

Kansas Industrial Retraining (KIR)

Program Guidelines and Proposal Outline

WHAT ARE THE ELIGIBILITY REQUIREMENTS OF THE PROGRAM?

- Priority is given to Kansas **Basic Industries**—firms involved in manufacturing; multi-state, wholesale distribution; regional or national service; agriculture; mining; research and development; interstate transportation; and tourism activities primarily aimed at attracting out-of-state tourists. Non-basic industries are eligible only if some compelling economic benefit to the state can be shown and/or if the project has an impact on occupations involved in businesses that play a supporting role in economic development efforts. Such projects might include those targeting severe labor shortages in specific occupations, housing shortages, and certain business services. Swine production facilities are not eligible.
- A company must retrain at least one existing position at an average wage of at least \$8.50/hr. in Douglas, Johnson, Leavenworth, Sedgwick, Shawnee, and Wyandotte counties, or \$8/hr. in the rest of the state.
- Firms must show they are restructuring their business operations through incorporation of one or more of the following:
 - ~ existing technology
 - ~ development and incorporation of new technology
 - ~ diversification of production
 - ~ development and implementation of new production
- A company must also show that employees to be trained are likely to be displaced because of obsolete or inadequate job skills and knowledge.
- A firm must show adequate financial strength to accomplish the goals of the project. In addition, a firm must be current with its state and federal tax obligation and with repayment to other state and local economic development programs such as Kansas Economic Opportunities Initiative Fund (KEOIF) and Community Development Block Grant (CDBG).
- Companies with similar training needs may submit a joint proposal with other companies. A qualified training provider, such as a technical school, college, university, or other training entity, must be chosen as the fund administrator for projects involving several firms.

HOW MUCH FUNDING IS AVAILABLE?

- Applications are accepted anytime throughout the year. Projects are funded on a “first-come, first-served” basis. A proposal must be submitted prior to or concurrent

with the beginning of the training. The maximum amount allowable is \$2,000 per trainee, although contracts typically average much less than that. The recent average cost of successful training proposals has been less than \$500 per trainee. Awards typically range from \$5,000 to \$100,000 per project.

ARE MATCHING FUNDS REQUIRED?

- KIR contracts require at least a dollar-for-dollar match from the company. Indirect, in-kind expenses are typically not eligible as matches.
- The amount awarded may be less, in some instances, than what was requested. In those cases, the company may be required to match state funds at least at the same percentage as indicated in the proposal.

WHAT TYPES OF TRAINING EXPENDITURES ARE ELIGIBLE FOR REIMBURSEMENT?

- Examples of eligible expenditures include instructor salaries, curriculum planning and development, travel, materials, supplies, textbooks, manuals, minor training equipment, and certain training facility costs.
- Quality-based retraining is an eligible cost if it is statistically based, represents a significant restructuring of the business operation, and is required for all trainees.

WHAT ARE INELIGIBLE TRAINING EXPENDITURES?

- Trainees’ salaries, major equipment, business management consultant fees, fringe benefits for trainers, and fees associated with writing a company’s KIR proposal.
- Retraining in safety or federal program requirements (OSHA, ADA, etc.) is not eligible for reimbursement unless directly related to changes in technology or production activities.

HOW LONG DOES A COMPANY HAVE TO COMPLETE ITS TRAINING PROJECT?

- Training contracts are usually 12 to 18 months in length. If necessary, contracts may be extended to successfully complete the training.

HOW MANY TIMES CAN A FIRM UTILIZE THE PROGRAM?

- Companies are eligible for no more than two KIR contracts within a four-year period.

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■ TO PREPARE A KIR PROPOSAL

Use the KIR template provided by Commerce to furnish the following information:

I. KIR Project Summary Sheet

II. Brief Description of the Company's Business Operation

- A. Brief history of the company
- B. Type of product or service
- C. Location of company's market
- D. Financial condition of the company
- E. Describe how your company is restructuring its operation through one or more of the following:
 - 1) Incorporation of existing technology
 - 2) Development and incorporation of new technology
 - 3) Diversification of production
 - 4) Development and implementation of new production
- F. Describe the new skills that will be required by employees
- G. Time frame in which employees would be displaced if training was not received
- H. Describe the economic impact of the project on your community and state. Include current local employment conditions, impact on the tax base, any related new economic activity, etc.

III. Description of the Training Project

A detailed description of the planned training must be included.

- A. Brief description of the job class to be trained, the number of trainees in each job class, whether any trainees are part-time, and the average wage.
- B. Quality of the jobs
 - 1) Calculate the average wage of the trainees.
 - 2) List the benefits provided to employees by the company.
 - 3) Describe the company's turnover rate.
 - 4) Describe the opportunities provided by the company for employee career development or advancement.
- C-1. Give an overview of the company's training program
 - Describe the unique features and explain specialized job and equipment training requirements.
 - Identify and explain the roles and responsibilities of the trainers.
 - What skills will the employee gain as a result of the training project?
 - Describe how the project uses funds in the most efficient and effective manner to train employees.
- C-2. Description of each training component and the number of hours for each training
 - Identify the primary training providers and describe the key components of the training plan.
- D. Type of training
- E. Source of instructors
- F. Location of training

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IV. Cost of the Training Project - Itemize the following costs associated with the training project.

- A. Instructional Costs
- B. Curriculum Planning and Development
- C. Travel, Meals, and Lodging — If required, for both trainers and trainees.
- D. Materials and Supplies
- E. Training Aids — Textbooks, manuals, videos, or other aids.
- F. Minor Training Equipment — Includes training equipment, tools, and computer software typically under \$1,000 per item. (The total amount of equipment purchased typically may not exceed 20 percent of the total reimbursable project costs.)
- G. Facilities — Temporary training facility rental and related costs.
- H. Calculate the Total Cost of Training Project
- I. Amount Requested from the KIR Program
- J. Amount of Company Match (Match = Total Cost of the Training Project minus the KIR Funding Request)

■ FUNDING FACTORS

The amount of funding for each project will be determined based on the following five factors:

1. The effect the KIR program funding will have on the retention of the jobs and the training of the employees.
2. The cost efficiency and effectiveness of the project's plan to train the employees.
3. The quality of the jobs.
4. The economic impact of the project on the community and state.
5. The use of a local community college, technical school, or university as a training resource for the project.

■ REIMBURSEMENT PROCESS FOR TRAINING COSTS

- Companies submit an Invoice and Trainee Record Form on a monthly or quarterly basis for actual training expenses. In some cases, the agency may require a performance-based contract. These contracts include provisions for a modified reimbursement schedule as well as provisions that link project disbursements to the firm's ability to demonstrate financial stability and profitability.
- Requests for reimbursement must include the Invoice Form and related supporting documentation such as copies of invoices, receipts, or payment vouchers.
- The Trainee Record Form must include the names of the trainees, social security numbers or employee I.D., and type of training.
- Reimbursements will be based on the proportion of company matching funds, actual expenses incurred, and on the actual number of positions trained in accordance with the company's approved training plan.
- Companies may elect to be reimbursed through electronic funds transfer.

NOTE:

- *Jobs must remain filled by an employer for a minimum of six months after the end of a project.*
- *The employer must also maintain a significant business operation in Kansas for two years following the completion of training.*

■ HELPFUL INFORMATION

- Proposals that include training for both new and existing jobs will not be accepted. New employees may be trained through the Kansas Industrial Training (KIT) program.
- Provide all of the information requested in the Proposal Template.
- Use the base hourly wage when providing in-house trainer costs for instruction or curriculum planning and development. Trainer benefits are not eligible.

■ HOW TO APPLY FOR FUNDING

Call the Workforce Training Staff:

- The employer must notify the Commerce workforce training staff about the firm's intention to apply for KIR funding prior to the development of a training proposal. Staff will determine company eligibility, identify local workforce training contacts, provide guidance, and answer questions regarding the application process.
- *Commerce Workforce Training Staff must have direct contact with the employer in order for the company to participate in the KIR program.*
- When initial eligibility is established, Commerce staff will send the template needed to prepare a KIR proposal to the company via e-mail.

Prepare Proposal:

- Use the KIR template to prepare your proposal.
- It is not necessary to employ a professional writer to develop the proposal. The application procedure is designed to be simple and straightforward. Free guidance is available through Commerce Workforce Development staff.

Send Completed Proposals by Electronic Mail (e-mail) to:

- Nadira Patrick, Manager, Performance Training Services
- Staff e-mail addresses are listed below in the Commerce Contacts section.

Once a Proposal is Received:

- The proposal will be assigned to a project coordinator from the workforce training staff who will work with the company contact person to develop a contract and final budget amount.
- *If a completed training proposal is not received within 90 days of commencement of the training project, any training funds that may have been reserved for the project may be released.*

■ COMMERCE CONTACTS

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