

Bluegrass State Skills Corporation

Board of Directors Meeting

November 1, 2023



Bluegrass State Skills Corporation

AGENDA



**CABINET FOR
ECONOMIC DEVELOPMENT**

THE BLUEGRASS STATE SKILLS CORPORATION

November 1, 2023

PRIMARY LOCATION:

Where all members can be seen and heard and the public may attend in accordance with KRS 61.826 & 61.840

Board of Directors Conference Room

Old Capitol Annex

300 West Broadway

Frankfort, Kentucky

ALSO AVAILABLE VIA ZOOM: <https://us02web.zoom.us/j/85902666484>

Call to Order

Notification of Press

Introduction of new BSSC Board Member

Oath of Office

Roll Call

Minutes

Wednesday, August 2, 2023

Reports

Financial Report

Christy Wingate

GIA Applications

Lion First Responder PPE, Inc.

Andy Luttner/Brandon Combs

The Training Consortium of South Central Kentucky, Inc.

Scott Moseley/Brandon Combs

F&E Aircraft Maintenance (Miami) LLC

Scott Moseley/Brandon Combs

Hitachi Astemo Americas, Inc.

William Henderson/Brandon Combs

GIA Applications

Clay-Ingels Co., LLC

Ashlee Chilton/Raven Aiken

Sheridan Kentucky, Inc.

Colin Dodd/Raven Aiken

Fischbach USA Inc.

Colin Dodd/Raven Aiken

Toyotetsu America, Inc.

Cate Prather/Raven Aiken

GIA Applications

Thai Summit Kentucky Corporation

Cate Prather/Matthew Jordan

Owl's Head Alloys, Inc.

Ashlee Chilton/Matthew Jordan

Southwire Company, LLC

John Buchanan/Matthew Jordan

Foam Design, Inc.

John Buchanan/Matthew Jordan

GIA and STIC Applications

Mubea North-America Shared Services, Inc.	William Henderson/Kylee Palmer
Mubea, Inc.	William Henderson/Kylee Palmer
Mubea Precision Springs, Inc.	William Henderson/Kylee Palmer

GIA and STIC Applications

Lantech.com, LLC	John Buchanan/Raven Aiken
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STIC Applications

Payroll Partners, Inc.	Colin Dodd/Matthew Jordan
El Toro.com, LLC	Ashlee Chilton/Matthew Jordan
Volta, Inc.	Cate Prather/Matthew Jordan

GIA Commitment Applications

BlueOval SK, LLC	Andy Luttner/Brandon Combs
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Metropolitan College Tax Credit

United Parcel Service (UPS)	Kylee Palmer
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New Business

Audit Report & Auditor's Communication	Todd Hamilton, MCM CPA & Advisors, LP
BSSC Annual Report	Sarah Butler

Next Board Meeting

Wednesday, February 7, 2024	Ellen Felix
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Adjournment

Jai Bokey

Bluegrass State Skills Corporation

MINUTES



**CABINET FOR
ECONOMIC DEVELOPMENT**

**Bluegrass State Skills Corporation Board of Directors Meeting
Kentucky Cabinet for Economic Development,
300 West Broadway, Frankfort, Kentucky 40601
August 2, 2023 – 1:00 p.m. EDT**

Members present

Brenda Bankston, Jai Bokey, Shannon Cales, John Kuzuoka, Secretary Jeff Noel (CED), and Tom Lund.

Proxies present

Alisher Burikhanov, Proxy for Secretary Jamie Link (Education & Labor); Rick Smith, Proxy for Dr. Aaron Thompson (Postsecondary Education), and Jody Wafford, Proxy for Larry Ferguson (KCTCS).

Members absent

Dr. Houston Barber, Rita Combs-Sterrett, Zach Weinberg, and Aimee Wulfeck.

CED Staff present

Raven Aiken, Drew Belcher, Sarah Butler, Ashlee Chilton, Brandon Combs, Michelle Elder, Ellen Felix, Joseph Gearon, Malcom Jollie, Andy Luttner, Gabrielle McGee, Shannon MacDonald, Danielle Milbern, Amy Mills, Sydney Montgomery, Nasim Moula, Cate Prather, Kristina Slattery, Katie Smith, Christy Wingate, Matthew Wingate, and Ashiq Zaman.

Guests present - via Videoconference/in person

Jenni Hampton - OEAS (Education and Labor Cabinet)

Call to Order – Jai Bokey

Notification of Press – Ellen Felix

Jai Bokey, Chairman, received verification that the media had been notified of the BSSC Board of Directors meeting.

Roll Call – Ellen Felix

Approval of Minutes – Jai Bokey

A motion was made by John Kuzuoka and seconded by Jeff Noel to approve the May 3, 2023 Executive Committee Meeting minutes, and the May 3, 2023 Board of Directors minutes. Motion carried.

Approval of Financial Report – Christy Wingate

Brenda Bankston made a motion to approve the Financial Report for August 2, 2023. Tom Lund seconded the motion. Motion carried.

Ratification of BSSC Guidelines 2023-2024 approved May 3, 2023

The BSSC Guidelines approved on May 3, 2023, reflected Fleming County's Area of Need score as 17. The Socioeconomic Report presented on May 3, 2023, indicated that Fleming County's Area of Need score was 15 and unchanged from the prior year's score. Due to the Socioeconomic Report's listing of the correct score of 15, the BSSC Guidelines for 2023-2024 are ratified to reflect Fleming County score as 15 effective May 3, 2023.

Application materials and Guidelines have been updated to reflect this change.

Tom Lund made a motion to approve Ratifications of the BSSC Guidelines. Brenda Bankston seconded the motion. Motion carried.

Applications for Review – Sarah Butler

BSSC Staff – Ashlee Chilton//Joseph Gearon recommended the following Grant-in-Aid (GIA) applications to the BSSC Board for approval:

G24-117883 – Novelis Corporation, Guthrie	\$ 73,469.00
G24-117889 – Creative Realities, Inc. Louisville	\$ 50,125.00
G24-117890 – Agent511-ANG, LLC dba Interapt, LLC, Louisville	\$ 75,000.00
G24-117902 – Lake Cumberland Regional Hospital, LLC, Somerset	\$ 75,000.00

A motion was made by Tom Lund to approve these applications. Jeff Noel seconded the motion. Motion carried.

BSSC Staff – Malcolm Jollie/Joseph Gearon/Raven Aiken recommended the following Grant-In-Aid (GIA) applications to the BSSC Board for approval:

G24-117920 – The Kroger Co., Florence	\$ 18,000.00
G24-117925 – Bourbon Community Hospital, LLC, Paris	\$ 50,877.00
G24-117901 – Waystar, Inc., Louisville	\$ 75,000.00
G24-117955 – Total Quality Logistics, LLC, Lexington	\$ 75,000.00

A motion was made by John Kuzuoka to approve these applications. Jeff Noel seconded the motion. Motion carried.

BSSC Staff – Cate Prather/Joseph Gearon/Andy Luttner/Christy Wingate recommended the following Grant-in-Aid (GIA) applications to the BSSC Board for approval:

G24-117926 – Kentucky Hospital, LLC dba Clark Regional Medical Center, Winchester	\$ 62,312.00
G24-117882 – County Courthouse Magnet Services, Inc. dba Law Enforcement Partners, Bowling Green	\$ 47,073.00
G24-117924 – Paducah River Painting, Inc., Calvert City	\$ 36,949.00

A motion was made by Tom Lund to approve these applications. Jeff Noel seconded the motion. Motion carried.

BSSC Staff – Ashlee Chilton/Joseph Gearon/Malcolm Jollie/Christy Wingate recommended the following Grant-In-Aid (GIA) + Skills-Training-Investment-Credit (STIC) applications to the BSSC Board for approval:

G24-117937 – CertainTeed Gypsum, Inc. dba CertainTeed Gypsum Silver Grove LLC, Silver Grove	\$ 75,000.00
T24-117936 – CertainTeed Gypsum, Inc. dba CertainTeed Gypsum Silver Grove LLC, Silver Grove	\$ 75,000.00
G24-117917 – Dr. Schneider Automotive Systems, Inc., Russell Springs	\$ 75,000.00
T24-117918 – Dr. Schneider Automotive Systems, Inc., Russell Springs	\$ 75,000.00
G24-117934 – Carbide Industries LLC, Louisville	\$ 75,000.00
T24-117935 – Carbide Industries LLC, Louisville	\$ 75,000.00
G24-117893 – Indelac Controls, Inc., Florence	\$ 75,000.00
T24-117892 – Indelac Controls, Inc., Florence	\$ 75,000.00

A motion was made by Brenda Bankston to approve these applications. Marty Hammons seconded the motion. Motion carried.

BSSC Staff – Cate Prather/Raven Aiken/Joseph Gearon/Andy Luttner/ Christy Wingate recommended the following Grant-In-Aid (GIA) + Skills-Training-Investment-Credit (STIC) applications to the BSSC Board for approval:

G24-117941 – Bowling Green Metalforming L.L.C., Bowling Green	\$ 75,000.00
T24-117942 – Bowling Green Metalforming L.L.C., Bowling Green	\$ 75,000.00
G24-117938 – Magna Seating of America, Inc. dba Louisville Seating, Shepherdsville	\$ 75,000.00
T24-117939 – Magna Seating of America, Inc. dba Louisville Seating, Shepherdsville	\$ 75,000.00
G24-117923 – James Marine, Inc., Paducah	\$ 75,000.00
T24-117921 – James Marine, Inc., Paducah	\$ 75,000.00
G24-117931 – Tekno, Inc., Cave City	\$ 75,000.00
T24-117932 – Tekno, Inc., Cave City	\$ 75,000.00

A motion was made by Tom Lund approve these applications. John Kuzuoka seconded the motion. Motion carried.

BSSC Staff – Cate Prather/Raven Aiken/Andy Luttner/Christy Wingate recommended the following Skills-Training-Investment-Credit (STIC) applications to the BSSC Board for approval:

T24-117943 – Balluff, Inc., Florence	\$ 75,000.00
T24-117896 – Marquette Transportation Company, LLC, Paducah	\$ 75,000.00

A motion was made by Tom Lund to approve these applications. Brenda Bankston seconded the motion. Motion carried.

Old Business

- Audit update MCM CPAs & Advisors

Ms. Butler informed the BSSC Board that the auditors concluded their field work for the annual audit of the Bluegrass State Skills Corporation in July, and the full report will be presented at the November 1, 2023 meeting.

The BSSC Board likes to recognize the staff for their hard work.

New Business

- Resolution of Recognition
for BSSC Board Member – Gary Farmer

Mr. Bokey presented Resolution of the Bluegrass States Skills Corporation to recognize the service and leadership of Gary Farmer for the last 3 years to the Commonwealth of Kentucky.

Resolution read and adopted as of August 2, 2023.

- Resolution of Recognition
for retired BSSC Budget Specialist – Tonya D. Lee

Mr. Bokey presented Resolution of the Bluegrass States Skills Corporation to recognize the service and leadership of Tonya D. Lee for the last 17 years with the Kentucky Cabinet of Economic Development and to the Commonwealth of Kentucky.

Resolution read and adopted as of August 2, 2023.

Next Board Meeting – Ellen Felix

The next meeting of the Bluegrass State Skills Corporation Board of Directors will be held on November 1, 2023, at 1:00 p.m. at the Cabinet for Economic Development, Old Capitol Annex, 1st Floor Conference Room, 300 West Broadway, Frankfort, Kentucky.

Adjournment – Jai Bokey

A motion to adjourn the meeting was made by Jeff Noel and second by Tom Lund.

Motion carried.

Sincerely submitted,



Sarah C. Butler

Deputy Commissioner, Incentive Administration Division

Bluegrass State Skills Corporation

FINANCIAL REPORT



**CABINET FOR
ECONOMIC DEVELOPMENT**

BSSC FUNDS REPORT

11/1/2023

RESOURCES AVAILABLE

Regular Appropriation	4,311,800
Special Appropriation (Ford Motor Company)	2,500,000
Continued Appropriation	34,397,786
OET Rapid Response Funds Carry Forward	9,343
TOTAL RESOURCES	41,218,929

EXPENDITURES YTD

BSSC Funds	466,935
OET Rapid Response Funds	0
Total Expenditures as of 7/27/2023	466,935

OBLIGATIONS REMAINING

Regular/Commitment/OET Grants	12,186,733
Ford Commitment	2,500,000
Proposals	0
TOTAL OBLIGATIONS	14,686,733

TOTAL FUNDS AVAILABLE	26,065,260
FOR ADDITIONAL OBLIGATIONS THIS FISCAL YEAR	

Secretary's Funds	3,316,547
Regular Grant Funds	2,739,370
*SB5 Funds Available for \$2 Billion Projects	20,000,000
OET Rapid Response Funds	9,343
TOTAL FUNDS AVAILABLE	26,065,260
FOR ADDITIONAL OBLIGATIONS THIS FISCAL YEAR	

*SB5 2021 Special Session - Special appropriation for projects with a minimum investment of \$2 Billion

BSSC FUNDS REPORT

11/1/2023

Base	\$	827,950
Recaps (August, September, October)	\$	170,457
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Available for November 2023 Board Meeting	\$	998,407

Bluegrass State Skills Corporation

APPLICATIONS - GIA



Grant-In-Aid (GIA) Projects

November 2023

<u>Score</u>	<u>Qualified Company</u>	<u>City</u>	<u>Number of Trainees</u>	<u>Incentive Amount</u>
84	Lion First Responder PPE, Inc.	West Liberty	20	\$26,416
80	Clay-Ingels Co., LLC	Lexington	11	\$13,069
75	The Training Consortium of South Central Kentucky Inc.	Bowling Green	3824	\$75,000
74	Mubea North-America Shared Services, Inc.	Florence	57	\$75,000
74	Southwire Company, LLC	Hawesville	109	\$75,000
72	F&E Aircraft Maintenance (Miami) LLC	Erlanger	298	\$75,000
71	Lantech.com, LLC	Louisville	400	\$75,000
70	Sheridan Kentucky, Inc.	Versailles	35	\$70,000
70	Thai Summit Kentucky Corporation	Bardstown	80	\$52,927
69	Fischbach USA Inc.	Elizabethtown	136	\$75,000
69	Toyotetsu America, Inc.	Somerset	941	\$75,000
67	Owl's Head Alloys, Inc.	Bowling Green	36	\$63,437
64	Hitachi Astemo Americas, Inc.	Harrodsburg	2313	\$75,000
63	Foam Design, Inc.	Lexington	86	\$17,343
61	Mubea, Inc.	Florence	269	\$75,000
61	Mubea Precision Springs, Inc.	Florence	114	\$75,000
16 Projects			8729	\$993,192

Note: The Grant-In-Aid amount will be equal to \$2,000 per trainee, not to exceed the maximum approved amount of \$75,000 per company location for each fiscal year. The total amount of Grant-In-Aid incentives available for the entire program shall not exceed \$4,300,000 in any fiscal year.

Regular Grant Fund Balance	\$3,064,833
Recaptured Amount	\$170,457
Projected/Approved Grants	\$993,192
Remaining Regular Grant Funds	\$2,242,098

**BLUEGRASS STATE SKILLS CORPORATION
BOARD OF DIRECTORS
BSSC COMPETITIVE GRANT-IN-AID PROJECT REPORT**

Date: November 1, 2023

Company: Lion First Responder PPE, Inc.

City: West Liberty **County:** Morgan

Industry Sector: Manufacturing **BSSC #:** G24-118087

Bus. Devp. Contact: A. Luttner **DFS Staff:** B. Combs

Training Description:

Lion First Responder PPE, Inc. is a manufacturer of firefighter garments and other first responder equipment and apparel. The proposed training plan includes leadership and management skills training. This training gives the employees the specific, practical skills needed to increase operational efficiency, reduce scrap, reduce rejects, complete jobs on time with clear communication.

Training Details:

Classroom/OJT - In-House
Classroom/OJT - Consultant/Educational Institution
Instructional Materials & Supplies
Total Costs

Total Costs	50% of Total Costs
\$ -	\$ -
\$ 52,156	\$ 26,078
\$ 675	\$ 338
\$ 52,831	\$ 26,416

Number of Trainees

20

Employment & Wage Information:

Existing Employment	Projected New Employees
250	50

Average Hourly Wage	Total Hourly Compensation
\$ 25.15	\$ 31.44

Requirements:

Total Hourly Compensation: \$12.51
Base Hourly Wage: \$10.88

BSSC Grant Recommended for Approval

\$26,416

Application Score

84

**BLUEGRASS STATE SKILLS CORPORATION
BOARD OF DIRECTORS
BSSC COMPETITIVE GRANT-IN-AID PROJECT REPORT**

Date: November 1, 2023

Company: The Training Consortium of South Central Kentucky, Inc.

City: Bowling Green

County: Warren

Industry Sector: Consortia

BSSC #: G24-118141

Bus. Devp. Contact: S. Mosely

DFS Staff: B. Combs

Training Description:

The Training Consortium of South Central Kentucky, Inc. provides training opportunities for the industry members. Training will include membership, surveying, training, and training providers to target the needs of the manufacturing, healthcare, construction, hospitality, TDL, and professional services sectors and provide high-quality training that is convenient, timely, and cost effective to ensure the current and future talent needs.

Training Details:

Classroom/OJT - In-House
Classroom/OJT - Consultant/Educational Institution
Instructional Materials & Supplies
Total Costs

Total Costs	50% of Total Costs
\$ -	\$ -
\$ 96,494,800	\$ 48,247,400
\$ -	\$ -
\$ 96,494,800	\$ 48,247,400

Number of Trainees

3,824

Employment & Wage Information:

Existing Employment	Projected New Employees
5,432	0

Average Hourly Wage	Total Hourly Compensation
\$ 25.93	\$ 32.77

Requirements:

Total Hourly Compensation: \$12.51
Base Hourly Wage: \$10.88

BSSC Grant Recommended for Approval

\$75,000

Application Score

75

**BLUEGRASS STATE SKILLS CORPORATION
BOARD OF DIRECTORS
BSSC COMPETITIVE GRANT-IN-AID PROJECT REPORT**

Date: November 1, 2023

Company: F&E Aircraft Maintenance (Miami) LLC

City: Erlanger **County:** Boone

Industry Sector: Nonretail service or technology **BSSC #:** G24-118115

Bus. Devp. Contact: S. Mosely **DFS Staff:** B. Combs

Training Description:

F&E Aircraft Maintenance (Miami) LLC is a certified aircraft repair station, who is engaged in the maintenance, preventive maintenance, inspection and alteration of aircraft. Training will include computer-based, instructor-led, and on-the-job training for new employees as well as safety training for all employees to create an efficient and compliant environment.

Training Details:

Classroom/OJT - In-House
Classroom/OJT - Consultant/Educational Institution
Instructional Materials & Supplies
Total Costs

Total Costs	50% of Total Costs
\$ 440,878	\$ 220,439
\$ 378,132	\$ 189,066
\$ -	\$ -
\$ 819,010	\$ 409,505

Number of Trainees

298

Employment & Wage Information:

Existing Employment	Projected New Employees
298	250

Average Hourly Wage	Total Hourly Compensation
\$ 37.00	\$ 39.00

Requirements:

Total Hourly Compensation: \$12.51
Base Hourly Wage: \$10.88

BSSC Grant Recommended for Approval

\$75,000

Application Score

72

**BLUEGRASS STATE SKILLS CORPORATION
BOARD OF DIRECTORS
BSSC COMPETITIVE GRANT-IN-AID PROJECT REPORT**

Date: November 1, 2023

Company: Hitachi Astemo Americas, Inc.

City: Harrodsburg **County:** Mercer

Industry Sector: Manufacturing **BSSC #:** G24-118046

Bus. Devp. Contact: W. Henderson **DFS Staff:** B. Combs

Training Description:

Hitachi Astemo Americas, Inc. provides advanced mobility solutions in the areas of electric powertrains for automobiles, advanced chassis, autonomous driving/advanced driver assistance systems, and systems for motorcycles. The company will offer training in robotics, electric and mechanical work, troubleshooting, data analytics, metrology, safety, management, and on the job training to create a safe and compliant work environment.

Training Details:

Classroom/OJT - In-House
Classroom/OJT - Consultant/Educational Institution
Instructional Materials & Supplies
Total Costs

Total Costs	50% of Total Costs
\$ 11,584	\$ 5,792
\$ 145,140	\$ 72,570
\$ 14,988	\$ 7,494
\$ 171,712	\$ 85,856

Number of Trainees

724

Employment & Wage Information:

Existing Employment	Projected New Employees
2,313	5

Average Hourly Wage	Total Hourly Compensation
\$ 20.80	\$ 31.50

Requirements:

Total Hourly Compensation: \$12.51
Base Hourly Wage: \$10.88

BSSC Grant Recommended for Approval

\$75,000

Application Score

64

**BLUEGRASS STATE SKILLS CORPORATION
BOARD OF DIRECTORS
BSSC COMPETITIVE GRANT-IN-AID PROJECT REPORT**

Date: November 1, 2023

Company: Clay-Ingels Co., LLC

City: Lexington

County: Fayette

Industry Sector: Manufacturing

BSSC #: G24-118089

Bus. Devp. Contact: A. Chilton

DFS Staff: R. Aiken

Training Description:

Clay-Ingels, Co., LLC is a major supplier of quality building products, including doors, windows, hardware, and masonry supplies. In order to increase productivity, employee happiness and retention, and safety, the company will perform safety, management, and leadership training resulting in a promotion and raise for employees who successfully complete the program.

Training Details:

Classroom/OJT - In-House

Classroom/OJT - Consultant/Educational Institution

Instructional Materials & Supplies

Total Costs

Total Costs	50% of Total Costs
\$ -	\$ -
\$ 25,754	\$ 12,877
\$ 385	\$ 193
\$ 26,139	\$ 13,069

Number of Trainees

11

Employment & Wage Information:

Existing Employment	Projected New Employees
100	15

Average Hourly Wage	Total Hourly Compensation
\$ 32.87	\$ 46.68

Requirements:

Total Hourly Compensation: \$12.51
Base Hourly Wage: \$10.88

BSSC Grant Recommended for Approval

\$13,069

Application Score

80

**BLUEGRASS STATE SKILLS CORPORATION
BOARD OF DIRECTORS
BSSC COMPETITIVE GRANT-IN-AID PROJECT REPORT**

Date: November 1, 2023

Company: Sheridan Kentucky, Inc

City: Versailles

County: Woodford

Industry Sector: Manufacturing

BSSC #: G24-118034

Bus. Devp. Contact: C. Dodd

DFS Staff: R. Aiken

Training Description:

Sheridan Kentucky, Inc. is a print and electronic content provider of books, journal, magazines, and catalogs. To increase efficiency and safety, training will include specialized skill training on palletizing, collating materials, trimming, binding, stacking, and press operations.

Training Details:

Classroom/OJT - In-House

Classroom/OJT - Consultant/Educational Institution

Instructional Materials & Supplies

Total Costs

Total Costs	50% of Total Costs
\$ 166,000	\$ 83,000
\$ -	\$ -
\$ -	\$ -
\$ 166,000	\$ 83,000

Number of Trainees

35

Employment & Wage Information:

Existing Employment	Projected New Employees
35	4

Average Hourly Wage	Total Hourly Compensation
\$ 22.20	\$ 28.26

Requirements:

Total Hourly Compensation: \$12.51
Base Hourly Wage: \$10.88

BSSC Grant Recommended for Approval

\$70,000

Application Score

70

**BLUEGRASS STATE SKILLS CORPORATION
BOARD OF DIRECTORS
BSSC COMPETITIVE GRANT-IN-AID PROJECT REPORT**

Date: November 1, 2023

Company: Fischbach USA Inc.

City: Elizabethtown

County: Hardin

Industry Sector: Manufacturing

BSSC #: G24-118091

Bus. Devp. Contact: C. Dodd

DFS Staff: R. Aiken

Training Description:

Fischbach USA Inc. specializes in service system solutions in filling and packaging technology, including repair, maintenance, contracts, and teleservice. The company plans to train in the areas of operations, human resources, safety, quality control and assurance, and leadership increasing efficiency and safety.

Training Details:

Classroom/OJT - In-House

Classroom/OJT - Consultant/Educational Institution

Instructional Materials & Supplies

Total Costs

Total Costs	50% of Total Costs
\$ 344,888	\$ 172,444
\$ 9,960	\$ 4,980
\$ -	\$ -
\$ 354,848	\$ 177,424

Number of Trainees

136

Employment & Wage Information:

Existing Employment	Projected New Employees
157	5

Average Hourly Wage	Total Hourly Compensation
\$ 31.00	\$ 38.13

Requirements:

Total Hourly Compensation: \$12.51

Base Hourly Wage: \$10.88

BSSC Grant Recommended for Approval

\$75,000

Application Score

69

**BLUEGRASS STATE SKILLS CORPORATION
BOARD OF DIRECTORS
BSSC COMPETITIVE GRANT-IN-AID PROJECT REPORT**

Date: November 1, 2023

Company: Toyotetsu America, Inc.

City: Somerset

County: Pulaski

Industry Sector: Manufacturing

BSSC #: G24-118014

Bus. Devp. Contact: C. Prather

DFS Staff: R. Aiken

Training Description:

Toyotetsu America Inc. is a key player in the automotive industry, producing stamped and welded parts. To maintain its high standards and meet safety requirements, training will include new hire, hands-on experience, company policy, departmental tasks, and skilled trades training.

Training Details:

Classroom/OJT - In-House

Classroom/OJT - Consultant/Educational Institution

Instructional Materials & Supplies

Total Costs

Total Costs	50% of Total Costs
\$ 524,897	\$ 262,449
\$ -	\$ -
\$ -	\$ -
\$ 524,897	\$ 262,449

Number of Trainees

941

Employment & Wage Information:

Existing Employment	Projected New Employees
941	2

Average Hourly Wage	Total Hourly Compensation
\$ 22.49	\$ 25.82

Requirements:

Total Hourly Compensation: \$12.51
Base Hourly Wage: \$10.88

BSSC Grant Recommended for Approval

\$75,000

Application Score

69

**BLUEGRASS STATE SKILLS CORPORATION
BOARD OF DIRECTORS
BSSC COMPETITIVE GRANT-IN-AID PROJECT REPORT**

Date: November 1, 2023

Company: Thai Summit Kentucky Corporation

City: Bardstown

County: Nelson

Industry Sector: Manufacturing

BSSC #: G24-118057

Bus. Devp. Contact: C. Prather

DFS Staff: M. Jordan

Training Description:

Thai Summit Kentucky Corporation is a metal stamping facility, providing metal and aluminum parts for automotive companies. Training to be included is New Hire Safety, New Hire Fire, New Hire Electrical Safety, Crane Certifications, Forklift Certifications, Aerial Lift Certifications, EHS/OSHA Training and Maintenance Skilled Trade Certifications. This training will ensure a safe, healthy, and well equipped work environment for the entire team.

Training Details:

Classroom/OJT - In-House

Classroom/OJT - Consultant/Educational Institution

Instructional Materials & Supplies

Total Costs

Total Costs	50% of Total Costs
\$ 27,385	\$ 13,693
\$ 74,869	\$ 37,434
\$ 3,600	\$ 1,800
\$ 105,854	\$ 52,927

Number of Trainees

80

Employment & Wage Information:

Existing Employment	Projected New Employees
140	80

Average Hourly Wage	Total Hourly Compensation
\$ 26.50	\$ 30.48

Requirements:

Total Hourly Compensation: \$12.51

Base Hourly Wage: \$10.88

BSSC Grant Recommended for Approval

\$52,927

Application Score

70

**BLUEGRASS STATE SKILLS CORPORATION
BOARD OF DIRECTORS
BSSC COMPETITIVE GRANT-IN-AID PROJECT REPORT**

Date: November 1, 2023

Company: Owl's Head Alloys, Inc.

City: Bowling Green **County:** Warren

Industry Sector: Manufacturing **BSSC #:** G24-118042

Bus. Devp. Contact: A. Chilton **DFS Staff:** M. Jordan

Training Description:

Owl's Head Alloys, Inc. is a secondary aluminum processor serving companies nationally. Training to be included is leadership, computer skills, safety standards, and diversity, equity, and inclusion. This will provide a safe, productive and inclusive workplace for all employees allowing for increased innovation and creativity.

Training Details:

Classroom/OJT - In-House
Classroom/OJT - Consultant/Educational Institution
Instructional Materials & Supplies
Total Costs

Total Costs	50% of Total Costs
\$ 5,936	\$ 2,968
\$ 120,937	\$ 60,469
\$ -	\$ -
\$ 126,873	\$ 63,437

Number of Trainees

36

Employment & Wage Information:

Existing Employment	Projected New Employees
152	0

Average Hourly Wage	Total Hourly Compensation
\$ 40.98	\$ 53.27

Requirements:

Total Hourly Compensation: \$12.51
Base Hourly Wage: \$10.88

BSSC Grant Recommended for Approval

\$63,437

Application Score

67

**BLUEGRASS STATE SKILLS CORPORATION
BOARD OF DIRECTORS
BSSC COMPETITIVE GRANT-IN-AID PROJECT REPORT**

Date: November 1, 2023

Company: Southwire Company, LLC

City: Hawesville

County: Hancock

Industry Sector: Manufacturing

BSSC #: G24-118056

Bus. Devp. Contact: J. Buchanan

DFS Staff: M. Jordan

Training Description:

Southwire Company, LLC is an aluminum rod and cable manufacturer. Training to be included in this grant is train the trainer, new hire, safety, fork lift, and maintenance trainings. This is training that includes online courses and in-person classes to improve job skills.

Training Details:

Classroom/OJT - In-House

Classroom/OJT - Consultant/Educational Institution

Instructional Materials & Supplies

Total Costs

Total Costs	50% of Total Costs
\$ 251,627	\$ 125,814
\$ -	\$ -
\$ -	\$ -
\$ 251,627	\$ 125,814

Number of Trainees

109

Employment & Wage Information:

Existing Employment	Projected New Employees
404	21

Average Hourly Wage	Total Hourly Compensation
\$ 31.72	\$ 39.65

Requirements:

Total Hourly Compensation: \$12.51
Base Hourly Wage: \$10.88

BSSC Grant Recommended for Approval

\$75,000

Application Score

74

**BLUEGRASS STATE SKILLS CORPORATION
BOARD OF DIRECTORS
BSSC COMPETITIVE GRANT-IN-AID PROJECT REPORT**

Date: November 1, 2023

Company: Foam Design, Inc.

City: Lexington

County: Fayette

Industry Sector: Manufacturing

BSSC #: G24-118090

Bus. Devp. Contact: J. Buchanan

DFS Staff: M. Jordan

Training Description:

Foam Design, Inc. is an experienced producer of high-quality precision foam products. Training will ensure employees continue to offer customized foam packaging applications that meet client specifications and expectations. The training plan includes systems training, quality management training, and facility and operations safety training.

Training Details:

Classroom/OJT - In-House

Classroom/OJT - Consultant/Educational Institution

Instructional Materials & Supplies

Total Costs

Total Costs	50% of Total Costs
\$ 34,366	\$ 17,183
\$ 319	\$ 159
\$ -	\$ -
\$ 34,685	\$ 17,343

Number of Trainees

86

Employment & Wage Information:

Existing Employment	Projected New Employees
86	9

Average Hourly Wage	Total Hourly Compensation
\$ 21.25	\$ 24.44

Requirements:

Total Hourly Compensation: \$12.51
Base Hourly Wage: \$10.88

BSSC Grant Recommended for Approval

\$17,343

Application Score

63

Bluegrass State Skills Corporation

APPLICATIONS - GIA & STIC



**BLUEGRASS STATE SKILLS CORPORATION
BOARD OF DIRECTORS
BSSC COMPETITIVE GRANT-IN-AID PROJECT REPORT**

Date: November 1, 2023

Company: Mubea North-America Shared Services, Inc.

City: Florence **County:** Boone

Industry Sector: Manufacturing **BSSC #:** G24-118096

Bus. Devp. Contact: W. Henderson **DFS Staff:** Kylee Palmer

Training Description:

Mubea North-America Shared Services, Inc. is a leader in the automotive springs and fabricated metal product industries. Training is to include apprenticeship in machinery, PPE and safety precautions, material processing, and hazcom training to ensure a safe workforce and competency in specialized equipment in the automotive industry.

Training Details:

Classroom/OJT - In-House
Classroom/OJT - Consultant/Educational Institution
Instructional Materials & Supplies
Total Costs

Total Costs	50% of Total Costs
\$ 166,321	\$ 83,161
\$ -	\$ -
\$ -	\$ -
\$ 166,321	\$ 83,161

Number of Trainees

57

Employment & Wage Information:

Existing Employment	Projected New Employees
57	5

Average Hourly Wage	Total Hourly Compensation
\$ 21.22	\$ 26.80

Requirements:

Total Hourly Compensation: \$12.51
Base Hourly Wage: \$10.88

BSSC Grant Recommended for Approval

\$75,000

Application Score

74

**BLUEGRASS STATE SKILLS CORPORATION
BOARD OF DIRECTORS**

BSSC SKILLS TRAINING INVESTMENT CREDIT PROJECT REPORT

Date: November 1, 2023

Company: Mubea North-America Shared Services, Inc.

City: Florence **County:** Boone

Industry Sector: Manufacturing **BSSC #:** T24-118095

Bus. Devp. Contact: W. Henderson **DFS Staff:** Kylee Palmer

Training Description:

Mubea North-America Shared Services, Inc. is a leader in the automotive springs and fabricated metal product industries. Training is to include preventative maintenance, fire safety, equipment, emergency production stops, working at heights, hydraulics, and hearing protection to ensure a safe, healthy, and compliant work environment.

Training Details:

Classroom/OJT - In-House
Classroom/OJT - Consultant/Educational Institution
Instructional Materials & Supplies
Total Costs

Total Costs	50% of Total Costs
\$ 164,217	\$ 82,109
\$ -	\$ -
\$ -	\$ -
\$ 164,217	\$ 82,109

Number of Trainees

57

Employment & Wage Information:

Existing Employment	Projected New Employees
57	5

Average Hourly Wage	Total Hourly Compensation
\$ 21.22	\$ 26.80

Requirements:

Total Hourly Compensation: \$12.51
Base Hourly Wage: \$10.88

BSSC Tax Credit Recommended for Approval

\$75,000

Application Score

74

**BLUEGRASS STATE SKILLS CORPORATION
BOARD OF DIRECTORS
BSSC COMPETITIVE GRANT-IN-AID PROJECT REPORT**

Date: November 1, 2023

Company: Mubea, Inc.

City: Florence

County: Boone

Industry Sector: Manufacturing

BSSC #: G24-118113

Bus. Devp. Contact: W. Henderson

DFS Staff: Kylee Palmer

Training Description:

Mubea, Inc. is a leader in the automotive industry, specializing in components of the chassis, car body, and engine. Training is to include on the job training of Journeyman, coiling operator, buffer, shot peen operator, hanger, paint line operator, load test operator, shipping/receiving, maintenance, draw line operator, heat line operator, development, and quality, in addition to the updates in customer service and annual safety training. These trainings will ensure workplace safety and best practice as well as high quality customer service.

Training Details:

Classroom/OJT - In-House

Classroom/OJT - Consultant/Educational Institution

Instructional Materials & Supplies

Total Costs

Total Costs	50% of Total Costs
\$ 1,367,264	\$ 683,632
\$ -	\$ -
\$ -	\$ -
\$ 1,367,264	\$ 683,632

Number of Trainees

269

Employment & Wage Information:

Existing Employment	Projected New Employees
269	11

Average Hourly Wage	Total Hourly Compensation
\$ 23.61	\$ 26.80

Requirements:

Total Hourly Compensation: \$12.51
Base Hourly Wage: \$10.88

BSSC Grant Recommended for Approval

\$75,000

Application Score

61

**BLUEGRASS STATE SKILLS CORPORATION
BOARD OF DIRECTORS**

BSSC SKILLS TRAINING INVESTMENT CREDIT PROJECT REPORT

Date: November 1, 2023

Company: Mubea, Inc.

City: Florence **County:** Boone

Industry Sector: Manufacturing **BSSC #:** T24-118107

Bus. Devp. Contact: W. Henderson **DFS Staff:** Kylee Palmer

Training Description:

Mubea, Inc. is a leader in the automotive industry, specializing in components of the chassis, car body, and engine. Training is to include on the job training of Journeyman, coiling operator, buffer, shot peen operator, hanger, paint line operator, load test operator, shipping/receiving, maintenance, draw line operator, heat line operator, development, and quality, in addition to the updates in customer service and annual safety training. These trainings will ensure workplace safety and best practice as well as high quality customer service.

Training Details:

Classroom/OJT - In-House
Classroom/OJT - Consultant/Educational Institution
Instructional Materials & Supplies
Total Costs

Total Costs	50% of Total Costs
\$ 1,367,264	\$ 683,632
\$ -	\$ -
\$ -	\$ -
\$ 1,367,264	\$ 683,632

Number of Trainees

269

Employment & Wage Information:

Existing Employment	Projected New Employees
269	11

Average Hourly Wage	Total Hourly Compensation
\$ 23.61	\$ 26.80

Requirements:

Total Hourly Compensation: \$12.51
Base Hourly Wage: \$10.88

BSSC Tax Credit Recommended for Approval

\$75,000

Application Score

61

**BLUEGRASS STATE SKILLS CORPORATION
BOARD OF DIRECTORS
BSSC COMPETITIVE GRANT-IN-AID PROJECT REPORT**

Date: November 1, 2023

Company: Mubea Precision Springs, Inc.

City: Florence **County:** Boone

Industry Sector: Manufacturing **BSSC #:** G24-118092

Bus. Devp. Contact: W. Henderson **DFS Staff:** Kylee Palmer

Training Description:

Mubea Precision Springs, Inc. is a leader in the automotive component manufacturing systems industry. Training to be included encompasses operation, annual recertification, equipment maintenance, and leadership to ensure a safe and compliant work environment.

Training Details:

Classroom/OJT - In-House
Classroom/OJT - Consultant/Educational Institution
Instructional Materials & Supplies
Total Costs

Total Costs	50% of Total Costs
\$ 336,229	\$ 168,114
\$ -	\$ -
\$ -	\$ -
\$ 336,229	\$ 168,114

Number of Trainees

167

Employment & Wage Information:

Existing Employment	Projected New Employees
167	4

Average Hourly Wage	Total Hourly Compensation
\$ 26.46	\$ 26.80

Requirements:

Total Hourly Compensation: \$12.51
Base Hourly Wage: \$10.88

BSSC Grant Recommended for Approval

\$75,000

Application Score

61

**BLUEGRASS STATE SKILLS CORPORATION
BOARD OF DIRECTORS**

BSSC SKILLS TRAINING INVESTMENT CREDIT PROJECT REPORT

Date: November 1, 2023

Company: Mubea Precision Springs, Inc.

City: Florence

County: Boone

Industry Sector: Manufacturing

BSSC #: T24-118093

Bus. Devp. Contact: W. Henderson

DFS Staff: Kylee Palmer

Training Description:

Mubea Precision Springs, Inc. is a leader in the automotive component manufacturing systems industry. Training to be included encompasses operation, annual recertification, equipment maintenance, and leadership to ensure a safe and compliant work environment.

Training Details:

Classroom/OJT - In-House

Classroom/OJT - Consultant/Educational Institution

Instructional Materials & Supplies

Total Costs

Total Costs	50% of Total Costs
\$ 336,229	\$ 168,114
\$ -	\$ -
\$ -	\$ -
\$ 336,229	\$ 168,114

Number of Trainees

167

Employment & Wage Information:

Existing Employment	Projected New Employees
167	4

Average Hourly Wage	Total Hourly Compensation
\$ 26.46	\$ 26.80

Requirements:

Total Hourly Compensation: \$12.51

Base Hourly Wage: \$10.88

BSSC Tax Credit Recommended for Approval

\$75,000

Application Score

61

**BLUEGRASS STATE SKILLS CORPORATION
BOARD OF DIRECTORS
BSSC COMPETITIVE GRANT-IN-AID PROJECT REPORT**

Date: November 1, 2023

Company: Lantech.com, LLC

City: Louisville

County: Jefferson

Industry Sector: Manufacturing

BSSC #: G24-118060

Bus. Devp. Contact: J. Buchanan

DFS Staff: R. Aiken

Training Description:

Established in 1972, Lantech.com, LLC is recognized as the world leader in stretch wrapping technology. The proposed training plan includes: Welding Certification, Mechanical Pnuematics, Electrical Advancement, Equipment Training, New Associate Skills Training, and Safety. This will allow for employee expertise in a continually evolving set of technical and safety standards.

Training Details:

Classroom/OJT - In-House

Classroom/OJT - Consultant/Educational Institution

Instructional Materials & Supplies

Total Costs

Total Costs	50% of Total Costs
\$ 476,497	\$ 238,248
\$ 15,061	\$ 7,530
\$ -	\$ -
\$ 491,557	\$ 245,779

Number of Trainees

400

Employment & Wage Information:

Existing Employment	Projected New Employees
438	20

Average Hourly Wage	Total Hourly Compensation
\$ 31.21	\$ 35.89

Requirements:

Total Hourly Compensation: \$12.51
Base Hourly Wage: \$10.88

BSSC Grant Recommended for Approval

\$75,000

Application Score

71

**BLUEGRASS STATE SKILLS CORPORATION
BOARD OF DIRECTORS**

BSSC SKILLS TRAINING INVESTMENT CREDIT PROJECT REPORT

Date: November 1, 2023

Company: Lantech.com, LLC

City: Louisville

County: Jefferson

Industry Sector: Manufacturing

BSSC #: T24-118061

Bus. Devp. Contact: J. Buchanan

DFS Staff: R. Aiken

Training Description:

Lantech.com, LLC has evolved into a leading manufacturer of packaging and material handling machinery to clients worldwide. The proposed training plan includes topics such as: Electrical Advancement, Technical Training, Leadership Development and Workplace Awareness. This training will increase employee decision-making and collaboration skills as well as build mechanical and technical knowledge.

Training Details:

Classroom/OJT - In-House

Classroom/OJT - Consultant/Educational Institution

Instructional Materials & Supplies

Total Costs

Total Costs	50% of Total Costs
\$ 275,666	\$ 137,833
\$ -	\$ -
\$ -	\$ -
\$ 275,666	\$ 137,833

Number of Trainees

400

Employment & Wage Information:

Existing Employment	Projected New Employees
438	20

Average Hourly Wage	Total Hourly Compensation
\$ 31.21	\$ 35.89

Requirements:

Total Hourly Compensation: \$12.51
Base Hourly Wage: \$10.88

BSSC Tax Credit Recommended for Approval

\$75,000

Application Score

71

Bluegrass State Skills Corporation

APPLICATIONS - STIC



Skills Training Investment Credit (STIC) Projects November 2023

Score	Eligible Company	City	Number of Trainees	Incentive Amount
74	Mubea North-America Shared Scervices, Inc.	Florence	57	\$75,000
73	Payroll Partners, Inc.	Ft. Wright	28	\$34,014
71	Lantech.com, LLC	Louisville	400	\$75,000
64	El Toro.com, LLC	Louisville	104	\$75,000
62	Volta, Inc.	Frankfort	7	\$14,000
61	Mubea, Inc.	Florence	269	\$75,000
61	Mubea Precision Springs, Inc.	Florence	167	\$75,000
7 Projects			1032	\$423,014

FY 2023-24 Tax Credit Limit	\$1,750,000
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Current FY Projected/ Approved Credits	\$423,014
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Remaining Tax Credits	\$1,326,986
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Note: The tax credit amount will be equal to \$2000 per employee, not to exceed the maximum approved tax credit of \$75,000 per company for each fiscal year. Per KRS 154.12-207, the maximum amount of credits that may be committed in each state fiscal year shall be capped at \$2,500,000.

**BLUEGRASS STATE SKILLS CORPORATION
BOARD OF DIRECTORS**

BSSC SKILLS TRAINING INVESTMENT CREDIT PROJECT REPORT

Date: November 1, 2023

Company: Payroll Partners, Inc.

City: Fort Wright

County: Kenton

Industry Sector: Nonretail service or technology

BSSC #: T24-118053

Bus. Devp. Contact: C. Dodd

DFS Staff: M. Jordan

Training Description:

Payroll Partners, Inc. is a company specializing in HR and payroll technology. Training will include LMS (Learning Management System), in person training for managers, and training for staff to obtain their industry certifications. This will provide new hires, all staff and other workgroups the chance to enhance their skills.

Training Details:

Classroom/OJT - In-House

Classroom/OJT - Consultant/Educational Institution

Instructional Materials & Supplies

Total Costs

Total Costs	50% of Total Costs
\$ 9,459	\$ 4,730
\$ 58,569	\$ 29,284
\$ -	\$ -
\$ 68,028	\$ 34,014

Number of Trainees

28

Employment & Wage Information:

Existing Employment	Projected New Employees
24	4

Average Hourly Wage	Total Hourly Compensation
\$ 31.08	\$ 34.19

Requirements:

Total Hourly Compensation: \$12.51
Base Hourly Wage: \$10.88

BSSC Tax Credit Recommended for Approval

\$34,014

Application Score

73

**BLUEGRASS STATE SKILLS CORPORATION
BOARD OF DIRECTORS**

BSSC SKILLS TRAINING INVESTMENT CREDIT PROJECT REPORT

Date: November 1, 2023

Company: El Toro.com, LLC

City: Louisville

County: Jefferson

Industry Sector: Nonretail service or technology

BSSC #: T24-118078

Bus. Devp. Contact: A. Chilton

DFS Staff: M. Jordan

Training Description:

El Toro is an advertising technology and data analytics firm. Trainings are to include professional development, leadership, performance management, conflict resolution, regulatory, new hire, and soft skills training. These training will increase safety, interpersonal communication, and efficiency in the workplace.

Training Details:

Classroom/OJT - In-House
Classroom/OJT - Consultant/Educational Institution
Instructional Materials & Supplies
Total Costs

Total Costs	50% of Total Costs
\$ 67,253	\$ 33,627
\$ 80,719	\$ 40,359
\$ 2,900	\$ 1,450
\$ 150,872	\$ 75,436

Number of Trainees

104

Employment & Wage Information:

Existing Employment	Projected New Employees
104	15

Average Hourly Wage	Total Hourly Compensation
\$ 44.73	\$ 54.73

Requirements:

Total Hourly Compensation: \$12.51
Base Hourly Wage: \$10.88

BSSC Tax Credit Recommended for Approval

\$75,000

Application Score

64

**BLUEGRASS STATE SKILLS CORPORATION
BOARD OF DIRECTORS**

BSSC SKILLS TRAINING INVESTMENT CREDIT PROJECT REPORT

Date: November 1, 2023

Company: Volta Inc.

City: Frankfort

County: Franklin

Industry Sector: Headquarter operations

BSSC #: T24-117962

Bus. Devp. Contact: C. Prather

DFS Staff: M. Jordan

Training Description:

Volta Inc. is a facility specializing in customized data and cybersecurity solutions. The training plan includes Leadership Management Training that will allow management to be prepared to supervise and direct the employees of the organization.

Training Details:

Classroom/OJT - In-House
Classroom/OJT - Consultant/Educational Institution
Instructional Materials & Supplies
Total Costs

Total Costs	50% of Total Costs
\$ 41,650	\$ 20,825
\$ -	\$ -
\$ 350	\$ 175
\$ 42,000	\$ 21,000

Number of Trainees

7

Employment & Wage Information:

Existing Employment	Projected New Employees
30	2

Average Hourly Wage	Total Hourly Compensation
\$ 55.00	\$ 63.02

Requirements:

Total Hourly Compensation: \$12.51
Base Hourly Wage: \$10.88

BSSC Tax Credit Recommended for Approval

\$14,000

Application Score

62

Bluegrass State Skills Corporation

APPLICATIONS - COMMITMENT



Commitment Grant-In-Aid (GIA) Project

November 2023

Qualified Company	City	Number of Trainees	Incentive Amount
BlueOval SK, LLC	Glendale	5000	\$10,000,000.00
1 Project		5000	\$10,000,000.00
Commitment Balance			
Current Approved Grant Amount			\$10,000,000.00
Remaining Commitment Balance			

**BLUEGRASS STATE SKILLS CORPORATION
BOARD OF DIRECTORS
BSSC COMMITMENT GRANT-IN-AID PROJECT REPORT**

Date: November 1, 2023

Company: BlueOval SK, LLC

City: Glendale

County: Hardin

Industry Sector: Manufacturing

BSSC #: G24-118136

Bus. Devp. Contact: A. Luttner

DFS Staff: B. Combs

Training Description:

BlueOval SK manufactures automotive batteries for electric vehicles. The necessary employee training includes industrial maintenance, Lean, safety, process improvement, systems thinking, communication, worker characteristics, vision systems, and culture. Electric vehicle battery production is an emerging sector in the United States, and it will be necessary for all BlueOval SK employees to receive proper training to understand the battery technology and manufacturing process.

Training Details:

Classroom/OJT - In-House
Classroom/OJT - Consultant/Educational Institution
Instructional Materials & Supplies
Train-the-Trainer Travel
Total Costs

Total Costs	50% of Total Costs
\$ 24,600,000	\$ 12,300,000
\$ -	\$ -
\$ -	\$ -
\$ -	\$ -
\$ 24,600,000	\$ 12,300,000

Number of Trainees

5,000

Employment & Wage Information:

Existing Employment	Projected New Employees
225	4,775

Average Hourly Wage	Total Hourly Compensation
\$ 30.75	\$ 40.00

Requirements:

Total Hourly Compensation: \$12.51
Base Hourly Wage: \$10.88

BSSC Commitment Grant Recommended for Approval

10,000,000

Bluegrass State Skills Corporation

METROPOLITAN COLLEGE



**CABINET FOR
ECONOMIC DEVELOPMENT**

Metropolitan College Tax Credit Final

United Parcel Service (UPS)

MC-014

Metropolitan College Tax Credit for Final Approval:

\$3,869,527.00

November 1, 2023

The Metropolitan College Tax Credit includes costs for 1681 students who attended the Fall 2021, Spring 2022, Summer 2022, Fall 2022, Spring 2023 and Summer 2023 semesters. All costs were billed and paid in 2023. The following are the semester totals:

• Fall 2021	\$	1,524.00
• Spring 2022	\$	2,281.50
• Summer 2022	\$	3,778.50
• Fall 2022	\$	1,807,606.50
• Spring 2023	\$	1,649,693.50
• Summer 2023	\$	404,643.00

Bluegrass State Skills Corporation

NEW BUSINESS



Bluegrass State Skills Corporation

AUDIT REPORT



Bluegrass State Skills Corporation

Financial Statements

Year Ended June 30, 2023

**Bluegrass State Skills Corporation
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Year Ended June 30, 2023**

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Independent Auditor's Report

To the Board of Directors
Bluegrass State Skills Corporation
Frankfort, Kentucky

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and the governmental fund of Bluegrass State Skills Corporation, a component unit of the Commonwealth of Kentucky, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Bluegrass State Skills Corporation's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities and the governmental fund of Bluegrass State Skills Corporation as of June 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Bluegrass State Skills Corporation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Bluegrass State Skills Corporation's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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Independent Auditor's Report (Continued)

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Bluegrass State Skills Corporation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Bluegrass State Skills Corporation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplemental Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 3 through 9 and the required supplemental information on pages 18 and 19 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 6, 2023 on our consideration of Bluegrass State Skills Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Bluegrass State Skills Corporation's internal control over financial reporting and compliance.



Louisville, Kentucky
October 6, 2023

BLUEGRASS STATE SKILLS CORPORATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

Bluegrass State Skills Corporation (Corporation) was established in 1984 by the General Assembly of the Commonwealth of Kentucky (Commonwealth) as an independent, de jure corporation to stimulate economic development through programs of skills training to meet the needs of business and industry. The Corporation, in cooperation with other State employment and training organizations, provides for customized comprehensive programs of skills training services for new, expanding, and existing industries. The Corporation, for administrative purposes, operates under the Kentucky Cabinet for Economic Development (Cabinet), in recognition of the relationship between economic development and skills training efforts.

As management of the Corporation, a governmental fund type component unit of the Commonwealth, we offer the readers of the Corporation's financial statements this narrative overview and analysis of the financial performance of the Corporation for the fiscal year ended June 30, 2023. We encourage readers to read it in conjunction with the Corporation's financial statements and the accompanying notes thereto.

FINANCIAL HIGHLIGHTS

- The assets of the Corporation exceeded its liabilities as of the close of the most recent fiscal year by \$9,343
- As of the close of the most recent fiscal year, the Corporation's governmental fund reported an ending fund balance of \$9,343
- Total expenses decreased \$549,900 (12.5%) between fiscal years
- Total general revenues decreased \$300,673 (7.3%) between fiscal years

OVERVIEW OF THE FINANCIAL STATEMENTS

This financial report consists of three parts: Management's Discussion and Analysis (this section), the combined government-wide and fund financial statements, and the accompanying notes to the financial statements. For special-purpose governments engaged in a single governmental program, the government-wide financial statements and the fund financial statements may be combined using a columnar format that reconciles individual line items of fund financial data to government-wide data. Accordingly, the Corporation has elected to present combined financial statements as such. The perspectives of the government-wide financial statements and the fund financial statements are discussed below.

The Corporation has established a fund to account for appropriations from the Commonwealth to be used for the purpose for which the Corporation was created. The activities of the Corporation are accounted for as a governmental fund on the modified accrual basis of accounting.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Corporation's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the Corporation's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Corporation is improving or deteriorating.

BLUEGRASS STATE SKILLS CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Government-wide Financial Statements (Continued)

The statement of activities presents information showing how the Corporation's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal years.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Corporation, like other State and local governments, uses fund accounting to ensure legal requirements. The Corporation is accounted for as a single governmental fund.

The Corporation's single governmental fund is used to account for essentially the same function as that which is reported within the government-wide financial statements, however, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year.

Because the focus of the fund financial statements is narrower than that of the government-wide financial statements, it is useful to compare the information presented in the fund financial statements with similar information presented in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Corporation's near-term financial decisions.

The governmental fund balance sheet and the government-wide statement of net position are presented on page 10 with an adjustments column to provide a reconciliation between the two sets of financial statements. The governmental fund statement of revenues, expenditures, and changes in fund balance and the government-wide statement of activities are presented on page 11 and contain a similar reconciliation. See Note C to the financial statements for an additional discussion of the adjustment amounts (as applicable).

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the financial statements. The notes to the financial statements can be found on pages 12-17.

BLUEGRASS STATE SKILLS CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

FINANCIAL ANALYSIS OF THE CORPORATION

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Corporation, assets exceeded liabilities by \$9,343 as of the close of the most recent fiscal year.

Condensed Financial Information (in thousands)

Statement of Net Position

June 30

	2023	2022	Percentage Increase (Decrease)
Current assets	\$ 2,103	\$ 2,480	-15.2%
Non-current assets	<u>8</u>	<u>8</u>	0.0%
Total assets	<u>2,111</u>	<u>2,488</u>	-15.2%
Current liabilities	2,102	2,479	-15.2%
Non-current liabilities	<u>-</u>	<u>-</u>	0.0%
Total liabilities	<u>2,102</u>	<u>2,479</u>	-15.2%
Net position	<u>\$ 9</u>	<u>\$ 9</u>	0.0%

Current assets generally consist of cash/cash equivalents (the equity position of the Corporation in the State cash and investment pool of the Commonwealth of Kentucky not otherwise classified as investments) and intergovernment receivables appropriated from the General Fund of the Commonwealth to cover the Corporation's **current liabilities** (see also **current liabilities** and **General Fund appropriations** below). The equity position of the Corporation in the State cash and investment pool at June 30, 2023 and 2022 represents unexpended intergovernment grant funds (see also **intergovernment grant revenue** below).

Non-current assets at June 30, 2023 and 2022 consist of investments representative of the equity position of the Corporation in the State cash and investment pool not otherwise classified as cash/cash equivalents.

Current liabilities typically consist primarily of grants payable. Grants payable as of year-end are representative of active **grant awards** (see also **grant awards** below) for which the requests for reimbursements reflect expenditures incurred by the grantees prior to year-end, but for which the Corporation had not reimbursed the grantees until after year-end.

BLUEGRASS STATE SKILLS CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

FINANCIAL ANALYSIS OF THE CORPORATION (CONTINUED)

Government-wide Financial Analysis (Continued)

Grants payable decreased approximately \$377,000 (15.2%) between fiscal years. Grants payable are paid from the intergovernment receivables (appropriated from the General Fund of the Commonwealth) due to the Corporation at year-end (see also **current assets** above).

The Corporation does not typically have **non-current liabilities**.

Condensed Financial Information (in thousands)
Statement of Activities
Years Ended June 30

	<u>2023</u>	<u>2022</u>	Percentage Increase (Decrease)
Expenses			
Grant awards	\$ 3,830	\$ 4,378	-12.5%
Compensation and related benefits	2	4	-50.0%
Other	15	16	-6.3%
Total expenses	<u>3,847</u>	<u>4,398</u>	-12.5%
Deficiency of revenues over expenses	<u>(3,847)</u>	<u>(4,398)</u>	-12.5%
General revenues			
General Fund appropriations	<u>3,847</u>	<u>4,148</u>	-7.3%
Change in net position	-	(250)	-100.0%
Net position, beginning of the year	<u>9</u>	<u>259</u>	-96.5%
Net position, end of the year	<u>\$ 9</u>	<u>\$ 9</u>	0.0%

BLUEGRASS STATE SKILLS CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

FINANCIAL ANALYSIS OF THE CORPORATION (CONTINUED)

Government-wide Financial Analysis (Continued)

Grant awards represent grants-in-aid, with matching requirements, to businesses to improve and promote employment opportunities for the residents of the Commonwealth. Such **grant awards** are typically primarily funded by **General Fund appropriations**. **Grant awards** are reported net of refunds (as applicable). Refunds of **grant awards** represent the repayment of grant funds (prorated as applicable) by the recipient if grant requirements are not met. **Grant awards** decreased approximately \$548,000 (12.5%) between fiscal years primarily as a result of the general impact of the outbreak of the global novel coronavirus disease 2019 (COVID-19) on training activities during fiscal year 2021 which resulted in additional training activities being completed during fiscal year 2022.

Compensation and related benefits consists entirely of the per-diem amounts paid to the individual members of the Corporation's Board of Directors.

Other expenses represent all other operating expenses of the Corporation such as professional fees, travel, and various office related expenses. **Other expenses** remained relatively consistent between fiscal years.

General Fund appropriations from the Commonwealth are typically the primary funding source for the activities of the Corporation. **General Fund appropriations** decreased approximately \$301,000 (7.3%) between fiscal years. This decrease between fiscal years generally goes hand-in-hand with the above noted decrease in **grant awards**. Approximately \$249,000 of fiscal year 2022 **grant awards** were funded from the fiscal year 2018 **intergovernment grant revenue** discussed below (rather than being funded by **General Fund appropriations**).

Fiscal year 2018 **intergovernment grant revenue** consisted of funding received from the Kentucky Education and Workforce Development Cabinet. Such grant funds are restricted for "grants, loans, and benefits" related to training incumbent Kentucky employees in skill and occupational upgrade training so that employers and employees can enhance productivity, improve performance, retain employment, and integrate new technologies with the goal of business retention, expansion, and growth within the Commonwealth. **Net position** at June 30, 2023 and 2022 is thus restricted pursuant to the unexpended Kentucky Education and Workforce Development Cabinet grant funds as of year-end.

Governmental Fund Financial Analysis

As noted earlier, the Corporation uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the Corporation's fund financial statements is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Corporation's financing requirements. In particular, fund balance may serve as a useful measure of a government's net resources available for program purposes at the end of the fiscal year.

BLUEGRASS STATE SKILLS CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

FINANCIAL ANALYSIS OF THE CORPORATION (CONTINUED)

Governmental Fund Financial Analysis (Continued)

Condensed Financial Information (in thousands)

Balance Sheet

June 30

	<u>2023</u>	<u>2022</u>	Percentage Increase (Decrease)
Assets	<u>\$ 2,111</u>	<u>\$ 2,488</u>	-15.2%
Liabilities	\$ 2,102	\$ 2,479	-15.2%
Fund balance	<u>9</u>	<u>9</u>	0.0%
Total liabilities and fund balance	<u>\$ 2,111</u>	<u>\$ 2,488</u>	-15.2%

See the above discussions of **current assets**, **non-current assets**, and **current liabilities** within the Government-wide Financial Analysis section. As of and for the year ended June 30, 2023, there are no differences between the government-wide and the governmental fund financial statements.

Condensed Financial Information (in thousands)

Statement of Revenues, Expenditures, and Changes in Fund Balance

Years Ended June 30

	<u>2023</u>	<u>2022</u>	Percentage Increase (Decrease)
Expenditures			
Grant awards	\$ 3,830	\$ 4,378	-12.5%
Compensation and related benefits	2	4	-50.0%
Other	<u>15</u>	<u>16</u>	-6.3%
Total expenditures	<u>3,847</u>	<u>4,398</u>	-12.5%
Deficiency of revenues over expenditures	<u>(3,847)</u>	<u>(4,398)</u>	-12.5%
General revenues			
General Fund appropriations	<u>3,847</u>	<u>4,148</u>	-7.3%
Change in fund balance	-	(250)	-100.0%
Fund balance, beginning of the year	<u>9</u>	<u>259</u>	-96.5%
Fund balance, end of the year	<u>\$ 9</u>	<u>\$ 9</u>	0.0%

BLUEGRASS STATE SKILLS CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

FINANCIAL ANALYSIS OF THE CORPORATION (CONTINUED)

Governmental Fund Financial Analysis (Continued)

See the above discussions within the Government-wide Financial Analysis section. As of and for the year ended June 30, 2023, there are no differences between the government-wide and the governmental fund financial statements.

BUDGETARY HIGHLIGHTS

During fiscal year 2023, the Corporation expended approximately \$4,207,000 of the approximately \$6,812,000 of allotments designated for "grants, loans, and benefits." Such unexpended allotments will carry forward to fiscal year 2024 and will otherwise not lapse.

See the budgetary comparison schedule on page 18 (and the related note thereto on page 19) for additional information.

CURRENTLY KNOWN FACTS, DECISIONS, OR CONDITIONS

Unexpended "personnel" and "operating expenses" allotments will lapse to the extent such allotments have not been appropriated to pay accounts payable as of year-end (if applicable).

CONTACTING THE CORPORATION'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the Corporation's finances for all of those with an interest. If you have any questions concerning the information provided in this report or need additional financial information, contact Bluegrass State Skills Corporation, Kentucky Cabinet for Economic Development, Old Capitol Annex, 300 West Broadway, Frankfort, Kentucky 40601. The Cabinet can also be reached by telephone at 502.564.7670 or by email at econdev@ky.gov.

Bluegrass State Skills Corporation
Balance Sheet/Statement of Net Position
June 30, 2023

	Balance Sheet	Adjustments (Note C)	Statement of Net Position
Assets			
Current assets			
Cash and cash equivalents	\$ 1,213	\$ -	\$ 1,213
Intergovernment receivables	<u>2,101,911</u>	<u>-</u>	<u>2,101,911</u>
Total current assets	<u>2,103,124</u>	<u>-</u>	<u>2,103,124</u>
Non-current assets			
Investments	<u>8,130</u>	<u>-</u>	<u>8,130</u>
Total assets	<u>\$ 2,111,254</u>	<u>-</u>	<u>2,111,254</u>
Liabilities			
Current liabilities			
Grants payable	<u>\$ 2,101,911</u>	<u>-</u>	<u>2,101,911</u>
Fund Balance/Net Position			
Restricted	<u>9,343</u>	<u>\$ -</u>	<u>\$ 9,343</u>
Total liabilities and fund balance	<u>\$ 2,111,254</u>		

See accompanying notes

Bluegrass State Skills Corporation
Statement of Revenues, Expenditures, and Changes
in Fund Balance/Statement of Activities
Year Ended June 30, 2023

	Statement of Revenues, Expenditures, and Changes in Fund Balance	Adjustments (Note C)	Statement of Activities
Expenditures/expenses			
Grant awards	\$ 3,830,457	\$ -	\$ 3,830,457
Compensation and related benefits	2,261	-	2,261
Professional fees	12,431	-	12,431
Miscellaneous	2,295	-	2,295
Total expenditures/expenses	<u>3,847,444</u>	<u>-</u>	<u>3,847,444</u>
Deficiency of revenues over expenditures/ expenses	<u>(3,847,444)</u>	<u>-</u>	<u>(3,847,444)</u>
General revenues			
General Fund appropriations	<u>3,847,444</u>	<u>-</u>	<u>3,847,444</u>
Change in fund balance/net position	-	-	-
Fund balance/net position			
Beginning of the year	<u>9,343</u>	<u>-</u>	<u>9,343</u>
End of the year	<u>\$ 9,343</u>	<u>\$ -</u>	<u>\$ 9,343</u>

See accompanying notes

Bluegrass State Skills Corporation
Notes to the Financial Statements
Year Ended June 30, 2023

Note A - Nature of Activities

Bluegrass State Skills Corporation (Corporation) was established in 1984 by the General Assembly of the Commonwealth of Kentucky (Commonwealth) as an independent, de jure corporation to stimulate economic development through programs of skills training to meet the needs of business and industry. The Corporation, in cooperation with other State employment and training related entities, provides for customized comprehensive programs of skills training services for new, expanding, and existing industries. The Corporation, for administrative purposes, operates under the Kentucky Cabinet for Economic Development (Cabinet), in recognition of the relationship between economic development and skills training efforts.

The Corporation's three main functions are:

- To administer and fund customized business and industry specific training through agreements for Grant-in-Aid (Grant-in-Aid Program) and Skills Training Investment Credit incentives (Skills Training Investment Credit Act Program);
- To act as a broker by coordinating the resources of providers of skills upgrade training, occupational upgrade training, and employment services; and
- To facilitate the creation of public/private partnerships through education and training programs designed to meet training needs of individual and multiple company (consortia) training projects.

Additionally, the Corporation, pursuant to Kentucky Revised Statutes 141.381, is responsible for approving tax credits under the Metropolitan College Tax Credit Program, the purpose of which is to encourage an employer to provide educational opportunities to employees through a program that combines employment with post-secondary education. The tax credits are approved on behalf of a qualified taxpayer under the terms of the related Metropolitan College Agreement.

The Skills Training Investment Credit Act Program and the Metropolitan College Tax Credit Program abate tax revenues of the Commonwealth. The abated tax revenues do not otherwise directly impact the Corporation's financial position and/or results of operations. The Commonwealth's Comprehensive Annual Financial Report (CAFR) should be referred to for additional disclosures related to the Skills Training Investment Credit Act Program and the Metropolitan College Tax Credit Program, including the disclosures required by Governmental Accounting Standards Board (GASB) Statement No. 77, *Tax Abatement Disclosures*.

The Corporation is an instrumentality of the Commonwealth of Kentucky and is exempt from income taxation.

Bluegrass State Skills Corporation
Notes to the Financial Statements (Continued)
Year Ended June 30, 2023

Note B - Summary of Significant Accounting Policies

1. Basis of Presentation

The Corporation is a component unit of the Commonwealth of Kentucky. The Corporation's financial statements are included in the Commonwealth's CAFR as a discretely presented component unit.

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America. The Corporation is a governmental fund. Accordingly, the Corporation presents two sets of financial statements; government-wide financial statements and governmental fund financial statements.

The government-wide financial statements of the Corporation (the statement of net position and the statement of activities) report information on all of the activities of the Corporation. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

The governmental fund financial statements (the balance sheet and the statement of revenues, expenditures, and changes in fund balance) are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Accordingly, revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures generally are recorded when a liability is incurred, as under the accrual basis of accounting. However, certain expenditures, such as, for example, those related to compensated absences, are recorded only when payment is due.

An adjustments column is presented within the financial statements to, when applicable, provide a reconciliation between the government-wide and governmental fund financial statements. See Note C.

In accordance with GASB Statement No. 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*, the financial statements include a Management's Discussion and Analysis (MD&A) section providing an analysis of the Corporation's overall financial position and results of operations.

2. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

3. Cash, Cash Equivalents, and Investments

The equity position of the Corporation in the State cash and investment pool of the Commonwealth of Kentucky (the Commonwealth of Kentucky's general depository) is reported as assets of the Corporation. The Corporation considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Investments are reported at fair market value.

Bluegrass State Skills Corporation
Notes to the Financial Statements (Continued)
Year Ended June 30, 2023

Note B - Summary of Significant Accounting Policies (Continued)

4. Intergovernment Transactions

During the course of operations, transactions occur with other State agencies (including the Commonwealth of Kentucky in general) that may result in amounts due to/from and revenues from/expenditures to. See Note E for the details of such transactions.

5. Fund Balance/Net Position

Governmental fund equity is classified as fund balance and is displayed in the following classifications which depict the relative strength of the spending constraints placed on the purposes for which resources can be used (when applicable; see Note H):

- a. Non-spendable - Consists of amounts that are not in a spendable form or are required to be maintained intact.
- b. Restricted - Consists of amounts with constraints placed on the use thereof either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Committed - Consists of amounts constrained to specific purposes by the entity itself, using its highest level of decision-making authority (the Board of Directors).
- d. Assigned - Consists of amounts the entity intends to use for a specific purpose (such purposes do not meet the criteria to be classified as restricted or committed).
- e. Unassigned - Consists of spendable amounts that are otherwise available for any purpose.

Government-wide equity is classified as net position and is displayed in the following classifications (when applicable):

- a. Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation, reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position - Consists of net position with constraints placed on the use thereof either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - All other net position that does not meet the definition of net investment in capital assets or restricted.

6. Expenditures/Expenses

Expenditures and expenses are both classified by natural or object classification in the statement of revenues, expenditures, and changes in fund balance/statement of activities.

Bluegrass State Skills Corporation
Notes to the Financial Statements (Continued)
Year Ended June 30, 2023

Note C - Explanation of the Difference Between the Government-wide and the Governmental Fund Financial Statements

Long-term liabilities applicable to the Corporation's governmental activities are not due and payable in the current period, and accordingly are not reported as fund liabilities. When applicable, the non-current portion of certain liabilities (for example, compensated absences or a pension or other postemployment benefits liability and related deferred outflows and inflows of resources) are therefore not reported in the governmental fund balance sheet. All liabilities, both current and long-term, are reported in the government-wide statement of net position. Accordingly, when applicable, the expenses associated with the non-current portion of such long-term liabilities are reported in the government-wide statement of activities.

As of and for the year ended June 30, 2023, there are no differences between the government-wide and the governmental fund financial statements.

Note D - Cash, Cash Equivalents, and Investments

The Kentucky Revised Statutes authorize the Corporation to invest deposits subject to its control, at its discretion, in the types of permitted investments as outlined within the Kentucky Revised Statutes. In addition, the Corporation is also allowed to participate in a cash and investment pool maintained by the Commonwealth of Kentucky.

At June 30, 2023, investments consist entirely of the Corporation's equity position in the State cash and investment pool (the portion that has not otherwise been classified as cash and cash equivalents). Such investments are valued at the net asset value of the Corporation's equity position at year-end, a Level 2 fair value measurement (see below).

The fair value measurements framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as described below:

- Level 1 - Quoted prices in active markets for identical assets or liabilities.
- Level 2 - Observable inputs such as quoted prices in active markets for similar assets or liabilities or quoted prices for identical or similar assets or liabilities in markets that are not active or unobservable inputs that are derived principally from or corroborated by observable market data.
- Level 3 - Unobservable inputs that are based on the Corporation's own assumptions as to how knowledgeable parties would price assets or liabilities that are not corroborated by market data.

There have been no changes from June 30, 2022 in the methodologies used to determine fair value at June 30, 2023.

Valuation methodologies may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. While the Corporation believes its valuation methodologies are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The Commonwealth's CAFR should be referred to for additional disclosures required by GASB Statement No. 3, *Deposits with Financial Institutions, Investments (including Repurchase Agreements), and Reverse Repurchase Agreements*, and GASB Statement No. 40, *Deposit and Investment Risk Disclosures (an Amendment of GASB Statement No. 3)*.

Bluegrass State Skills Corporation
Notes to the Financial Statements (Continued)
Year Ended June 30, 2023

Note E - Intergovernment Transactions

At June 30, 2023, intergovernment receivables reported in the accompanying balance sheet/statement of net position consist of General Fund appropriations due to the Corporation in the amount of \$2,101,911.

In a prior fiscal year, the Corporation received intergovernment grant revenue from the Kentucky Education and Workforce Development Cabinet. Such grant funds were restricted for "grants, loans, and benefits" related to training incumbent Kentucky employees in skill and occupational upgrade training so that employers and employees can enhance productivity, improve performance, retain employment, and integrate new technologies with the goal of business retention, expansion, and growth within the Commonwealth. Fund balance/net position at June 30, 2023 is thus restricted pursuant to the unexpended Kentucky Education and Workforce Development Cabinet grant funds as of year-end (\$9,343).

Note F - General Fund Appropriations

The primary funding source for the activities of the Corporation is through legislative General Fund appropriations from the Commonwealth. The Corporation may, subject to appropriations from the Commonwealth or from funds made available to it from any other public or private source, provide grant awards restricted only to the extent of its remaining unexpended funds.

The regular General Fund appropriations are made available to the Corporation in quarterly allotments. House Bill 1, enacted during the 2022 Regular Session of the Kentucky legislature, generally authorized the Corporation's unexpended allotments designated for "grants, loans, and benefits" to carry forward for fiscal years 2021-2022 and 2022-2023 (the 2022-2024 biennium) and not lapse to the Commonwealth's General Fund Surplus Account, notwithstanding Kentucky Revised Statutes (KRS) 45.229. Unexpended "personnel" and "operating expenses" allotments will lapse to the extent such allotments have not been appropriated to pay accounts payable as of year-end (if applicable).

During fiscal year 2022, pursuant to 2021 Special Session Senate Bill 5, \$20,000,000 of additional General Fund appropriations (in addition to the regular General Fund appropriations) were made available to the Corporation to fund obligations to disburse certain grant awards. Such unexpended appropriations will carry forward to fiscal year 2024 and will otherwise not lapse.

The Corporation's unexpended allotments are maintained by the Kentucky Finance and Administration Cabinet. At June 30, 2023, unexpended allotments (includes those allotments already appropriated to pay accounts payable or certain grants payable as of year-end) consist of the following:

	Beginning Unexpended Balance	Inflows	Outflows	Ending Unexpended Balance
"Personnel"	\$ -	\$ 24,900	\$ 14,692	\$ 10,208
"Operating expenses"	-	8,700	2,295	6,405
"Grants, loans, and benefits"	31,792,983	6,811,800	4,206,996	34,397,787
	<u>\$ 31,792,983</u>	<u>\$ 6,845,400</u>	<u>\$ 4,223,983</u>	<u>\$ 34,414,400</u>

Bluegrass State Skills Corporation
Notes to the Financial Statements (Continued)
Year Ended June 30, 2023

Note G - Grant Awards

The Corporation awards grants-in-aid, with matching requirements, to businesses to improve and promote employment opportunities for the residents of the Commonwealth. Such grant awards are typically primarily funded by General Fund appropriations.

Grants payable as of year-end represent active grant awards for which the requests for reimbursements reflect expenditures incurred by the grantees prior to year-end; however, the Corporation had not reimbursed the grantees for such expenditures until after year-end. These grants will be paid from the intergovernment receivables (General Fund appropriations) due to the Corporation at year-end (see Note E).

At June 30, 2023, obligations to disburse both active and prospective grant awards total approximately \$11,640,000 (includes the approximately \$2,102,000 of grants payable at June 30, 2023). The Corporation may not however ultimately fund these grants due to certain factors. The Corporation cannot make such disbursements in excess of its available funds ("grants, loans, and benefits") which total approximately \$34,407,000 at June 30, 2023 (includes the \$9,343 amount discussed in Note E).

Note H - Fund Balance Classification Policies and Procedures

The Board of Directors is the Corporation's highest level of decision-making authority. Commitments of fund balance (if and when applicable) must be formally approved through a vote by the Board of Directors. When warranted, the Board of Directors has the authority to assign amounts to a specific purpose utilizing the same policy established for committing funds to a specific purpose. The Corporation has not adopted formal policies which would govern (1) the order of priority relative to the use of fund balance when an expenditure is incurred for purposes for which both restricted or unrestricted fund balance is available and (2) whether committed, assigned, or unassigned amounts are considered to have been spent when an expenditure is incurred for purposes for which amounts classified as committed, assigned, or unassigned fund balance may be used.

Note I - Related Party Transactions

The Corporation received the benefit of management, accounting, and administrative services, as well as utilities and office space, from the Cabinet during fiscal year 2023 for which no fees were assessed.

Note J - Risk Management

The Corporation is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; and errors and omissions. The Corporation purchases commercial insurance coverage for errors and omissions and directors' and officers' liability. The Corporation also utilizes the Commonwealth of Kentucky's Risk Management Fund to cover the exposure to any remaining potential losses. The Commonwealth's CAFR should be referred to for additional disclosures related to the Risk Management Fund.

Required Supplemental Information

**Bluegrass State Skills Corporation
Budgetary Comparison Schedule
Year Ended June 30, 2023**

	Original Budgeted Amounts			Final Budgeted Amounts			Difference Between Original and Final Budgeted Amounts	2023 Actual Amounts	Variance with Final Budgeted Amounts
	Beginning Unexpended Balance July 1, 2022	2023 Allotments	Total	Beginning Unexpended Balance July 1, 2022	2023 Allotments	Total			
Resources (inflows)									
General Fund appropriations	\$ 31,792,983	\$ 6,845,400	\$ 38,638,383	\$ 31,792,983	\$ 6,845,400	\$ 38,638,383	\$ -	\$ 38,638,383	\$ -
Charges to appropriations (outflows)									
"Personnel"	-	24,900	24,900	-	24,900	24,900	-	14,692	(10,208)
"Operating expenses"	-	8,700	8,700	-	8,700	8,700	-	2,295	(6,405)
"Grants, loans, and benefits"	31,792,983	6,811,800	38,604,783	31,792,983	6,811,800	38,604,783	-	4,206,996	(34,397,787)
Total charges to appropriations (outflows)	31,792,983	6,845,400	38,638,383	31,792,983	6,845,400	38,638,383	-	4,223,983	(34,414,400)
Excess of resources (inflows) over charges to appropriations (outflows)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 34,414,400	\$ 34,414,400

See accompanying independent auditor's report
and note to the budgetary comparison schedule

Bluegrass State Skills Corporation
Note to the Budgetary Comparison Schedule
Year Ended June 30, 2023

Budgetary Basis Versus GAAP

The accompanying budgetary comparison schedule presents comparisons of the legally adopted budget with actual data on the budgetary basis. Accounting principles applied for purposes of developing data on the budgetary basis differ from those used to present financial statements in conformity with generally accepted accounting principles (GAAP). An explanation of the differences between budgetary inflows and outflows and revenues and expenditures determined in accordance with GAAP follows:

Total resources (inflows) per the budgetary comparison schedule	\$ 38,638,383
Unexpended allotments as of June 30, 2023	(34,414,400)
General Fund appropriations receivable (intergovernment) as of June 30, 2023	2,101,911
General Fund appropriations receivable (intergovernment) as of June 30, 2022	<u>(2,478,450)</u>
Total general revenues per the statement of revenues, expenditures, and changes in fund balance	<u>\$ 3,847,444</u>
Total charges to appropriations (outflows) per the budgetary comparison schedule	\$ 4,223,983
Grants payable as of June 30, 2023	2,101,911
Grants payable as of June 30, 2022	<u>(2,478,450)</u>
Total expenditures per the statement of revenues, expenditures, and changes in fund balance	<u>\$ 3,847,444</u>



**Independent Auditor's Report on Internal Control Over Financial Reporting and
on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards***

To the Board of Directors
Bluegrass State Skills Corporation
Frankfort, Kentucky

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Bluegrass State Skills Corporation as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Bluegrass State Skills Corporation's basic financial statements, and have issued our report thereon dated October 6, 2023.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Bluegrass State Skills Corporation's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Bluegrass State Skills Corporation's internal control. Accordingly, we do not express an opinion of the effectiveness of Bluegrass State Skills Corporation's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Bluegrass State Skills Corporation's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, non-compliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of non-compliance or other matters that are required to be reported under *Government Auditing Standards*.

MCM CPAs & Advisors LLP

www.mcmcpa.com
888.587.1719

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**Kentucky
Indiana
Ohio**

**Independent Auditor's Report on Internal Control Over Financial Reporting and
on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards* (Continued)**

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

MCM CPA & Advisors LLP

Louisville, Kentucky
October 6, 2023

**Bluegrass State Skills Corporation
Schedule of Findings
Year Ended June 30, 2023**

Schedule of Auditor's Results

We have issued an unmodified opinion, dated October 6, 2023, on the financial statements of Bluegrass State Skills Corporation as of and for the year ended June 30, 2023.

Our audit disclosed no instances of non-compliance which are material to Bluegrass State Skills Corporation's financial statements.

Findings Relating to the Financial Statements

Our audit disclosed no findings which are required to be reported in accordance with *Government Auditing Standards*.

Bluegrass State Skills Corporation
Schedule of Prior Audit Findings and Their Resolution
Year Ended June 30, 2023

The audit as of and for the year ended June 30, 2022 disclosed no findings which were required to be reported in accordance with *Government Auditing Standards*.



Auditor's Communication

Bluegrass State Skills Corporation

Year Ended June 30, 2023

Introduction

Thank you for the opportunity to submit the following information related to our 2023 audit of Bluegrass State Skills Corporation ("BSSC"). We have audited the financial statements of BSSC as of and for the year ended June 30, 2023, and have issued our report thereon dated October 6, 2023. Professional standards require that we communicate to those charged with governance the following information related to our audit engagement. This communication is intended solely for the information and use of the Board of Directors and management, and is not intended to be and should not be used by anyone other than these specified parties, without obtaining our permission. Thank you for the opportunity to be of service to BSSC.

Audit Engagement Team



Todd Hamilton

Engagement Partner

502.882.4458
todd.hamilton@cbh.com



Jon Magrum

Senior Manager

502.882.4383
jon.magrum@cbh.com



Gabe South

Senior Associate

502.882.4583
gabe.south@cbh.com



Jessica Marsh

Associate

502.882.4463
jessica.marsh@cbh.com

Required Communications

MCM's Responsibilities

- + To plan and perform our audit engagement to obtain reasonable, but not absolute, assurance and to form and express an opinion about whether the financial statements, that have been prepared by management with your oversight, are free of material misstatement and are presented fairly in accordance with accounting principles generally accepted in the United States of America.
- + Our audit engagement included consideration of internal control over financial reporting as a basis for designing our procedures that were appropriate in the circumstances, but not for the purpose of expressing an opinion or providing any assurance on the effectiveness of BSSC's internal control over financial reporting.
- + As a part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of BSSC's compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. However, the objective of our tests was not to provide an opinion on compliance with such provisions.
- + MCM is also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying such matters to communicate to you.

Required Communications (Continued)

Management's Responsibilities

- + The financial statements, including the related notes to the financial statements, as well as the required supplemental information.
- + BSSC's internal controls.
- + MCM's audit of the financial statements does not relieve you or management of your responsibilities.



Required Communications (Continued)

Planned Scope and Timing of the Audit Engagement

- + MCM was engaged to audit BSSC's government-wide and governmental fund financial statements as of and for the year ended June 30, 2023. We performed the audit engagement according to the planned scope and timing as contemplated in our engagement letter dated May 22, 2023.
- + Additionally, the scope and terms of our audit engagement included a "compliance audit" of 20% of the Grant-in-aid Program projects disbursed and closed-out during the fiscal year and 20% of the Skills Training Investment Credit Act Program projects which received final approval during the fiscal year, as well as the one Metropolitan College Tax Credit Program project which received final approval during the fiscal year.
- + Lastly, we were also engaged to audit the special purpose forms (the "Closing Package") of BSSC as of and for the year ended June 30, 2023. The "Closing Package" was prepared for the purpose of complying with the instructions issued by the Commonwealth of Kentucky Finance and Administration Cabinet-Division of Statewide Accounting Services for inclusion in the Commonwealth of Kentucky's Comprehensive Annual Financial Report as of and for the year ended June 30, 2023, and is not intended to be a presentation in conformity with accounting principles generally accepted in the United States of America.

Required Communications (Continued)

Corrected and Uncorrected Misstatements

- + As a part of our audit we helped facilitate the preparation of the adjusting journal entries necessary to convert BSSC's "cash basis" records to the accrual basis of accounting under generally accepted accounting principles (based on information provided by BSSC).
- + Management reviewed and approved these journal entries and accepted responsibility for them.
- + There were no uncorrected financial statement misstatements identified in conjunction with our 2023 (or 2022) audit engagement.
- + When applicable, uncorrected financial statement misstatements or matters underlying those uncorrected misstatements could potentially cause future period financial statements to be materially misstated, even though the effects of the uncorrected misstatements are considered to be immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

Required Communications (Continued)

Accounting Policies

- + Management is responsible for the selection and use of appropriate accounting policies.
- + The significant accounting policies used by BSSC are described in Note B to the financial statements.
- + No new accounting policies were adopted and the application of existing policies was not changed during the year ended June 30, 2023.
- + No matters came to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions or (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Required Communications (Continued)

Accounting Estimates

- + Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.
- + We evaluated the key factors and assumptions used to develop the estimates in determining they are reasonable in relation to the financial statements taken as a whole.



Required Communications (Continued)

Accounting Estimates (Continued)

- + The most sensitive estimates affecting the financial statements pertain to:
 - + Grants Payable - Grants payable as of year-end represent active grant awards for which the requests for reimbursements reflect expenditures incurred by the grantees prior to year-end; however, BSSC had not reimbursed the grantees for such expenditures until after year-end.



Required Communications (Continued)

Financial Statement Disclosures

- + Certain financial statement disclosures are particularly sensitive because of their significance to the financial statement users.
- + The most sensitive disclosures affecting the financial statements pertain to:
 - + Explanation of the Difference Between the Government-wide and the Governmental Fund Financial Statements (Note C)
 - + Intergovernment Transactions (Note E)
 - + General Fund Appropriations (Note F)
 - + Grant Awards (Note G)



Required Communications (Continued)

Significant Unusual Transactions

- + During the conduct of our 2023 audit engagement, we did not identify any significant unusual transactions.



Required Communications (Continued)

Significant Risks

- + The following are considered to be the most significant risks identified during the conduct of our 2023 audit engagement:
 - + Management override of internal controls - The risk management and/or those charged with governance have the ability to manipulate or override internal controls in order to intentionally misstate the nature and/or timing of revenue or other transactions.
 - + Improper revenue recognition - The presumed risk of material misstatement due to fraud attributable to inappropriately recording revenue in one period that should be recorded in another period.
 - + Journal entries - The risk management records a fraudulent or unsupported journal entry.
 - + Unauthorized grant awards - The risk of unauthorized grant awards to approved/active grantees or approved grant awards to unauthorized grantees.

Required Communications (Continued)

Supplemental Information

- + With respect to the supplemental information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing the supplemental information has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplemental information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.



Required Communications (Continued)

Internal Control Matters

- + During the conduct of our 2023 audit engagement, we did not become aware of any material weaknesses, the definition of which is a deficiency, or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of BSSC's financial statements will not be prevented, or detected and corrected on a timely basis.



Required Communications (Continued)

Fraud, Illegal Acts, and Non-compliance with Laws and Regulations

- + During the conduct of our 2023 audit engagement, we did not become aware of any fraud, illegal acts, or non-compliance with laws or regulations.
- + Management is responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting BSSC involving management, employees who have significant roles in internal control, and/or others where the fraud or illegal acts could have a material effect on the financial statements.



Required Communications (Continued)

Difficult or Contentious Matters

+ None

Difficulties Encountered in Performing the Audit Engagement

+ None

Disagreements with Management

+ None



Required Communications (Continued)

Compliance with Ethics Requirements Regarding Independence

- + The audit engagement team, others at MCM, as appropriate, and MCM have complied with all relevant ethical requirements regarding independence.
- + We are not aware of any matters that in our professional judgement would impair our independence.

Issues Discussed Prior to the Retention of MCM

- + Related discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Required Communications (Continued)

Management's Consultations with Other Accountants

- + Management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations.
- + To our knowledge, there were no such consultations with other accountants related to the 2023 audit engagement.



Required Communications (Continued)

Representations Requested from Management

- + The representations requested from management are reflected in the management representation letter dated October 6, 2023. See a copy of the signed management representation letter as attached to this communication (Appendix I).



Required Communications (Continued)

Appendix I - Signed Management Representation Letter





CABINET FOR ECONOMIC DEVELOPMENT

Andy Beshear
GOVERNOR

Old Capitol Annex
300 West Broadway
Frankfort, Kentucky 40601

Jeff Noel
SECRETARY

October 6, 2023

MCM CPAs & Advisors LLP
101 South Fifth Street; Suite 2100
Louisville, Kentucky 40202

This representation letter is provided in connection with your audit of the financial statements of the governmental activities and the governmental fund of Bluegrass State Skills Corporation (Corporation) as of and for the year ended June 30, 2023, which comprise the respective financial position of the governmental activities and the governmental fund and the respective changes in the financial position, and the related notes to the financial statements, for the purpose of expressing an opinion on whether the financial statements are presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information such that, in the light of surrounding circumstances, there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

Except where otherwise stated below, immaterial matters are not considered to be exceptions that require disclosure for the purpose of the below representations. Immaterial matters are not necessarily indicative of amounts that would require adjustment to or disclosure in the financial statements.

We confirm, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of the date of this letter.

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated May 22, 2023, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the required supplementary information in accordance with the applicable criteria.
2. We acknowledge and have fulfilled our responsibilities for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
3. We acknowledge and have fulfilled our responsibilities for the design, implementation, and maintenance of internal control to prevent and detect fraud.

Financial Statements (Continued)

4. We acknowledge and have fulfilled our responsibilities for compliance with laws, regulations, and provisions of grants and other contractual agreements.
5. The financial statements are fairly presented in conformity with U.S. GAAP and include all properly classified funds, activities, and other financial information.
6. All material transactions have been properly recorded in the accounting records and are reflected in the financial statements.
7. We acknowledge our responsibility for the required supplementary information. The required supplementary information is measured and presented within prescribed guidelines. The methods of measurement and presentation have not changed from those used in the prior year. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the required supplementary information.
8. The Corporation has no plans or intentions that may materially affect the carrying value or classification of assets or liabilities.
9. The Corporation has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset or future revenue been pledged as collateral, except as disclosed to you.
10. We have disclosed to you all guarantees, whether written or oral, under which the Corporation is contingently liable.
11. No material losses exist that have not been properly accrued and/or disclosed in the financial statements.
12. We have disclosed to you all significant estimates and material concentrations known to management that are required to be disclosed in accordance with Governmental Accounting Standards Board (GASB) Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements* (GASB-62). Significant estimates are estimates at the balance sheet/statement of net position date that could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets or geographic areas for which events could occur that would significantly disrupt normal finances within the next year.
13. Significant assumptions used by management in making accounting estimates, including those measured at fair value, are reasonable.
14. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
15. All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.

Financial Statements (Continued)

16. We are not aware of any pending or threatened litigation, claims, or assessments, or unasserted claims or assessments, whose effects should be considered when preparing the financial statements. At June 30, 2023, there are no such litigation, claims, or assessments which would warrant specific disclosure.
17. We have not consulted external legal counsel concerning litigation, claims, or assessments.
18. Deposits and investments are properly classified as to risk and investments are properly valued. Deposit and investment risks have been properly and fully disclosed.
19. Investments consist entirely of the Corporation's equity position in the State cash and investment pool (the portion that has not otherwise been classified as cash/cash equivalents). Such investments are valued at the net asset value of the Corporation's equity position at year-end, a Level 2 fair value measurement.
20. With regards to investments reported at fair value:
 - a. The underlying assumptions are reasonable and they appropriately reflect management's intent and ability to carry out its stated courses of action.
 - b. The measurement methods and related assumptions used in determining fair value are appropriate in the circumstances and have been consistently applied.
 - c. The disclosures related to fair values are complete, adequate, and in accordance with U.S. GAAP.
 - d. There are no subsequent events that require adjustments to the fair value measurements and disclosures included in the financial statements.
21. Management has made the determination that other than the equity position of the Corporation in the State cash and investment pool of the Commonwealth of Kentucky (the portion that has not otherwise been classified as cash/cash equivalents), the statements of net position do not reflect any other items carried at fair value on a recurring basis to which additional fair value related disclosure requirements would apply.
22. To the extent applicable, all components of net position, non-spendable fund balance, and restricted, committed, assigned, and/or unassigned fund balance are properly classified and, if applicable, approved.
23. To the extent applicable, the Corporation's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position/fund balance are available is appropriately disclosed and net position/fund balance is properly recognized under such policy.
24. Revenues are appropriately classified as general revenues in the statement of revenues, expenditures, and changes in fund balance/statement of activities.

Financial Statements (Continued)

25. Expenditures/expenses have been appropriately classified in the statement of revenues, expenditures, and changes in fund balance/statement of activities.
26. The Corporation's payroll only consists of per-diem amounts paid to the individual members of the Corporation's Board of Directors.
27. Certain of the tax incentive programs administered by the Corporation abate tax revenues of the Commonwealth of Kentucky (the Corporation's revenues are not forgone in conjunction with such programs). The abated tax revenues do not otherwise directly impact the Corporation's financial position and/or results of operations. Accordingly, the notes to the Corporation's financial statements do not address the disclosures required by GASB Statement No. 77, *Tax Abatement Disclosures* (GASB-77), since management has made the determination that GASB-77 does not apply to the Corporation's stand-alone financial statements. The Commonwealth of Kentucky's Comprehensive Annual Financial Report should be referred to for additional disclosures related to the tax incentive programs the Corporation administers, including the disclosures required by GASB-77.
28. We understand that as part of your audit, you prepared the trial balance for use during the audit and that your preparation of the trial balance was limited to formatting information into a working trial balance.
29. We are in agreement with the journal entries you have proposed. In addition, we understand that as a part of your audit you prepared the adjusting journal entries necessary to convert our "cash basis" records to the accrual basis of accounting (based on information we provided). We acknowledge that we have reviewed and approved those entries and accepted responsibility for them.
30. In regards to your assistance with drafting the financial statements, the related notes, and the required supplementary information (and the related note), we have:
 - a. Made all management decisions and performed all management functions.
 - b. Designated a competent management-level individual with suitable skill, knowledge, and experience to oversee the services.
 - c. Evaluated the adequacy and results of the services performed.
 - d. Accepted responsibility for the results of the services performed.
 - e. Reviewed, approved, and taken responsibility for the financial statements, the related notes, and the required supplementary information (and the related note).

Information Provided

1. We have provided you with:
 - a. Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
 - b. Minutes of the meetings of the Corporation's Board of Directors or summaries of actions of recent meetings for which minutes have not yet been prepared.
 - c. Additional information that you have requested from us for purposes of the audit.
 - d. Unrestricted access to persons from whom you determined it necessary to obtain audit evidence.
2. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
3. We have provided to you our analysis of the Corporation's ability to continue as a going concern, including significant conditions and events present, and if necessary, our analysis of management's plans, and our ability to achieve such plans.
4. We have no knowledge of any fraud, allegations of fraud, and/or suspected fraud that affects the Corporation and involves:
 - a. Management;
 - b. Employees who have significant roles in internal control; or
 - c. Others where the fraud could have a material effect on the financial statements.
5. We have no knowledge of any fraud, allegations of fraud, and/or suspected fraud affecting the Corporation's financial statements communicated by employees, former employees, vendors, regulators, or others.
6. We have disclosed to you the identity of the Corporation's related parties and all the related party relationships and transactions of which we are aware.
7. To the extent applicable, we have disclosed to you all known actual or possible litigation, claims, and/or assessments whose effects should be considered when preparing the financial statements.
8. There have been no communications from regulatory agencies concerning non-compliance with or deficiencies in accounting, internal control, or financial reporting practices.
9. We are responsible for compliance with the laws, regulations, and provisions of grants and other contractual agreements applicable to the Corporation; and we have identified and disclosed to you all laws, regulations, and provisions of grants and other contractual agreements that we believe have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.

Information Provided (Continued)

10. There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), or provisions of grants and other contractual agreements whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on non-compliance.
11. The Corporation has complied with all aspects of grants and other contractual agreements that would have a material effect on the financial statements in the event of non-compliance.
12. We have no knowledge of instances of non-compliance or suspected non-compliance with provisions of laws, regulations, grants, and other contractual agreements, or abuse, whose effects should be considered when preparing the financial statements.
13. To the extent applicable, we have identified and communicated to you all previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
14. To the extent applicable, we have a process to track the status of audit findings and recommendations.
15. In regards to MCM hosting certain Corporation financial data or other records on MCM's servers or MCM maintaining hardcopies of financial data or other records in a physical location MCM maintains, the Corporation, to the extent applicable, either also maintains copies of such data or other records or we have been provided hardcopies of and/or access to such data or other records.

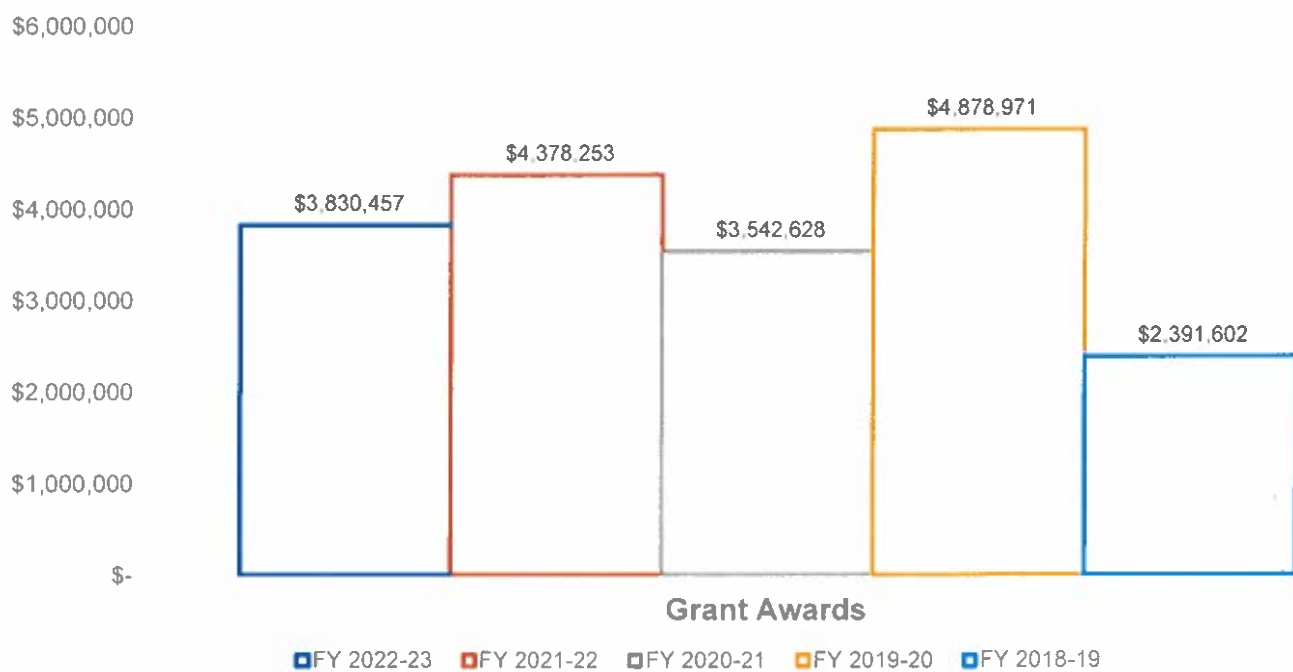
Signed: 

Title: Deputy Secretary + Commissioner

Signed: 

Title: Deputy Commissioner

Appendix II - Financial Trends



Bluegrass State Skills Corporation

BSSC Annual Report





Annual Report



CABINET FOR ECONOMIC DEVELOPMENT

Andy Beshear
Governor

Old Capitol Annex
300 West
Broadway
Frankfort, Kentucky 40601

Jeff Noel
Secretary

October 2023

The Cabinet for Economic Development (CED) is pleased to present the Fiscal Year 2023 Annual Report of the Bluegrass State Skills Corporation (BSSC). BSSC plays a significant role in keeping Kentucky's business and industry competitive in today's global economy by assisting them in providing financial support for training its workforce.

Through the hard work of the BSSC Board of Directors and staff, the Cabinet has built a strong reputation for providing customized, flexible and industry-driven skills training opportunities, and companies continue to place a high value on the programs offered by BSSC. This past year, the BSSC Board of Directors approved 91 grant-in-aid applications for companies and training consortia for the training benefit to over potentially 29,097 Kentucky-resident employees. In addition, the BSSC Board of Directors also approved tax credit applications for 31 companies to provide support to train over 5,902 Kentucky- resident employees.

In addition, CED continues to work closely with our Kentucky Skills Network partners to provide quality training opportunities to our business clients across the Commonwealth to maximize the resources available to help them achieve their workforce development goals. We appreciate the support of Governor Andy Beshear, the Kentucky General Assembly, the Kentucky Economic Development Partnership Board, the Bluegrass State Skills Corporation Board, as well as our many workforce development partners to ensure that Kentucky's workforce is prepared for the jobs of the future.

Sincerely,

Jai Bokey

Jai Bokey
Board Chairman
Bluegrass State Skills Corporation

Sarah C. Butler

Sarah C. Butler
Deputy Commissioner, Department for Financial Services
Kentucky Cabinet for Economic Development

INTRODUCTION

The Bluegrass State Skills Corporation (BSSC) has built a strong reputation for meeting and exceeding industry needs for customized, flexible and industry-driven skills training. It partners with other employment and training organizations to tailor a comprehensive program of skills training services for new, expanding and existing companies.

The BSSC plays a significant role in keeping Kentucky's business and industry competitive in the global economy by helping provide the necessary workforce training in the following ways:

Acting as a broker by coordinating the resources of skills training providers;

Facilitating the creation of public/private partnerships through education and training programs designed to meet training needs of individual and multiple-company projects; and

Administering any special state appropriation for customized business and industry.

A 17 member board of directors made up of public and private sector officials govern the BSSC. Private-sector representatives comprise more than half of the board membership.

BLUEGRASS STATE SKILLS CORPORATION BOARD OF DIRECTORS

BSSC EXECUTIVE COMMITTEE MEMBERS AT LARGE:

BSSC Board Chair

Jai Y. Bokey
V-Soft Consulting Group Inc.
Prospect, KY

BSSC Vice Chair

Brenda Bankston,
Director of Grants and Dev.
Big Brothers Big Sisters of
Kentuckiana
Louisville, KY

BSSC Secretary

John Y. Kuzuoka, School Administrator
Sheet Metal Worker #110, Retired
LaGrange, KY

Member-at-Large

Jeff Whitehead, Executive Director EKCEP,
Inc.
Pineville, KY

Treasurer

Dr. Houston Barber, Superintendent
Deputy Superintendent,
Fayette County Public Schools
Lexington, KY

Marty Hammons, Commissioner of
Workforce Investment,
Education and Workforce
Development Cabinet
Frankfort, KY

Jeff Noel, Secretary
Cabinet for Economic Development
Frankfort, KY

Rita Combs-Sterrett
Louisville, KY

Shannon Cales
NuLease Medical Solutions,
Healthcare Administration
Louisville, KY

Zach Weinberg
Hindman, KY

Gary Farmer
Service Region Administrator CHFS
Kentucky Cabinet for Health & Family
Wallins, KY

Melanie Jane Ratliff
Louisville, KY

Aimee Wulfeck
Homemaker
Ft Mitchell, KY

Paul Czarapata, President KCTCS
(Proxy - Jessie Schook, Haley McCoy, Kris
Williams)
Frankfort, KY

Jamie Link, Secretary
(Proxy - Marjorie Arnold)
Kentucky Education and Labor
Lexington, KY

Dr. Aaron Thompson, Vice President
(Proxy - Rick Smith)
Council on Postsecondary Education
Frankfort, KY

Tom Lund
Retired Economic Development
Professional

GRANT-IN-AID (GIA)

The Grant-in-Aid (GIA) program provides reimbursement funds to Kentucky's new and expanding companies for skills upgrade training provided to Kentucky-resident employees.

During FY23 , **91** grant-in-aid applications for **\$8,589,985** were approved for companies and consortia organizations for training **29,097** Kentucky-resident employees.

GIA net disbursements for skills training projects during FY23 totaled \$4,206,996 for the benefit of 61 company locations and consortia organization's for providing training to 15,764 Kentucky-resident employees.

SKILLS TRAINING INVESTMENT CREDIT (STIC)

The Skills Training Investment Credit (STIC) program provides tax credits to offset a portion of approved costs to support skills upgrade training to qualified companies.

During FY23 , **31** STIC applications for credits worth up to **\$1,879,510** were approved for companies to train **5,902** Kentucky-resident employees.

In FY23 , the Skilled Training Investment Credits (STIC) were issued for **\$1,255,167** to **19** companies for **4,375** trainees.

PUBLIC-PRIVATE PARTNERSHIPS

Metropolitan College Tax Credit (MCTC)

In , the BSSC was given the authority to approve tax credits on behalf of a qualified taxpayer that is a party to the "Metropolitan College Agreement." Its purpose is to encourage employers to provide educational opportunities to employees through a program that combines work with postsecondary education.

In Louisville, a partnership that includes United Parcel Service (UPS), the University of Louisville, Jefferson Community and Technical College provides eligible Kentucky residents access to a tuition-free post-secondary education and outstanding employment opportunities.

To ensure the program's ongoing success, the BSSC approved its twelfth Metropolitan College Tax Credit to UPS during FY23 in the amount of \$4,048,780 for training provided to 1,897 students.

NEW GRANT-IN-AIDS FOR FISCAL YEAR 2022-2023

The BSSC Board of Directors approves new grant-in-aid projects based upon the availability of funds for each board meeting. Once the board approves a grant-in-aid project, training may commence and documentation submitted for reimbursement.

COMPANY NAME	CITY	TRAINEES	FUNDING AMT
AGC Flat Glass North America, Inc.	Richmond	82	\$75,000
AMC Manufacturing Co., L.L.C.	Louisville	43	\$75,000
American Woodmark Corporation	Monticello	75	\$75,000
Atlas Machine and Supply, Inc.	Louisville	176	\$75,000
AXN Heavy Duty, LLC	Louisville	91	\$66,141
Balluff, Inc.	Florence	109	\$75,000
Benda-Lutz LLC	Independence	17	\$34,000
BlueCotton, Inc.	Bowling Green	145	\$75,000
Bluegrass Business Consortium, Inc.	Berea	510	\$75,000
Bluegrass Training Consortium, Inc.	Georgetown	409	\$75,000
Bodycote Surface Technology, Inc.	Hebron	50	\$75,000
Bonfiglioli USA Inc.	Hebron	40	\$75,000
Bowling Green Metalforming L.L.C.	Bowling Green	500	\$75,000
Caldwell County Hospital, Inc. dba Caldwell Medical Center	Princeton	150	\$75,000
Carmeuse Lime & Stone, Inc.	Butler	62	\$75,000
CGS Machine & Tool, Inc.	Bowling Green	43	\$75,000
DTS Industries LLC	Annnville	26	\$52,000
Emerson Electric Co.	Russellville	240	\$75,000
Eminence Speaker, LLC	Eminence	31	\$40,639
Eurofins Genomics LLC	Louisville	94	\$75,000
Fives Machining Systems, Inc.	Hebron	52	\$75,000
Florida Tile, Inc.	Lexington	250	\$75,000
Flottweg Separation Technology, Inc.	Independence	40	\$75,000
Ford Motor Company	Louisville	7,592	\$200,000
Ford Motor Company	Louisville		\$200,000
Ford Motor Company	Louisville		\$50,000
Ford Motor Company	Louisville		\$20,0000
Ford Motor Company	Louisville		\$200,000
Ford Motor Company	Louisville	3,057	\$200,000
Ford Motor Company	Louisville		\$200,000
Ford Motor Company	Louisville		\$200,000
Ford Motor Company	Louisville		\$50,000
Ford Motor Company	Louisville		\$200,000
Ford Motor Company	Louisville		\$200,000

NEW GRANT-IN-AIDS FOR FISCAL YEAR 2022-2023

The BSSC Board of Directors approves new grant-in-aid projects based upon the availability of funds for each board meeting. Once the board approves a grant-in-aid project, training may commence and documentation submitted for reimbursement.

Ford Motor Company	Louisville		\$200,000
Ford Motor Company	Louisville		\$200,000
Ford Motor Company	Louisville		\$200,000
Global Aviation Navigator, Inc.	Louisville	7	\$14,000
Highlands Diversified Services, Inc.	London	308	\$75,000
Holley Performance Products, Inc.	Bowling Green	10	\$6,504
Katayama American Company Incorporated	Shelbyville	96	\$75,000
Kentucky Alliance Training Consortium, Inc.	Georgetown	557	\$75,000
Kentucky Cooperage LP, Ltd.	Lebanon	273	\$75,000
Kentucky Machine & Engineering, Inc.	Cadiz	43	\$75,000
Kobe Aluminum Automotive Products LLC	Bowling Green	881	\$75,000
KOWA Kentucky, Inc.	Corbin	34	\$68,000
Kyosan Denso Manufacturing Kentucky, LLC	Mt. Sterling	26	\$25,616
Levy Environmental Services Company dba Levy Brandenburg Mill Services	Brandenburg	40	\$75,000
Memorial Hospital, Inc. dba AdventHealth Manchester	Manchester	18	\$36,000
Metalsa Structural Products, Inc.	Elizabethtown	2,875	\$75,000
Mouser Cabinetry, LLC	Elizabethtown	248	\$75,000
NELCO Training, Inc.	Bardstown	26	\$51,202
Newly Weds Foods, Inc.	Erlanger	30	\$39,510
North American Stainless, Inc.	Ghent	75	\$75,000
Northern KY Machine, Inc.	Florence	11	\$22,000
Nova Steel USA, Inc.	Bowling Green	100	\$200,000
Nucor Corporation	Brandenburg	400	\$200,000
Nucor Corporation	Brandenburg		\$200,000
Nucor Corporation	Brandenburg		\$200,000
Nucor Corporation	Brandenburg		\$200,000
Pinelake Regional Hospital, LLC dba Jackson Purchase Medical Center	Mayfield	400	\$75,000
Process Solutions and Services, Inc. dba Rapid Industries	Louisville	50	\$75,000
Protective Life Insurance Company	Covington	77	\$154,000
Prudent American Technologies, Inc.	Lexington	22	\$44,000
RFC LLC	Shelbyville	281	\$75,000
Riken Elastomers Corporation	Hopkinsville	54	\$75,000

NEW GRANT-IN-AIDS FOR FISCAL YEAR 2022-2023

The BSSC Board of Directors approves new grant-in-aid projects based upon the availability of funds for each board meeting. Once the board approves a grant-in-aid project, training may commence and documentation submitted for reimbursement.

Rockcastle Hospital and Respiratory Care Center, Inc. dba Rockcastle Regional Ho	Mount Vernon	575	\$75,000
Royster's Machine Shop, LLC	Henderson	44	\$49,377
S & D Acquisitions, Inc. dba Ideal Machine & Tool	Louisville	34	\$68,000
SFC Global Supply Chain, Inc.	Florence	100	\$75,000
Shelby County Associated Industries, Inc.	Shelbyville	538	\$75,000
SMC, LLC	Nicholasville	71	\$75,000
SourceCorp BPS Inc.	London	663	\$75,000
Spalding and Day Tool and Die Company	Louisville	37	\$74,000
State Industries, LLC	Florence	38	\$74,676
Steinkamp Moulding LLC dba Steinkamp Molding L.P.	Erlanger	17	\$34,000
STOBER Drives Inc.	Maysville	136	\$75,000
Summit Biosciences Inc.	Lexington	128	\$75,000
T.J. Health Columbia, Inc.	Columbia	99	\$28,009
T.J. Samson Community Hospital	Glasgow	1,285	\$75,000
Takigawa Corporation America	Bardstown	165	\$75,000
The Corken Steel Products Company	Florence	132	\$75,000
The Training Consortium of South Central Kentucky, Inc.	Bowling Green	3,514	\$75,000
TOA SE, Inc.	Nicholasville	18	\$33,311
Toyota Boshoku Kentucky, LLC	Harrodsburg	40	\$75,000
Tungco, Incorporated	Madisonville	40	\$75,000
Tyson Processing Services, Inc.	Bowling Green	451	\$200,000
Tyson Processing Services, Inc.	Bowling Green		\$200,000
Whitehorse Freight, LLC	Crestview Hills	50	\$75,000
Yager Materials Corp.	Owensboro	52	\$75,000
Zotefoams Inc.	Walton	50	\$75,000

TOTALS 29,097 \$8,589,985.00

EXPENDITURES FOR FISCAL YEAR 2022-2023

Reimbursements made to Kentucky companies in FY2023 to offset the costs of Kentucky resident employee training.

COMPANY NAME	CITY	TRAINEES	EXPENSES PAID
Anixter Inc.	Lexington	65	\$75,000
Aristech Surfaces LLC	Florence	218	\$75,000
Bluegrass Training Consortium, Inc.	Georgetown	190	\$75,000
Busche Industries Co dba Xtreme Fabrication	Leitchfield	25	\$1,195
Carbide Industries LLC	Louisville	40	\$75,000
Carmeuse Lime & Stone, Inc. dba Carmeuse Americas	Butler	227	\$75,000
CertainTeed Gypsum Silver Grove, LLC	Silver Grove	147	\$75,000
CGS Machine & Tool, Inc.	Bowling Green	39	\$75,000
Creative Realities, Inc.	Louisville	29	\$34,746
Crown Cork & Seal USA, Inc.	Bowling Green	112	\$195,363
DPL Financial Partners, LLC	Louisville	17	\$34,000
Emerson Electric Co.	Russellville	181	\$59,662
Eurofins Genomics LLC	Louisville	39	\$67,331
Federal-Mogul Motorparts LLC	Glasgow	160	\$75,000
Ford Motor Company	Louisville	6,219	\$200,000
Ford Motor Company	Louisville		\$100,000
Ford Motor Company	Louisville		\$200,000
Ford Motor Company	Louisville	3,032	\$200,000
Ford Motor Company	Louisville		\$100,000
Ford Motor Company	Louisville		\$200,000
Fuel Total Systems Kentucky Corporation	Lebanon	48	\$44,000
GlowTouch LLC	Louisville	100	\$75,000
Grace Community Health Center, Inc. dba Grace Health	Hyden	13	\$2,335
Grace Community Health Center, Inc. dba Grace Health	Gray	32	\$17,086
Grace Community Health Center, Inc. dba Grace Health	London	24	\$13,989
Grace Community Health Center, Inc. dba Grace Health	Manchester	20	\$11,003
Grace Community Health Center, Inc. dba Grace Health	Pineville	12	\$9,738
Grace Community Health Center, Inc. dba Grace Health	Corbin	50	\$53,008

EXPENDITURES FOR FISCAL YEAR 2022-2023

Reimbursements made to Kentucky companies in FY2023 to offset the costs of Kentucky resident employee training.

Health Help, Incorporated dba White House Clinics	Irvine	23	\$11,309
Health Help, Incorporated dba White House Clinics	McKee	38	\$25,225
Health Help, Incorporated dba White House Clinics	Mount Vernon	22	\$5,828
Health Help, Incorporated dba White House Clinics	Richmond	104	\$62,607
Indelac Controls, Inc.	Florence	38	\$75,000
Interapt, LLC dba Agent511-ANG, LLC	Louisville	56	\$75,000
ISCO Industries, Inc.	Louisville	33	\$65,000
James Marine, Inc.	Paducah	188	\$75,000
Kentucky Machine & Engineering, Inc.	Cadiz	38	\$75,000
Kobe Aluminum Automotive Products LLC	Bowling Green	734	\$75,000
Lake Cumberland Regional Hospital, LLC	Somerset	817	\$75,000
Lion First Responder PPE, Inc.	Beattyville	77	\$150,000
LLFlex, LLC	Louisville	93	\$49,345
Lyons Magnus East, LLC	Walton	120	\$75,000
MacDonald & Owen Veneer and Lumber Co., Inc.	Bowling Green	32	\$27,132
Manchester Tank and Equipment Company	Campbellsville	134	\$52,166
Meadowview Regional Medical Center, LLC	Maysville	211	\$25,047
Mercy Health - Marcum & Wallace Hospital LLC	Irvine	15	\$28,700
Mubea North-America Shared Services, Inc.	Florence	67	\$75,000
Mubea Precision Springs, Inc.	Florence	146	\$75,000
Mubea Tailor Rolled Blanks, LLC	Florence	58	\$75,000
NELCO Training, Inc.	Bardstown	39	\$27,522
Northern KY Machine, Inc.	Florence	10	\$20,000
Paducah River Painting, Inc.	Calvert City	55	\$33,803
Piston Automotive LLC	Georgetown	273	\$75,000
Precision, Inc.	Maysville	14	\$28,000
Prestige Tool & Die, LLC	Corydon	33	\$36,938
Sazerac Distillers, LLC	Bardstown	104	\$75,000
Tekno, Inc.	Cave City	37	\$74,000

EXPENDITURES FOR FISCAL YEAR 2022-2023

Reimbursements made to Kentucky companies in FY2023 to offset the costs of Kentucky resident employee training.

The Training Consortium of South Central Kentucky, Inc.	Bowling Green	3	\$5,874
TOA SE, Inc.	Nicholasville	11	\$9,564
TPG Plastics LLC	Murray	61	\$1,874
Tractor Supply Company	Franklin	523	\$75,000
Waystar, Inc.	Louisville	90	\$75,000
Yager Materials Corp.	Owensboro	186	\$75,000
Yager Materials Corp.	Owensboro	134	\$75,000
Yager Materials Corp. dba Riverside Stone Company	Battletown	108	\$48,608

TOTALS	15,764	\$4,206,996
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STIC APPROVALS FOR FISCAL YEAR 2022-2023

Companies must first receive approval by the BSSC Board of Directors for STIC projects.
Once companies receive approval, training may commence.

COMPANY NAME	CITY	TRAINEES	APPROVED AMT
Stelised, Inc.	Shelbyville	5	\$10,000
Volta Inc.	Louisville	7	\$13,602
Green River Distilling Company LLC	Owensboro	25	\$24,951
The Bardstown Bourbon Company, LLC	Bardstown	50	\$29,690
NuArm Corporation dba Advantage Plastics	Louisville	15	\$30,000
Stairtek, Inc.	Erlanger	40	\$30,155
Steinkamp Moulding LTD. dba Steinkamp Molding L.P.	Erlanger	17	\$34,000
State Industries, LLC	Florence	38	\$37,190
Russellville Dental Lab, LLC	Russellville	19	\$38,000
Florida Tile, Inc.	Lexington	250	\$58,850
Kroger Limited Partnership II dba Kenlake Foods	Murray	305	\$73,072
CGS Machine & Tool, Inc.	Bowling Green	43	\$75,000
Levy Environmental Services Company dba Levy Brandenburg Mill Services	Brandenburg	40	\$75,000
Carmeuse Lime & Stone, Inc. dba Carmeuse Americas	Butler	62	\$75,000
Kentucky Machine & Engineering, Inc.	Cadiz	43	\$75,000
Metalsa Structural Products, Inc.	Elizabethtown		\$75,000
Martinrea Hopkinsville, LLC	Hopkinsville	40	\$75,000
Bodycote Surface Technology, Inc.	Hebron	50	\$75,000
Bonfiglioli USA Inc.	Hebron	97	\$75,000
Kentucky Cooperage LP, Ltd.	Lebanon	202	\$75,000
Yager Materials Corp.	Owensboro	52	\$75,000
Ingram Barge Company LLC	Paducah	157	\$75,000
Amtrol Inc.	Paducah	95	\$75,000
AGC Flat Glass North America, Inc.	Richmond	80	\$75,000
Phase Ortho, Inc.	Louisville	40	\$75,000
Eurofins Genomics LLC	Louisville	94	\$75,000
Derby Dental Laboratory, Inc.	Louisville	58	\$75,000
El Toro.com, LLC	Louisville	88	\$75,000
North American Stainless, Inc.	Ghent	900	\$75,000
Flottweg Separation Technology, Inc.	Independence	50	\$75,000
Zotefoams Inc.	Walton	65	\$75,000

TOTALS 5,902 \$1,879,510

ACTUAL SKILLED TRAINING INVESTMENT CREDITS FISCAL YEAR 2022-2023

Approved projects submit training documentation for verification.
The amount of approved tax credit is reported to the Kentucky Department of Revenue

COMPANY NAME	CITY	TRAINEES	FINAL INCENTIVE AMT
AGC Flat Glass North America, Inc.	Richmond	98	\$75,000
Amtrol Inc.	Paducah	98	\$75,000
Carbide Industries LLC	Louisville	46	\$75,000
Carmeuse Lime & Stone, Inc. dba Carmeuse Americas	Butler	227	\$75,000
CertainTeed Gypsum, Inc. dba CertainTeed Gypsum Silver Grove, LLC	Silver Grove	73	\$8,644
Haier US Appliance Solutions, Inc. dba GE Appliances	Louisville	2,035	\$75,000
Indelac Controls, Inc.	Florence	38	\$55,524
Ingram Barge Company LLC	Paducah	87	\$75,000
James Marine, Inc.	Paducah	173	\$75,000
Marquette Transportation Company, LLC	Paducah	49	\$75,000
Montaplast of North America, Inc.	Frankfort	394	\$ 75,000
Mubea North-America Shared Services, Inc.	Florence	69	\$75,000
Mubea Tailor Rolled Blanks, LLC	Florence	77	\$75,000
Newly Weds Foods, Inc.	Erlanger	3	\$6,000
Perfetti Van Melle USA Inc.	Erlanger	42	\$75,000
Tekno, Inc.	Cave City	30	\$60,000
Total Quality Logistics, LLC	Lexington	206	\$75,000
Tractor Supply Company	Franklin	446	\$75,000
Yager Materials Corp.	Owensboro	184	\$75,000

TOTALS 4,375 \$1,255,167