



## **ECONOMIC DEVELOPMENT COMMISSION**

APPLICATION

FOR THE

JOB CREATION PERFORMANCE INCENTIVE FUND

AND THE

ENHANCED INCENTIVE PROGRAM

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# Program Highlights

## Job Creation Performance Incentive Fund Highlights

### **Purpose:**

The Job Creation Performance Incentive Fund (PIF) provides a performance-based incentive payment to qualifying companies that have created Net New Jobs paying above average wages. The program is designed to support and encourage new business development, business expansions and relocations that have generated new jobs throughout the State.

### **Funding Source:**

Three million dollars will be available annually to fund this program through State fiscal year 2010-11.\*

### **The State's Role:**

The Colorado Office of Economic Development and International Trade (OEDIT) provides administrative support for the Colorado Economic Development Commission (EDC). The EDC was legislatively created in 1987 to encourage, promote, and stimulate economic development in Colorado, through the use of incentive and marketing funds and consists of nine members. The EDC has oversight authority for this program. The OEDIT's Business Finance Staff will facilitate the application review/disbursement process generally within 60 days after receipt of an application. The Colorado EDC reserves the right to delay any decision due to budgetary constraints and reserves the right to vary from the criteria as necessary and appropriate.

### **Requirements:**

After maintaining new jobs for one year, an employer has 90 days from the last day of the month in which the jobs were filled to submit an incentive application. The first month in which an application may be submitted is January 2007 (for jobs created in January 2006). Incentives will be awarded to applicants in the order in which the EDC receives complete, accurate and eligible applications (first come, first serve) until all program funds have been expended. Any eligible applications that are received after funds have been expended will be placed first in line until new funding is available.

Employers located in a rural area must hire at least five net new full-time jobs within one calendar month and employers located in an urban area must hire at least 10 net new full-time jobs within one calendar month. Businesses with multiple locations within Colorado may combine locations to meet the minimum job creation requirements as long as all jobs are hired within the same month. If one or more of the locations are located in an urban area, the minimum job creation requirement is 10 net new full-time jobs.

Eligible Jobs (Net New Jobs) are those jobs that are in addition to the three year full-time employee average (from the preceding three years) and can only be counted one time.

If a business is Affiliated with a parent company or subsidiary that is also located in Colorado, the Net New Jobs must be in addition to a three year average of *all* Colorado Affiliated entities. In addition, if a business has multiple locations, the Net New Jobs must be in addition to a three year average of *all* Colorado locations.

The employer must maintain all of the new jobs for at least one year in order to claim the incentive.

### **Incentive:**

The following chart shows the incentive levels – based on the new employees' average wage rate for the last 12 months when compared to the County(ies) Annual Average Wage Rate (*based on information provided by the Department of Labor and Employment*).

Average Wage Rate%	\$ Incentive/ Eligible Job
<110%	\$0
110%-114%	\$1,000
115%-119%	\$1,250
120% or >	\$1,500

### **Process:**

After maintaining new jobs for one year, an employer has 90 days from the last day of the month in which the jobs were filled to submit an incentive application.

The OEDIT Business Finance Staff will facilitate application review/disbursement process generally within 60 days after receipt of application.

A business can submit multiple applications as long as they meet the program requirements.

Businesses already receiving an incentive from the EDC may not receive an incentive from this program for the same net new jobs.

\*An amount equal to 15% of each annual allocation will be used by the Commission to award performance-based incentives to employers who open a business or expand or relocate an existing business from an out-of-state location and create new jobs in an enterprise zone that is not within the counties of Denver, Boulder, Douglas, Arapahoe, Jefferson or Broomfield.

## **Enhanced Incentive Program Highlights**

**Purpose:**

The Enhanced Incentive Program (EIP) provides an additional performance-based incentive payment to companies that have qualified under the State's Job Creation Performance Incentive Fund (PIF) and have created Net New Jobs paying at higher than average wages. The program is designed to support highly desirable and high-impact job creation opportunities.

**Funding Source:**

This program will utilize existing Colorado Economic Development Commission (EDC) funds.

**The State's Role:**

The Colorado Office of Economic Development and International Trade (OEDIT) provides administrative support for the Colorado Economic Development Commission (EDC). The EDC was legislatively created in 1987 to encourage, promote, and stimulate economic development in Colorado, through the use of incentive and marketing funds and consists of nine members. The EDC has oversight authority for this program. The OEDIT's Business Finance Staff will facilitate the application review/disbursement process generally within 60 days after receipt of an application. The Colorado EDC reserves the right to delay any decision due to budgetary constraints and reserves the right to vary from the criteria as necessary and appropriate.

**Requirements:**

Applicants must first be eligible for the PIF Program in order to be eligible for the EIP. Incentives will be awarded to applicants in the order in which the EDC received complete, accurate and eligible applications (first come, first serve) until all program funds have been expended. The EDC reserves the right to vary from the criteria as necessary and appropriate.

**Incentive:**

The following charts show the incentive levels – based on the new employees' average wage rate for the last 12 months when compared to the County(ies) Annual Average Wage Rate (based on information provided by the Department of Labor and Employment).

<b>Rural</b>		
	Average Wage Rate %	\$ Incentive/ Eligible Job
PIF	110%	\$1,000
	115%	\$1,250
	120%	\$1,500
Enhanced	125%	Additional \$1,000 = \$2,500
	135%	Additional \$1,250 = \$2,750
	150% or >	Additional \$1,500 = \$3,000

<b>Urban</b>		
	Average Wage Rate %	\$ Incentive/ Eligible Job
PIF	110%	\$1,000
	115%	\$1,250
	120%	\$1,500
Enhanced	150%	Additional \$500 = \$2,000
	160%	Additional \$750 = \$2,250
	175% or >	Additional \$1,000 = \$2,500

**Process:**

After maintaining new jobs for one year, an employer has 90 days from the last day of the month in which the jobs were filled to submit an incentive application.

The OEDIT Business Finance Staff will facilitate application review/disbursement process generally within 60 days after receipt of application.

A business can submit multiple applications as long as they meet the program requirements.

Businesses already receiving an incentive from the EDC may not receive an incentive from this program for the same net new jobs.

## Definitions

**“Acquired Jobs”** are jobs that are obtained when a company acquires, merges, or uses other methods of combining businesses solely located in Colorado. These jobs are excluded from all relevant calculations so that the net impact on jobs in Colorado can be calculated. Companies are encouraged to contact OEDIT staff to assist with determining relevant calculations.

**“Affiliated”** is the parent, subsidiary or sister company that is related to a business applying for the incentive.

**“AWW”** means Average Weekly Wage.

**“Average Wage Rate %”** is calculated by dividing the Eligible Employee Average Wage Rate by the County(ies) Annual Average Wage Rate.

**“Baseline Full-Time Employee(s)”** is an average of full-time employees within Colorado for the preceding 3 years (36 months or 12 quarters). To calculate this figure, take the sum of the total full-time employees for the last 36 months and divide by 36. New Colorado businesses less than 3 years old will sum the number of employees for the number of months they have been operating in Colorado and divide by that number of months. If a business is Affiliated with a parent company or subsidiary that is also located in Colorado, the baseline calculation must include full-time employees from *all* Colorado Affiliated entities. In addition, if a business has multiple locations, the Baseline Full-Time Employee(s) calculation must include full-time employees from *all* locations.

**“County(ies) Annual Average Wage Rate”** is the county(ies) average wage rate and is pulled directly from the Department of Labor & Employment website at <http://www.coworkforce.com/lmi/es202/index.asp>. Go to the *Quarterly Census of Employment and Wages (QCEW)*. The annual report that is the closest to the hire date of the Eligible Jobs will be used. This figure is calculated by taking the county’s “AWW” figure from the “Total All Industries” category and multiplying by 52. If Eligible Jobs are located in multiple counties, a weighted average will be calculated based on % of new jobs within each county.

**“Days”** referred to in this program is based on business days.

**“Eligible Employee Annual Average Wage Rate”** is the average annual wage rate for the new employees. It is calculated by dividing the total of all the Eligible Jobs’ Regular Salaries by the average of the Eligible Jobs for the New Job Maintenance Period (last 12 months).

**“Eligible Incentive”** is the potential grant amount that can be awarded to the applicant (# Eligible or Net New Jobs x \$ Incentive/Eligible Job).

**“Eligible Jobs”** is a full-time job created in the state by an employer for which an employee is hired. Positions must be maintained for one year.

**“Full-Time Employee”** is a full-time employee hired to fill a new job working 40 hours or greater a week. The full-time employee must have payroll taxes paid by the employer applying for incentives. Contract and leased employees are excluded.

**“Incentive Month or Month 1”** means the month that the Eligible Jobs were hired.

**“Month”** referred to in this program is based on calendar months.

**“Month 12”** means the last month of the 12 Month Maintenance Period.

**“Month 12 Eligible Jobs”** is the difference between the # of full-time employees for the Previous Month and the # of full-time employees for Month 12.

**“NAICs Code”** is the North American Industry Classification System.

**“Net New Jobs”** is a full-time job created in the state by an employer for which an employee is hired and that is in addition to the average number of full-time jobs that the employer provided in the state for the three years preceding the date that such employee was hired. This number is calculated by subtracting the Baseline Full-Time Employee(s) average from an average of full-time employees for the last 12 months. There are three separate calculations that are used to determine # of Eligible or Net New Jobs for the application:

- **Eligible Jobs (including 12 Month Maintenance Period)** – this is a two step process involving the 1) calculation of Eligible Jobs (the difference between the number of full-time employees for the Incentive Month and the Previous Month); and 2) reviewing the 12 Month Maintenance Period to ensure that the Eligible Jobs have been maintained for one year.
- **Net New Job Calculation** – this number is calculated by subtracting Baseline Full-Time Employee(s) from the average of full-time employees over the 12 Month Maintenance Period.
- **Eligible Jobs compared to Net New Jobs** – the smaller number between Eligible Jobs, Net New Jobs or Month 12 Eligible Jobs is the number that will be used as the final # of Eligible or Net New Jobs for the incentive calculation on the application.

**“New Job Maintenance Period or 12 Month Maintenance Period”** is the last 12 months. It means that net new jobs must be maintained for at least one year (12 months) in order to be eligible for incentives. Thus, the month that the new jobs are hired is Month 1 of 12. To determine if the 12 Month Maintenance Period requirement was met, the number of full-time employees during Month 12 will be compared to the number of full-time employees for the Incentive Month. If this difference is greater than or equal to the job creation required, the 12 Month Maintenance Period has been met.

**“Previous Month”** means the month prior to the Incentive Month.

**“Regular Salaries”** are salaries including overtime pay and bonuses but does not include other compensation such as benefits and profit sharing.

**“Rural”** means:

- A county with a population less than 50,000 people, according to the most recently available population statistics of the United States Bureau of the Census;
- A municipality with a population of less than 50,000 people, according to the most recently available population statistics of the United States Bureau of the Census, that is located 10 miles or more from a municipality with a population of more than 50,000 people, according to the most recently available population statistics of the United States Bureau of the Census; or
- The unincorporated part of a county located 10 miles or more from a municipality with a population of more than 50,000 people, according to the most recently available population statistics of the United States Bureau of the Census.
- Based on the above parameters, businesses located in the following 48 counties\*: Alamosa, Archuleta, Baca, Bent, Chaffee, Cheyenne, Conejos, Costilla, Crowley, Custer, Delta, Dolores, Eagle, Garfield, Grand, Gunnison, Hinsdale, Huerfano, Jackson, Kiowa, Kit Carson, Lake, La Plata, Las Animas, Lincoln, Logan, Mesa, Mineral, Moffat, Montezuma, Montrose, Morgan, Otero, Ouray, Park, Phillips, Pitkin, Prowers, Rio Blanco, Rio Grande, Routt, Saguache, San Juan, San Miguel, Sedgwick, Summit, Washington and Yuma.

**“Urban”** means:

- A municipality with a population of more than 50,000 people, according to the most recently available population statistics of the United States bureau of the census, or a municipality with a population of less than 50,000 people, according to the most recently available population statistics of the United States Bureau of the Census, that is located less than 10 miles from a municipality with a population of more than 50,000 people (urban buffer), according to the most recently available population statistics of the United States Bureau of the Census; or
- The unincorporated part of a county located less than 10 miles from a municipality with a population of more than 50,000 people, according to the most recently available population statistics of the United States Bureau of the Census.
- A municipality with any portion located within the urban buffer.
- Based on the above parameters, businesses located in Broomfield and Denver counties.\*

\*If a business is located in any of the counties noted below and outside cities with more than 50,000 in population, please refer to <http://www.AdvanceColorado.com> Business Finance/Job Creation Performance Incentive Fund and Enhanced Incentive Program /Rural-Urban Buffer Map section to determine if the business is located in a rural or urban location: Adams, Arapahoe, Boulder, Clear Creek, Douglas, El Paso, Elbert, Fremont, Gilpin, Jefferson, Larimer, Pueblo, Teller and Weld.

**“\$ Incentive/Eligible Job”** is the grant amount available per Eligible Job based on the Average Wage Rate %.

## **Rural Application Package**

The application package includes instructions with several worksheets to assist with completion of the application as well as ensuring that the submitted application is complete and accurate. Originals with original signatures must be submitted to the Colorado OEDIT's Business Finance Staff.

To claim Job Creation Performance Incentive Funds, an applicant will need to:

- Select the appropriate application based on the businesses location (Rural or Urban).
- Review instructions and examples to assist with the application process.
- Complete all of the sections of the application.
  - General Business Information, following the instructions in Section I, page 10.
  - Incentive Calculations, following instructions in Section II, starting on page 11.
    - Baseline Full-Time Employee(s) Calculation, page 11.
    - # Eligible or Net New Jobs, page 12.
      - Eligible Jobs (including 12 Month Maintenance Period), page 12.
      - Net New Jobs Calculation, page 13.
      - Eligible Jobs compared to Net New Jobs, page 13.
    - Eligible Employee Annual Average Wage Rate Calculation, page 14.
    - County(ies) Annual Average Wage Rate Calculation, page 15.
    - Average Wage Rate % Calculation, page 16.
    - Eligible Incentive Calculation, page 16.
  - Additional Funding section, following the instructions in Section III, page 16.
  - Optional Information, following the instructions in Section IV, page 17.
  - Attach required documentation, following instructions in Section V, page 17.
    - Form W-9.
    - Baseline Full-Time Employee(s) payroll reports\* for previous three years (36 months or 12 quarters).
    - Current payroll reports\* for last twelve months.
  - Authorized company official or owner completes Section VI, page 17.
- Submit completed application to OEDIT at address noted below.

Additional information may be required if necessary. For further information or questions, please contact:

Colorado Office of Economic Development and International Trade  
Attn: Colorado Job Creation Performance Incentive Fund – Business Finance Division  
Shela Tatro, Manager, Performance Incentive Fund  
Alice Kotrlík, Division Director, Business Finance  
1625 Broadway, Suite 2700  
Denver, Colorado 80202  
Phone 303-892-3840  
Fax 303-892-3848  
1-800-659-2656 TDD  
<http://www.AdvanceColorado.com>

*\*Payroll reports must include: position/title, location of positions (if multiple locations), hire date, and monthly/quarterly salary (including overtime pay and bonuses but not other compensation such as benefits and profit sharing). Please note that payroll documents should be used for the calculations referenced throughout these instructions.*

# Colorado Job Creation Performance Incentive Fund Application

In order to claim Colorado Job Creation Performance Incentive Funds, the following requirements must be met:

- Applicant located in **rural** locations must hire at least five net new full-time positions within one month and maintain them for one year or more.
- Applicant located in **urban** locations must hire at least ten net new full-time positions within one month and maintain them for one year or more.
- Eligible Employee Average Wage Rate is at least 110% or greater of county average.
- Applicant has not received incentives for these positions under prior or current EDC job incentive program(s).
- Applicant must submit application no later than 90 days after one year anniversary of hired positions.
- Applicant must adhere to remaining program requirements noted throughout the application package.
- Required documents are attached.

Instructional worksheets follow beginning on page 10 of the package.

If any jobs are located in multiple counties, please refer to the Multiple Counties' Instructions.

## I. General Business Information

## RURAL APPLICATION

Business Name (Company)		Type of Business (retail, manufacturing, farming, etc.)	
Address (street, city, and zip code) <small>no POBoxes</small>	County	NAICS Code (Section I from Instructions)	
Contact Person (name & title)		Phone Number	
Address where incentive payments should be mailed			
If applicable, note Affiliations (parent company and/or subsidiaries)			
Other Colorado Locations (name, street, city, and zip code)			County
Other Colorado Locations (name, street, city, and zip code)			County

## II. Incentive Calculations

Rural Location (Rural = min 5 net new full-time jobs) County _____	Hire Date for Eligible Jobs (month, year)																								
# of Eligible or Net New Jobs (Section II, 2.c.i. from worksheet)																									
Eligible Employee Annual Average Wage Rate (Section II, 3.d. from worksheet)	\$																								
County(ies) Annual Average Wage Rate (Section II, 4.f. from worksheet)	\$																								
Average Wage Rate % (Section II, 5.a.)	_____ %																								
\$ Incentive/Eligible Job (Section II, 6.a.)	<table border="1" style="display: inline-table; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="background-color: #e0f2f1;">Rural</th> <th></th> </tr> <tr> <th style="background-color: #e0f2f1;">Average Wage Rate %</th> <th style="background-color: #e0f2f1;">\$ Incentive/ Eligible Job</th> <th></th> </tr> </thead> <tbody> <tr> <td style="background-color: #e0f2f1;">110%</td> <td style="background-color: #e0f2f1;">\$1,000</td> <td></td> </tr> <tr> <td style="background-color: #e0f2f1;">115%</td> <td style="background-color: #e0f2f1;">\$1,250</td> <td></td> </tr> <tr> <td style="background-color: #e0f2f1;">120%</td> <td style="background-color: #e0f2f1;">\$1,500</td> <td></td> </tr> <tr> <td style="background-color: #e0f2f1;">PIF</td> <td style="background-color: #e0f2f1;">125%</td> <td style="background-color: #e0f2f1;">Additional \$1,000 = \$2,500</td> </tr> <tr> <td style="background-color: #e0f2f1;">Enhanced</td> <td style="background-color: #e0f2f1;">135%</td> <td style="background-color: #e0f2f1;">Additional \$1,250 = \$2,750</td> </tr> <tr> <td style="background-color: #e0f2f1;"></td> <td style="background-color: #e0f2f1;">150% or &gt;</td> <td style="background-color: #e0f2f1;">Additional \$1,500 = \$3,000</td> </tr> </tbody> </table> <div style="display: inline-block; vertical-align: middle; margin-left: 20px;"> <p>Enter \$ _____</p> </div>	Rural			Average Wage Rate %	\$ Incentive/ Eligible Job		110%	\$1,000		115%	\$1,250		120%	\$1,500		PIF	125%	Additional \$1,000 = \$2,500	Enhanced	135%	Additional \$1,250 = \$2,750		150% or >	Additional \$1,500 = \$3,000
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Enhanced	135%	Additional \$1,250 = \$2,750																							
	150% or >	Additional \$1,500 = \$3,000																							
Eligible Incentive (Section II, 6.b.)	\$																								

**III. Additional Funding**

Prior grants, loans, etc. received by applicant from State of Colorado or local entities. (EDC job creation incentives can only be received once for these eligible positions).

Date Received (month, year)	Type of Funding (loan, grant, etc.)	Source of Funding (county, municipality, etc.)	Dollar (\$) Amount Received
			\$
			\$
			\$
			\$

**IV. Optional Information**

Purpose of job creation (relocation, growth, etc.)

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List additional benefits or insurance for employees [401(k), health insurance, life insurance, etc.]

**V. Required Documentation**

The following items are required documentation and must be attached to this application:

- Form W-9
- Baseline Full-Time Employee(s) Payroll Reports (prior 36 months or 12 quarters)
- Current Payroll Reports (months 1-12 that new jobs have been hired and maintained)

**VI. Authorized Signature and Certification**

The person(s) executing this Application are authorized to act on behalf of the Company. By signing this document, I hereby declare that all of the information stated in this application is complete and accurate, in compliance with all application guidelines and all relevant federal laws and Colorado statutes to the best of my knowledge. I further certify that we have examined the legal work status of all employees hired for the positions on this application and have retained file copies of all documents required by U.S. Code Title 8, Section 1324a ("Unlawful Employment of Aliens") and to the best of my knowledge no employment identification documents have been altered or falsified and we have not knowingly hired an unauthorized alien. In addition, my signature provides authority to allow the Office of Economic Development and International Trade to request documentation that demonstrates we are in compliance with the employment verification requirements specified in U.S. Code Title 8, Section 1324a. If any information provided in this Application is found to be in material error, the Company agrees to refund to the State any funds that have been advanced based on erroneous information, immediately upon notification by the State. The Company may have up to 15 days to respond to such a finding.

\_\_\_\_\_

Signature Title, Name of Entity (print)

\_\_\_\_\_

Name (print) Date

**VII. Internal Use Only - Authorization**

By signing this document, I am approving a disbursement in the amount of \$ \_\_\_\_\_ payable to \_\_\_\_\_.

PIF	Enhanced
\$	\$

\_\_\_\_\_

Signature Title (print)

\_\_\_\_\_

Name (print) Date

Submit or mail this completed application (signed by an authorized company official or owner and dated) to:  
 Colorado Office of Economic Development and International Trade  
 Attn: Colorado Job Creation Performance Incentive Fund – Business Finance Division  
 1625 Broadway, Suite 2700  
 Denver, Colorado 80202

# Colorado Job Creation Performance Incentive Fund Application Instructions and Calculation Worksheets

To claim PIF and, if qualified, EIP funds, please select and complete the appropriate application (Rural or Urban) based on the business(es) location.

- Businesses located in the following 48 counties are located in a **rural** location: Alamosa, Archuleta, Baca, Bent, Chaffee, Cheyenne, Conejos, Costilla, Crowley, Custer, Delta, Dolores, Eagle, Garfield, Grand, Gunnison, Hinsdale, Huerfano, Jackson, Kiowa, Kit Carson, Lake, La Plata, Las Animas, Lincoln, Logan, Mesa, Mineral, Moffat, Montezuma, Montrose, Morgan, Otero, Ouray, Park, Phillips, Pitkin, Prowers, Rio Blanco, Rio Grande, Routt, Saguache, San Juan, San Miguel, Sedgwick, Summit, Washington and Yuma.
- Businesses located in Broomfield or Denver counties are located in an **urban** location.
- If a business is located in any of the counties noted below and outside cities with more than 50,000 in population, please refer to <http://www.AdvanceColorado.com> Business Finance under the Job Creation Performance Incentive Fund and Enhanced Incentive Program/Rural-Urban Buffer Map to determine if the business is located in a rural or urban location: Adams, Arapahoe, Boulder, Clear Creek, Douglas, El Paso, Elbert, Fremont, Gilpin, Jefferson, Larimer, Pueblo, Teller and Weld.

Please note that payroll reports should be used for the calculations referenced throughout these instructions.

## Section I – General Business Information

1. Enter business name, type of business, address, contact person and phone number, address where incentives should be mailed, noted affiliations (i.e. parent company or subsidiaries), other Colorado locations and NAICS (North American Industry Classification System) Code.
2. **NAICS Code** – refer to <http://www.census.gov/epcd/naics02/naico602.htm#N31> for the appropriate table. Select business type and copy six digit code that represents industry in the NAICS Code box on the application.

The screenshot shows the U.S. Census Bureau website for 2002 NAICS Codes and Titles. The page is viewed in Microsoft Internet Explorer. The address bar shows the URL: <http://www.census.gov/epcd/naics02/naico602.htm#N31>. The page features a search bar with the text "Enter keyword" and a "2002 NAICS Search" button. Below the search bar is a navigation menu with various industry categories: Agriculture..., Mining..., Utilities..., Construction..., Manufacturing..., Wholesale..., Retail..., Transportation..., Information..., Finance..., Real Estate..., Professional..., Management..., Administrative..., Educational..., Health..., Arts, Entertain..., Accommodation..., Other..., and Public Admin... A yellow box highlights the "Select business industry type" button. Below the navigation menu, the "Agriculture, Forestry, Fishing and Hunting" section is expanded, showing a table with the following data:

2002 NAICS Code	2002 NAICS Title
11	Agriculture, Forestry, Fishing and Hunting
111110	Soybean Farming
111120	Oilseed (except Soybean) Farming
111130	Dry Pea and Bean Farming
111140	Wheat Farming

A yellow box highlights the instruction "Enter six digit code on application" with an arrow pointing to the code column. A red circle highlights the code "111110".

## Section II – Incentive Calculations:

This section contains several worksheets that will assist with the incentive calculation. Prior to starting any calculations, please complete the following:

- Confirm that the correct application is being completed (Urban or Rural). Enter County(ies) where Eligible Jobs are located.
- Enter month and year (hire date) for Eligible Jobs applying for incentive. Application must be submitted within **90** days of the one year anniversary of the Eligible Jobs.

### 1. Baseline Full-Time Employee(s) Calculation:

Calculate the three year baseline average (prior to the hire date of Eligible Jobs) of full-time employees from payroll reports. If the company has not been in existence for three years, use the number of months with full-time employees prior to the hire date of Eligible Jobs. If a business is Affiliated with a parent company or subsidiary that is also located in Colorado, the Baseline Full-Time Employee(s) calculation must include full-time employees from *all* Colorado Affiliated entities. In addition, if a business has multiple locations, the Baseline Full-Time Employee(s) calculation must include full-time employees from *all* locations.

- To begin calculation, enter the number of full-time employees for the last three years.
- Sum full-time employees for the time period.
- Sum months or quarters that full-time employee counts were entered (i.e. 36 months = 36)
- Divide total full-time employees by total months or quarters to determine Baseline Full-Time Employee(s).

**Baseline Full-Time Employee(s) Worksheet (for use by applicant)**

<i>Month/Quarters &amp; Year</i>	<i># Full-Time Employees</i>
1	
2	
3	
4	
5	
6	
7	
8	
9	
10	
11	
12	
13	
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32	
33	
34	
35	
36	
<b>37 Total Full-Time Employees</b>	
<b>38 Total Months/Quarters</b>	
<b>39 Baseline Full-Time Employee(s) (line 37 divided by line 38)</b>	

1.a.

1.b.

1.c.

1.d.

Attach source document to application (payroll reports for previous months or quarters).

## 2. # Eligible or Net New Jobs

There are three separate calculations that are used to determine # of Eligible or Net New Jobs for the application:

- **Eligible Jobs (including 12 Month Maintenance Period)** item 2.a. – this is a two step process involving the 1) calculation of Eligible Jobs (the difference between the number of full-time employees for the Incentive Month and the Previous Month); and 2) reviewing the 12 Month Maintenance Period to ensure that the Eligible Jobs have been maintained for one year.
- **Net New Job Calculation** item 2.b. – this number is calculated by subtracting Baseline Full-Time Employee(s) from the average of full-time employees over the 12 Month Maintenance Period.
- **Eligible Jobs compared to Net New Jobs** item 2.c. – the smaller number between Eligible Jobs, Net New Jobs or Month 12 Eligible Jobs is the number that will be used as # of Eligible or Net New Jobs for the incentive calculation on the application.

### a. Eligible Jobs (including 12 Month Maintenance Period):

i. An applicant located in **rural** location(s) must hire at least **five** net new full-time positions within one month and maintain them for one year or more (12 Month Maintenance Period).

ii. \_\_\_\_\_ Enter the number of full-time employees for the Incentive Month.

\_\_\_\_\_ Enter the number of full-time employees for the Previous Month.

Eligible Jobs. Subtract full-time employees for the Previous Month from the Incentive Month. The application is **ineligible** if this number is less than five.

iii. The following calculation will ensure that Eligible Jobs have been maintained for one year by comparing the number of full-time employees from the first month Eligible Jobs were hired to Month 12 of the Maintenance Period.

\_\_\_\_\_ Enter the number of full-time employees for the Month 12 of the Maintenance Period.

\_\_\_\_\_ Enter the number of full-time employees for the Previous Month.

Month 12 Eligible Jobs. Subtract the number of full-time employees for the Previous Month from Month 12.

iv. If the figure in 2.a.iii. is greater or equal to five, proceed to the next calculation. If the figure is less than five, the application is **ineligible**.

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**b. Net New Job Calculation:**

Net New Jobs must be equal or greater than the job creation requirement to apply. For instance, the **rural** job creation requirement is **five** new jobs hired within one month. Therefore, Net New Jobs must be at least five in order to qualify for incentives.

- i. To begin calculation, enter total # full-time employees for the last 12 months. If a business is Affiliated with a parent company or subsidiary that is also located in Colorado, the # of full-time employees must include full-time employees from *all* Colorado Affiliated entities. In addition, if a business has multiple locations, the # of full-time employees must include full-time employees from *all* locations.
- ii. Sum the full-time employees for the last 12 months.
- iii. Calculate average employees for the last 12 months by dividing full-time employees by 12.
- iv. Enter Baseline Full-Time Employee(s) from 1.d.
- v. To calculate Net New Jobs, subtract Baseline Full-Time Employee(s) from last 12 months average full-time employees.

**Net New Job Calculation Worksheet (for use by applicant)**

	<i>Month/Quarters &amp; Year</i>	<i># Full-Time Employees</i>
2.b.i	1	
	2	
	3	
	4	
	5	
	6	
	7	
	8	
	9	
	10	
	11	
	12	
2.b.ii	13 Total Full-Time Employees	
	14 Total Months/Quarters	12 Months or 4 Quarters
2.b.iii	15 Average Full-Time Employees (line 13 divided by line 14)	
2.b.iv	16 Baseline Full-Time Employee(s) from 1.d.	
2.b.v	17 Net New Jobs (Subtract line 16 from line 15)	

Attach source document to application (payroll reports for the last 12 months from all locations).

- vi. Are Net New Jobs equal or greater than five?
  - i. If yes, proceed to the next calculation.
  - ii. If no, application is **ineligible** and does not qualify for incentives.

**c. Eligible Jobs compared to Net New Jobs:**

- i. Enter the smaller of the three numbers noted below into the Application under # Eligible or Net New Jobs on page 8.

\_\_\_\_\_ Enter Net New Jobs from 2.b.v.

\_\_\_\_\_ Enter Eligible Jobs from 2.a.ii.

\_\_\_\_\_ Enter Month 12 Eligible Jobs from 2.a.iii.

- ii. If this number is equal or greater than five, proceed to the next calculation. If the number is less than five, the application is **ineligible**

**3. Eligible Employee Annual Average Wage Rate Calculation:**

This calculation captures new full-time employee's Regular Salary from months 1-12 of the Maintenance Period payroll reports and divides by the number of Eligible Jobs to determine the annual average salary for the last 12 months.

- a. To begin calculation, enter Regular Salary for Eligible Jobs.
- b. Sum monthly Regular Salaries
- c. Enter Eligible Jobs from 2.a.ii. Incentive Months.
- d. To calculate Eligible Employee Annual Average Wage Rate, divide Total Regular Salary by Eligible Jobs. Enter this figure into the Application under Eligible Employee Annual Average Wage Rate on page 8.

**Eligible Employee Annual Average Wage Rate Worksheet (for use by applicant)**

	<i>Month/Quarter &amp; Year</i>	<i>Regular Salary</i>
3.a.	1	\$
	2	\$
	3	\$
	4	\$
	5	\$
	6	\$
	7	\$
	8	\$
	9	\$
	10	\$
	11	\$
	12	\$
3.b.	13 Total Regular Salary	\$
3.c.	14 Eligible Jobs from 2.a.ii.	
3.d.	15 Eligible Employee Annual Average Wage Rate (line 13 divided by line 14)	\$

Please highlight Eligible Employees on attached payroll reports.

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#### 4. County(ies) Annual Average Wage Rate Calculation:

- If jobs are located in multiple counties, refer to the Multiple Counties' Instructions.
- To calculate the County(ies) Annual Average Wage Rate, go to the Colorado Quarterly Census of Employment and Wages (QCEW) published by the Dept of Labor & Employment via <http://www.coworkforce.com/lmi/es202/index.asp>.
- Pull up the *annual* report that is closest to the hire date of the Eligible Jobs from the website. Please note that Annual Census Reports are published roughly six months after the calendar year end. (For example: If an Employer creates new jobs in January 2006 and submits an application in February 2007, they should reference the 2004 annual report since that was the annual report that was available when the jobs were created.)

Colorado Quarterly Census of Employment and Wages (QCEW) Home Page - Microsoft Internet Explorer

Address: <http://www.coworkforce.com/lmi/es202/index.asp>

### Quarterly Census of Employment and Wages (QCEW) Colorado

Previously called ES-202

[Excel-based analysis and graphing tool](#)  
(4.1 MB file - Contains complete QCEW data set since January 2001)

Data Queries (NAICS)	2001 (PDF)	2002 (PDF)	2003 (PDF)	2004 (PDF)	2005 (PDF)
All Quarters 2001 through 2004, & 1st, 2nd, 3rd quarters 2005	<a href="#">First Quarter</a>	<a href="#">Fourth Quarter</a>	<a href="#">Fourth Quarter</a>	<a href="#">First Quarter</a>	<a href="#">First Quarter</a>
	<a href="#">Second Quarter</a>			<a href="#">Second Quarter</a>	<a href="#">Second Quarter</a>
	<a href="#">Third Quarter</a>			<a href="#">Third Quarter</a>	<a href="#">Third Quarter</a>
	<a href="#">Fourth Quarter</a>			<a href="#">Fourth Quarter</a>	<a href="#">New! Fourth Quarter</a>
	<a href="#">2001 Annual</a>	<a href="#">2002 Annual (Narrative, charts, and tables)</a>	<a href="#">2003 Annual (Narrative, charts, and tables)</a>	<a href="#">2004 Annual (Tables only)</a>	<a href="#">New! 2005 Annual Tables</a>

- Page through the report to locate the county where Eligible Jobs are located.
- Use the AWW \$ under Total All Industries for the County(ies) Average Annual Wage Rate calculation.

Address: <http://www.coworkforce.com/lmi/es202/2005PDF/2005Annual.pdf>

County	TITLE	NAICS	UNITS	EMPLOYMENT	WAGES	AWW
ADAMS 001	Total All Industries		8,897	147,683	5,687,938,531	738
	Private		8,892	127,418	4,877,065,317	756
	Agriculture, Forestry, Fishing, Hunting	11	48	1,143	28,058,626	472
	Crop Production	111	39	885	24,842,374	540
	Animal Production	112	D			
	Forestry & Logging	113	0	0	0	0
	Fishing, Hunting & Trapping	114	0	0	0	0
	Agriculture & Forestry Support	115	D			
	Mining	21	29	236	14,671,416	1,196
	Oil & Gas Extraction	211	4	36	3,350,757	1,790
	Mining, Except Oil & Gas	212	10	124	7,022,033	1,069
	Mining Support Activities	213	15	75	4,298,516	1,102
	Utilities	22	13	922	88,759,114	1,851
	Utilities	221	13	922	88,759,114	1,851
	Construction	23	1,441	17,738	738,260,528	801
	Construction Of Buildings	236	209	830	38,040,348	261
	Heavy & Civil Engineering Construction	237	75	3,010	140,485,280	858
	Specialty Trade Contractors	238	1,158	13,898	560,734,900	776
	Manufacturing	31-33	501	14,026	700,579,228	961
	Food Manufacturing	311	46	1,521	58,370,466	738
	Beverage & Tobacco Product Mfg	312	D			
	Textile Mills	313	D			
	Textile Product Mills	314	10	106	3,129,790	568
	Apparel Manufacturing	315	D			
	Leather & Allied Product Mfg	316	D			
	Wood Product Mfg	321	28	1,002	35,413,001	680
	Paper Manufacturing	322	10	440	19,871,397	869

f. County(ies) Annual Average Wage Rate Calculation is as follows:

\_\_\_\_\_ Enter AWW for Total All Industries

\_\_\_\_\_ x 52 – Multiply by 52 weeks

\$

County(ies) Annual Average Wage Rate – enter this figure into the Application under County(ies) Annual Average Wage Rate on page 8.

**5. Average Wage Rate % Calculation:**

a. Average Wage Rate % must be at least 110% or greater of the county average.

\_\_\_\_\_ Enter Eligible Employee Annual Average Wage Rate (3.d.)

\_\_\_\_\_ Divide by County(ies) Annual Average Wage Rate (4.f.)

Average Wage Rate % - enter this figure into the Application under Average Wage Rate %, page 8.

b. Is Average Wage Rate % greater than or equal to 110%?

i. If yes, proceed to the next calculation.

ii. If no, application is **ineligible** and does not qualify for incentives.

**6. Eligible Incentive Calculation:**

a. Enter the applicable \$ Incentive/Eligible Job figure into the Application under \$ Incentive/Eligible Job on page 8.

		Rural	
		Average Wage Rate %	\$ Incentive/ Eligible Job
PIF		110%	\$1,000
		115%	\$1,250
		120%	\$1,500
Enhanced		125%	Additional \$1,000 = \$2,500
		135%	Additional \$1,250 = \$2,750
		150% or >	Additional \$1,500 = \$3,000

Enter \$

\_\_\_\_\_

b. Calculate Eligible Incentive

\_\_\_\_\_ Enter \$ Incentive/Eligible Job per table (6.a.)

\_\_\_\_\_ Multiply by Eligible or Net New Jobs (2.c.i.)

\$

Eligible Incentive – enter this figure into the Application under Eligible Incentive, page 8.

**Section III – Additional Funding:**

1. Enter any prior grants, loans, etc. received prior to this application from the State of Colorado or local entities.
2. Noted below is an example of job creation incentives. The Business Finance Staff will work with an applicant to determine if previous EDC grants were distributed for any positions claimed on the PIF application.

Date Received (month, year)	Type of Funding (loan, grant, etc.)	Source of Funding (county, municipality, etc.)	Dollar \$ Amount Received
			\$
			\$
			\$

**Section IV – Optional Information:** This information will be used to compile statistical information on businesses that have applied for job creation incentives.

1. Include the reason for job creation and list any additional benefits or insurance for employees.
2. Noted below is an example of optional information.

Purpose of job creation (relocation, growth, etc.)
List additional benefits or insurance for employees [401(k), health insurance, life insurance, etc.]

**Section V – Required Documentation:**

1. The information listed below is required in order to process the application. If this information is not included, the application will be returned to the applicant.
  - a. Form W-9 is necessary to ensure that the check is made payable to the correct business name and that the entity has a tax ID.
  - b. Baseline Full-Time Employee(s) Payroll Reports are necessary to calculate Baseline Full-Time Employee(s) and Net New employees.
  - c. Current Payroll Reports are necessary to calculate net new employees, eligible employees, eligible employee average wage rate, Average Wage Rate % and confirm new job maintenance period.

**Section VI - Authorized Signature and Certification:** An authorized company official or owner should sign the Application.

**Section VII – Internal Use Only – Authorization:** The Colorado Office of Economic Development and International Trade will use this section.

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## Multiple Counties' Instructions

Any applicants that have Eligible Jobs in multiple county locations are able to follow the general application instructions with the exception of minimum number of eligible job requirements and the County(ies) Annual Average Wage Rate. These instructions will provide guidance on what application must be completed (Rural or Urban) and contact information to assist with the County(ies) Annual Average Wage Rate calculation.

### Rural or Urban Location

Please complete the information below.

<b>Business Name</b>
----------------------

# Eligible Jobs	Location Name	City	County	Zip Code	Rural or Urban*

**Total Eligible Jobs**

--

*\*If **any** Eligible Jobs are in an **Urban** location, the applicant is required to hire a total of at least **10** net new full-time positions within one month and maintain them for one year or more. Please complete an Urban application.*

*\* If **all** Eligible Jobs are in an **Urban** location, the applicant is required to hire a total of at least **10** net new full-time positions within one month and maintain them for one year or more. Please complete an Urban application.*

*\*If **all** of the Eligible Jobs are located in a **Rural** location, the applicant is required to hire a total of at least **five** net new full-time positions within one month and maintain them for one year or more. Please complete a Rural application.*

### County(ies) Annual Average Wage Rate Calculation

For assistance with the calculation of the County(ies) Annual Average Wage Rate, please contact:  
 Shela Tatro, Manager Performance Incentive Fund  
 Alice Kotrlik, Division Director, Business Finance  
 c/o Colorado Office of Economic Development and International Trade  
 Phone (303) 892-3840  
 Fax (303) 892-3848  
 1-800-659-2656 TDD  
 shela.tatro@state.co.us

### Internal Use Only

# Eligible Jobs	County	County %	AWW	X 52	X County %
			\$	\$	\$
			\$	\$	\$
			\$	\$	\$
			\$	\$	\$
			\$	\$	\$

<p><b>Total Eligible Jobs</b></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 100px; height: 20px;"> </td> </tr> </table>		<p><b>County Weighted Average Wage Rate</b></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 100px; height: 20px;">\$</td> </tr> </table>	\$
\$			

## Urban Application Package

The application package includes instructions with several worksheets to assist with completion of the application as well as ensuring that the submitted application is complete and accurate. Originals with original signatures must be submitted to the Colorado OEDIT's Business Finance Staff.

To claim Job Creation Performance Incentive Funds, an applicant will need to:

- Select the appropriate application based on the businesses location (Rural or Urban).
- Review instructions and examples to assist with the application process.
- Complete all of the sections of the application.
  - General Business Information, following the instructions in Section I, page 22
  - Incentive Calculations, following instructions in Section II, starting on page 23
    - Baseline Full-Time Employee(s) Calculation, page 23
    - # Eligible or Net New Jobs, page 24
      - Eligible Jobs (including 12 Month Maintenance Period), page 24
      - Net New Jobs Calculation, page 25
      - Eligible Jobs compared to Net New Jobs, page 25
    - Eligible Employee Annual Average Wage Rate Calculation, page 26
    - County(ies) Annual Average Wage Rate Calculation, page 27
    - Average Wage Rate % Calculation, page 28
    - Eligible Incentive Calculation, page 28
  - Additional Funding section, following the instructions in Section III, page 28
  - Optional Information, following the instructions in Section IV, page 29
  - Attach required documentation, following instructions in Section V, page 29
    - Form W-9.
    - Baseline Full-Time Employee(s) payroll reports\* for previous three years (36 months or 12 quarters).
    - Current payroll reports\* for last twelve months.
  - Authorized company official or owner completes Section VI, page 29
- Submit completed application to OEDIT at address noted below.

Additional information may be required if necessary. For further information or questions, please contact:

Colorado Office of Economic Development and International Trade  
Attn: Colorado Job Creation Performance Incentive Fund – Business Finance Division  
Shela Tatro, Manager, Performance Incentive Fund  
Alice Kotrlik, Division Director, Business Finance  
1625 Broadway, Suite 2700  
Denver, Colorado 80202  
Phone 303-892-3840  
Fax 303-892-3848  
1-800-659-2656 TDD  
<http://www.AdvanceColorado.com>

*\*Payroll reports must include: position/title, location of positions (if multiple locations), hire date, and monthly/quarterly salary (including overtime pay and bonuses but not other compensation such as benefits and profit sharing). Please note that payroll documents should be used for the calculations referenced throughout these instructions.*

# Colorado Job Creation Performance Incentive Fund Application

In order to claim Colorado Job Creation Performance Incentive Funds, the following requirements must be met:

- Applicant located in **rural** locations must hire at least five net new full-time positions within one month and maintain them for one year or more.
- Applicant located in **urban** locations must hire at least ten net new full-time positions within one month and maintain them for one year or more.
- Eligible Employee Average Wage Rate is at least 110% or greater of county average.
- Applicant has not received incentives for these positions under prior or current EDC job incentive program(s).
- Applicant must submit application no later than 90 days after one year anniversary of hired positions.
- Applicant must adhere to remaining program requirements noted throughout the application package.
- Required documents are attached.

Instructional worksheets follow beginning on page 22 of the package.

If any jobs are located in multiple counties, please refer to the Multiple Counties' Instructions.

## I. General Business Information

## URBAN APPLICATION

Business Name (Company)		Type of Business (retail, manufacturing, farming, etc.)	
Address (street, city, and zip code) <small>no POBoxes</small>	County	NAICS Code (Section I from Instructions)	
Contact Person (name & title)		Phone Number	
Address where incentive payments should be mailed			
If applicable, note Affiliations (parent company and/or subsidiaries)			
Other Colorado Locations (name, street, city, and zip code)			County
Other Colorado Locations (name, street, city, and zip code)			County

## II. Incentive Calculations

Urban Location (Urban = min 10 net new full-time jobs) County _____	Hire Date for Eligible Jobs (month, year)																												
# of Eligible or Net New Jobs (Section II, 2.c.i. from worksheet)																													
Eligible Employee Annual Average Wage Rate (Section II, 3.d. from worksheet)	\$ _____																												
County(ies) Annual Average Wage Rate (Section II, 4.f. from worksheet)	\$ _____																												
Average Wage Rate % (Section II, 5.a.)	_____ %																												
\$ Incentive/Eligible Job (Section II, 6.a.)	<table border="1" style="display: inline-table; border-collapse: collapse; text-align: center;"> <thead> <tr> <th colspan="2"></th> <th colspan="2">Urban</th> </tr> <tr> <th colspan="2"></th> <th>Average Wage Rate %</th> <th>\$ Incentive/ Eligible Job</th> </tr> </thead> <tbody> <tr> <td rowspan="3">PIF</td> <td></td> <td>110%</td> <td>\$1,000</td> </tr> <tr> <td></td> <td>115%</td> <td>\$1,250</td> </tr> <tr> <td></td> <td>120%</td> <td>\$1,500</td> </tr> <tr> <td rowspan="3">Enhanced</td> <td></td> <td>150%</td> <td>Additional \$500 = \$2,000</td> </tr> <tr> <td></td> <td>160%</td> <td>Additional \$750 = \$2,250</td> </tr> <tr> <td></td> <td>175% or &gt;</td> <td>Additional \$1,000 = \$2,500</td> </tr> </tbody> </table> <span style="font-size: 2em; vertical-align: middle;">Enter \$ _____</span>			Urban				Average Wage Rate %	\$ Incentive/ Eligible Job	PIF		110%	\$1,000		115%	\$1,250		120%	\$1,500	Enhanced		150%	Additional \$500 = \$2,000		160%	Additional \$750 = \$2,250		175% or >	Additional \$1,000 = \$2,500
		Urban																											
		Average Wage Rate %	\$ Incentive/ Eligible Job																										
PIF		110%	\$1,000																										
		115%	\$1,250																										
		120%	\$1,500																										
Enhanced		150%	Additional \$500 = \$2,000																										
		160%	Additional \$750 = \$2,250																										
		175% or >	Additional \$1,000 = \$2,500																										
Eligible Incentive (Section II, 6.b.)	\$ _____																												

**III. Additional Funding**

Prior grants, loans, etc. received by applicant from State of Colorado or local entities. (EDC job creation incentives can only be received once for these eligible positions).

Date Received (month, year)	Type of Funding (loan, grant, etc.)	Source of Funding (county, municipality, etc.)	Dollar (\$) Amount Received
			\$
			\$
			\$
			\$

**IV. Optional Information**

Purpose of job creation (relocation, growth, etc.)

---

List additional benefits or insurance for employees [401(k), health insurance, life insurance, etc.]

**V. Required Documentation**

The following items are required documentation and must be attached to this application:

- Form W-9
- Baseline Full-Time Employee(s) Payroll Reports (prior 36 months or 12 quarters)
- Current Payroll Reports (months 1-12 that new jobs have been hired and maintained)

**VI. Authorized Signature and Certification**

The person(s) executing this Application are authorized to act on behalf of the Company. By signing this document, I hereby declare that all of the information stated in this application is complete and accurate, in compliance with all application guidelines and all relevant federal laws and Colorado statutes to the best of my knowledge. I further certify that we have examined the legal work status of all employees hired for the positions on this application and have retained file copies of all documents required by U.S. Code Title 8, Section 1324a ("Unlawful Employment of Aliens") and to the best of my knowledge no employment identification documents have been altered or falsified and we have not knowingly hired an unauthorized alien. In addition, my signature provides authority to allow the Office of Economic Development and International Trade to request documentation that demonstrates we are in compliance with the employment verification requirements specified in U.S. Code Title 8, Section 1324a. If any information provided in this Application is found to be in material error, the Company agrees to refund to the State any funds that have been advanced based on erroneous information, immediately upon notification by the State. The Company may have up to 15 days to respond to such a finding.

\_\_\_\_\_

Signature \_\_\_\_\_  
Title, Name of Entity (print)

\_\_\_\_\_

Name (print) \_\_\_\_\_  
Date

**VII. Internal Use Only - Authorization**

By signing this document, I am approving a disbursement in the amount of \$ \_\_\_\_\_ payable to \_\_\_\_\_.

PIF	Enhanced
\$	\$

\_\_\_\_\_

Signature \_\_\_\_\_  
Title (print)

\_\_\_\_\_

Name (print) \_\_\_\_\_  
Date

Submit or mail this completed application (signed by an authorized company official or owner and dated) to:  
 Colorado Office of Economic Development and International Trade  
 Attn: Colorado Job Creation Performance Incentive Fund – Business Finance Division  
 1625 Broadway, Suite 2700  
 Denver, Colorado 80202

# Colorado Job Creation Performance Incentive Fund Application Instructions and Calculation Worksheets

To claim PIF and, if qualified, EIP funds, please select and complete the appropriate application (Rural or Urban) based on the business(es) location.

- Businesses located in the following 48 counties are located in a **rural** location: Alamosa, Archuleta, Baca, Bent, Chaffee, Cheyenne, Conejos, Costilla, Crowley, Custer, Delta, Dolores, Eagle, Garfield, Grand, Gunnison, Hinsdale, Huerfano, Jackson, Kiowa, Kit Carson, Lake, La Plata, Las Animas, Lincoln, Logan, Mesa, Mineral, Moffat, Montezuma, Montrose, Morgan, Otero, Ouray, Park, Phillips, Pitkin, Prowers, Rio Blanco, Rio Grande, Routt, Saguache, San Juan, San Miguel, Sedgwick, Summit, Washington and Yuma.
- Businesses located in Broomfield or Denver counties are located in an **urban** location.
- If a business is located in any of the counties noted below and outside cities with more than 50,000 in population, please refer to <http://www.AdvanceColorado.com> Business Finance under the Job Creation Performance Incentive Fund and Enhanced Incentive Program/Rural-Urban Buffer Map to determine if the business is located in a rural or urban location: Adams, Arapahoe, Boulder, Clear Creek, Douglas, El Paso, Elbert, Fremont, Gilpin, Jefferson, Larimer, Pueblo, Teller and Weld.

Please note that payroll reports should be used for the calculations referenced throughout these instructions.

## Section I – General Business Information

1. Enter business name, type of business, address, contact person and phone number, address where incentives should be mailed, noted affiliations (i.e. parent company or subsidiaries), other Colorado locations and NAICS (North American Industry Classification System) Code.
2. **NAICS Code** – refer to <http://www.census.gov/epcd/naics02/naico602.htm#N31> for the appropriate table. Select business type and copy six digit code that represents industry in the NAICS Code box on the application.

The screenshot shows the U.S. Census Bureau website for 2002 NAICS Codes and Titles. The page is viewed in Microsoft Internet Explorer. The address bar shows the URL: <http://www.census.gov/epcd/naics02/naico602.htm#N31>. The page features a search bar with the text "Enter keyword" and a "2002 NAICS Search" button. Below the search bar is a navigation menu with various industry categories: Agriculture..., Mining..., Utilities..., Construction..., Manufacturing..., Wholesale..., Retail..., Transportation..., Information..., Finance..., Real Estate..., Professional..., Management..., Administrative..., Educational..., Health..., Arts, Entertain..., Accommodation..., Other..., and Public Admin... A yellow box highlights the "Select business industry type" button. Below the navigation menu, the "Agriculture, Forestry, Fishing and Hunting" section is expanded, showing a table with the following data:

2002 NAICS Code	2002 NAICS Title
11	Agriculture, Forestry, Fishing and Hunting
111110	Soybean Farming
111120	Oilseed (except Soybean) Farming
111130	Dry Pea and Bean Farming
111140	Wheat Farming

A yellow box highlights the instruction "Enter six digit code on application" with an arrow pointing to the code column. A red circle highlights the code "111110".

## Section II – Incentive Calculations:

This section contains several worksheets that will assist with the incentive calculation. Prior to starting any calculations, please complete the following:

- Confirm that the correct application is being completed (Urban or Rural). Enter County(ies) where Eligible Jobs are located.
- Enter month and year (hire date) for Eligible Jobs applying for incentive. Application must be submitted within **90** days of the one year anniversary of the Eligible Jobs.

### 1. Baseline Full-Time Employee(s) Calculation:

Calculate the three year baseline average (prior to the hire date of Eligible Jobs) of full-time employees from payroll reports. If the company has not been in existence for three years, use the number of months with full-time employees prior to the hire date of Eligible Jobs. If a business is Affiliated with a parent company or subsidiary that is also located in Colorado, the Baseline Full-Time Employee(s) calculation must include full-time employees from *all* Colorado Affiliated entities. In addition, if a business has multiple locations, the Baseline Full-Time Employee(s) calculation must include full-time employees from *all* locations.

- To begin calculation, enter number of full-time employees for the last three years.
- Sum full-time employees for the time period.
- Sum months or quarters that full-time employee counts were entered (i.e. 36 months = 36)
- Divide total full-time employees by total months or quarters to determine Baseline Full-Time Employee(s).

**Baseline Full-Time Employee(s) Worksheet (for use by applicant)**

<i>Month/Quarters &amp; Year</i>	<i># Full-Time Employees</i>
1	
2	
3	
4	
5	
6	
7	
8	
9	
10	
11	
12	
13	
14	
15	
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28	
29	
30	
31	
32	
33	
34	
35	
36	
<b>37 Total Full-Time Employees</b>	
<b>38 Total Months/Quarters</b>	
<b>39 Baseline Full-Time Employee(s) (line 37 divided by line 38)</b>	

1.a.

1.b.

1.c.

1.d.

Attach source document to application (payroll reports for previous months or quarters).

## 2. # Eligible or Net New Jobs

There are three separate calculations that are used to determine # of Eligible or Net New Jobs for the application:

- **Eligible Jobs (including 12 Month Maintenance Period)** item 2.a. – this is a two step process involving the 1) calculation of Eligible Jobs (the difference between the number of full-time employees for the Incentive Month and the Previous Month); and 2) reviewing the 12 Month Maintenance Period to ensure that the Eligible Jobs have been maintained for one year.
- **Net New Job Calculation** item 2.b. – this number is calculated by subtracting Baseline Full-Time Employee(s) from the average of full-time employees over the 12 Month Maintenance Period.
- **Eligible Jobs compared to Net New Jobs** item 2.c. – the smaller number between Eligible Jobs, Net New Jobs or Month 12 Eligible Jobs is the number that will be used as # of Eligible or Net New Jobs for the incentive calculation on the application.

### a. Eligible Jobs (including 12 Month Maintenance Period):

i. An applicant located in **urban** location(s) must hire at least **ten** net new full-time positions within one month and maintain them for one year or more (12 Month Maintenance Period).

ii. \_\_\_\_\_ Enter the number of full-time employees for the Incentive Month.

\_\_\_\_\_ Enter the number of full-time employees for the Previous Month.

Eligible Jobs. Subtract full-time employees for the Previous Month from the Incentive Month. The application is **ineligible** if this number is less than ten.

iii. The following calculation will ensure that Eligible Jobs have been maintained for one year by comparing the number of full-time employees from the first month Eligible Jobs were hired to Month 12 of the Maintenance Period.

\_\_\_\_\_ Enter the number of full-time employees for the Month 12 of the Maintenance Period.

\_\_\_\_\_ Enter the number of full-time employees for the Previous Month.

Month 12 Eligible Jobs. Subtract the number of full-time employees for the Previous Month from Month 12.

iv. If the figure in 2.a.iii. is greater or equal to ten, proceed to the next calculation. If the figure is less than ten, the application is **ineligible**.

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**b. Net New Job Calculation:**

Net New Jobs must be equal or greater than the job creation requirement to apply. For instance, the **urban** job creation requirement is **ten** new jobs hired within one month. Therefore, Net New Jobs must be at least ten in order to qualify for incentives.

- i. To begin calculation, enter total # full-time employees for the last 12 months. If a business is Affiliated with a parent company or subsidiary that is also located in Colorado, the # of full-time employees must include full-time employees from *all* Colorado Affiliated entities. In addition, if a business has multiple locations, the # of full-time employees must include full-time employees from *all* locations.
- ii. Sum the full-time employees for the last 12 months.
- iii. Calculate average employees for the last 12 months by dividing full-time employees by 12.
- iv. Enter Baseline Full-Time Employee(s) from 1.d.
- v. To calculate Net New Jobs, subtract Baseline Full-Time Employee(s) from last 12 months average full-time employees.

**Net New Job Calculation Worksheet (for use by applicant)**

	<i>Month/Quarters &amp; Year</i>	<i># Full-Time Employees</i>
2.b.i	1	
	2	
	3	
	4	
	5	
	6	
	7	
	8	
	9	
	10	
	11	
	12	
2.b.ii.	13 Total Full-Time Employees	
	14 Total Months/Quarters	12 Months or 4 Quarters
2.b.iii.	15 Average Full-Time Employees (line 13 divided by line 14)	
2.b.iv	16 Baseline Full-Time Employee(s) from 1.d.	
2.b.v	17 Net New Jobs (Subtract line 16 from line 15)	

Attach source document to application (payroll reports for the last 12 months from all locations).

- vi. Are Net New Jobs equal or greater than ten?
  - i. If yes, proceed to the next calculation.
  - ii. If no, application is **ineligible** and does not qualify for incentives.

**c. Eligible Jobs compared to Net New Jobs:**

- i. Enter the smaller of the three numbers noted below into the Application under # Eligible or Net New Jobs on page 20

\_\_\_\_\_ Enter Net New Jobs from 2.b.v.

\_\_\_\_\_ Enter Eligible Jobs from 2.a.ii.

\_\_\_\_\_ Enter Month 12 Eligible Jobs from 2.a.iii.

- ii. If this number is equal or greater than ten, proceed to the next calculation. If the number is less than ten, the application is **ineligible**

**3. Eligible Employee Annual Average Wage Rate Calculation:**

This calculation captures new full-time employee's Regular Salary from months 1-12 of the Maintenance Period payroll reports and divides by the number of Eligible Jobs to determine the annual average salary for the last 12 months.

- a. To begin calculation, enter Regular Salary for Eligible Jobs.
- b. Sum monthly Regular Salaries
- c. Enter Eligible Jobs from 2.a.ii. Incentive Months.
- d. To calculate Eligible Employee Annual Average Wage Rate, divide Total Regular Salary by Eligible Jobs. Enter this figure into the Application under Eligible Employee Annual Average Wage Rate on page 20

**Eligible Employee Annual Average Wage Rate Worksheet (for use by applicant)**

	<i>Month/Quarter &amp; Year</i>	<i>Regular Salary</i>
3.a.	1	\$
	2	\$
	3	\$
	4	\$
	5	\$
	6	\$
	7	\$
	8	\$
	9	\$
	10	\$
	11	\$
	12	\$
3.b.	13 Total Regular Salary	\$
3.c.	14 Eligible Jobs from 2.a.ii.	
3.d.	15 Eligible Employee Annual Average Wage Rate (line 13 divided by line 14)	\$

Please highlight Eligible Employees on attached payroll reports.

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#### 4. County(ies) Annual Average Wage Rate Calculation:

- If jobs are located in multiple counties, refer to the Multiple Counties' Instructions.
- To calculate the County(ies) Annual Average Wage Rate, go to the Colorado Quarterly Census of Employment and Wages (QCEW) published by the Dept of Labor & Employment via <http://www.coworkforce.com/lmi/es202/index.asp>.
- Pull up the *annual* report that is closest to the hire date of the Eligible Jobs from the website. Please note that Annual Census Reports are published roughly six months after the calendar year end. (For example: If an Employer creates new jobs in January 2006 and submits an application in February 2007, they should reference the 2004 annual report since that was the annual report that was available when the jobs were created.)

Data Queries (NAICS)	2001 (PDF)	2002 (PDF)	2003 (PDF)	2004 (PDF)	2005 (PDF)
All Quarters 2001 through 2004, & 1st, 2nd, 3rd quarters 2005	First Quarter	Fourth Quarter	Fourth Quarter	First Quarter	First Quarter
	Second Quarter			Second Quarter	Second Quarter
	Third Quarter			Third Quarter	Third Quarter
	Fourth Quarter			Fourth Quarter	Fourth Quarter
	2001 Annual	2002 Annual (Narrative, charts, and tables)	2003 Annual (Narrative, charts, and tables)	2004 Annual (Tables only)	2005 Annual Tables

- Page through the report to locate the county where Eligible Jobs are located.
- Use the AWW \$ under Total All Industries for the County(ies) Average Annual Wage Rate calculation.

County	AWW	TITLE	NAICS	UNITS	EMPLOYMENT	WAGES	AWW
ADAMS 001		Total All Industries		8,897	147,683	5,067,938,531	738
	865	Private		8,892	127,418	4,877,065,317	736
	655	Agriculture, Forestry, Fishing, Hunting	11	48	1,143	28,058,626	472
	1,169	Crop Production	111	39	885	24,842,374	540
		Animal Production	112	D			
		Forestry & Logging	113	0	0	0	0
		Fishing, Hunting & Trapping	114	0	0	0	0
		Agriculture & Forestry Support	115	D			
		Mining	21	29	236	14,671,416	1,196
		Oil & Gas Extraction	211	4	36	3,350,757	1,790
		Mining, Except Oil & Gas	212	10	124	7,022,033	1,069
		Mining Support Activities	213	15	75	4,298,516	1,102
		Utilities	22	13	922	88,759,114	1,851
		Utilities	221	13	922	88,759,114	1,851
		Construction	23	1,441	17,738	736,260,528	801
		Construction Of Buildings	236	209	830	36,040,348	261
		Heavy & Civil Engineering Construction	237	75	3,010	140,485,280	858
		Specialty Trade Contractors	238	1,158	13,898	560,734,900	776
		Manufacturing	31-33	501	14,026	700,579,228	961
		Food Manufacturing	311	46	1,521	56,370,466	738
		Beverage & Tobacco Product Mfg	312	D			
		Textile Mills	313	D			
		Textile Product Mills	314	10	106	3,129,790	568
		Apparel Manufacturing	315	D			
		Leather & Allied Product Mfg	316	D			
		Wood Product Mfg	321	28	1,002	35,413,001	680
		Paper Manufacturing	322	10	440	19,871,397	869

f. County(ies) Annual Average Wage Rate Calculation is as follows:

\_\_\_\_\_ Enter AWW for Total All Industries

\_\_\_\_\_ x 52 – Multiply by 52 weeks

\$

County(ies) Annual Average Wage Rate – enter this figure into the Application under County(ies) Annual Average Wage Rate on page 20.

**5. Average Wage Rate % Calculation:**

a. Average Wage Rate % must be at least 110% or greater of the county average.

\_\_\_\_\_ Enter Eligible Employee Annual Average Wage Rate (3.d.)

\_\_\_\_\_ Divide by County(ies) Annual Average Wage Rate (4.f.)

Average Wage Rate % - enter this figure into the Application under Average Wage Rate %, page 20.

b. Is Average Wage Rate % greater than or equal to 110%?

i. If yes, proceed to the next calculation.

ii. If no, application is **ineligible** and does not qualify for incentives.

**6. Eligible Incentive Calculation:**

a. Enter the applicable \$ Incentive/Eligible Job figure into the Application under \$ Incentive/Eligible Job on page 20.

		Urban	
		Average Wage Rate %	\$ Incentive/ Eligible Job
PIF		110%	\$1,000
		115%	\$1,250
		120%	\$1,500
Enhanced		150%	Additional \$500 = \$2,000
		160%	Additional \$750 = \$2,250
		175% or >	Additional \$1,000 = \$2,500

Enter \$

\_\_\_\_\_

b. Calculate Eligible Incentive

\_\_\_\_\_ Enter \$ Incentive/Eligible Job per table (6.a.)

\_\_\_\_\_ Multiply by Eligible or Net New Jobs (2.c.i.)

\$

Eligible Incentive – enter this figure into the Application under Eligible Incentive, page 20.

**Section III – Additional Funding:**

1. Enter any prior grants, loans, etc. received prior to this application from the State of Colorado or local entities.
2. Noted below is an example of job creation incentives. The Business Finance Staff will work with an applicant to determine if previous EDC grants were distributed for any positions claimed on the PIF application.

Date Received (month, year)	Type of Funding (loan, grant, etc.)	Source of Funding (county, municipality, etc.)	Dollar \$ Amount Received
			\$
			\$
			\$

**Section IV – Optional Information:** This information will be used to compile statistical information on businesses that have applied for job creation incentives.

1. Include the reason for job creation and list any additional benefits or insurance for employees.
2. Noted below is an example of optional information.

Purpose of job creation (relocation, growth, etc.)
List additional benefits or insurance for employees [401(k), health insurance, life insurance, etc.]

**Section V – Required Documentation:**

1. The information listed below is required in order to process the application. If this information is not included, the application will be returned to the applicant.
  - a. Form W-9 is necessary to ensure that the check is made payable to the correct business name and that the entity has a tax ID.
  - b. Baseline Full-Time Employee(s) Payroll Reports are necessary to calculate Baseline Full-Time Employee(s) and Net New employees.
  - c. Current Payroll Reports are necessary to calculate net new employees, eligible employees, eligible employee average wage rate, Average Wage Rate % and confirm new job maintenance period.

**Section VI - Authorized Signature and Certification:** An authorized company official or owner should sign the Application.

**Section VII – Internal Use Only – Authorization:** The Colorado Office of Economic Development and International Trade will use this section.

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## Multiple Counties' Instructions

Any applicants that have Eligible Jobs in multiple county locations are able to follow the general application instructions with the exception of minimum number of eligible job requirements and the County(ies) Annual Average Wage Rate. These instructions will provide guidance on what application must be completed (Rural or Urban) and contact information to assist with the County(ies) Annual Average Wage Rate calculation.

### Rural or Urban Location

Please complete the information below.

<b>Business Name</b>
----------------------

# Eligible Jobs	Location Name	City	County	Zip Code	Rural or Urban*

**Total Eligible Jobs**

--

*\*If **any** Eligible Jobs are in an **Urban** location, the applicant is required to hire a total of at least **10** net new full-time positions within one month and maintain them for one year or more. Please complete an Urban application.*

*\* If **all** Eligible Jobs are in an **Urban** location, the applicant is required to hire a total of at least **10** net new full-time positions within one month and maintain them for one year or more. Please complete an Urban application.*

*\*If **all** of the Eligible Jobs are located in a **Rural** location, the applicant is required to hire a total of at least **five** net new full-time positions within one month and maintain them for one year or more. Please complete a Rural application.*

### County(ies) Annual Average Wage Rate Calculation

For assistance with the calculation of the County(ies) Annual Average Wage Rate, please contact:  
 Shela Tatro, Manager Performance Incentive Fund  
 Alice Kotrlik, Division Director, Business Finance  
 c/o Colorado Office of Economic Development and International Trade  
 Phone (303) 892-3840  
 Fax (303) 892-3848  
 1-800-659-2656 TDD  
 shela.tatro@state.co.us

### Internal Use Only

# Eligible Jobs	County	County %	AWW	X 52	X County %
			\$	\$	\$
			\$	\$	\$
			\$	\$	\$
			\$	\$	\$
			\$	\$	\$

<p><b>Total Eligible Jobs</b></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 100px; height: 20px;"> </td> </tr> </table>		<p><b>County Weighted Average Wage Rate</b></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 100px; height: 20px;">\$</td> </tr> </table>	\$
\$			

# Application Example

The instructions following this application include the specific example calculations for reference purposes.

## Colorado Job Creation Performance Incentive Fund Application

In order to claim Colorado Job Creation Performance Incentive Funds, the following requirements must be met:

- Applicant located in *Rural* locations must hire at least five net new full-time positions within one month and maintain them for one year or more.
- Applicant located in *Urban* locations must hire at least ten full-time positions within one month and maintain them for one year or more.
- Eligible Employee Average Wage Rate is at least 110% or greater of county average.
- Applicant has not received incentives for these positions under prior or current EDC job incentive program(s).
- Applicant must submit application no later than 90 days after one year anniversary of hired positions.
- Applicant must adhere to remaining program requirements noted throughout the application package.
- Required documents are attached.

Instructional worksheets follow beginning on page 33 of the package.

If any jobs are located in multiple counties, please refer to the Multiple Counties' Instructions.

### I. General Business Information

### RURAL APPLICATION

Business Name (Company) <i>ABC Company</i>		Type of Business (retail, manufacturing, farming, etc.) <i>Soybean Farming</i>
Address (street, city, and zip code) <small>no POBoxes</small> <i>123 Zephyr Street, Lucky 88888</i>	County <i>Adams</i>	NAICS Code (Section I from Instructions) <i>111110</i>
Contact Person (name & title) <i>Jane Smith, Owner</i>		Phone Number <i>111-111-1111</i>
Address where incentive payments should be mailed <i>Same as above</i>		
If applicable, note Affiliations (parent company and/or subsidiaries) <i>N/A</i>		
Other Colorado Locations (name, street, city, and zip code) <i>N/A</i>		County
Other Colorado Locations (name, street, city, and zip code) <i>N/A</i>		County

### II. Incentive Calculations

Rural Location (Rural = min 5 net new full-time jobs) County <u>Adams</u>	Hire Date for Eligible Jobs (month, year) <i>January 2006</i>																
# of Eligible or Net New Jobs (Section II, 2.c.i. from worksheet)	<b>5</b>																
Eligible Employee Average Wage Rate (Section II, 3.d. from worksheet)	<b>\$46,400</b>																
County(ies) Annual Average Wage Rate (Section II, 4.f. from instructions)	<b>\$38,376</b>																
Average Wage Rate % (Section II, 5.a.)	<u>120.9</u> %																
\$ Incentive/Eligible Job (Section II, 6.a.)	<table border="1" style="margin: auto; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="background-color: #e0f2f1;">Rural</th> </tr> <tr> <th style="background-color: #e0f2f1;">% of County Avg. Wage</th> <th style="background-color: #e0f2f1;">\$ Incentive/ Eligible Job</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">110%</td> <td style="text-align: center;">\$1,000</td> </tr> <tr> <td style="text-align: center;">115%</td> <td style="text-align: center;">\$1,250</td> </tr> <tr> <td style="text-align: center;">120%</td> <td style="text-align: center;">\$1,500</td> </tr> <tr> <td style="text-align: center;">125%</td> <td style="text-align: center;">Additional \$1,000 = \$2,500</td> </tr> <tr> <td style="text-align: center;">135%</td> <td style="text-align: center;">Additional \$1,250 = \$2,750</td> </tr> <tr> <td style="text-align: center;">150% or &gt;</td> <td style="text-align: center;">Additional \$1,500 = \$3,000</td> </tr> </tbody> </table>	Rural		% of County Avg. Wage	\$ Incentive/ Eligible Job	110%	\$1,000	115%	\$1,250	120%	\$1,500	125%	Additional \$1,000 = \$2,500	135%	Additional \$1,250 = \$2,750	150% or >	Additional \$1,500 = \$3,000
	Rural																
	% of County Avg. Wage	\$ Incentive/ Eligible Job															
	110%	\$1,000															
	115%	\$1,250															
	120%	\$1,500															
125%	Additional \$1,000 = \$2,500																
135%	Additional \$1,250 = \$2,750																
150% or >	Additional \$1,500 = \$3,000																
Enter \$  <u>\$1,500</u>																	
Eligible Incentive (Section II, 6.b.)	<b>\$7,500</b>																

**III. Additional Funding**

Prior grants, loans, etc. received by applicant from State of Colorado or local entities. (EDC job creation incentives can only be received once for these eligible positions).

Date Received (month, year)	Type of Funding (loan, grant, etc.)	Source of Funding (county, municipality, etc.)	Dollar \$ Amount Received
June 2006	Job Incentive Grant	EDC contract #222	\$50,000
			\$
			\$
			\$

**IV. Optional Information**

Purpose of job creation (relocation, growth, etc.)  
*Relocated company from Ohio*

List additional benefits or insurance for employees [401(k), health insurance, life insurance, etc.]  
*Health insurance, 401(k) and life insurance*

**V. Required Documentation**

The following items are required documentation and must be attached to this application:

- Form W-9
- Baseline Full-Time Employee(s) Payroll Reports (prior 36 months or 12 quarters)
- Current Payroll Reports (months 1-12 that new jobs have been hired and maintained)

**VI. Authorized Signature and Certification**

The person(s) executing this Application are authorized to act on behalf of the Company. By signing this document, I hereby declare that all of the information stated in this application is complete and accurate, in compliance with all application guidelines and all relevant federal laws and Colorado statutes to the best of my knowledge. I further certify that we have examined the legal work status of all employees hired for the positions on this application and have retained file copies of all documents required by U.S. Code Title 8, Section 1324a ("Unlawful Employment of Aliens") and to the best of my knowledge no employment identification documents have been altered or falsified and we have not knowingly hired an unauthorized alien. In addition, my signature provides authority to allow the Office of Economic Development and International Trade to request documentation that demonstrates we are in compliance with the employment verification requirements specified in U.S. Code Title 8, Section 1324a. If any information provided in this Application is found to be in material error, the Company agrees to refund to the State any funds that have been advanced based on erroneous information, immediately upon notification by the State. The Company may have up to 15 days to respond to such a finding.

\_\_\_\_\_  
 Signature Title, Name of Entity (print)

\_\_\_\_\_  
 Name (print) Date

**VII. Internal Use Only - Authorization**

By signing this document, I am approving a disbursement in the amount of \$ \_\_\_\_\_ payable to \_\_\_\_\_.

PIF \$	Enhanced \$
-----------	----------------

\_\_\_\_\_  
 Signature Title (print)

\_\_\_\_\_  
 Name (print) Date

Submit or mail this completed application (signed by an authorized company official or owner and dated) to:  
 Colorado Office of Economic Development and International Trade  
 Attn: Colorado Job Creation Performance Incentive Fund – Business Finance Division  
 1625 Broadway, Suite 2700  
 Denver, Colorado 80202

# Colorado Job Creation Performance Incentive Fund Application Instructions and Calculation Worksheets Example

To claim PIF and, if qualified, EIP funds, please select and complete the appropriate application (Rural or Urban) based on the business(es) location.

- Businesses located in the following 48 counties are located in a **rural** location: Alamosa, Archuleta, Baca, Bent, Chaffee, Cheyenne, Conejos, Costilla, Crowley, Custer, Delta, Dolores, Eagle, Garfield, Grand, Gunnison, Hinsdale, Huerfano, Jackson, Kiowa, Kit Carson, Lake, La Plata, Las Animas, Lincoln, Logan, Mesa, Mineral, Moffat, Montezuma, Montrose, Morgan, Otero, Ouray, Park, Phillips, Pitkin, Prowers, Rio Blanco, Rio Grande, Routt, Saguache, San Juan, San Miguel, Sedgwick, Summit, Washington and Yuma.
- Businesses located in Broomfield or Denver counties are located in an **urban** location.
- If a business is located in any of the counties noted below and outside cities with more than 50,000 in population, please refer to <http://www.AdvanceColorado.com> Business Finance/Job Creation Performance Incentive Fund and Enhanced Incentive Program/Rural-Urban Buffer Map section to determine if the business is located in a rural or urban location: Adams, Arapahoe, Boulder, Clear Creek, Douglas, El Paso, Elbert, Fremont, Gilpin, Jefferson, Larimer, Pueblo, Teller and Weld.

Please note that payroll reports should be used for the calculations referenced throughout these instructions.

## Section I – General Business Information

1. Enter business name, type of business, address, contact person and phone number, address where incentives should be mailed, noted affiliations (i.e. parent company or subsidiaries), other Colorado locations and NAICS (North American Industry Classification System) Code.
2. **NAICS Code** – refer to <http://www.census.gov/epcd/naics02/naico602.htm#N31> for the appropriate table. Select business type and copy six digit code that represents industry in the NAICS Code box on the application.

The screenshot shows the U.S. Census Bureau website for 2002 NAICS Codes and Titles. The browser window title is "2002 NAICS Codes - Microsoft Internet Explorer". The address bar shows the URL: <http://www.census.gov/epcd/naics02/naico602.htm#N31>. The page features a search bar with the text "Enter keyword" and a "2002 NAICS Search" button. Below the search bar is a navigation menu with various industry categories: Agriculture..., Mining..., Utilities..., Construction..., Manufacturing..., Wholesale..., Retail..., Transportation..., Information..., Finance..., Real Estate..., Professional..., Management..., Administrative..., Educational..., Health..., Arts, Entertain..., Accommodation..., Other..., and Public Admin... A yellow box highlights the "Select business industry type" button. Below the navigation menu, the "Agriculture, Forestry, Fishing and Hunting" category is expanded, showing a table of codes and titles. A yellow box highlights the instruction "Enter six digit code on application" pointing to the "2002 NAICS Code" column. The table lists the following codes and titles:

2002 NAICS Code	2002 NAICS Title
11	Agriculture, Forestry, Fishing and Hunting
111110	Soybean Farming
111120	Oilseed (except Soybean) Farming
111130	Dry Pea and Bean Farming
111140	Wheat Farming

## Section II – Incentive Calculations:

This section contains several worksheets that will assist with the incentive calculation. Prior to starting any calculations, please complete the following:

- Confirm that the correct application is being completed (Urban or Rural). Enter County(ies) where Eligible Jobs are located.
- Enter month and year (hire date) for Eligible Jobs applying for incentive. Application must be submitted within **90** days of the one year anniversary of the Eligible Jobs.

### 1. Baseline Full-Time Employee(s) Calculation:

Calculate the three year baseline average (prior to the hire date of Eligible Jobs) of full-time employees from payroll reports. If the company has not been in existence for three years, use the number of months with full-time employees prior to the hire date of Eligible Jobs. If a business is Affiliated with a parent company or subsidiary that is also located in Colorado, the Baseline Full-Time Employee(s) calculation must include full-time employees from *all* Colorado Affiliated entities. In addition, if a business has multiple locations, the Baseline Full-Time Employee(s) calculation must include full-time employees from *all* locations

- To begin calculation, enter the number of full-time employees for the last three years.
- Sum full-time employees for this time period.
- Sum months or quarters that full-time employee counts were entered (i.e. 36 months = 36)
- Divide total full-time employees by total months or quarters to determine baseline average.

<b>Example 1:</b> Eligible jobs were hired January 2006. Company was established in 1990. Baseline calculation is as follows:		<b>Example 2:</b> Eligible jobs were hired January 2006. Company was established in September 2005. Baseline calculation is as follows:	
<i>Month</i>	<i># Full-Time Employees</i>	<i>Month</i>	<i># Full-Time Employees</i>
1 – January 2003	50		
2 – February 2003	50		
3 – March 2003	50		
4 – April 2003	50		
5 – May 2003	50		
6 – June 2003	45		
7 – July 2003	45		
8 – August 2003	45		
9 – September 2003	45		
10 – October 2003	45		
11 – November 2003	45		
12 – December 2003	45		
13 – January 2004	47		
14 – February 2004	47		
15 – March 2004	47		
16- April 2004	47		
17- May 2004	47		
18 – June 2004	47		
19 – July 2004	47		
20 – August 2004	47		
21 – September 2004	47		
22 – October 2004	46		
23 – November 2004	46		
24 – December 2004	46		
25 – January 2005	46		
26 – February 2005	46		
27 – March 2005	47		
28- April 2005	47		
29- May 2005	47		
30 – June 2005	47		
31 – July 2005	47		
32 – August 2005	47		
33 – September 2005	47	1 – September 2005	3
34 – October 2005	47	2 – October 2005	3
35 – November 2005	47	3 – November 2005	4
36 – December 2005	47	4 – December 2005	4
<b>37 Total Full-Time Employees</b>	<b>1,688</b>	<b>Total Full-Time Employees</b>	<b>14</b>
<b>38 Total Months</b>	<b>36</b>	<b>Total Months</b>	<b>4</b>
<b>39 Baseline Full-Time Employees (Divide line 37 by 38)</b>	<b>46.9</b>	<b>Baseline full-Time Employees</b>	<b>3.5</b>

1.a.

1.b.

1.c.

1.d.

## 2. # Eligible Jobs or Net New Jobs

There are three separate calculations that are used to determine # of Eligible or Net New Jobs for the application:

- **Eligible Jobs (including 12 Month Maintenance Period)** item 2.a. – this is a two step process involving the 1) calculation of Eligible Jobs (the difference between the number of full-time employees for the Incentive Month and the Previous Month); and 2) reviewing the 12 Month Maintenance Period to ensure that the Eligible Jobs have been maintained for one year.
- **Net New Job Calculation** item 2.b. – this number is calculated by subtracting Baseline Full-Time Employee(s) from the average of full-time employees over the 12 Month Maintenance Period.
- **Eligible Jobs compared to Net New Jobs** item 2.c. – the smaller number between Eligible Jobs, Net New Jobs or Month 12 Eligible Jobs is the number that will be used as the final # of Eligible or Net New Jobs for the incentive calculation on the application.

### a. Eligible Jobs (including 12 Month Maintenance Period):

- An applicant located in a **rural** location must hire at least **five** full-time positions within one month and maintain them for one year or more (12 Month Maintenance Period).
- \_\_\_ 52 \_\_\_ Enter the number of full-time employees for the Incentive Month (January 2006).  
\_\_\_ 47 \_\_\_ Enter the number of full-time employees for the Previous Month (December 2005).

Eligible Jobs. Subtract full-time employees for the Previous Month from the Incentive Month. The application is **ineligible** if this number is less than five.

- The following calculation will ensure that Eligible Jobs have been maintained for one year by comparing the number of full-time employees from the first month Eligible Jobs were hired to Month 12 of the Maintenance Period.

\_\_\_ 52 \_\_\_ Enter the number of full-time employees for the Month 12 of the Maintenance Period.

\_\_\_ 47 \_\_\_ Enter the number of full-time employees for the Previous Month.

Month 12 Eligible Jobs. Subtract the number of full-time employees for the Previous Month from Month 12.

- If the figure in 2.a.iii. is greater or equal to five, proceed to the next calculation. If the figure is less than five, the application is **ineligible** because Net New Jobs were not maintained for one year.

**b. Net New Job Calculation:**

Net New Jobs must be equal or greater than the job creation requirement to apply. For instance, the **rural** job creation requirement is **five** new jobs hired within one month. Therefore, Net New Jobs must be at least five in order to qualify for incentives.

- i. To begin calculation, enter total # full-time employees for the last 12 months. If a business is Affiliated with a parent company or subsidiary that is also located in Colorado, the current calculation must include full-time employees from *all* Colorado Affiliated entities. In addition, if a business has multiple locations, the current calculation must include full-time employees from *all* locations.
- ii. Sum the full-time employees for the last 12 months.
- iii. Calculate average employees for the last 12 months by dividing full-time employees by 12.
- iv. Enter Baseline Full-Time Employee(s) from 1.d.
- v. To calculate Net New Jobs, subtract Baseline Full-Time Employee(s) from last 12 months average full-time employees.

<b>Good Example:</b> Five new employees were hired January 1, 2006 at a rural location and maintained for 12 months. Current calculation is as follows:		<b>Ineligible Example:</b> Five new employees were hired January 1, 2006 at a rural location and three positions were maintained for 12 months. Current calculation is as follows:	
<i>Month</i>	<i># Full-Time Employees</i>	<i>Month</i>	<i># Full-Time Employees</i>
1 - January 2006	52	1 - January 2006	52
2 - February 2006	52	2 - February 2006	52
3 - March 2006	52	3 - March 2006	52
4 - April 2006	52	4 - April 2006	52
5 - May 2006	52	5 - May 2006	52
6 - June 2006	52	6 - June 2006	52
7 - July 2006	54	7 - July 2006	52
8 - August 2006	54	8 - August 2006	52
9 - September 2006	53	9 - September 2006	49
10 - October 2006	53	10 - October 2006	49
11 - November 2006	52	11 - November 2006	49
12 - December 2006	52	12 - December 2006	49
13 Total Full-Time Employees	630	Total Full-Time Employees	613
14 Total Months	12	Total Months	12
15 Average (Divide line 13 by line 14)	52.5	Average (Divide Employees by Months)	51.0
16 Baseline Full-Time Employee(s) from 3.d.	46.9	3 Year Baseline	46.9
17 Net New Jobs (Subtract 16 from 15)	5.6	Net New Jobs	4.1

- vi. Are Net New Jobs equal or greater than five?
  - i. If yes, proceed to the next calculation.
  - ii. If no, application is **ineligible** and does not qualify for incentives.

**c. Eligible Jobs compared to Net New Jobs:**

- i. Enter the smaller of the three numbers noted below into the Application under the final # Eligible or Net new Jobs on page 31.

**Example.**

5.6 Enter Net New Jobs from 2.b.v.

5 Enter Eligible Jobs from 2.a.ii.

5 Enter Month 12 Eligible Jobs from 2.a.iii.

- ii. If this number is equal or greater than five, proceed to the next calculation. If the number is less than five, the application is **ineligible**

### 3. Eligible Employee Average Wage Rate Calculation:

This calculation captures new full-time employee's Regular Salary from months 1-12 of the Maintenance Period payroll reports and divides by the number of Eligible Jobs to determine the annual average salary for the last 12 months.

- a. To begin calculation, enter Regular Salary for Eligible Jobs.
- b. Sum monthly Regular Salaries
- c. Enter Eligible Jobs from 2.a.ii. Incentive Months
- d. To calculate Eligible Employee Annual Average Wage Rate, divide Total Regular Salary by Eligible Jobs. Enter this figure into the Application under Eligible Employee Average Wage Rate on page 31.

	<i>Month</i>	<i>Regular Salary</i>
3.a.	1 - January 2006	\$19,500
	2 - February 2006	\$20,000
	3 - March 2005	\$20,000
	4 - April 2006	\$20,000
	5 - May 2006	\$20,000
	6 - June 2006	\$20,000
	7 - July 2006	\$22,500
	8 - August 2006	\$22,500
	9 - September 2006	\$22,500
	10 - October 2006	\$22,500
	11 - November 2006	\$22,500
	12 - December 2006	\$19,500
3.b.	13 Total Regular Salary	\$232,000
3.c.	14 Eligible Full-Time Employees from 2.a.ii	5
3.d.	15 Eligible Employee Annual Average Wage Rate (Divide line 13 by line 14)	\$46,400

#### 4. County(ies) Annual Average Wage Rate Calculation:

- If jobs are located in multiple counties, refer to the Multiple Counties Instructions.
- To calculate the County(ies) Annual Average Wage Rate, go to the Colorado Quarterly Census of Employment and Wages (QCEW) published by the Dept of Labor & Employment via <http://www.coworkforce.com/lmi/es202/index.asp>.
- Pull up the *annual* report that is closest to the hire date of the Eligible Jobs from the website. Please note that Annual Census Reports are published roughly six months after the calendar year end. (For example: If an Employer creates new jobs in January 2006 and submits an application in February 2007, they should reference the 2004 annual report since that was the annual report that was available when the jobs were created.)

Data Queries (NAICS)	2001 (PDF)	2002 (PDF)	2003 (PDF)	2004 (PDF)	2005 (PDF)
All Quarters 2001 through 2004, & 1st, 2nd, 3rd quarters 2005	First Quarter	Fourth Quarter	Fourth Quarter	First Quarter	First Quarter
	Second Quarter			Second Quarter	
	Third Quarter			Third Quarter	
	Fourth Quarter			Fourth Quarter	
	2001 Annual	2002 Annual (Narrative, charts, and tables)	2003 Annual (Narrative, charts, and tables)	2004 Annual (Narrative, charts, and tables)	New! 2005 Annual Tables

- Page through the report to locate the county where Eligible Jobs are located.
- Use the AWW \$ under Total All Industries for the County(ies) Annual Average Annual Wage Rate calculation.

County	ADAMS 001	TITLE	NAICS	UNITS	EMPLOYMENT	WAGES	AWW
	Total All Industries			8,997	147,693	5,697,938,931	738
	Private			8,892	127,418	4,877,065,317	738
	Agriculture, Forestry, Fishing, Hunting		11	48	1,143	28,058,626	472
	Crop Production		111	39	885	24,842,374	540
	Animal Production		112	D	0	0	0
	Forestry & Logging		113	0	0	0	0
	Fishing, Hunting & Trapping		114	0	0	0	0
	Agriculture & Forestry Support		115	D	0	0	0
	Mining		21	29	236	14,671,416	1,196
	Oil & Gas Extraction		211	4	36	3,350,767	1,790
	Mining, Except Oil & Gas		212	10	124	7,022,033	1,069
	Mining Support Activities		213	15	75	4,288,616	1,102
	Utilities		22	13	922	88,759,114	1,851
	Utilities		221	13	922	88,759,114	1,851
	Construction		23	1,441	17,738	739,260,528	801
	Construction Of Buildings		236	209	930	38,040,348	861
	Heavy & Civil Engineering Construction		237	75	3,010	140,485,280	858
	Specialty Trade Contractors		239	1,158	13,898	560,734,900	776
	Manufacturing		31-33	501	14,026	700,579,228	961
	Food Manufacturing		311	46	1,521	58,370,466	738
	Beverage & Tobacco Product Mfg		312	D	0	0	0
	Textile Mills		313	D	0	0	0
	Textile Product Mills		314	10	106	3,129,790	568
	Apparel Manufacturing		315	D	0	0	0
	Leather & Allied Product Mfg		316	D	0	0	0
	Wood Product Mfg		321	28	1,002	35,413,001	680
	Paper Manufacturing		322	10	440	19,871,397	869
	Paper Manufacturing		---	---	---	---	---

f. County(ies) Annual Average Wage Rate Calculation is as follows:

      \$738       Enter AWW for Total All Industries

      x 52       Multiply by 52 weeks

\$38,376 County(ies) Annual Average Wage Rate – enter this figure into the Application under County(ies) Annual Average Wage Rate on page 31.

**5. Average Wage Rate % Calculation:**

a. Eligible Employee Average Wage Rate must be at least 110% or greater of county average.

      \$46,400       Enter Eligible Employee Average Wage Rate (3.d.)

      \$38,376       Divide by County(ies) Annual Average Wage Rate (4.f.)

120.9% Average Wage Rate % - enter this figure into the Application under Average Wage Rate %, page 31.

b. Is Average Wage Rate % greater than or equal to 110%?

- i. If yes, proceed to the next calculation.
- ii. If no, application is **ineligible** and does not qualify for incentives.

**6. Eligible Incentive Calculation:**

a. Enter the applicable \$ Incentive/Eligible Job figure into the application under \$ Incentive/Job. Based on the example above, the \$ Incentive/Eligible Job = \$1,500.

Rural		
	% of County Avg. Wage	\$ Incentive/ Eligible Job
PIF	110%	\$1,000
	115%	\$1,250
	120%	\$1,500
Enhanced	125%	Additional \$1,000 = \$2,500
	135%	Additional \$1,250 = \$2,750
	150% or >	Additional \$1,500 = \$3,000

b. Calculate Eligible Incentive

      \$1,500       Enter \$ Incentive/Eligible Job per table (6.a.)

      5       Multiply by Eligible or Net New Jobs (2.c.i.)

\$7,500 Eligible Incentive – enter this figure into the Application under Eligible Incentive, page 31.

**Section III – Additional Funding:**

1. Enter any prior grants, loans, etc. received prior to this application from the State of Colorado or local entities.
2. See Application, page 32 for example.

**Section IV – Optional Information:** This information will be used to compile statistical information on businesses that have applied for incentive.

1. Include the reason for job creation and list any additional benefits or insurance for employees.
2. See Application on page 32 for example.

**Section V – Required Documentation:**

1. The information listed below is required in order to process the application. If this information is not included, the application will be returned to the applicant.

- a. Form W-9 is necessary to ensure that the check is made payable to the correct business name and that the entity has a tax ID.
- b. Baseline Full-Time Employee(s) Payroll Reports are necessary to calculate baseline full-time employees and net new employees.
- c. Current Payroll Reports are necessary to calculate net new employees, eligible employees, eligible employee average wage rate, Average Wage Rate % and confirm new job maintenance period.

**Section VI - Authorized Signature and Certification:** An authorized company official or owner should sign the Application.

**Section VII – Internal Use Only – Authorization:** The Colorado Office of Economic Development and International Trade will use this section.