Budget Deep-dive: Custom Fit
Higher Education Appropriations Subcommittee

Jill L. Curry, Fiscal Analyst
2017 Interim
• Custom Fit started through an appropriation of $300,000 by the Legislature during the 1979 General Session

• H.B. 426

Item 181
To State Board for Vocational Education
From Uniform School Fund .............................. 300,000

It is intended that these funds be appropriated to the State Board for Vocational Education for allocation to area vocational centers and institutions of higher education in response to emergency needs for vocational training.
Custom Fit was part of Governor Matheson’s budget request for FY 1980.

<table>
<thead>
<tr>
<th>SCHEDULE OF PROGRAMS:</th>
<th>Actual 1977-78</th>
<th>Authorized 1978-79</th>
<th>Governor’s Recommendation 1979-80</th>
<th>% Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Industry Program........</td>
<td>$500,000</td>
<td>New</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Expenditures..........</td>
<td>$500,000</td>
<td>New</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PLAN OF FINANCING:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>State Sources...............</td>
<td>$500,000</td>
<td>New</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Revenue..............</td>
<td>$500,000</td>
<td>New</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Program History

What is Custom Fit?

• Provides Utah companies with flexible, customized training that is tailored to meet the specific needs of the employer
According to the Governor’s budget request, estimates were that “33 percent of higher paid new jobs in Utah” would be filled by new residents moving to Utah unless job training opportunities for Utah residents increased substantially.

From UCAT’s 2004-2005 Annual Report, Custom Fit is described as an economic development incentive for new and expanding businesses.
Training partnerships between Utah companies and the Utah College of Applied Technology, Utah State University – Eastern, Snow College, and Salt Lake Community College.
Custom Fit

Who is Served?

• Small and large companies

• All industries including, but not limited to, manufacturing, mining, construction, service, processing, technology, and healthcare.
Custom Fit

Outcomes

• Number of companies served

• Number of trainees served

• Number of training hours & average training hours per trainee.
Custom Fit: Companies and Trainees Served
Custom Fit Training Hours

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Number of Trainees</th>
<th>Number of Training Hours</th>
<th>Average Hours per Trainee</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>12,845</td>
<td>214,827</td>
<td>17</td>
</tr>
<tr>
<td>2014</td>
<td>14,029</td>
<td>273,482</td>
<td>19</td>
</tr>
<tr>
<td>2015</td>
<td>15,454</td>
<td>315,823</td>
<td>20</td>
</tr>
<tr>
<td>2016</td>
<td>15,297</td>
<td>293,145</td>
<td>19</td>
</tr>
</tbody>
</table>
• Each participating company contributes a minimum of 50 percent of the direct training costs. Exceptions can be made on a case-by-case basis.

202.7 Custom Fit Funds

7.1 Custom Fit funds are appropriated by the Legislature and are allocated by the UCAT Board of Trustees. Appropriated funds may be used for any legal and lawful purpose related to the mission of Custom Fit (subject to the provisions of this policy).

7.2 Companies participating in the Custom Fit program must provide a cash contribution of no less than 50% of the direct training costs. Exceptions may be considered on a case-by-case basis, and must be approved in writing by the president or the president’s designee of the regional hosting institution. Legislative appropriations and company cash contributions shall be recorded only in the Custom Fit account(s) of the regional hosting institution. Custom Fit funds are to be considered restricted funds by the regional hosting institution, and should be used only for the Custom Fit program. A regional hosting institution may not charge indirect or overhead costs to the Custom Fit program.
Custom Fit Appropriation, FY 2006 – FY 2016

- **State Appropriation**
  - 2006: $3.1
  - 2007: $3.1
  - 2008: $3.6
  - 2009: $3.3
  - 2010: $3.3
  - 2011: $2.7
  - 2012: $2.7
  - 2013: $2.7
  - 2014: $2.7
  - 2015: $3.2
  - 2016: $3.2

- **Company Contribution**
  - 2006: $1.6
  - 2007: $1.6
  - 2008: $1.8
  - 2009: $1.8
  - 2010: $1.9
  - 2011: $1.6
  - 2012: $1.8
  - 2013: $1.8
  - 2014: $1.7
  - 2015: $2.3
  - 2016: $2.4

- **Percentage Contributions**
  - 2006: 50%
  - 2007: 50%
  - 2008: 49%
  - 2009: 54%
  - 2010: 58%
  - 2011: 61%
  - 2012: 67%
  - 2013: 67%
  - 2014: 65%
  - 2015: 72%
  - 2016: 76%
<table>
<thead>
<tr>
<th>Entity</th>
<th>Custom Fit Base Budget FY 2017</th>
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<tbody>
<tr>
<td>BATC</td>
<td>500,000</td>
</tr>
<tr>
<td>DATC</td>
<td>500,000</td>
</tr>
<tr>
<td>DXATC</td>
<td>345,000</td>
</tr>
<tr>
<td>MATC</td>
<td>500,000</td>
</tr>
<tr>
<td>OWATC</td>
<td>500,000</td>
</tr>
<tr>
<td>SWATC</td>
<td>345,000</td>
</tr>
<tr>
<td>TATC</td>
<td>325,000</td>
</tr>
<tr>
<td>UBATC</td>
<td>410,000</td>
</tr>
<tr>
<td>USU - Eastern</td>
<td>250,000</td>
</tr>
<tr>
<td>Snow</td>
<td>275,000</td>
</tr>
<tr>
<td>UCAT Admin.</td>
<td>9,200</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>3,959,200</strong></td>
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</tbody>
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