



# **SUCCESSFULLY LEVERAGING JOB TRAINING INCENTIVES AND RESOURCES**

**October 25, 2012**

**Missouri Economic Development Council**

# MISSOURI'S COMMUNITY COLLEGE NETWORK

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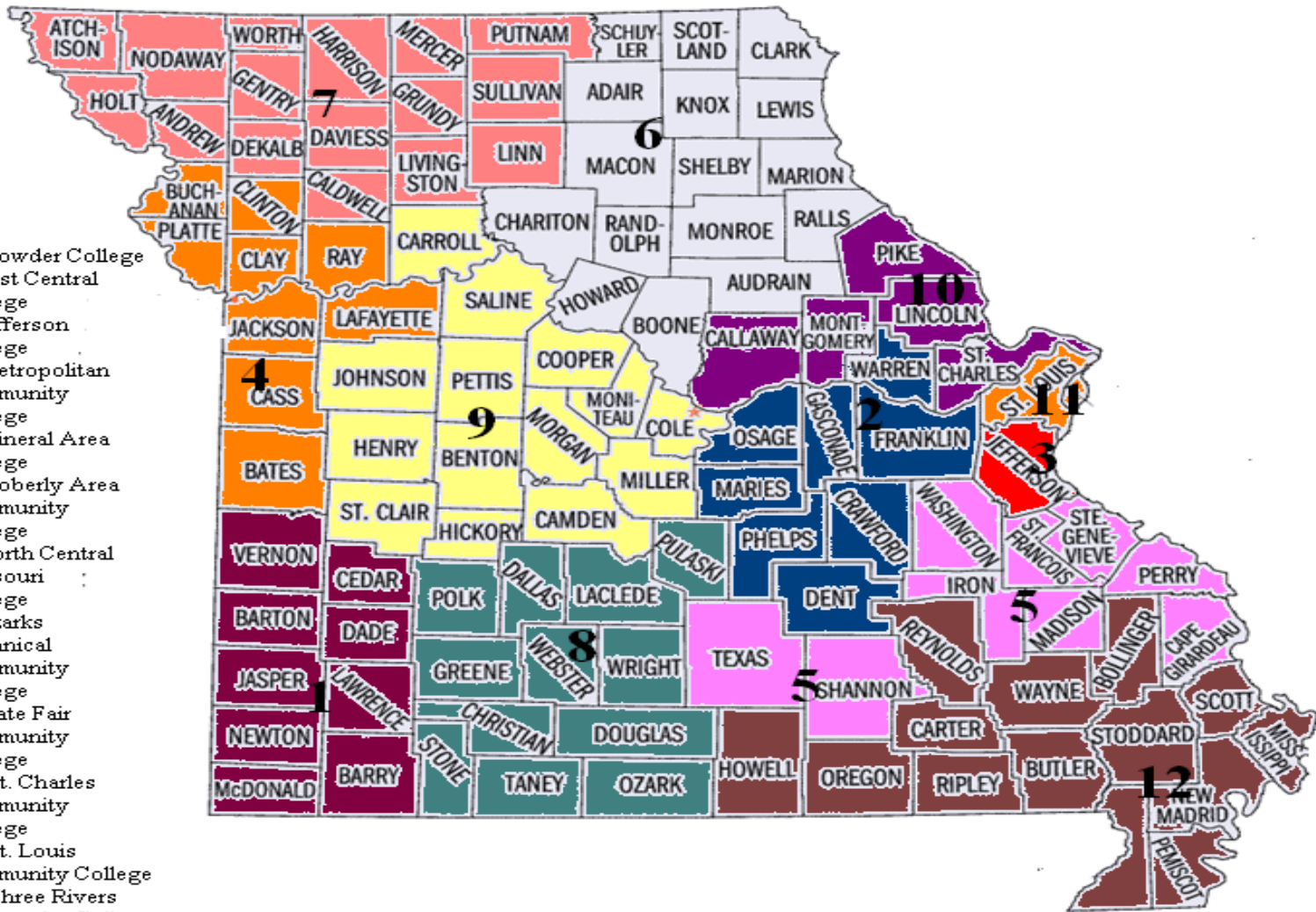
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# MISSOURI'S COMMUNITY COLLEGE NETWORK

- 1. Crowder College
- 2. East Central College
- 3. Jefferson College
- 4. Metropolitan Community College
- 5. Mineral Area College
- 6. Moberly Area Community College
- 7. North Central Missouri College
- 8. Ozarks Technical Community College
- 9. State Fair Community College
- 10. St. Charles Community College
- 11. St. Louis Community College
- 12. Three Rivers Community College



# ACCORDING TO SITE SELECTORS...

- *While costs, transportation, and infrastructure remain critical, states focused on providing customized labor training to meet the needs of modern businesses can also tout a steady supply of trained labor, an asset that is again moving to the forefront. –Area Development Magazine*
- *Manufacturing has returned by many accounts, but skilled workers are scarce. –Site Selection Magazine*
- *Preparing skilled employees is a critical part of the economic development process, and a dealmaker or breaker to companies seeking new locations. –Area Development Magazine*



# RANKING CRITICAL SITE SELECTION DRIVERS

## HQ/Back Office

- 1.Labor Availability
- 2.Labor Cost
- 3.Real Estate Availability
- 4.Incentives
- 5.Business Climate
- 6.Disaster Recovery
- 7.Accessibility

## Manufacturing

- 1.Labor Availability
- 2.Labor Cost
- 3.Logistics
- 4.Business Climate
- 5.Real Estate Availability
- 6.Regulatory Environment
- 7.Utilities & Infrastructure
- 8.Incentives

## Distribution

- 1.Logistics
- 2.Labor Availability
- 3.Labor Cost
- 4.Real Estate Availability
- 5.Business Climate
- 6.Incentives

-Site Selection Group



# MISSOURI'S JOB TRAINING PROGRAMS

- Missouri Customized Training
- Community College New Jobs Training Program
- Community College Job Retention Training Program



# MISSOURI CUSTOMIZED TRAINING PROGRAM

- Funded through & subject to annual appropriations
- Annual application process
- Operates on state's FY
- Can be used with other DED incentive programs
- Extremely competitive funding, only fraction of applicants receive approvals
- Applicants must be creating new jobs in MO or retraining existing employees as a result of expansion
- No geographical consideration
- Individual award amount based on need



# MISSOURI CUSTOMIZED TRAINING PROGRAM

- Evaluation criteria
  - # of Jobs Created
  - # of Jobs Retained
  - Targeted Industries
  - Wages of New Jobs
  - Type of Training
  - Wages of Trainees
  - Capital Investment
- Overall competitiveness compared to statewide application submissions
- Those companies receiving a MCT offer in an incentive proposal are given funding priority





# MISSOURI CUSTOMIZED TRAINING PROGRAM

- Eligible Training Expenses
  - Classroom training
  - Curriculum development hours
  - Company specific training
  - Internal instructor salaries
  - Assessments
  - Job Aids
  - Consumable Supplies
  - Vendor training



# MISSOURI CUSTOMIZED TRAINING PROGRAM

## ○ Ineligible Training

- Safety training
- Software
- Company orientation/sexual harassment/diversity
- OSHA Training
- Training equipment
- Trainee wages
- Training expenses of non-Missouri residents



# MISSOURI CUSTOMIZED TRAINING PROGRAM

## ○ Application Process

- LEA works with company to compile application
- LEA submits application in DWD Computer System
- DWD reviews all applications and rates them for funding
- DWD contacts LEA regarding those that are approved
- LEA communicates approval with company
- LEA communicates denials for non-funded apps
- LEA provides oversight of training activity
- Company sends LEA training expenses
- LEA reviews training expenses
- LEA requests reimbursement from DWD to company
- DWD processes reimbursement/payment to company
- LEA receives 15% admin fee with reimbursements



# COMMUNITY COLLEGE NEW JOBS TRAINING PROGRAM

- Provides assistance in reducing the cost associated with expanding a workforce or locating a new facility in the state of Missouri through training services
- Discretionary program to encourage significant development to occur
- Funded through withholding taxes of new jobs
- Can be used with other DED incentive programs
- Typically  $\geq 100$  new jobs within one year
- No geographical consideration
- Must pay competitive wages
- Type of industry taken into consideration



# COMMUNITY COLLEGE NEW JOBS TRAINING PROGRAM

- Funding amount based on company's training need
  - Cannot exceed 2.5% of gross wages first 100 jobs and 1.5% for the remaining jobs in the project
  - Withholding credits are claimed for an average of 405 years to pay for project costs
- Community College contact can work with DWD to incorporate NJTP in proposal process if employee training is important



# COMMUNITY COLLEGE NEW JOBS TRAINING PROGRAM

- Eligible training:
  - Pre-employment training
  - Instructor costs
  - Travel costs for training events
  - On-the-job training expenses – restrictions
  - Classroom training
  - Curriculum development hours
  - Company specific training
  - Internal instructor salaries
  - Assessments
  - Job Aids
  - Consumable Supplies
  - Vendor training
  - Training equipment
  - Safety training
  - Non-Missouri residents are eligible for training





# COMMUNITY COLLEGE NEW JOBS TRAINING PROGRAM

- Ineligible Training
  - Trainee wages, except during approved OJT



# COMMUNITY COLLEGE NEW JOBS TRAINING PROGRAM

## ○ Application Process

- Company receives MO proposal with NJTP included
- Once announced, CC submits NOI to DWD on behalf of company
- Once NOI is approved, CC works with company to complete application with training plan
- Once approved by DWD, subject to CC board approval
- Once approved by DWD and board, CC will work with legal counsel and company to complete legal documents
- Once legal docs are executed, company can begin to claim withholdings and begin reimbursement process
- CC processes all reimbursements and ongoing monitoring of project
- CC receives 15% admin fee on reimbursements



# COMMUNITY COLLEGE JOB RETENTION TRAINING PROGRAM

- Provides assistance in reducing the cost associated with retraining employees at an existing facility in the state of Missouri  
Discretionary program to companies to stay in Missouri
- Funded through withholding taxes of existing jobs
- Can be used with other DED incentive programs
- Typically  $\geq 100$  retained jobs within one year
- No geographical consideration
- Must pay competitive wages
- Type of industry taken into consideration



# COMMUNITY COLLEGE JOB RETENTION TRAINING PROGRAM

In addition to being determined at-risk, businesses must also meet one of the following criteria:

- Have made a substantial investment in new technology;
- Be located in a border county of the state and represent a potential risk of relocation from the state; or
- Be determined to represent a substantial risk of relocation from the state by the Department of Economic Development.



# COMMUNITY COLLEGE JOB RETENTION TRAINING PROGRAM

- Funding amount based on company's training need
  - Cannot exceed 2.5% of gross wages first 100 jobs retained and 1.5% for the remaining retained jobs in the project
  - Withholding credits are claimed for an average of 405 years to pay for project costs
- Community College contact can work with DWD to incorporate JRTP in proposal process if employee training is important



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# OTHER ED AREAS OF ASSISTANCE

- Workforce training
- Consulting Services
- WorkKeys assessments/profiling – NCRC
- Partner with counties for MO's Certified WorkReady Community Initiative
- Labor market information
- Selling the area's workforce to prospects
- Letters of support



# QUESTIONS?

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