

**COMMONWEALTH OF PUERTO RICO**  
**SOUTHWEST LOCAL WORKFORCE DEVELOPMENT BOARD, INC.**

**PUBLIC POLICY ON INDIVIDUAL TRAINING ACCOUNTS (ITA), INCLUDING LIMITS ON  
THE LIMITS, DURATION AND EXCEPTIONS**

**Section 1.** The Southwest Local Workforce Development Board, Inc. based on Public Law 113-128, Workforce Innovation and Opportunity Act (WIOA), to create Public Policy on Individual Training Accounts (ITAs), including limits on amount, duration and exceptions.

**Section 2.** Definition of the Individual Training Account (ITA)

The Individual Training Account (ITA) is the vehicle that empowers the customer (participant) to select and participate in training that is in occupational demand. Reference: WIOA Section 134(c)(3)(G) and Regulations Sections 680.310, 680.320.

**Section 3.** Training Services for eligible individuals are provided through Training Service Providers who receive payment for the service through an Individual Training Account (ITA), which is a payment arrangement established on behalf of a participant with a service provider. WIOA Title I provides for the youth, adult or dislocated worker to obtain Individual Training Account (ITA) services through the State's List of Training Service Providers in consultation with the Case Manager, which includes discussion of the quality and performance of that eligible provider for the requested training to continue to grow in the workforce.

**Section 4.** Costs and Duration of Individual Training Accounts (ITAs)

The cost of the Individual Training Account (ITA) shall not exceed \$10,000 dollars per client. It is further provided that in particular cases where this amount may exceed this amount, final approval of the service will be issued by the Local Area. The possibility of combining funds with Pell Grants or other assistance must first be exhausted. The maximum duration of an Individual Training Account (ITA) will be two years. The Case Manager will determine by means of an Objective Evaluation determine support services.

**Section 5ta.** Contracting for Individual Training Accounts (ITAs)

The Local Area Contracting Area will be responsible for preparing the contract for Training Services (ITA) in accordance with WIOA regulations and the Home Rule Municipalities Act. It will also be responsible for verifying that the Provider complies with the System for Award Management (SAM) certification. Failure to comply with this legal requirement will result in no contract being awarded and the contracting will be automatically suspended until and unless such evidence is presented.

The contract must contain at least the following clauses:

1. Commitment of the Institution to offer courses in occupational demand according to the List submitted and approved by the Labor Development Program.
2. The Institution must have the necessary equipment, materials, tools and educational personnel for the activity to be carried out.
3. The Institution must allow access to ALDLS officials, representatives of the Federal Department of Labor (DOL) and the Office of the Comptroller of Puerto Rico.
4. The Institution shall present evidence of the academic achievement of each participant that is part of the contracted activity.

**Section 6. Payment Methods**

All service providers will submit invoices and reports of the academic progress of the participants that are part of the activity to the ALDLS Program Area. The Program Area will certify the corresponding payment period and send the certification to the ALDLS Finance Department. The Finance Area will not process any payment without the certification of the Program Director and/or Area Supervisor. The procedure for payment for training services will be made taking into consideration the parameters of the Federal Pell Grant Program or as the case may be. Contracts will only be established with those Institutions that are on the State List of Training Service Providers and whose occupations are in demand in the labor market.

**Section 7. Placement**

At the time of employment, 100% of the participants must satisfactorily complete the training as stipulated in the proposal. Failure to achieve this placement will result in the retention of 20% of the total cost of tuition, except for the cost of books, entrance fee, graduation and others.

**Section 8.** Exceptions where services other than Individual Training Accounts (ITAs), Section 680.320, are used.

Service contracts will be used in lieu of ITAs when one or more of the following exceptions apply:

1. When the service provided is On-the-Job Training, Customized Training, Incumbent Worker Training or Transitional Employment.
2. When the Local Board determines that there are not a sufficient number of eligible providers in the Local Area to achieve the purpose of an ITA System Account.
3. The Local Plan must describe the process used in the selection of providers under a service contract. This process must include a 30-day public comment period.
4. When the Local Board determines that there is a training services program that demonstrates effectiveness and such training is offered by a Community Based Organization or other private organization serving individuals with barriers to employment. The Local Board must develop criteria to demonstrate that they have been effective, particularly if they apply to individuals with barriers to employment. Criteria include: financial stability of the organization, performance with the hard-to-serve clientele and compliance with the skills, certification or degree provided by the program design, and placement after training in unsubsidized employment.
5. When the Local Board determines that it may be more appropriate to contract with a higher level educational institution or other eligible provider of training services to facilitate the training of various individuals in demand industry sectors or occupations, which are not limited to the alternatives selected by the Local Board.

**Section 9.** This public policy shall become effective immediately upon approval by the Local Board.

In San Germán, Puerto Rico, this 24th day of July, 2019.



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Roque Abad Ramírez Palermo, WDB Local Board Chairman