

Skilled Trades Training Fund Frequently Asked Questions



These FAQs were developed as a supplement to the Skilled Trades Training Fund (STTF) Program Overview and Application Guidelines. Questions regarding the STTF can be directed to skilled@michigan.gov.

- 1. Q What are the proposal submission deadlines for the STTF program?**
A Proposals may be submitted throughout the year until funding is depleted.
- 2. Q When must STTFs be expended?**
A All STTFs must be expended by September 30, 2014
- 3. Q How will I be notified about the status of my application?**
A The Michigan Strategic Fund (MSF)/Workforce Development Agency (WDA), which administers the STTF, will keep Michigan Works! Agencies (MWAs) informed of the status of their proposals within three working days from the date of receipt.
- 4. Q How are eligible employers identified?**
A Any of the following partners have the ability to identify eligible employers who have a documented need for talent:

 - WDA
 - Michigan Economic Development Corporation
 - MWAs
 - Local Economic Developers
 - Michigan Community Colleges and other training providers
- 5. Q Who can submit a STTF application?**
A MWAs will submit applications on behalf of all local partners to ensure all available funding (federal, state, private) is identified and utilized in a strategic, braided manner.
- 6. Q Who will be awarded STTFs?**
A The local MWAs will be awarded STTFs and will administer the training consistent with the approved application.
- 7. Q Who is an eligible employer?**
A Any employer who meets the project guidelines, has a talent need, and is willing to collaborate with STTF partners.
- 8. Q What is an eligible industry or occupation?**
A Demand industries and occupations of regional importance, as identified by the key partners. Currently, there is a growing need statewide to fill positions in Manufacturing, Health Care, Agriculture, Informational Technology and Energy.
- 9. Q Who is an eligible training provider?**
A Michigan Community Colleges and other training providers identified by and agreed upon by all partners who are able to do accelerated “just-in-time” training.
- 10. Q Who is an eligible trainee/participant?**
A Any unemployed or underemployed Michigan resident, 18 years of age or older.
- 11. Q What are allowable training expenditures?**
A Allowable training expenditures include the actual costs of classroom training, wage reimbursement for On-the-Job Training (OJT), and any other reasonable cost required for the successful completion of training.

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12. **Q Is apprenticeship training allowable?**
A Yes, it must be a U.S. Department of Labor (USDOL)/Veterans Administration (VA) registered apprenticeship program.
13. **Q Why must an assessment of potential trainees, other than Incumbent Worker Training (IWT), be conducted?**
A Assessments of potential trainees must be conducted to ensure the individual has the capacity to successfully complete the training and to ensure they are an appropriate fit for the business.
14. **Q What is the role of employers participating in the STTF?**
A Participating employers must identify a training need, request STTFs, be involved in the design of the training, selection of the participants, agree to employ the trainees at the completion of training, and provide OJT following classroom training, if necessary.
15. **Q What financial commitments must the employer make?**
A There is no financial commitment required of the employer outside of full-time employment at the completion of training; however, resource contributions, including cash and in-kind, are considered in the evaluation of proposals.
16. **Q What is the role of the MSF/WDA in the development of a STTF application?**
A As necessary, MSF/WDA staff will convene meetings with the MWA, employer(s) and other partners to assist in the project design. MSF/WDA staff can also provide technical assistance during the project development phase and in completing the STTF application. To request technical assistance, e-mail skilled@michigan.gov.
17. **Q What is customized training?**
A Customized training is training specifically designed to meet the needs and special requirements of the participating employer.

The overall unique design and development of a training project creates customization. A truly customized training project meets an employer's specific training requirements, including customizing the curriculum, scheduling classes around the employees' work schedules, developing company-specific instructional examples, as well as addressing needs in real time with real situations.
18. **Q Is an employer match required for customized training under STTF, as is required with Workforce Investment Act (WIA) customized training?**
A No, however any employer dollars directed toward training should be indicated on the application as leveraged funds.
19. **Q Is there a maximum amount for a request?**
A No.
20. **Q Do trainees under STTF need to be entered in the One-Stop Management Information System (OSMIS)?**
A Only if they are receiving services or benefits under a funding source that requires entry into OSMIS. There will be a STTF identifier in the OSMIS that should be selected if the trainee is participating in the STTF and receiving services under another program (i.e. WIA, Wagner-Peyser, Trade Adjustment Assistance (TAA), Partnership. Accountability. Training. Hope. (PATH), etc.)

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21. **Q What are the criteria that will be reviewed to determine awards?**
A Criteria that will be reviewed:
- Jobs created
 - Jobs retained
 - Amount of leveraged funds
 - Documented training need
 - Credentials earned
 - Training will start four to six weeks from date of application
 - Amount of MWA supporting funds, i.e., WIA, Trade, etc.
 - Cost per participant
22. **Q Can a training provider submit an application?**
A No, all applications must be submitted by the Michigan Works! Agencies.
23. **Q Can training only take place in Michigan?**
A Preference would be for training to be completed in Michigan. If there is a documented need and rationale for training to occur out-of-state, and the local MWA is supportive of the proposal, submit it for review/consideration.
24. **Q What is an appropriate length of training?**
A With the exception of registered apprenticeships, training should be accelerated. Three month or less training duration is preferred.
25. **Q Since apprenticeships are not short-term training how is it envisioned that STTF be utilized?**
A STTF can help with apprenticeship start-up or to offset some of the employer(s) costs.
26. **Q What if a trainee starts classroom training and does not complete the training, do we reduce the payment to the training institution?**
A No, the training institution will be paid the entire amount of the contract. There will not be a reduction if someone does not complete classroom training.
27. **Q Will classroom training be paid for prior to start of training?**
A No, payment will be made after training has been completed.
28. **Q What is the definition of a “skilled trade?”**
A Examples of skilled trade occupations in Michigan can be found in the [Employment and Occupations in the Skilled Trade in Michigan](#) report, issued June 2013. The occupations are NOT limited to this report, it can be any documented need that will assist an employer to expand and grow.
29. **Q Can the names of the trainees change between application and start of training?**
A There will be times when employers identify workers other than those originally planned. This is not the desire but it may occur. Names cannot change once training begins.
30. **Q Can STTF be used for travel costs to send someone to training?**
A No, STTFs can be used for training costs only.

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31. Q What metrics/outcomes will be tracked?

A The following program metrics/outcomes will be tracked:

- Name and address of participating businesses by industry as listed in the North American Industry Classification System (NAICS)
- Amount of funding received by each business
- Amount of funding leveraged from each business (cash or in-kind) or other funding source by project
- Number of training models established by each business
- Number of individuals enrolled in a skilled trades training program per business
- Training completion rate by project
- Number of participants employed by the business at the completion of training
- Number of participants still employed at the business six months following the completion of training
- Participants' starting hourly wage at the completion of training
- Participants' hourly wage at six months following training completion
- Number of new positions created and filled the past six months following training completion that were outside of the STTF program

32. Q Is training for incumbent workers allowable?

A Yes, if the training increases the skills of the employer's existing workforce and their wage and the employer agrees to fill vacancies created as a result of the training with full time individuals referred by the local MWAs.

33. Q Is there a minimum number of hours that the training must be?

A No, there is not a minimum number of hours or weeks that training must be.

34. Q In addition to training, what are other allowable expenditures?

A STTFs may be used for administering the program and providing training related services to enable participants to successfully participate in training. MWA administrative costs are limited to five percent of each individual award.

35. Q Must employers provide a prevailing wage for participants?

A Following the completion of training, employers must pay wages that are equal to, or greater than the current regional labor market occupational wage for the applicable job title.

36. Q How does an employer document "demand?"

A By working with the MWA to determine whether or not the skill sets needed are available in the current labor pool.

37. Q Can staffing/temporary/leasing agencies receive funding under STTF?

A Proposals that include such agencies will be reviewed on a case-by-case basis.

38. Q We are on the border and our employers hire non-residents can we train non-residents?

A No, STTF is for Michigan residents only.

39. Q What is a NAICS code?

A The North American Industry Classification System (NAICS) has replaced the US Standard Industrial Classification (SIC) system. NAICS was developed jointly by the United States, Canada and Mexico to provide comparability in statistics about business activity across North America. You can access NAICS codes at: <http://www.census.gov/eos/www/naics/>

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40. **Q Can STTFs be used to purchase equipment?**
A No, STTFs cannot be used to purchase equipment. However, equipment purchased by a business and used during the training of participants should be counted as an employer match.
41. **Q Can STTFs be used for curriculum development?**
A No.
42. **Q Can STTFs be used for adult education and literacy?**
A No.
43. **Q Can STTFs be used for soft skills training or leadership training?**
A This type of training is not the intended purpose of STTF. If the soft skills training leads to employment, or in the case of IWT continued employment, STTF *could* fund. Federal funds should be leveraged in the case of soft skills/remedial training.
44. **Q What is the expectation for average cost per trainee in a STTF project?**
A Approximately \$1,500.
45. **Q What if we have training that will be higher than the targeted average?**
A If you can document the need and supply the rationale, submit the application and it will be reviewed.
46. **Q Does the MWA (or partner) have to competitively procure a training provider, or can they identify the provider in the application without procurements?**
A The MWA (or partner) does not have to competitively procure the training provider. However, training costs should be reasonable and the desired training provider should be identified in the application.
47. **Q Can STTFs be used to pay for training that is delivered through distance learning?**
A Distance learning is allowable only if the training cannot be obtained locally or within a reasonable travel distance.
48. **Q What are anticipated STTF outcomes/deliverables?**
A Participating businesses and employees with the necessary talent to compete, expand, and positively contribute to the local and state economy.
49. **Q What monitoring and oversight will be conducted by the MSF-WDA?**
A MSF/WDA will randomly monitor participating MWAs, including the review of business and participant documentation to ensure program eligibility and goals are being met.
50. **Q An employer has professional trainers on staff and the majority of the training material is proprietary. Is it allowable for the employer to provide all of the training and be reimbursed directly for the training?**
A Such training will be reviewed and approved on a case-by-case basis so long as demand is adequately documented.
51. **Q What is proprietary training?**
A Proprietary training is training which is owned and controlled by the business and/or third-party training provider and is subject to laws such as copyrights, patents, or trademarks. The control of the training curriculum usually is retained by the business or third-party training provider. It may be training on resources or equipment that is exclusive to a single business process. A business that wants to use its own training curricula in a STTF project must demonstrate a lack of capacity, or inability to, meet its own demand. An application must also explain why the business' infrastructure cannot support its training needs without the assistance of a STTF grant.

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- 52. Q How often should the MWA submit success stories?**
A At least quarterly but we strongly encourage stories to be submitted continually as projects are complete. Stories should be submitted on behalf of the employer, as well as participants and should include photos and release statements. Stories should be submitted to skilled@michigan.gov.
- 53. Q Can an employer participate in multiple STTF projects?**
A No. Employers may only participate in one STTF project per Fiscal Year (October-September).
- 54. Q How soon after the application is approved should training start?**
A Training should begin within four – six weeks from application.
- 55. Q Does STTF funded training have to be on the Career Education Consumer Report (CECR)?**
A No.
- 56. Q Are trainees paid a stipend while attending training?**
A No, STTF is to cover the cost of training only.
- 57. Q Can we use STTF for wage replacement on IWT?**
A No. The wages can be used as leveraged funds for the employer.
- 58. Q Who do we submit the STTF application to?**
A Applications must be submitted to skilled@michigan.gov.
- 59. Q Can more than one employer be in an application request?**
A Yes, the Michigan Skilled Trades Training Additional Employer Addendum will need to be completed.
- 60. Q How will funding be awarded?**
A Funding will be awarded to the MWA via MAIN (Purchase Order)
- 61. Q How will payments work?**
A The MWA will submit the training verification and/or follow-up form to the MSF/WDA to request payment. The MWA will then pay the training institution and/or employer.
- A payroll register, or other proof of employment from the employer, is required to verify employment at 60, 90 and 180 days for OJTs and 180 days for other training. The document must include wage data. No social security numbers are required.
- 62. Q Can a request for a cluster of employers cross MWA boundaries?**
A Yes, the lead MWA will be the sponsoring MWA of the application.
- 63. Q There is only room for eight names on the application, can additional participants be trained?**
A Yes, the Michigan Skilled Trades Training Additional Name Addendum will need to be completed.
- 64. Q If the funding is awarded quickly, are we to continue working on proposals?**
A We encourage partners to continue working and growing the relationships/collaborations and seeking to identify other funding sources to meet local employer demand.
- 65. Q Can we submit one application that has both new hire OJT and Incumbent Worker Training (IWT)?**
A Yes, a company may determine they need OJT and IWT training. Please identify after the worker's name if they are OJT or IWT i.e. Mary Smith - OJT or Joe Smith - IWT
- 66. Q How should we complete Section 2 Training Provider Information on the application?**
A In Section 2, check the box combination of both, briefly describe the training provided (can attach another document if there is not sufficient room). Name of training provider and training provider information can be for the classroom IWT, as we know OJT is all on-site at the employer.

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- 67. Q. What if we have an employer that is needing to do training with multiple vendors i.e. community college and private vendor. How do we complete Section 2 in this instance?**
- A.** In Section 2 state see attached training plan. Create a document that has all of the required training information on the application for each training/training provider and submit with the application. When saving the document save with the company or project name in the file name so we know which application it is to go with.