significant segment of the community and has demonstrated capacity, experience, and effectiveness in the field of workforce development.

I. Occupational Information Network (O'NET)

Mechanized program that describes the occupations and categories used in the world of work, through the "Standard Occupational Classification" (SOC), which is the system used by federal agencies to classify workers into occupational categories to effects of occupational information

information collection. The SOC details occupations with similar functional skills, etc. It also includes the "Specified Vocational Preparation" (SVP) that establishes the terms of time required for learning a specific occupation.

J. Occupational Training (AO)

An activity whose purpose is to provide individuals who lack marketable skills or occupation-specific knowledge with the opportunity to receive specialized training that will enable them to participate in the labor market or in the exercise of an occupation or career.

All training will be conducted with educational institutions certified as eligible from the Registry of Eligible Providers. The trainings will be offered in occupations that are in occupational demand for the Labor Market Area corresponding to the Local Area of Bayamón and Comerío.

K. Self-employment/self-employed

Self-employment modality, i.e., the person works for themselves and is responsible for generating their own income. It will be verified if the self-employed person has registered as a merchant with the Puerto Rico Department of Treasury. Income can be validated based on the data in the supplementary Salary Information Sheet.

V. PUBLIC POLICY PROVISIONS FOR THE GRANTING AND OPERATION OF INDIVIDUAL TRAINING ACCOUNTS (ITA)

Through this procedure, the public and operational policy of the ALDL Bayamón-Comerío regarding the granting of ITA's. This policy has been established in common agreement between the Local Labor Development Board and the Board of Mayors of the ALDL.

A. Eligibility for Individual Training Account Benefits

The participant who will be entitled to the benefits of the individual training account will be the one who has already been determined eligible for the applicable Youth, Adult or Displaced Worker programs and has been determined to need training.

- The participants received career services, preparation of an Individual Employability Plan and, in the case of young people, a service strategy in which occupational training has been established as a service goal.
- The amount of the ITA benefit applicable to the participant will be established in his or her Individual Plan or Strategy, in accordance with the participant's employability characteristics and matching between his or her interests and aptitudes, such that an adequate achievement profile is established for the participant (Sec. 680.310 Regulations).
- Participants benefiting from ITAs will have the power to use the benefits only in eligible institutions as defined, within the Provider Registry and in occupations in demand for the area. ITA's will supplement financial aid available through other sources, if no other funds are available, they will be used to pay for all training costs, according to the amount allocated to the participant.

B. Eligibility of Suppliers for Contracting through ITA's

The service providers or educational entities for the ITA System will be all Certified Eligible providers on the List or Registry established by the Local Board and State List.

The Expense Record Form – ITA Accounts by Institution will be used to keep track of all assigned ITAs.

C. Benefits to be Assigned with Individual Training and Validity Accounts

Based on experience of training costs in the Local Area and Labor Market, the following amounts are established applicable to ITAs.

1. In long-term occupational training, meaning 600 hours or more, such as Associate Degrees or others, the maximum amount of allowance may reach \$20,000.00 per service.
2. In short career development service training, whose competencies or skills do not demand sophisticated levels of analysis and thinking, use of high-tech tools and equipment; understood up to a maximum of 320 hours and the maximum amount of allocation could reach \$5,500.00.
3. In cases where the participant is ineligible for Pell Grant benefits for cause, the ALDL will work with an Individualized Strategy Plan in accordance with the requirements of the law and the participant's need. This in turn will be presented to the Local Labor Development Board, which will determine, subject to the availability of funds, the benefit to be offered.

D. Duration of Benefit Assignment

The participant will have a period of 90 calendar days (3 months) to start using the benefits of the ITA's.

And. No Duplication of Costs

The corresponding program must ensure that when allocating benefits through the ITA's System, funds that could be available from other sources are not used, thus affecting the service that can be offered to customers who have not been able to benefit from other programs.

Coordination of activities through the Single Management Centre should be ensured to avoid duplication of costs between programmes.

VI. PROCEDURES

A. Procedure for Allocation of Benefits

The Case Managers of the Title I area will be the officials responsible for the allocation of ITA's benefits, the monitoring of their use within the established period and sending information to the Area Coordinator, for the Control Record of monthly and quarterly benefit allocations.

The authorizations of all ITA's benefits will be the responsibility of the Area Coordinator, validating the availability of funds with the Tax Area.

After the individual benefit determination and preparation of the ITA form and certificate, it will be referred to the Coordinator for assignment. The following process will be followed for the assignment of benefits:

1. The Case Manager will prepare the participant's Individual Employability Strategy, evidencing the career services, the characteristics and conditions that the participant has, for which the training services are recommended.

2. The determination discussed with the participant regarding the type of training, which according to their interests and aptitudes is the most recommended, and the establishment of levels of achievement and service goals.
3. Make available to the participant the list of eligible suppliers to establish with him the entities to which he may refer for the use of the ITA's. The Counselor will work and negotiate with the participant on the provider and training to be recommended, based on their level of planned achievement and individual strategy.
4. The ITA referral letter and the certificate of assignment of benefits that will be referred to the institution will be prepared for you, after being approved by the corresponding official.
5. The Area Coordinator, or his/her designee, will enter the ITA's assignment data in the ITA's Assignment Control Register.

B. Procedures for Referral of ITA Benefit Participants

1. After receiving the Certificate of Assignment approved by the Director of Operations, the participant will be given his/her card and certificate with information about the contact person of the pertinent institutions chosen.
2. It will be the responsibility of the participant to visit the institutions to carry out the enrolment procedures and notify the Counselor of the steps taken. The institution will also have 5 days to notify the Unified Management Center if it accepts the participant and if it will use the ITA, according to the form sent to it.
3. The Case Management Supervisor will refer all ITA's accepted by the institutions to the contracting area, so that the ITA or individual referral contract can proceed.

C. Payment System and Mode

Payments to the institution chosen to offer the training will be made on a staggered or incremental basis, through payments of portions of costs at different stages of the offer of the training or corresponding period of study, as described below:

- i. A percentage of expenses incurred in the participant will be established, which will be the basis of payment if the participant unsubscribes.
- ii. For other types of courses or training, staggered payments will be established as established in the contract.
- iii. All collection invoices will be reviewed by the Title I area, the corresponding Handler, prior to their submission to the Tax Area.
- iv. Disbursements of funds to the institution will be made, after verification of the invoice, in accordance with the provision of payments established in the contract, with the exception of the last payment subject to compliance with the placement requirement, as explained below.
- v. **Every contract with the institution shall have a clause relating to placement. 10% of the last payment pending validation of the employment placement of the participant benefited by the ITA will be withheld.**
- vi. **The placement requirement, tied to retention, is subject to a report from the institution, of having carried out and documenting its efforts to achieve the placement. The validation of a self-employment placement has been defined in Section IV of this policy.**

vii. Withholding Clause Exception: If the institution documents one of the following conditions, withholding may be waived.

- **That at least three employment procedures have been carried out, but due to reasons unrelated to the employment market, the participant was not placed in employment,**
- **That the participant rejected one or more offers of employment, which were offered.**

D. Contracts with Institutions for the ITA System

The awarding of contracts for the System and ITA's will have the following systems and requirements:

1. "The institution" will provide books, equipment and the necessary materials required by the participants for both theoretical and practical units required in the training.
2. **"The institution" undertakes to arrange for the placement of the participants trained in the percentage of placement negotiated.**
3. "The institution" will periodically evaluate the behavior and academic achievement of the participants and will notify the ALDL.
4. "The Institution" will report to the officials authorized under the "WIOA Program" any negative behavior and/or evaluation of a participant. No drastic measures shall be taken in relation to it without the prior consent and advice of authorized officials.
5. "The institution" must provide orientation services to participants, whenever necessary.
6. All teachers and instructors used by "The Institution" must be authorized to practice as such, in accordance with applicable state and federal laws and regulations.
7. Once the training is concluded, "The institution" will give the participant a diploma or certificate that evidences the course he or she has completed.
8. "The institution" will establish a procedure to resolve complaints and will notify its participants of it.
9. "The institution" will undertake not to establish any discrimination on the basis of race, color, religion, sex, political origin or affiliation or for any other reason regarding participation in the services.

E. Monitoring and Monitoring of ITA's Expenses

In each year's budget there will be separate funds for ITA-based training. In order to be able to offer follow-up to the assignments and obligations under the ITA's system, the following will be observed:

1. The Budget Unit shall notify the amount set aside in the annual budget for training based on the ITA System, allocated per programme year, in the budget of each programme for youth, adults or displaced workers.
2. The Title I Coordinator, through her Case Managers, will be responsible for the assignment of Benefits, reporting obligations to the Tax Area, and monitoring the use of the assigned benefits.
3. The Title I Coordinator will send to the Tax Area, the original document of the ITA Benefits certificate issued to each participant, after entering the data in the Benefit Assignment Control Record Form. This form will be the basis for the monthly ITA's assignment report to be sent to the Executive Director.

4. Each ITA has been assigned a validity of 90 days for use by the participant. It will be the responsibility of the Managers, based on the follow-up and communication with the participants, to inform the Coordinator of the use of ITA's benefits so that the Registry can be updated regarding the use, validity or continuity of the assigned ITA's benefits.
5. Case Managers will maintain contact through various follow-up strategies with active participants in training under the ITA's system, to ensure that they adequately complete their training and are offered the support services necessary for goal achievement and placement. It will also request periodic reports from the institutions that offer the training.

VII. APPROVAL AND VALIDITY

This Procedure shall enter into force at the time of its approval and shall remain in force until it is amended.

Signed and approved on October 22, 2025.

Eliud M. Díaz González
President
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