

State Funds Available for Your Employee Training Programs



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States Make Nearly \$600 Million Available to Grow Employment Base

By Joe DiDonato – President, ESource Corporation

With training budgets always under constant pressure of cuts, where does the money come from to invest in infrastructure, new courseware, and people? That dilemma is faced by almost every education and training operation in corporate America when businesses have to “tighten their corporate belts.” But don't despair. There actually is a way of potentially adding millions of dollars to your corporate training budgets by simply taking advantage of Workforce and Economic Development Program funds administered by the various States. All of these programs have one of two goals: to either keep jobs and employers in their State, or to increase the numbers of jobs and employers who want to do business in their State.

There is nearly \$600 million dollars available from the various States, with only 3 States not offering programs. But for many companies whose operations span many States, there seems to be a never-ending supply of dollars for those companies who know how to access these monies.

As a rule of thumb, and with some guidance from experts in dealing with the multiple State programs, an enterprise can average around \$500 per full-time employee in training reimbursements across the multiple states in which they operate. A company with a full-time employee base of 20,000 in the US will usually be eligible for around \$10,000,000.

As you can imagine, each State has different rules, so each company's situation might differ, depending on the States in which they operate. But understanding the program details can yield some very big dollars. Here are some of the highlights:

Eligible Training Topics:

- Training on new or improved products, processes or systems;
- Job or occupation-specific workplace skills training;
- Technical, IT, ISO, and computer systems training;

- Manufacturing training;
- Sales or customer service training;
- Soft skills training; as well as
- Other forms of training...

Eligible Costs for Reimbursement:

- Instructional costs (in-house employees, or third-party vendors);
- Curriculum development costs (in some cases);
- Vendor and some tuition costs;
- Training supplies and materials; and
- Trainee wages (in some cases).

Employee Eligibility:

- “Full-time” workers employed in each State (and generally, most States also require that employees are residents of that State);
- New hires, as well as incumbent workers.

Training Delivery Methods:

- Instructor-led classroom, or lab-type training;
- E-Learning (Interactive or self-paced); and
- Some States will allow on-the-job training.

State Program Characteristics:

- In California, reimbursement amounts are driven by trainee hours. These training hours are then reimbursed at an hourly rate (varies from \$8 to \$26 per trainee hour);
- In all other States, reimbursement contracts are determined based upon overall worthiness of a company application. Reimbursement is then determined based upon training actually delivered, and the eligible training costs.

Are these programs worth a look? Most definitely. Imagine being able to say:

"We had no idea where the money would come from to invest in our new LMS - and still do a revamp of our Corporate University. Finding out about these State training reimbursement programs was the best news we ever received..."

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About the Author: Ordained “The Godfather of Education” by Oracle for his early work in the 80’s to create what we know today as “blended learning and delivery,” Joe DiDonato was a double-nominee for the CLO of the Year in 2006 for the work he’s done

to move education into the workplace using his new 20-30-50 Model for corporate education. Joe has an extensive background in education, which ranges from running customer and internal education operations at Oracle and PeopleSoft, to running entrepreneurial endeavors at education companies such as Knowledge Universe, KnowledgePlanet, Productivity Point International, Global Knowledge, and Interwise.

Discussion website: www.CLORoundtables.com.

EMail: jdidonato@ESourceCorp.com. Telephone: (805) 823-3552.

About ESource: ESource Corporation is a 14 year old company that provides staffing and professional services to corporate and enterprise learning organizations, along with a complete service offering to help clients receive training reimbursements from the States within which they operate.

The company distinguishes itself from competitors by offering “quantifiable differentiators” to its clients. The key differentiators fall into four key areas: First, the company employs an “aggressive pricing” model which often times provides lower rates than offshore pricing; second, the company has a strong “dedication to quality,” and pays its consultants a quality bonus each month for achieving strong rating results from their clients; third, ESource helps its clients receive State Economic and Workforce Development funds, by managing the entire “training reimbursement program” on their behalf from the initial grant writing, to the billing of the various States involved; and lastly, the company provides a unique “contractor-to-hire” program which allows companies to hire ESource consultants – without charge – after six months on billing for that consultant.

The company’s primary expertise is in large scale training builds and deployments, LMS implementations, curriculum strategy and development, delivery modalities, and strategic plan preparation. Assignments range from single class construction and delivery to large scale deployments such as the rollout of the new Electronic Medical Record (EMR) program to 60,000 doctors and nurses in the Department of Defense.

The principals of the company have experience running several large scale education operations at such companies as NIIT, Oracle, PeopleSoft, Interwise, Global Knowledge, Knowledge Universe, KnowledgePlanet and many others. This diversity of experience provides a sound foundation for many assignments, and the company’s client list includes many of the country’s Fortune 500 companies, as well as many small to medium companies who rely on ESource for outsourced services.

Website: <http://www.ESourceCorp.com>.