

Texas Skills Development Fund

Source of funds:

General Revenues of the State of Texas

Purpose of grants:

“To enhance the ability of public, community, and technical colleges to respond to industry and workforce training needs. To develop incentives for public, community, and technical colleges to provide customized assessment and training in a timely and efficient manner”

Job focus:

Funds are to be used primarily for new job creation and retention of jobs

Administration of program:

Administered by Texas Workforce Commission using direct grants through Texas community and technical colleges in partnership with employers

Accessing funds:

Start-up funding is available; reimbursed according to contract as needed to community or technical colleges

May be used to:

- ⇒ Pay for the development or purchase of customized training programs
- ⇒ Pay for training providers
- ⇒ Pay for instructional materials
- ⇒ Underwrite the administration of the grant program

May NOT be used to:

- ⇒ Pay training & related costs of an employer who relocates from one area of Texas to another
- ⇒ Purchase any proprietary or production equipment required for the training program of a single local employer
- ⇒ Pay the wages of trainees

Application format:

Two pages plus backup documentation

Amount of Funding:

\$25 million per biennium

Grant Period:

Twelve months, with extensions available in some circumstances

Training must end:

August 31st of the current year of the grant

Maximum amount per trainee available to any one employer:

Up to \$1,000 with a larger amount possible for small employers

Is the employer required to match the amount of the grant?:

No cash/in-kind match, but the Executive Director will take employer contributions into consideration when considering an application

Time frame for requesting funding:

- ⇒ A Texas community or technical college and one or more Texas employers present to the Director (or his designate) a joint proposal requesting funding for a customized training program or other appropriate use of the fund
- ⇒ There is a 60-90 day turn-around for completed applications

Grant application format:

http://www.twc.state.tx.us/svcs/funds/sdf_propform.doc

Proposals should be written and contain the following information –

- ⇒ A brief outline of the proposed training program
- ⇒ A brief description of the measurable training objective
- ⇒ A budget summary including anticipated program costs and resource contributions
- ⇒ An outline of the agreement between the prospective employer (or employers) and the Texas community or technical college
- ⇒ A statement explaining the actual or projected labor shortage in the occupation(s) of the trainees that is not being met by current training programs in the local area

Grant administration:

- ⇒ The director of the Texas Workforce Commission or his designate is responsible for the distribution of money

- ⇒ The Director is not required to fund all proposals for customized training programs that are submitted
- ⇒ The Director may allocate the use of funds throughout the biennium at his discretion
- ⇒ The Director may limit the amount of any grant
- ⇒ 25% of the funds are withheld for 90 days until a final report on the project is provided to the Director from the community or technical college

Grant application contact:

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Please email question and comments to travis.weaver@twc.state.tx.us

Additional information for grant application:

The Executive Director may also consider the following information when evaluating proposals –

- ⇒ Number of jobs created or preserved
- ⇒ Proposed initial wages for trainees at the end of training
- ⇒ The prevailing wage for that occupation in the local labor market
- ⇒ Proposed wage increase over the duration of employment
- ⇒ The proposed employment benefits
- ⇒ Proposed duration of employment
- ⇒ Transferability of skills gained through training
- ⇒ The nature of skills acquired through training
- ⇒ A comparison of trainee costs to community or technical college's costs for similar instruction
- ⇒ Resources committed by the employer or employers to the training project
- ⇒ The financial stability of the employer or employers
- ⇒ The regional economic impact of the training project