

COMPETITIVE AI FUNDING FAQs

Last revised July 13, 2026

QUESTION: Can a business apply for multiple categories simultaneously on a single application (e.g., combining Category 1 for Discovery and Category 3 for Awareness), or do they require separate submissions?

ANSWER: Yes, a business can submit one application with multiple categories marked.

QUESTION: Are local governments or non-profits eligible for the competitive funding for AI Adoption?

ANSWER: The competitive funding for AI Adoption is available for private-for-profit businesses, private non-profit organizations, and public sector employers.

QUESTION: Does the third-party consultant or trainer need to be in South Dakota?

ANSWER: We are seeking a consultant in South Dakota for Category 1. However, we realize the training needed for your workforce or AI tool may not be a South Dakota entity.

QUESTION: If we already know the specific workflows we want to target, can we apply directly for a Category 2 (Training Implementation) grant by the August 7 deadline, or must we complete Category 1 first?

ANSWER: If a business is already aware of the need, they can apply for Category 2 without Category 1. The categories are not dependent on each other.

QUESTION: For Categories 1 and 2, is a non-binding vendor quote/estimate acceptable for the August 7 deadline, given that our ability to formally contract the third-party consultant may be dependent upon grant approval based on 2026 budget constraints?

ANSWER: A quote or estimate from the third-party vendor is acceptable for the COST DETAILS; however, please note that award amounts will be based on the total cost incurred.

QUESTION: For Category 3, do they need to complete all training identified on the application?

ANSWER: The business should select training that is most meaningful to their business and workforce needs. DLR will reimburse based on the certificate of completion per employee.

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QUESTION: Is there a cost associated with Grow with Google AI Professional Certificate? Where do I get more information to sign up?

ANSWER: There is not cost associated, this is a free resource available through DLR. More information can be found at: https://dlr.sd.gov/workforce_services/individuals/training_opportunities/grow-with-google.aspx.

QUESTION: What is the definition of a Completion Certificate? Would a letter or email from the third-party training organization be sufficient?

ANSWER: If there is no official certificate of completion, a letter on the training provider's letterhead to show the trainee names, course, and completion date would suffice.

QUESTION: Does the state need to approve the third-party consultant, trainer, or training program?

ANSWER: We do not have a formal application or vetting process for consultants and training providers. Businesses applying for this funding have the flexibility to select the provider that best suits their needs. During the application review process, we will verify that the chosen provider is a credible, legitimate entity.

We are currently compiling a resource list of companies that businesses can contact for consultations and training. Please note that this list will include a disclaimer stating that our agency does not endorse or recommend any specific company. If you would like to be included on this list, please email DLREmploymentPrograms@state.sd.us with the following details:

- Business Name:
- Address (including city & state):
- Contact Name:
- Contact Phone Number:
- Contact Email:
- Type of Service:
- Brief Service Description:

QUESTION: With the Workforce Development Council reviewing applications on August 25, would a project start date in September or October conflict with the state's agreement execution process (considering Cat 1/2)?

ANSWER: Applicants will be informed of a determination by September 1. Contracts will need to be signed before the consultation or training starts.

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QUESTION: Can the training be a past (something recently completed) or currently in process?

ANSWER: No, all trainings listed on the application must be a future date. Training should start after the contract has been completed.

QUESTION: Can an employer submit their application before selecting a specific training provider, or does the application need to name a vendor and include a quote?

ANSWER: No, the applicant should submit the information requested on the application as this will be incorporated into the contract.

QUESTION: Do invoices need to be received by June 30, 2027?

ANSWER: While training needs to be completed by June 30, 2027, invoices need to be received by July 30, 2027

QUESTION: Is the funding intended for training only? Or for covering the costs of AI tools/licenses?

ANSWER: The funding is for the discovery process to identify what tools would be beneficial to a business and the workforce development and training of employees as it relates to artificial intelligence, not for the cost of the artificial intelligence tools.