



UTAH SYSTEM OF
HIGHER EDUCATION

MEMORANDUM

December 1, 2023

Custom Fit Report – FY 2023

Custom Fit is a state investment with industry in Utah's economic vitality and workforce development. It provides and supports training designed to aid in the retention and expansion of Utah companies, attract new businesses to the state, and meet employers' specific educational needs. Custom Fit accomplishes this through jointly funded partnerships between Utah companies and the USHE technical education institutions.

As provided in Board Policy [R432, Custom Fit](#), the program serves for-profit companies located in Utah (and not-for-profit with special approval) to train their incumbent workers. The company must pay at least 50% of the training cost (most pay close to 60%). Institutions are encouraged to prioritize funding for maximum economic and workforce impact according to the needs and circumstances of their regions and the state, with consideration to factors such as equitable access for different types of businesses, repeated vs. new utilization, retention and expansion, targeted industries, and company size.

In accordance with Policy Section R432-8.3, the eleven technical education institutions have submitted reports detailing their Custom Fit activity for Fiscal Year 2023. The attached report summarizes the institution reports and reflects statewide Custom Fit activity. FY 2023 marked the first year of a concerted effort to improve the documentation of Custom Fit's impact on economic vitality and workforce development. New data elements have been added to what was reported in previous years, and previously reported elements have been clarified.

Highlights

- **Total Service:** Custom Fit provided 499,276 hours of training to 19,197 employees in 1,718 companies. Comparisons with the previous year suggest that while fewer companies (-9.3%) and trainees (-4.9%) received training, they received a more substantial amount (+16.5%, for 26 hours per trainee).
- **Company Contributions:** Companies paid \$4,987,166 (61.3%) of the costs of training they received, adding to the \$5,572,400 in state appropriations.
- **Industry Sectors:** The majority of training (hours) was provided to companies in the advanced manufacturing (42%) and construction sectors (24%).

- **New Recipients:** Nearly half (48%) of the companies served in FY 2023 received Custom Fit training for the first time in at least three years. Approximately two-thirds of the trainees and hours were in companies that have been served every year for at least the last three years, an indication that the newer recipients were smaller companies.
- **Company Size:** 41% of the training (hours) was provided to small companies, which constituted 72% of all the companies.
- **SBA Classifications:** 306 companies self-reported that they are classified by the Small Business Administration as Rural Small Businesses and 296 as Women-Owned Small Businesses.
- **Certification/Licensure:** 29% of the training was in courses related to an industry certification or professional licensure.
- **Sponsored Enrollments:** Six institutions enrolled 728 trainees in courses that were part of regular credentialed programs offered by the institution.

Commissioner's Recommendation

This is an information item only; no action is required.

Attachment:

Custom Fit Report for the Fiscal Year Ended June 30, 2023

TOTAL SERVICE												
	BTech	Davis	Dixie	MTech	OTech	SLCC	Snow	STech	Tooele	UBTech	USU	USHE TOTAL
Companies Served	215	199	242	290	156	135	126	97	30	143	85	1,718
<i>Change from FY22</i>	-3.6%	29.2%	-32.8%	3.6%	13.9%	6.3%	-18.2%	11.5%	-63.0%	-7.1%	-38.0%	-9.3%
Trainees	4,537	2,280	719	2,904	2,771	1,690	573	720	517	2,120	366	19,197
<i>Change from FY22</i>	-17.4%	12.6%	-36.1%	7.4%	-22.1%	-17.4%	24.3%	75.2%	12.6%	37.0%	5.5%	-4.9%
Training Hours	80,262	59,205	23,120	129,513	81,864	31,623	13,892	21,395	11,561	30,063	16,780	499,276
<i>Change from FY22</i>	-20.0%	-3.5%	-6.0%	132.4%	4.3%	12.4%	-17.7%	19.6%	-4.0%	29.6%	65.8%	16.5%

FINANCE												
	BTech	Davis	Dixie	MTech	OTech	SLCC	Snow	STech	Tooele	UBTech	USU	USHE TOTAL
Funding												
<i>FY22 Carried Forward</i>	\$5,820	\$148,477	\$1,016	\$0	\$110,927	\$192,792	\$167,768	\$221,029	(\$50,844)	\$28,374	\$210,797	\$1,036,156
State Appropriation FY23	\$600,000	\$686,900	\$345,000	\$816,300	\$684,600	\$618,500	\$425,400	\$345,000	\$325,000	\$450,000	\$275,700	\$5,572,400
Company Contributions	\$722,736	\$582,480	\$269,531	\$1,237,384	\$722,027	\$339,991	\$242,684	\$276,422	\$142,991	\$286,842	\$164,079	\$4,987,166
<i>% of Direct Training Costs</i>	72.4%	60.0%	59.6%	67.7%	60.2%	50.2%	54.6%	60.0%	52.3%	59.9%	46.5%	61.3%
Other Funding	\$0	\$0	\$630	\$0	\$0	\$125,344	\$0	\$0	\$0	\$0	\$29,144	\$155,118
Total Available	\$1,328,557	\$1,417,858	\$616,178	\$2,053,684	\$1,517,555	\$1,276,628	\$835,852	\$842,451	\$417,148	\$765,217	\$679,720	\$11,750,841
Use of Funds												
Direct Training Costs	\$998,299	\$970,800	\$452,259	\$1,827,259	\$1,198,604	\$676,684	\$444,233	\$460,702	\$273,468	\$478,972	\$352,488	\$8,133,768
Staff Compensation	\$290,502	\$334,580	\$136,755	\$232,069	\$283,043	\$438,645	\$194,215	\$169,446	\$175,839	\$250,120	\$125,310	\$2,630,524
Equipment	\$7,250	\$20,489	\$0	\$0	\$0	\$0	\$0	\$2,049	\$0	\$0	\$16,913	\$46,701
Other Gen. Expenses	\$24,845	\$28,172	\$3,562	\$9,377	\$27,749	\$198	\$32,059	\$3,938	\$14,008	\$7,689	\$53,800	\$205,397
Total Expenditures	\$1,320,896	\$1,354,040	\$592,576	\$2,068,705	\$1,509,396	\$1,115,526	\$670,507	\$636,136	\$463,315	\$736,781	\$548,512	\$11,016,390
<i>FY23 Carried Forward to FY24</i>	\$7,661	\$63,817	\$23,602	(\$15,021)	\$8,159	\$161,101	\$165,346	\$206,315	(\$46,167)	\$28,436	\$131,208	\$734,457
<i>% of Annual Funds</i>	0.6%	5.0%	3.8%	-0.7%	0.6%	14.9%	24.7%	33.2%	-9.9%	3.9%	28.0%	6.9%

CUSTOM FIT PROGRAM DELIVERY PROFILE

Custom Fit Mission			
	Companies	Trainees	Hours
• Company Retention:	1,180	13,630	256,380
• Company Expansion:	717	5,773	231,354
• New Company in Region:	203	436	20,096
Total (distinct)	1,718	19,197	499,276

**Custom Fit supports training designed to aid in retention and expansion of Utah companies and attract new businesses to the state (Policy R432-4).*

Recipient Frequency (1st, 2nd, 3rd year)			
	Companies	Trainees	Hours
• New Recipients (1st year)	820	3,159	75,505
• Returning (2nd year)	370	3,559	76,008
• Continuous (3rd yr)	528	12,480	356,178
Total (distinct)	1,718	19,197	499,276

Company Size			
	Companies	Trainees	Hours
• Small (0-49 employees):	1,243	5,631	203,183
• Medium (50-499 employees):	295	9,655	340,022
• Large (500+ employees):	81	3,975	82,072
Total (distinct)	1,718	19,197	499,276

SBA Classifications Reported	
• Women-Owned Small Business	296
• Small Disadvantaged Business	9
• Minority-Owned Business	46
• Veteran-Owned Small Business	12
• Native American-Owned Small Business	5
• LGBTQ-Owned Business	1
• Rural Business	306

Industry Sector			
	Companies	Trainees	Hours
• Aerospace & Defense:	15	190	10,160
• Advanced Manufacturing:	266	6,319	207,685
• Computer Sciences:	40	949	9,041
• Financial Services:	76	779	11,191
• Life Sciences:	227	1,784	46,483
• Construction:	441	3,595	118,548
• Hospitality/Tourism/Outdoors:	95	1,250	20,198
• Mining & Energy:	86	1,135	14,880
• Other Regional Targeted Industries:	28	699	8,826
• Other Industry:	444	2,498	52,242
Total (distinct)	1,718	19,197	499,276

Training/Course Content		
	Trainees	Hours
• Manufacturing	2,432	88,367
• Healthcare	1,249	28,080
• Construction	1,487	92,720
• Finance	346	4,902
• Other Technical Skills	1,738	57,492
• Personal/Occupational Health/Safety	4,417	45,511
• Customer/Market Development	1,055	14,198
• Organizational Development	6,435	148,254
• Other	893	19,603
• Certification/Licensure	5,535	143,091
Total (distinct)	19,197	499,276

Sponsored Enrollments in Institutional Program Courses*			
	Trainees	Hours	Graduates
• BTEch	137	23,351	18
• Davis Tech	200	25,715	23
• Ogden-Weber Tech	278	45,709	50
• Southwest Tech	60	9,863	12
• Tooele Tech	15	2,227	4
• Uintah Basin Tech	38	2,297	38
USHE TOTAL	728	109,162	145

**Reporting required when Custom Fit funds sponsor a student for a course in a regular credentialed program offered by the institution (Policy R432-7.4.3).*