

## **SKILLS FOR SMALL BUSINESS FREQUENTLY ASKED QUESTIONS**

Last Updated: 05/9/19 (7 pages)

These Frequently Asked Questions (FAQ) were developed as a supplement to the Skills for Small Business Application. The Application and Attachment, FAQ updates, and more Skills for Small Business information can be found at on the Skills for Small Business for Employers Web page (<https://twc.texas.gov/businesses/skills-small-business-employers>). Any questions about this document can be directed to [SkillsforSmallBusiness@twc.state.tx.us](mailto:SkillsforSmallBusiness@twc.state.tx.us).

### **ABOUT THE PROGRAM**

**1. Q: How long will the program be available?**

A: Skills for Small Business has no expiration. Therefore, businesses may submit applications to the Texas Workforce Commission Workforce Business Services Department at any time.

**2. Q: Is the aim of the program to upgrade employee skills or provide degree paths?**

A: The aim of the program is for small businesses to obtain training that is needed by their employees, and that will benefit and enhance the businesses' operations.

**3. Q: What types of courses are funded?**

A: Credit, continuing education, online and non-published courses that are applicable to the business need and operations are covered. The college must be able to document and track all courses for reporting purposes. The business will be asked on the application to explain how the course(s) and resulting training will enhance its operations. Note: College catalog course descriptions are not the same explanation of training need/benefit to the business.

**4. Q: Are there courses that TWC would not consider for funding?**

A: The intent of this program is not to fund an individual's pursuit of a degree, but to enhance the performance of the entire business. Therefore, courses that are core requirements of a degree program that an individual is pursuing that do not have an immediate positive impact on and/or clear connection to the business' operations will not be funded. An example would be a window installation business that applies for funding for one of its workers who wants to take courses in English and Biology as part of his bachelor's degree program.

**5. Q: What is the benefit of a small business applying for a Skills for Small Business grant instead of a regular Skills Development Fund grant?**

A: If a small business does not need customized courses or program development, as required by the Skills Development Fund program, the Skills for Small Business program is an alternative for obtaining the types of needed employee training listed in No. 3 above.

**6. Q: Can a business participate in both Skills for Small Business and Skills Development Fund grant simultaneously?**

A: Yes. The specific training being offered under each grant program for the business must be different. No duplication of the same skill training between the two grants is allowed.

**7. Q: If a trainee participates in one fiscal year, can the business reapply for that individual to participate in the next fiscal year?**

A: Training is not based on a fiscal year, but rather on a 12-month period. The program pays up to \$1,800 for each new employee being trained and \$900 for existing employees per 12-month period.

**8. Q: Does this program restrict a business from leveraging the funding from a Skills for Small Business grant with other grants or funding sources, such as Texas Public Education Grants (TPEG) and Pell Grants?**

A: No.

**9. Q: Who are the grant applicant and administrator for these grants?**

A: The small business completes the application, which identifies the training needs and requested course(s) and submits it directly to TWC. TWC evaluates the application and contracts with the local college to fund the selected course(s). The college will provide the training and administer the grant.

**10. Q: If a trainee lives in one college district and works in another, how is enrollment eligibility determined?**

A: In most cases, the eligible college will be determined based on the location of the business

**11. Q: Do businesses pay the college for the training and be reimbursed by TWC?**

A: No funds are disbursed to businesses. The college receives funding through a grant from TWC for the approved training. In some cases, the grant funding covers all tuition and fees, and in others it covers only a portion of those costs. The business is responsible for any costs not covered by the grant.

**12. Q: Is the application online?**

A: Skills for Small Business offers two options for completing and submitting applications.

**FIRST/PREFERRED OPTION:** A fully electronic version may be completed, finalized with an E-signature and submitted to TWC (preferred submission allows applications to be processed more quickly) at <https://twc.texas.gov/businesses/skills-small-business-employers> where it says, "Apply Online" (upper right-hand corner).

**SECOND OPTION (*only for customers who do not have email capabilities*):** A Microsoft Word version and accompanying Attachment A. spreadsheet may be submitted in lieu of the online version to [SkillsForSmallBusiness@twc.state.tx.us](mailto:SkillsForSmallBusiness@twc.state.tx.us). These versions require an original signed application to be faxed or mailed to the following:

(512) 463-7187 or  
Texas Workforce Commission  
4405 Springdale Rd.  
Austin, TX 78723  
ATTN: Cristina Ramos, Room 424T

**BUSINESS QUESTIONS**

**13. Q: Is the business required to pay participating employee(s) prevailing wage when training starts or by the completion of the training course(s)?**

A: The prevailing wage is a statutory requirement and must be paid to employees at the time the application is submitted. As part of the review process, TWC will determine if the wages identified in the application meet this requirement.

**14. Q: Is the business required to provide benefits for participating employee(s)?**

A: No. However, businesses must comply with the Fair Labor Standards Act (FLSA), 29 U.S.C. Chapter 8. (If employees are required by the business to attend the identified courses outside of standard work hours, the business must ensure appropriate compensation, in compliance with the FLSA.)

**15. Q: Must participating businesses provide matching funds or make an in-kind contribution?**

A: No.

**16. Q: Is the business responsible for collecting Social Security numbers (SSN), and wage and hire date information, and providing it to the college?**

A: No. Once a business' application is determined to be fundable, it will be required to provide information to TWC on each participating employee, including:

- Employee's full name, middle initial (if applicable), and last name
- Employee's Social Security number\*
- Employee's mailing address
- Employee's birth date
- Employee's veteran status (Yes or No)
- Employee's hire date

TWC will provide the college this information to track and report to TWC on the employee's progress throughout training. It must be received by TWC before final approval of the application and release of funds to the college.

\*IMPORTANT: There is no alternative to the use of a SSN as the identifier of individual employees participating in the Skills for Small Business program. Employees who do not allow the release of this information to TWC will not be able to participate in the program.

**17. Q: Is there a minimum or maximum number of employees that a business must have participating in training?**

A: No. A business may have any or all of its employees participate in training. Since a small business is defined as one that employs at least one individual and not more than 99 individual's companywide, the minimum number of employees is one and the maximum number is 99. Self-employed individuals are not eligible to participate in the Skills for Small Business program.

**18. Q: Are there restrictions on companies who are affiliated with corporations?**

A: The program was designed to assist stand-alone business entities with training needs. The program does not extend to those business entities that are associated with a corporate office, or part of a larger business, multiple business entity, or corporation. Funding for these types of entities may be applied for under the regular Skills Development Fund program.

**19. Q: Can a new employee take more than one course in a 12-month period if the total cost of those courses does not exceed the \$1,800 limit covered under this program?**

A: Yes, the program will cover up to \$1,800 of tuition and fees costs in a 12-month period for a new employee.

**20. Q: Are only full-time employees eligible training participants or will part-time employees be able to participate as well?**

A: Only full-time, permanent employees may participate in the program.

**21. Q: Is there someone available to help a business fill out the application form?**

A: There are several options for businesses to receive assistance. TWC's Workforce Business Services Project Development Team is available and can be reached at (877) 463-1777 or by e-mail at [SkillsforSmallBusiness@twc.state.tx.us](mailto:SkillsforSmallBusiness@twc.state.tx.us). TWC also encourages businesses to seek assistance from the local college, workforce board representative or Small Business Development Center (SBDC).

**22. Q: I am a small business owner; do I qualify for training funds?**

A: Business owners who are W-2 employees and meet all eligibility criteria, could be considered for Skills for Small Business-funded training.

**23. Q: What types of businesses would not be eligible to participate in this program?**

A: Private non-profits, community-based organizations, publicly funded entities and other public non-profits are not considered private businesses and would not be eligible for this program.

Additionally, child care centers and similar entities would not be eligible for SSB funding because other funding resources have been made available that directly target this industry. In recent years, the State of Texas has made significant investments of approximately \$50 million directed at the child-care industry to support child care quality improvement, which includes training. In addition, the state has dedicated child-care funding to support child-care training through:

- The Local Workforce Development Boards, which is required to set-aside 2% of their TWC-child care allocation – approximately \$14 million annually, for activities to improve the quality of child care services

- TWC child care funds of approximately \$10 million a year to Boards for Texas Rising Star (TRS) mentors and assessors to provide direct technical assistance for child care providers to improve quality of services,
- The Children’s Learning Institute, which annually receives \$11.7 million to support training and professional development as a component of the Texas School Ready (TSR) Project.
- The Texas Education Agency, which annually receives \$1 million to fund the management of early childhood education partnerships projects, including the award of stipends, to facilitate increased participation in professional development by early childhood education professionals and encourage those professionals to seek additional education.

**24. Q: What if a business requests a training course the college does not offer?**

A: Businesses must use the active college catalogs and course schedules to select requested training.

**25. Q: What is the deadline for submitting an application for training under Skills for Small Business?**

A: Applications should be submitted at least two weeks prior to and no more than six weeks in advance of requested training. This will provide enough time for application processing and working with the local community college to enroll employees in any approved selected training. Training cannot be considered or funded retroactively.

Please note unreadable or incomplete applications cannot be accepted. Any unreadable documents received will be returned with required information identified for revision/completion and application resubmission.

**26. Q: Will the Local Workforce Development Board be made aware of a business’ Skills for Small Business award?**

A: When a project is approved by TWC, the Board will be copied on the e-mail notification to the business and college.

**27. Q: Is the business required to list job postings in Work in Texas?**

A: It is not a requirement, but we encourage businesses to take advantage of this service.

## **FUNDING QUESTIONS**

### **28. Q: Are third-party training vendors allowed to participate in this initiative?**

A: No. The program will only cover course offerings provided by public community and technical colleges in the local area. It will not cover costs for course offerings from third-party vendors, universities, or proprietary or vocational schools.

### **29. Q: Will specialized courses be allowable, such as language acquisition, soft skills, OSHA and other safety training?**

A: Requests for such training will be considered if the courses are offered by the college. The business must provide adequate justification in the application for why the training is needed and how it will benefit the business' operations.

### **30. Q: If a business requests a course that the college offers but is not in the catalog, will it be considered for funding?**

A: Yes. Some colleges offer certain courses that may be of interest to local businesses, but that are not published in the course schedules. If a business knows about these courses, it can work with the college to schedule the course.

### **31. Q: Will a customized training course that is not listed in a catalog be funded?**

A: Yes, as long as the course originated from a prior customized Skills training program and is now considered a regular open enrollment course offering. However, if the business is requesting new courses that must be customized, then the business should work with the college to develop a regular Skills Development Fund project.

### **32. Q: What is the reimbursement rate, and what does it cover?**

A: Training for an employee hired within the twelve months prior to the submission of the application is considered a new hire, and the program will cover course tuition and fees costs up to \$1,800 within a 12-month period. For an incumbent employee, the program will cover course tuition and fees costs up to \$900 in a 12-month period. The program covers only those course tuition and fees as listed in the college catalog, including lab and computer fees. There is no minimum or maximum number of required contact hours or required rate per hour.

**33. Q: What will not be funded under this program?**

A: Costs associated with registration for credit courses are examples of costs that will not be funded through this program. Also, any course tuition and fees that exceed the amount allowable within a 12-month period must be paid for by the business or other funding source.

**34. Q: Will this program pay for courses that last more than 12 months, including pre-requisite courses?**

A: The application should only include tuition and fees for courses that can be completed within a 12-month period. However, a request for an extension from the college, or a second application for an additional 12-month period may be submitted for consideration once the initial 12-month period has elapsed.

**35. Q: If a business wants a new employee to take a course that requires a pre-requisite, who will be responsible for paying the difference if the combined cost of the courses is over \$1,800?**

A: The business is ultimately responsible for costs that exceed the \$1,800 cap; however, it may leverage other funding sources to cover those costs.

## **COLLEGE QUESTIONS**

**36. Q: What happens when administrative monies go to a department other than Continuing Education or contract training?**

A: Administrative funds are intended to cover the costs incurred by the college to administer the grant, including program and financial reporting. Contract language states that grant funds shall only be expended for the costs incurred for authorized activities or performances rendered. TWC encourages all colleges to keep accurate records to document costs incurred in performing these functions.

**37. Q: How does the contracting process work with the colleges?**

A: Shell contracts are established with colleges, as requested. Contracts are set up to allow for updates and quarterly amendments during the term of the contract to add approved businesses and training. Contracts have a minimum amount of \$20,000 or the total cost of the approved training, whichever is higher.



**38. Q: When will the colleges know a business is requesting training?**

A: Unless the business has talked with college staff in advance, the college will not know about the requested training until after the application has been submitted. Once TWC has reviewed and determined that an application is fundable, it will coordinate with the college to ensure that there are no issues with the requested training.

**39. Q: Is it possible for the college to group employees according to start time for reporting purposes, so that they can be treated as a cohort despite the variety of courses in which their employees are enrolled and for the number of different companies that are participating?**

A: The Skills for Small Business program is intended to meet the immediate training needs of small businesses at times and in locations that are convenient to the business. The college can set up a reporting structure that is convenient for them, as long as it meets TWC reporting requirements and does not adversely affect the business' participation.

**40. Q: How will colleges work together when a requested course is not offered at the college in the area where the business is located, but at a neighboring college?**

A: Many neighboring colleges have established regional agreements to address service area issues so that a business' training needs are prioritized. In the event no such agreement is in place, TWC will work with the business and the colleges to achieve a viable solution.

**41. Q: How will contracts between TWC and colleges be managed?**

A: Eligible grantees and TWC will work together to manage Skills for Small Business contracts. Colleges should direct contract management questions to the TWC contract manager.

**42. Q: What if a trainee does not complete the course either by not going to class or by dropping out?**

A: The College is responsible for trainee tracking and reporting, including attendance confirmation and contact hours completed. The college will not be held responsible for performance if a trainee does not complete a course. The application requires the business to sign assurances that trainees will attend classes and complete the training. Although the business will not be penalized if enrolled trainees fail to attend class or drop out, it could impact approval of any future training requests. Additionally, Skills for Small Business cannot approve any requests for trainees to repeat previously approved courses.

**43. Q: What if an employee separates from the business?**

A: The 90-day retention requirement that is in regular Skills Development Fund contracts has been waived for the Skills for Small Business program.

**44. Q: If an individual is approved for training while employed by “Business A,” but then goes to work for “Business B” while in the middle of the course, will the individual be allowed to complete the course?**

A: Yes.

**MARKETING QUESTIONS**

**45. Q: How are the Local Workforce Development Boards (Boards) involved?**

A: The Boards are an important part of this initiative. They are involved in marketing the program, convening businesses and participating in the Governor’s Small Business Forums. They also can identify locally targeted occupations and assist businesses with the application process.

**46. Q: How is the program marketed to the small businesses of Texas?**

A: Marketing efforts to promote the Skills for Small Business program include press releases, brochures, a dedicated TWC Skills for Small Business Web site (<http://ssb.texasworkforce.org>) and participation in the Governor’s Small Business Forums. Program brochures and information are available through the TWC Workforce Business Services Project Development Team, Local Workforce Development Boards, public community and technical colleges, economic development entities and Small Business Development Centers. TWC encourages community colleges to attend the Governor’s Small Business Forums to promote courses and provide a contact for future project development.

**47. Q: Can colleges receive a list of small businesses to recruit?**

A: Yes. The TWC Workforce Business Services Project Development Team can provide colleges with local small business data. You may contact us at (877) 463-1777 or by e-mail at [SkillsforSmallBusiness@twc.state.tx.us](mailto:SkillsforSmallBusiness@twc.state.tx.us).

**48. Q: Will colleges be provided documentation regarding this initiative to distribute to the appropriate departments within their institution's college?**

A: Yes. The Skills for Small Business application and additional information are currently posted on the TWC Skills for Small Business Web site (<http://ssb.texasworkforce.org>). If additional information is needed, you may contact us at (877) 463-1777 or by e-mail at [SkillsforSmallBusiness@twc.state.tx.us](mailto:SkillsforSmallBusiness@twc.state.tx.us).