

TRANSMITTAL # 6

MEMORANDUM

June 13, 2013

TO: Workforce Development Council

FROM: Roger Madsen, Director

SUBJECT: "Industry Sector Grant" pilot program Guidelines and Criteria

ACTION REQUESTED: Approve proposed criteria for pilot program

Background

The Educational Attainment Task Force identified eight recommendations that would help achieve the goal of ensuring sixty percent of Idaho workers will have a degree, certificate, industry recognized credential or apprenticeship beyond high school by 2020. One of the recommendations adopted by the Workforce Development Council on March 13th is to establish a grant program using the state's Workforce Development Training Fund (WDTF) to incentivize industry-education partnerships to more effectively meet industry's employee skill-shortage needs.

Program Pilot

The WDTF Industry Sector Grant pilot program will offer a maximum of \$3,000,000 in awards with a maximum of three awards to be made during the initial pilot. Idaho public post-secondary institutions will be eligible to apply for a two-year WDTF Industry Sector Grant for up to \$1,000,000 per application. The Idaho Department of Labor will release a Request for Proposal (RFP) upon approval from the council. The draft guidelines and criteria for this grant are listed below. Based on the response and experience with the pilot, staff will recommend to the council any changes to the criteria for future Industry Sector Grant RFPs.

Purpose

The goal of the WDTF Industry Sector Grant is to increase employment and wages of Idaho workers by providing training to meet the needs of industry sector(s) to develop an applicant pool of skilled workers for Idaho businesses. Grant funds may be used by schools to develop new training programs or modify existing programs or building capacity to meet this need.

Guidelines

- Applicant must meet the following requirements:
 1. An Idaho public postsecondary institution,
 2. A minimum of three businesses who have the similar occupational training needs,
 3. A 25 percent cash match from business partners (in-kind contributions do not contribute to the minimum threshold),
 4. A targeted occupation labor market analysis that identifies the training needs for the industry
- The grant recipient and grant administrator is the public post-secondary institution
- The sector partner cash match will be required upfront when the project begins
- Partner businesses must sell a majority of their products or services (more than 50%) outside the area in which they are located
- Occupations must pay \$12+ an hour as supported with labor market information or pledged by employer partners
- Administrative costs will not exceed five percent of the WDTF grant award
- Equipment can be purchased with the 25 percent cash match; grant funds cannot be used to purchase equipment
- Grant will be approved for two years with the option for a one year no cost extension if outcome benchmarks are met

Expected Outcomes

- Increased number of trained workers who obtain employment
- Increased number of trained workers who obtain a wage gain or promotion
- Increased number of workers receiving an industry recognized credential and/or academic credit

Evaluation Process

- Staff members from the Idaho Department of Commerce, the Idaho Department of Labor, and the State Board of Education will score each qualifying grant application that meets the minimum criteria and rank them based on the criteria listed below.
- The directors of the Idaho Department of Commerce and the Idaho Department of Labor will make the final selection of the three pilot grantees based on the information provided by the scoring team

Minimum Criteria

- Industry sector partnership consisting of Idaho public postsecondary institution and a minimum of three Idaho employers formalized by a single MOA
- 25 percent cash match from business partners (in-kind contributions do not contribute to the minimum threshold)
- Labor market analysis for the targeted occupations(s)

Proposed Evaluation Criteria

Category	Definition
Employment	Points will be given for each job a business partner commits to fill with a graduate of the program
Wages	Points will be given for each \$1 per hour above the \$12 per hour minimum for the occupation being trained
Cash Contribution	Points will be given for each percent of funds contributed above the 25 percent minimum
Industry Partners	Points will be given for each partner above the minimum three businesses. This could include additional businesses, professional/trade associations, community based organizations, private schools, local economic development agencies or labor unions.
Industry Sector Partnership Credential	Points will be given if graduates are awarded a credential that each industry partner has determined shows a basic skill level has been achieved.
Industry Recognized Credential	Points will be given if graduates are prepared to pass a national certification test that gives them a credential recognized by the industry on a national level to show a basic skill level has been achieved.
Apprenticeship	Points will be given if graduates will hold a nationally recognized apprenticeship to work in regulated professions
Academic Credit	Points will be given if graduates will receive academic credit that will be stackable should he/she chose to return to school at a later date.

Tentative Timeline

- June 13 - RFP criteria approved by Workforce Development Council
- June 28 - Release of RFP
- Sept. 6 - Deadline for RFP response
- Sept. 19 - Announcement of Sector Grant Awards

Staff Recommendation:

Adopt the proposed “Industry Sector Grant” criteria to begin pilot program.

Contacts:

Primary: Jenny Hemly (208) 332-3570 x 3480
 Secondary: Susan Simmons (208) 332-3570 x 3361