



AGENDA MEMORANDUM

Corpus Christi B Corporation Meeting November 14, 2022

DATE: November 3, 2022

TO: President and Honorable Board Members,
Corpus Christi B Corporation

FROM: Mike Culbertson
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Grant for Texas A&M University – Corpus Christi Internship Program

CAPTION:

Public Hearing and Motion approving a Small Business Incentives Agreement between the Corpus Christi B Corporation and Texas A&M University – Corpus Christi for an internship program to provide a grant of \$100,000 from January 1, 2023 through December 31, 2023

SUMMARY:

This motion approves an agreement between the Type B and Texas A&M University – Corpus Christi Internship Program for Small Business Assistance grant of \$100,000 until December 31, 2023

BACKGROUND AND FINDINGS:

Texas A&M University – Corpus Christi has a program where students can work for a local company as an intern. The local company will pay minimum wage while the Type B grant will match the wage up to \$5.00 per hour plus FICA. This encourages companies to hire interns, it allows the student to get real work experience, and has a goal to create new jobs. The Type A and now B Board has funded this program since 2007. This agreement would run until December 31st which is the end of a semester to better manage the program. The University has kept the number of interns fairly constant but the wage difference is becoming a problem. Students that would normally participate in the internship program are getting paid more at other jobs and they are not utilizing the internships available. The University would like to increase the match to \$7.25 plus FICA. Increasing the match will not increase the grant amount. The program actually had a \$7.25 match when it started. We found that the amount was higher than needed. If a small business hired an intern their hourly rate would go down. The economy has changed and we need to move the match to \$7.25.

The Type B Board passed the budget for Small Business Assistance grants during the July 18, 2022 meeting.

ALTERNATIVES:

The Board may choose to not fund this grant or to fund it at a lower amount.

FISCAL IMPACT:

This item will use \$100,000 of the \$775,000 budgeted in FY 2023 for the Type B small business assistance program funds

FUNDING DETAIL:

Fund: 1145 B Corporation Fund
Organization/Activity: 15020 Small Business Projects
Mission Element: 707
Project # **(CIP Only)**:
Account: 530000 Professional Services

RECOMMENDATION:

Staff recommends approving the grant.

LIST OF SUPPORTING DOCUMENTS:

Letter Requesting Type B Funding