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*Ohio's training program
applications available soon,
funds available on first-come,
first-served basis*



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In brief

Ohio has allocated \$50 million to a program that will reimburse taxpayers in certain targeted industries up to 50% of the cost of training qualified employees. Reimbursements may be awarded for up to \$4,000 per employee, with a maximum award of \$500,000 per employer. Applications are expected to be available within the next thirty days. Because funds are available on a first-come, first-served basis, an eligible company should apply for program benefits as soon as applications are available.

In detail

Pursuant to the Ohio state budget enacted on [June 30, 2011 \(H.B. 153, Sec. 261.20.90\)](#), as modified by [H.B. 487, Sec. 261.20.90](#), effective June 11, 2012), \$50 million was allocated to support the Ohio Incumbent Workforce Training Voucher Program (Program). While the Program is not yet open, PwC has learned through discussions with the Ohio Department of Development (Department) that details of the Program should be formally announced within the next 30 days and applications should be available at that time.



The following summary represents our understanding of the Program. Caution should be exercised as the following guidance should be viewed as tentative and subject to change until the Department finalizes its guidelines.

The Program will reimburse eligible employers up to 50% of their qualified training costs (up to \$4,000 per eligible employee with a maximum award of \$500,000 per employer). Employers must submit an application with the Department. Qualified training must commence within six months of the application submittal and must be completed by June 30, 2013.

It is our understanding that the Department expects to award \$20 million in fiscal year 2013 (July 1, 2012, to June 30, 2013) and \$30 million in fiscal year 2014 (July 1, 2013, to June 30, 2014). The Program will award employers on a first-come, first-served basis. Therefore, eligible employers should be prepared to review and submit their applications as soon as they are made available by the Department.

Employer must be engaged in a targeted industry

An eligible employer must operate as a for-profit entity in a state-designated targeted industry with a facility located in Ohio that has been in continuous operation for the 12 months immediately prior to the application submittal. Targeted industries are:

- Advanced manufacturing
- Aerospace and aviation
- Automotive
- BioHealth
- Corporate headquarters
- Energy
- Financial services
- Food processing
- Information technology and services
- Polymers and chemicals

Employee eligibility

An eligible employee is someone who is directly employed by the company at a facility located within Ohio and meets all of the following requirements:

- Employed in any of the following business functions: production, back office operations, information technology, logistics, or research and development.
- Earns an hourly wage of at least 150 percent of the federal minimum wage (\$10.88 as of January 1, 2012) plus benefits;

- Is an Ohio resident;
- Is at least 18 years of age; and
- Works at least 25 hours per week.

An employee who is employed in a retail/service function is not eligible for the Program.

Eligible training activities

Eligible training activities include:

- Classes, either non-credit or credit, at an accredited education institution;
- Training that leads to an industry recognized certificate;
- Training provided in conjunction with the purchase of a new piece of equipment;
- Upgrade of computer skills (e.g., Excel, Access);
- Training for the ICD-10-CM/PCS diagnostics classification system (regardless of whether the employee works for a for-profit or non-profit employer);
- Training from a national, regional, or state trade association that offers an independently certified training curriculum and testing; or
- Training for improved process efficiency (e.g., ISO-9000, Six Sigma, or Lean Manufacturing).

Ineligible training activities include (but are not limited to):

- Training that is already being reimbursed by another State or Federal training program (e.g., Ohio Workforce Guarantee, National Emergency Grant, etc.);
- Continuing Education Units (CEUs) required for continued professional certification;
- Soft Skills (e.g., diversity, ethics, HR law, management and leadership, sexual harassment, etc.);
- Training that is reimbursed/required by other public agencies or departments (e.g., OSHA, Worker's Compensation);
- General Equivalency Diploma (GED);
- Profit-oriented courses (e.g., sales, marketing research, and Dale Carnegie trainings);
- Conference fees;
- Wages of trainees while being trained; or

- Travel costs.

Actions to consider

Because funds are available on a first-come, first-served basis, employers choosing to pursue the Program should be prepared to act quickly once the Department formally announces the details and requirements of the Program. As a reminder, this summary reflects tentative guidance. A detailed understanding of the final Program guidelines and process (when communicated) and the expeditious compliance with filing requirements are essential to a successful application.

The \$500,000 maximum award per employer is expected to be imposed on an FEIN basis. As a result, opportunities may exist for multiple affiliated corporations with different FEINs to apply under the Program.

It is unclear at this time how the Department expects to implement the reimbursement, and whether vouchers are to be utilized. The mechanics of the reimbursement are expected to be clarified once the Program is officially announced.

Let's talk

If you have questions about the Ohio Incumbent Workforce Training Voucher Program, please contact one of the following individuals:

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