

WORKFORCE DEVELOPMENT PROGRAM

The South Dakota Workforce Development Program is a commitment by the State of South Dakota to extend education and training resources so that South Dakota employers will be provided with a well-trained and skilled workforce. Through matching grants, the Workforce Development Program funds industry-education partnerships through which customized training programs and short-term, job-specific training is delivered. The Workforce Development Program supports up to one-half the total cost of training

ELIGIBILITY REQUIREMENTS

To be an eligible training program, the project must fit into one of two types of training, provide skill training as outlined, and meet the wage requirements.

Types of Training to be Provided

The Workforce Development Program can provide funding for both new and current employee training. In order to be eligible to apply, companies must meet the details outlined below. In order to be eligible for funding, trainees must work from the company's South Dakota location.

1. **New employee training**

- The positions for training must be new positions created by a new company or the expansion of an existing company.
- Openings created by turnover or retirement are not eligible for funding.

2. **Current employee retraining**

- The training project needs to out-of-the-ordinary training and beyond what is needed in the normal course of business. Examples include:
- Training for a new piece of equipment
- New certification (cannot include continuing education to maintain an existing certification.)
- Opportunity for trainees to move into a new position that require different or additional skills than used in the current position.
- **Trainees must receive an increase in their wages as the result of the training.**

Eligible Companies

Priority will be given to companies which are considered a key industry of the Governor's Office of Economic Development. A current list of key industries can be found at:

<https://sdgoed.com/key-industries/>

Wage and Benefit Requirements

In order to qualify for the Workforce Development Program, companies must meet the wage and benefit requirements for the program. Employees must be full-time employees in order to be eligible for training through the program.

Wages

- Companies must pay a minimum of \$18.50 per hour.
- The wage requirement considers only the base wage and does not include any incentives or benefits.
- Employee wages will be compared to prevailing wages for comparable jobs based on labor market information published by the South Dakota Department of Labor. If the wages presented in the application are not comparable, it may be grounds to deny the application.
- A waiver for the wage requirement may be granted at GOED's discretion to companies located in communities of fewer than 5,000 people.

Benefits

- It is expected that a company will provide a benefit package which includes health insurance with a portion of the premium paid by the company.

Skills Eligible for Funding

Skills, as defined by the Workforce Development Program, can be broken down into three groups.

1. Hard Skills – Hard skill training deals with the technical and functional aspects of the job.
2. Soft skills – Soft skills can enhance job performance by supplementing the hard skills. Soft skills are interpersonal skills such as communication, teamwork, problem-solving, leadership, and conflict resolution.
3. Basic Academic Skills – Academic skills training focuses on reading, writing and mathematics. This training would provide assistance to individuals with remedial academic skills.

The basic goal of the Workforce Development Program is to assist businesses with the cost of training for hard skills. The program will only consider funding for soft skill and academic training if it is conducted in conjunction with hard skill training.

Number of employees

Companies must provide the current number of employees at their South Dakota location(s) in their application and provide updated numbers as the training is completed and trainee reports are submitted. These numbers will be used to establish benchmarks. For companies that have previously used the program, the current number of employees listed in the application should meet or exceed the benchmark established by their latest grant in order to be eligible for new funding. Companies who have not used the program in the past five (5) years may request a waiver to establish a new benchmark.

PROGRAM POLICIES & MANAGEMENT

Funding Priorities

Priority for funding will be given to the projects which:

1. Promote the location of a new business or industry
2. Provide an increase in wages for participating employees upon completion of the training program
3. Provide a skill to employees that is transferable among companies and/or industries
4. Serve communities where there is a shortage of skilled labor to meet job demands
5. Provide program development and training for several companies within an industry with a skilled labor shortage

Financial Participation

The Workforce Development Program will fund up to 50% of the total eligible training costs. The program requires that every dollar of Workforce Development funding be equally matched by the company.

The actual percentage that the program will provide will be based on the base wage, the increase to the base wage, benefits, the skills provided by the training, the length of the training and the number of trainees. A typical award amount is \$1,000 per trainee.

Expenses that are eligible to be included in the budget include the following:

- Wages
- Benefits
- Value of the equipment during the training period (Workforce Development funds cannot be used to purchase equipment).
- Consumable supplies
- Training related travel

Grant Reporting

Companies will need to submit two reports in order to receive their Workforce Development Program funds. The initial report is submitted as the training is completed and contains the name, social security number, and wage at the start of the training for each individual who completes the training program. It must contain a signed statement that the training described in the application has been completed for the individuals listed and that the individuals were trained for and employed at the project location in South Dakota. Final, the initial report must document the current number of employees at the company. The follow-up report is submitted six months after the initial report and contains the current wage information for those individuals submitted in the initial report.

Grant Payments

Payments on the grant are made on a per person, reimbursement basis. Upon receipt of the initial report, the majority of the funding for each individual will be paid to the company. The remaining balance will be paid when the follow-up report is received.

Confidentiality Statement

South Dakota Codified Laws 1-16G-11(BED); 1-16B-14.1(EDFA); DOCUMENTARY MATERIAL CONSISTING OF TRADE SECRETS EXEMPT FROM DISCLOSURE - Any documentary material or data made or received by the applicable board or the GOED for the purpose of furnishing assistance to a business, to the extent that such material or data consists of trade secrets or commercial or financial information regarding the operation of such business, may not be considered public records, and shall be exempt from disclosure pursuant to the provisions 1-16G-3 to 1-16G-11 inclusive or other applicable law. Any discussion, consideration of, or action upon such trade secrets or commercial or financial information by the applicable board may be done in executive session closed to the public, notwithstanding the provisions of the open meeting laws of this state.

Please NOTE that except for loan applications made to the Board of Economic Development, the name of the applicant, the location of the applicant, the grant or loan amount and the number of persons to be employed or trained are not confidential. Once an application is approved, the name of the company, the location of the company, the grant or loan amount and the number of employees to be employed or trained is not confidential.

APPLICATION PROCESS

The Governor's Office of Economic Development will provide technical assistance to help develop the Workforce Development Program application. Technical assistance is provided to help identify approaches and ideas necessary to develop a successful project.

The attached application (pages a-e) must be completed and **submitted at least three weeks before training is scheduled to begin**. The application must contain the following:

- Business and Project Information (pages a & b)
- Budget Detail (pages c & d)
- Program Narrative (page e & f)

Send the completed application to:

Workforce Development Program
Governor's Office of Economic Development
711 East Wells Avenue
Pierre, SD 57501
Phone: 605-773-4633
e-mail: Stephanie.Deyo@state.sd.us

Upon receipt of the application, it will be reviewed for completeness and clarity. The company will be contacted for any additional information. The application will be reviewed by the grant committee to determine approval of the grant and the amount of funding. Applicants should expect a response approximately 30 days after submitting a completed application.

The application form can be found online at:

<https://sdgoed.com/financing-incentives/workforce-development/>