

## Chapter DOD 8

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## LABOR TRAINING FUND GRANT ADMINISTRATION

DOD 8.01	Purpose	DOD 8.07	Evaluative criteria and point system
DOD 8.02	Definitions	DOD 8.08	Contracts
DOD 8.03	Eligible applicants	DOD 8.09	Reporting and auditing
DOD 8.04	Eligible providers	DOD 8.10	Administration
DOD 8.05	Grant amounts	DOD 8.11	Board operations
DOD 8.06	Application content		

**DOD 8.01 Purpose.** The purpose of this chapter is to establish the procedure for administration of labor training fund grants by the department of development.

History: Cr. Register, January, 1984, No. 337, eff. 2-1-84.

**DOD 8.02 Definitions.** The definitions in this section apply only in this chapter.

(1) "Application" means a proposal from an eligible applicant as specified in s. DOD 8.03 containing all elements required in s. DOD 8.06.

(2) "Board" means the review panel as defined in s. 560.095 (3) (c), Stats.

(3) "Department" means the department of development.

(4) "Financial audit" means a factual accounting and verification of revenues and expenditures made in association with a grant under this fund.

(5) "Fund" means the labor training fund.

(6) "Grant" means a sum of money provided under the terms of this chapter.

(7) "Occupational classification" means a type of job for which the department of industry, labor and human relations has developed certain descriptive specifications and for which the department of industry, labor and human relations maintains vacancy rate information on a sub-state regional basis; this data may be obtained from a local Wisconsin job service office.

(8) "Program report" means a report to the department describing progress made toward achieving goals specified under s. DOD 8.06.

(9) "Target business" means a business that has recently located in or made a firm commitment to locate in the state of Wisconsin, a business that is expanding within the state of Wisconsin, or a business that is upgrading a manufacturing product, process or service requiring new job skills their current employees do not now possess.

(10) "Training" means to teach or to demonstrate skills necessary for successfully performing a task associated with a product, process or service of a business.

History: Cr. Register, January, 1984, No. 337, eff. 2-1-84; am. (2), Register, February, 1987, No. 374, eff. 3-1-87.

## DOD 8

**DOD 8.03 Eligible applicants.** Any business located in, or pledging to locate in, Wisconsin may apply for these grants.

History: Cr. Register, January, 1984, No. 337, eff. 2-1-84.

**DOD 8.04 Eligible providers.** Applicant businesses may provide the training funded under the program utilizing their own resources, another business, a consultant or contractor, a local vocational, technical and adult education school, or a public or private secondary or post-secondary school.

History: Cr. Register, January, 1984, No. 337, eff. 2-1-84.

**DOD 8.05 Grant amounts.** The applicant business must provide a match for the grant received. The match may be in cash or in kind and must equal 50% of the value of the training provided. The department is not obligated to fund any proposed training at any particular dollar level. The amount of funding may be the subject of negotiation between the applicant and the department. If an individual grant award totalling \$300,000 or more is made, the department shall notify those standing committees of both houses of the legislature primarily concerned with economic development. This notification shall be made within 30 days of the date of the grant award.

History: Cr. Register, January, 1984, No. 337, eff. 2-1-84; am. Register, July, 1986, No. 367, eff. 8-1-86.

**DOD 8.06 Application content.** Applications from eligible businesses shall be submitted to the department. Each application shall contain:

(1) A description of a training program which details the kind of specialized training to be provided, the number of trainees needed, the name and qualifications of the proposed provider, the equipment and the facilities needed, and the location and duration of the proposed training;

(2) An itemized estimate of the proposed cost of the training and a description of the proposed cash or in kind match;

(3) A statement guaranteeing employment in the state of Wisconsin for those successfully completing the training program supported by the proposed grant;

(4) An explanation of how the proposed training addresses the standards established in s. DOD 8.07;

(5) A statement that the proposed training is not available to the applicant through the applicant's existing training programs and that the training will not supplant training provided by any other federal, state or local public or private program; and

(6) A plan for conducting a financial audit of the grant and for submitting a program report to the department on the results of the training.

(7) A statement that job orders for new hires will be placed with the Wisconsin job service, and that, to the extent possible, new hires will be recruited through job service.

History: Cr. Register, January, 1984, No. 337, eff. 2-1-84; cr. (7), Register, February, 1987, No. 374, eff. 3-1-87.

**DOD 8.07 Evaluative criteria and point system.** All grant proposals shall be evaluated by the department. The board shall be informed of the

Register, February, 1987, No. 374

points awarded and shall include this information in their considerations as described in s. DOD 8.11. The department may award up to 100 points to each proposal on the basis of the following evaluative criteria:

(1) **BUSINESS DEVELOPMENT:** The department may award from 0 to 40 points to an application based upon the degree to which the proposed training contributes to business development and to the creation of new jobs in Wisconsin. Points in this section may be awarded both to businesses located in Wisconsin and to those pledging to locate all or part of their business in the state of Wisconsin. These points may be awarded to an application based on the following factors: whether the products or services of the Wisconsin establishment will be sold outside of the state of Wisconsin, competing offers from other states to provide the training proposed by the applicant, the number of new jobs created, the extent to which unemployment in the area where the applicant business is located or is planning to locate exceeds the average statewide unemployment average in the preceding 2 quarters for which figures are available, the relationship of the proposed training to the successful implementation of an expansion of the business or the establishment of a new business. Conversely, the prospective effect of a failure to provide such training on the expansion or establishment of the applicant business also may be considered. No points shall be awarded under this section unless assurance by the applicant is given that the business development submitted for review under this section would not take place unless these funds are awarded.

(2) **COST EFFECTIVENESS:** The department may award from 0 to 30 points to an application depending on the cost effectiveness of the proposed training. Consideration will be given to the number of workers benefitting directly or indirectly from the proposed training per (public and private) dollar expended in support of the grant, the extent of training provided by the company in the pre-grant period, the degree to which the proposed training relates to such ongoing and future planned training efforts and to the number of new jobs created.

(3) **SKILL UPGRADING:** The department may award between 0 and 15 points depending on how significant the skill upgrading of the workers retrained by the grant is. Points may be awarded depending on whether the proposed training results in greater average earnings for those trained and provides a skill to those trained which may be useful to other businesses. These points may be awarded only insofar as the skill upgrading results in new jobs.

(4) **EXISTING AND EMERGING OCCUPATIONAL CLASSIFICATIONS:** The department may award between 0 and 15 points to an application depending on the extent to which the proposed training relates to new jobs and to existing and emerging job vacancies in the state. Consideration will be given to whether the Wisconsin department of industry, labor, and human relations' growth projection in Wisconsin for the particular job classification is low, medium or high. Consideration also may be given to whether the Wisconsin job service determines the vacancy rates for the particular job classification as low, medium, or high in the state and in the area where the business is located or plans to locate. Applicants may supply data on growth projections and vacancy rates from sources other than those listed in this subsection providing the source of these data is described and is accessible to review by the department.

## DOD 8

**DOD 8.08 Contracts.** Successful applicants shall be required to enter into a contract with the department for the purposes of implementing the proposed grant. The contract shall specify the activities to be performed by the applicant as detailed in the application in its original or amended form, a time schedule for completing the contracted activities, a time schedule for payment of the grant to the applicant, and a description and a date for delivery of the financial audit and program report to the department. The contracts shall be signed by the secretary of development and the chief executive officer of the business, or by their authorized representatives. Amendments to these contracts may be adopted by the consent of both of the original signatories. However, no change may be authorized if the jobs for which the training is provided are to be moved out of state or the job classification or the skill levels are to be downgraded. Any relocation from Wisconsin to any other state of the jobs for which the training is provided or any change in the job classifications or skill level involved shall void the contract and all funds paid to date shall be refunded to the department for use in support of other applications to the fund. This restriction applies only to jobs described in the training application provided in s. DOD 8.06 and applies only for the duration of the contract.

History: Cr. Register, January, 1984, No. 337, eff. 2-1-84.

**DOD 8.09 Reporting and auditing.** Applicants shall make provision for and submit to the department both a financial audit and a program report. The financial audit must be conducted in the same manner as other financial audits are conducted by the applicant business. However, the audit information provided to the department shall be limited to the training funded by the grant. The cost of the audit may be covered by the grant. A program report describing the progress made in achieving the goals specified in the application also shall be submitted. Both the financial audit and the program report shall be submitted to the department by a date specified in the contract. Both the financial audit and the program report become the property of the department and are open to public inspection at reasonable hours. Excerpts of the program reports may be submitted as a report to the governor and to the legislature as a report on the fund.

History: Cr. Register, January, 1984, No. 337, eff. 2-1-84.

**DOD 8.10 Administration.** The department shall be responsible for soliciting applications for the fund, for reviewing applications, for making recommendations to the board on the disposition of applications, for authorizing payments and otherwise implementing contractual obligations entailed in grants made under the terms of this chapter, for monitoring the provision of the training, and for receiving the financial audits and program reports submitted under s. DOD 8.09. The department may request verification from the Wisconsin board of vocational, technical, and adult education that existing training resources cannot meet the need for training proposed by the applicant and that the proposed training has the potential to achieve effectively the purposes for which it is designed. The department may request verification from the Wisconsin department of industry, labor, and human relations of the information submitted by the applicant on the subjects of unemployment levels and of existing and emerging occupational classifications as described in s. DOD 8.07 (4).

History: Cr. Register, January, 1984, No. 337, eff. 2-1-84.

**DOD 8.11 Board operations.** The department shall make recommendations on applications to the board. The board shall consider the points awarded to each application by the department under s. DOD 8.07. The board shall give priority to target businesses in their deliberations. Priority means that target businesses shall be funded before businesses that do not qualify as target businesses. Three of the 5 members of the board shall approve an application before the department can enter into a contract under the terms of the fund. The department shall convene the board, maintain records of its proceedings and provide other staff support as may be necessary to the board. Members of the board may designate in writing an alternate to serve on the board with full voting privileges.

History: Cr. Register, January, 1984, No. 337, eff. 2-1-84; am. Register, February, 1987, No. 374, eff. 3-1-87.