

# Skills Development Fund Checklist for Colleges

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When developing a Skills Development Fund (Skills) project Colleges are required to adhere to the following:

## **Project Design**

1. Ensure coordination during development of a project with both the Local Workforce Development Board and appropriate local economic development entities in the area where the business is located or where trainees will be working.
2. Ensure that businesses have not participated in a Skills grant during **the 6 months prior** to a current application submit date. Exceptions include projects with 100% new hires, or a business at a different location, a different product line, and with a different training scope from the previous project.
3. Confirm that incumbent worker training is not included in a proposal unless there is a wage increase commitment from the business.
4. Confirm that Electronic Medical Records training is provided by the college and not a third-party vendor.
5. Confirm that proprietary training is limited to 50% of the total training hours and that at least 50% (in hours and costs) of the training is provided by the college. Exceptions may be considered for a new business with new jobs and training needs that could not be readily developed by the college
6. Ensure business technical skills training is at least 55% of total training hours. General technical skills training may be up to 45% of total training hours and non-technical skills training must not be more than 10% of training hours. However, if the proper justification is provided, flexibility may be granted for the business and general technical category percentages.

## **Budget**

1. Ensure equipment requests do not include the purchase of laptop computers, scanners and projectors.
2. Confirm that funds are not used to pay for trainee or instructor travel costs. Instructor travel costs may be included in the cost of training if travel cost is incurred to deliver customized training.
3. Adhere to \$500,000 grant cap for a single business unless a commitment letter has been issued by the agency, or request a waiver and provide rationale if costs exceed this limit.
4. Limit Lean and Six Sigma training to \$1,420 per trainee, per course with additional costs borne by the business as an in-kind contribution to the project.

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## **Regulatory Integrity Division (RID) Information**

Ensure that employer partners are aware that the following elements will be reviewed during the RID process.

1. TWC Tax Account
  - Checks for any outstanding balances, reports, and for correctly reporting employees.
  - Checks the number of employees reported each quarter on tax report.
2. Secretary of State
  - Ensures business is properly registered to conduct business in Texas, and if appropriate, verifies correct entity name, etc.
  - Reviews Franchise Tax if appropriate for the type of business. (Note: The employer partner is expected to keep all taxes, certifications or licenses current while the SDF proposal is under consideration and during the period of a grant if it is awarded.)
3. Labor Law unit reviews for any wage claims that have been filed, determinations and any outstanding balances.
4. Comptroller
  - Ensures that the employer does not have any holds placed on it by other state agencies and ensures there are no other outstanding delinquencies with other agencies.
5. Courts
  - Checks if the employer has a history of civil suits filed by employees for various civil rights, FLSA, ADA, etc.
6. Internet
  - Review to ensure employer has no negative issues that could potentially disqualify them such as negative EPA reports, federal lawsuits filed by Justice Department, etc.