

**MEMORANDUM**

**DATE:** July 1, 2022

**TO:** Local Workforce Development Board Executive Directors

**FROM:** Keantha B. Moore, Interim Chief, Bureau of One-Stop and Program Support *Keantha B. Moore*

**SUBJECT:** Implementation of and Workgroup Regarding Final Payment for Training Services through Individual Training Accounts

The Reimagining Education and Career Help (REACH) Act was signed into law and became effective July 1, 2021. Among other key changes, the REACH Act requires training services provided through Individual Training Accounts (ITA) to be performance-based, with successful job placement resulting in a final payment of at least 10 percent (Section 445.009(8)(3), Florida Statutes (F.S.)). This memorandum provides notification to Local Workforce Development Boards (LWDBs) and training partners regarding the requirement to implement this requirement at the local level.

As prescribed in 20 Code of Federal Regulations 680.300, under the Workforce Innovation and Opportunity (WIOA) Act, training services for eligible individuals are typically provided by training providers that receive payment for their services through ITAs. An ITA is a payment agreement between the LWDB and the training provider, established on behalf of a participant. Payments from ITAs may be made in a variety of ways, including the electronic transfer of funds through financial institutions, vouchers, or other appropriate methods. In accordance with 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.

Beginning July 1, 2022, the Florida Department of Economic Opportunity (DEO), CareerSource Florida, and the Florida Department of Education (DOE), with guidance from the REACH Office, will initiate steps to launch an implementation workgroup with a diverse group of stakeholders. Once established, the workgroup will move quickly to identify and finalize a list of any training services and expenditure types for which the 10 percent final (performance based) payment requirement can be applied. The workgroup will also establish an implementation schedule for this requirement. It is critical that our respective agencies have the participation of LWDBs and training partners in this process, to ensure we avoid any potential conflicts between state and federal law requirements for training services and expenditure types.

By October 1, 2022, LWDBs must begin updating training provider applications, revising (or establishing) training provider agreements, and/or updating ITA templates, as appropriate, to include the requirement to withhold a final payment of at least 10 percent until participants are successfully placed. Further, LWDBs must also begin revising local operating procedures governing the payment of ITAs to ensure local processes are established to effectively implement and track this requirement. Training providers should also explore their own policies to allow for

the deferment of fees for ITA recipients. Therefore, it is critical that we work collaboratively to identify any hurdles, possible workarounds, and implement Florida law with the greatest fidelity.

Should you have any questions or require additional information, please contact me at 850-245-7413 or [Keantha.Moore@DEO.MyFlorida.com](mailto:Keantha.Moore@DEO.MyFlorida.com), or Dee Robinson at 850-245-7401 or [Dee.Robinson@DEO.MyFlorida.com](mailto:Dee.Robinson@DEO.MyFlorida.com).

cc: Adrienne Johnston, Deputy Secretary, DEO  
Dr. Henry Mack, Senior Chancellor, DOE  
Kathy Hebda, Chancellor, DOE-Division of Florida Colleges  
Dr. Kevin O'Farrell, Chancellor, DOE-Division of Career & Adult Education  
Dee Robinson, Administrator, DEO  
Charles Williams, Administrator, DEO  
Isabelle Potts, Administrator, DEO