

## **TRANSMITTAL # 4**

### **MEMORANDUM**

**September 4, 2014**

**TO:** Workforce Development Council

**FROM:** Ken Edmunds, Director

**SUBJECT:** WDTF Industry Sector Grants for 2014

**ACTION REQUESTED:** Approve proposed criteria for pilot program

#### **Background**

In June 2013, the Workforce Development Council adopted one of the recommendations of its Educational Attainment Task Force 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. 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.

For the first year, the Council approved offering a maximum of \$3,000,000 in awards with a maximum of three awards to be made. Idaho public post-secondary institutions were eligible to apply for a two-year WDTF Industry Sector Grant for up to \$1,000,000 per application. The Idaho Department of Labor released a Request for Proposal (RFP) which applied the specific guidelines and criteria approved by the Council.

#### **Staff Recommendation**

Based on the success of first-round awards and workforce system interest in supporting on-the-job learning opportunities, staff recommend release of a second WDTF Industry Sector Grant using the following criteria – to further expand the workforce system's capacity to meet the needs of industry sector(s) and introduce a "learn and earn" concept to the projects. Recommendation is to approve funding of \$1,000,000 from the Workforce Development Training Fund. If more quality applications are received than the \$1,000,000 allotted under this transmittal, the Department would like to reserve the right to come back to the next Council meeting for consideration of additional dollars for the sector grants.

- Applicant must meet the following requirements:

1. An Idaho public or private 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 or private 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 grant dollars or with the 25 percent cash match; salary of business' training employee/trainer can be purchased with grant dollars or with the 25 percent cash match
  - 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 or private 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.
Learn and Earn (Apprenticeship)	Points will be given for each occupation of training where new worksite learning opportunities are incorporated into the curriculum; the business partner(s) provides structured worksite learning (paid internships, non-registered/registered apprenticeships, OJT's)
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

- Sept 4<sup>th</sup> RFP criteria approved by Workforce Development Council
- Sept 26<sup>th</sup> Release of RFP
- Dec 29<sup>th</sup> Deadline for RFP response
- Jan 31<sup>st</sup> Announcement of Sector Grant Awards

**RECOMMENDATION AMENDED BY THE COUNCIL:** The Council approved Transmittal #4 with amendments to include only accredited institutions and the number of people served and cost per participant in the evaluation criteria.

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