

Skilled Trades Training Fund Frequently Asked Questions (FAQs)



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

- 1. Q What is a good guiding principle for the use of the STTF?**
A The overarching goal of the STTF is to provide a marketable skill or recognized credential for individuals being trained.
- 2. 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.
- 3. Q Who is an eligible trainee?**
A Any Michigan resident, 18 years of age or older.
- 4. 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.
- 5. 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, as long as the number of trainees does not change.
- 6. 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. Proprietary schools must be licensed in Michigan, see question #19 for additional details.
- 7. Q What are allowable training expenditures?**
A Allowable training expenditures include the actual costs of classroom training, wage reimbursement for individuals to be hired, on-site training, and any other reasonable cost required for the successful completion of training.
- 8. Q Is apprenticeship training allowable?**
A Yes, for new apprentices only, and it must be a U.S. Department of Labor (USDOL)/Veterans Administration (VA) registered apprenticeship program.
- 9. Q Can a training provider submit an application?**
A No, all applications must be submitted by the Michigan Works! Agencies (MWA's).
- 10. 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, it may be submitted for review/consideration.
- 11. Q What is an appropriate length of training?**
A With the exception of registered apprenticeships, training should be accelerated. Three months or less training duration is preferred.
- 12. Q Since apprenticeships are not short-term training, how is it envisioned that STTF be utilized?**
A STTF can help with apprenticeship start-up to offset some of the employer(s) costs.

Skilled Trades Training Fund Frequently Asked Questions (FAQs)

13. **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.
14. **Q Can STTFs be used for soft skills training or leadership training?**
A No.
15. **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.
16. **Q An employer has professional trainers on staff and the majority of the training material is exclusive. 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.
17. **Q What is exclusive training?**
A Exclusive 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.
18. **Q How soon after the application is approved should training start?**
A With the exception of apprenticeships, all training should begin within four – six weeks from application approval.
19. **Q Do proprietary institutions need to be licensed?**
A Yes, any proprietary institution providing training must comply with Public Act (PA) 148 of 1943, Private Trade Schools, Business Schools and Institutes, which includes:

MCL 395.101 Sec. 1. (1) A person shall not operate a proprietary school in this state without a temporary permit or license from the department under this act. The department shall prescribe the form of license and temporary permit.
MCL 395.101a (b) "Person" means an individual, partnership, corporation, limited liability company, association, organization, or other legal entity.
(c) "Proprietary school" means a school that uses a certain plan or method to teach a trade, occupation, or vocation for a consideration, reward, or promise of any kind. Proprietary school includes, but is not limited to, a private business, trade, or home study school. Proprietary school does not include any of the following:
(i) A school or college possessing authority to grant degrees.
(ii) A school licensed by law through another board or department of this state.
(iii) A school maintained or a program conducted, without profit, by a person for that person's employees.

If it is determined locally that an institution identified to provide training under the STTF requires licensing, the forms necessary to begin the licensing process can be obtained at the following address: http://www.michigan.gov/lara/0,4601,7-154-35299_61343_35414_60647_2739---,00.html

Skilled Trades Training Fund Frequently Asked Questions (FAQs)

- 20. Q How do I know if a proprietary school is licensed?**
A To determine if a school is licensed in the State of Michigan visit www.michigan.gov/pss, click on “check a license” at the right hand side of the screen. You can search by Name, License Number or Location. When searching by a name, it will ask for license type, simply select state (MI) and it will conduct the search.
- 21. Q Does a training provider need to be licensed by the State of Michigan?**
A Training institutions may be subject to licensing if they meet legislated criteria displayed on the Michigan Department of Licensing and Regulatory Affairs web site at:
http://www.michigan.gov/lara/0,4601,7-154-35299_61343_35414_60647_2739---,00.html
- 22. Q Who is an eligible employer?**
A Any private or non-profit employer who meets the project guidelines, has a talent need, and is willing. Governmental agencies and institutions are ineligible to apply.
- 23. 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
- 24. 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.
- 25. Q Can a company be reimbursed for training they have already completed?**
A No, STTF can only cover the costs of training in an approved training plan.
- 26. 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.
- 27. 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.
- 28. Q Can an employer participate in multiple STTF projects?**
A An employer may only participate in one STTF project per Fiscal Year (October-September) per business location.
Businesses that have multiple locations in the State have two options:
- Submit one application that covers multiple locations, or
 - Each location may apply independently.
- Funding is driven by the most need and total funding is not guaranteed.

Skilled Trades Training Fund

Frequently Asked Questions (FAQs)

29. **Q If a company is currently utilizing a staffing service and they wish to bring the individual(s) on to their payroll, would they qualify for STTF?**
- A** Potentially, all applications are reviewed on a case-by-case basis. If the company is going to be hiring and training them into a permanent full-time employee to a position that is different than the work done as a staffing employee or is increasing their skills, they could potentially be eligible for STTF. If the individual is going to be doing the same job, with no increase of skills or responsibility then STTF would not be necessary as the individual is trained on that job. It is not the intent of STTF to train individuals for a job they are already doing.
- Example:** ABC Company currently has ten individuals who are working through a staffing agency doing assembly line work. They have identified six individuals that they'd like to hire and train as machine operators; this would be acceptable as it is a different job. If ABC had wanted to hire them on as assemblers and had not increased their job skills/responsibilities they would not be eligible for STTF as the job had not changed and STTF would not be needed.
30. **Q How do I get a STTF application?**
- A** Contact your local Michigan Works! Agency lead for STTF, visit our Web site at www.michigan.gov/wda for a list of all the contacts.
31. **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 and private) is identified and utilized in a strategic, braided manner.
32. **Q Who will be awarded STTFs?**
- A** The local MWA's will be awarded STTFs and will administer the training funds consistent with the approved application and training plan.
33. **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.
34. **Q What are the proposal submission deadlines for the STTF program?**
- A** Proposals may be submitted throughout the year until funding is depleted.
35. **Q How am I notified about the status of my application?**
- A** Michigan Strategic Fund (MSF)/Workforce Development Agency (WDA), which administers the STTF, will keep the MWA's informed of the status of their proposals.
36. **Q Can more than one employer be in an application request?**
- A** Yes, we encourage collaborative efforts to reduce training costs.
37. **Q Are there a minimum number of trainees required to complete an application?**
- A** No, an application may be submitted to train one individual.
38. **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/>

Skilled Trades Training Fund

Frequently Asked Questions (FAQs)

39. **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.
40. **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.
41. **Q Is there a maximum amount for a request?**
A No, however, there is a maximum amount per trainee - \$1,500 for all training, except new apprentices which is \$3,000.
42. **Q Will classroom training be paid for prior to start of training?**
A No, payment is made after training has been completed.
43. **Q Can STTF be used for travel costs to send someone to training?**
A No, STTFs can be used for training costs only.
44. **Q Are trainees paid a stipend while attending training?**
A No, STTF covers the cost of training only.
45. **Q Can STTF be used to purchase equipment?**
A No, the STTF cannot be used to purchase equipment. However, equipment purchased by a business and used during the training should be counted as an employer contribution.
46. **Q Can STTFs be used for curriculum development?**
A No, this is not an allowable expense with STTF.
47. **Q When must STTFs be expended?**
A All STTFs must be expended by September 30, 2015.
48. **Q What monitoring and oversight is conducted by the MSF/WDA?**
A MSF/WDA randomly monitors participating MWA's, including the review of business and participant documentation, to ensure program eligibility and goals are being met.