



Skilled Trades Training Fund

An Overview

What is the Michigan Skilled Trades Training Fund (STTF)?

- A flexible, **employer-driven** training fund that began October 2013.
- Intended to **fill skill and funding gaps**.
- For **short-term training** in high-demand occupations that pay competitive wages.
- Benefits the employer, but also creates new **jobs and/or wage growth** for trainees.

Quick Tip

- Despite the name, the “Skilled Trades” Training Fund supports training for in-demand occupations that pay competitive wages in:
 - Agriculture
 - Energy
 - Healthcare
 - Hospitality
 - Info Tech
 - Manufacturing

History

- Last year, STTF began Oct 1st, and the \$10M fund was gone by December 20!
- Employers in our region submitted six proposals through Northwest Michigan Works.
- All were funded.
- We expect this year's \$10M fund, which begins Oct 1st, to be gone even faster!

Who is Eligible?

- Businesses with Michigan presence, in good tax standing , and that pay wages equal to or better than local prevailing wages.
- Trainees that are over 18, and US Citizens/
Michigan Residents (i.e. legally able to work)

Who conducts the Training?

- Any training provider licensed in Michigan.
- Employers, if training is exclusive in nature.
- Vendors, for training in operation of equipment/systems they provide.

Types of Training

Classroom Training:

- For existing employees or new hires (who must be hired after Application is approved).
- Can be taught on-site, at school, or online.
- Lead to a credential.
- Short-term in duration (typically <3 months).
- STTF will support \$1,500 max per trainee.

Types of Training

On-the-Job Training:

- On-site training for new hires only (who must be hired after Application approval)
- Wage reimbursement (sliding scale based on retention)
- Short term duration (typically <3 months)
- STTF will support \$1,500 max per trainee

Types of Training

Apprenticeship:

- Must be USDOL Registered or Veterans Administration Approved Apprenticeship
- For new apprentices only (the apprentice can be a new hire or existing employee who is new to the position).
- STTF will support \$3,000 max per apprentice.

Training Timeline

With the exception of Apprenticeships:

- Training should begin 4-6 weeks after Application approval.
- Training length should be 3 months or less.

Grant Timeline

- Apply for STTF Grant & Get Approval
(If new hire training, employee start date is after grant approval date)
- Enter STTF Contract with Northwest MI Works!
- Pay for and Complete Training
- Verify that employees are still working for you and making competitive wages.
- Get Reimbursed by Northwest MI Works! for the STTF grant amount.

Successful STTF Applications are...

- **Employer-driven**: employer expresses immediate need and can tell “story”
- **Fill gaps**: the funds are used in conjunction with other sources, including employer and partner contributions
- **Short-term**: STTF training starts and ends soon (but can be part of a longer/larger project).
- **Creates opportunity**: **new jobs and/or wage growth.**

How to Apply

- Employer, Business Liaison, and Training Partner(s) work together on competitive training project.
- Employer fills out Application & Training Plan, submits to Northwest MI Works!
- Northwest MI Works! completes Application and submits to State.
- Turnaround time ~ one week.

The Application and Training Plan will be available through Northwest Michigan Works! on October 1st.



Scoring Criteria	Weight
Rationale	30 points
Amount of Employer Leveraged Funds	15 points
Amount of MWA Leveraged Funds	15 points
Planned Cost Per Trainee	10 points
Training Start Date	10 points
Training is Short-Term in Duration (Apprenticeships are an exception)	10 points
Company Employs Less Than 50 People	5 points
Amount of Other Partner Leveraged Funds	5 points
Training Results in a Credential	5 points
The Company Did Not Receive a STTF in FY14	5 points
New Apprenticeship Training	5 points
Total	115 points

Application Tips – “Leveraged Funds”

- Leveraged funds are your and your partners’ contributions toward the project. They are not reimbursable costs.
- Calculate the total training investment for the entire project (even if investments happened before Oct.)
- Include cash and in-kind contributions.

“Leveraged Funds” Examples

- Cost of training, including related training classes
- Wages paid to trainees during training
- Wages paid to OJT trainer
- Facility costs
- Travel costs
- Tools, equipment, computers
- Testing fees
- Curriculum development
- Training dollars from Michigan Works!, New Jobs Training Fund, or MEDC.
- Training material, travel or facility costs provided in-kind by training providers.
- Tax abatements
- Other economic development incentives that are related to the training project.

Application Tips, cont.

- Tell a **compelling story** about what the funds will allow you to do – reference **job and/or wage growth**.
- Include **leveraged funds**, at least a 1:1 ratio.
- Don't ask for exactly \$1,500, **calculate the amount** that's truly needed.
- Apply for **training that's happening soon**, beginning 4-6 weeks after Application approval.
- Use STTF for a small portion of a larger project that **involves lots of partners**.

Get Started

Contact your Business Liaison:

www.nwm.org/business-liaison

231-922-6920

