

October 30, 2006

DWD ISSUANCE 08-06

Subject: Individual Training Accounts (ITAs) for Older and Out-of-School Youth

1. **Purpose:** To provide information regarding the waiver of the prohibition on the use of ITAs for older and out-of-school Youth at 20 CFR 664.510.

2. **Background:** Workforce Investment Act (WIA) 20 CFR 664.510 prohibits ITAs under Youth programs activities; however, individuals age 18 and above, who are eligible for training services under the Adult and Dislocated Worker programs, may receive ITAs through those programs.

3. **Substance:** In response to requests and to increase the flexibility to respond to Missouri's workforce challenge, the Division of Workforce Development submitted to the U.S. Department of Labor a waiver request to allow older and out-of-school Youth to enroll in approved ITA programs from the Eligible Training Providers list, while retaining their "Youth" classification. The waiver also includes the use of ITAs for Youth without the need to co-enroll under the Adult program, therefore eliminating the need to track separately across funding streams.

The goal of the waiver is to provide the state of Missouri and the Local Workforce Investment Boards (LWIBs) with additional flexibility in providing services to Youth, while retaining limited Adult funds to be used on Adult training services. This allows LWIBs to enhance the delivery of occupational skills training to their Youth customers.

Missouri was granted a waiver of prohibition on the use of ITAs for older and out-of-school Youth at 20 CFR 664.510 through June 30, 2007. ITAs should be administered to eligible older and out-of-school Youth in the same manner ITAs are administered to Adults and Dislocated Workers.

Training services shall be directly linked to occupations that are in demand in the local area, or in another area to which an Adult, Youth or Dislocated Worker receiving such services is willing to relocate, except that a LWIBs may approve training services for occupations determine by local board sectors of the economy that have a high potential for sustained demand or growth in the local area. (Section 134 (4)(iii)).

4. **Action:** This information should be distributed to appropriate staff.
5. **Contact:** If you have any questions regarding this Issuance, please contact Randy Cottrell, Manager, Adult and Youth Programs, at (573) 526-8242.
6. **Reference:** WIA (Reference Section134. (4)(iii) Pg-84), WIA Regulations 20 CFR 664.510.



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