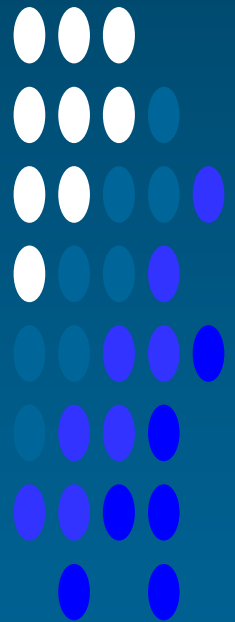


Employment Training Panel

STRATEGIC
PLAN

2006-07



THE EMPLOYMENT TRAINING PANEL

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APPENDIX

- A. Progress on 2005-06 Goals and Objectives

A. Vision Statement

The Employment Training Panel will support economic development in California, through strategic partnerships with business, labor, and government.

B. Mission Statement

The Employment Training Panel provides financial assistance to California businesses to support customized worker training to:

- Attract and retain businesses that contribute to a healthy California economy;***
- Provide workers with secure jobs that pay good wages and have opportunities for advancement;***
- Assist employers to successfully compete in the global economy; and***
- Promote the benefits and ongoing investment in employee training among employers.***

C. Preface

The Employment Training Panel (ETP) is a statewide economic development program that works directly with business and labor to ensure that California employers have a skilled and competitive workforce. ETP funds customized training for incumbent workers and unemployed workers in support of high-wage, high-skilled jobs. The program is funded through the Employment Training Tax, levied on California employers who participate in the Unemployment Insurance System. Employers who are subject to the tax may directly participate in ETP-funded training.

ETP was created in 1982 with the initial mandate of training large numbers of unemployed workers resulting from plant closures. In the past two decades, the Panel's role has largely been to support the retraining of incumbent workers in basic industries facing out-of-state competition (primarily manufacturing and high technology sectors). In the past few years, the Panel has taken on an increasingly significant role in supporting business attraction, retention and expansion, and job creation throughout the State.

ETP administers the only program of its kind. As California's only employer-driven training program supporting retraining for incumbent workers, ETP differs from other workforce development organizations whose emphasis is on pre-employment training.

A skilled workforce is key to a company's competitiveness. Employers must be able to effectively train workers and maintain a skilled workforce capable of responding to changing business and industry needs. While the need for workforce training is critical, businesses generally reserve training dollars for highly technical and professional occupations – limiting investment in training for the frontline workers who provide goods and deliver services. ETP helps to fill this gap by funding training that is targeted to frontline workers.

ETP is one of several departments within the Labor and Workforce Development Agency, along with the Department of Industrial Relations (DIR), the Employment Development Department (EDD), the Agricultural Labor Relations Board (ALRB), and the Workforce Investment Board.

ETP is governed by a seven-member Panel¹ appointed by the Governor and Legislative leaders. The purpose of the Panel is to act on funding proposals, to adopt appropriate program policies and regulations, and to make final determinations regarding appeals from decisions of the Executive Director. ETP's headquarters staff is located in Sacramento, with regional offices also in Sacramento, San Diego, San Francisco Bay Area, and North Hollywood. The staff administers the program statewide through marketing/developing, monitoring, and auditing training contracts; as well as providing program and administrative support to the Panel.

¹ ETP's enabling Legislation includes an eighth ex officio Panel member – the Secretary of the Technology, Trade & Commerce Agency. However, that Agency was eliminated effective January 1, 2004. As a result, there are currently seven members.

D. Introduction

This Fiscal Year (FY) 2006-07 Strategic Plan outlines the Panel's strategies for accomplishing its mission. The Plan establishes funding priorities and corresponding goals and objectives to address the Panel's challenges and opportunities.

ETP's budget in FY 2006-07, while still below its historic levels, was increased by 40 percent over last fiscal year. This is a positive trend, which bodes well for the future of employer supported training in the State. Nonetheless, the Panel must best utilize its limited funds and staff resources to carry out its mission.

The Panel is pleased to submit its Strategic Plan, and looks forward to working with its many partners in serving its customers and strengthening the California economy.

E. Assessment Overview

An assessment of ETP's internal and external environments was conducted as a basis for updating the Strategic Plan. Following is a summary of this assessment, which includes: 1) a description of the progress in carrying out the goals and objectives in last year's Plan; 2) a snapshot of the California economy, including priority industry groups; 3) other internal and external factors; and 4) an overview of the Panel's budget and resources in FY 2006-07.

1) Progress on Prior Year Goals and Objectives

Significant progress was made in addressing goals and objectives in last year's Plan. Appendix A provides the status of each goal and objective. Briefly, the Panel accomplished the following:

- Through targeted marketing, focused on manufacturing, high technology services, and construction as priority industries.
- In support of statewide economic development, approved over \$26 million to support business expansions and relocations into California, creating 6,400 new high-wage jobs.
- Approved \$13 million for training in high unemployment areas, including \$3.7 million to serve more than 3,500 working poor trainees.
- Continued to prioritize small business through both direct and multiple employer contracts.
- Received an increased budget appropriation of 40 percent over last fiscal year.
- Enhanced the online orientation and application process, and continued to improve processes, forms and procedures for enhanced customer service.
- Approved policy and regulation changes for New Hire Training, clarified policy on supplemental training, revised sub-agreement requirements, and approved increases in fixed fee reimbursement rates, including special rates for priority industries.

2) Snapshot of the California Economy

California's economy has improved considerably over the past year. However, the state still faces major challenges in achieving an ongoing balance between revenues and expenditures. Even assuming continued steady economic growth, multi-billion dollar operating deficits will likely persist. Risks from a steeper-than-expected decline in California's real estate markets and sharper-than-expected rise in energy prices may hinder economic growth. (California's Fiscal Outlook: LAO Projections, 2005-06 through 2010-11)

In 2005, California had its largest gain in jobs since 2000 – which was consistent with the overall national growth rate. Although California's growth rate has slowed thus far this year, the State's growth in early 2006 has generally exceeded expectations, with increases in business profits, employment, exports, and wage payments.

Priority Industry Groups

A number of industries identified by the California Economic Strategy Panel (a bipartisan board established in 1993 to develop an economic vision and strategy to guide public policy), are key to California's economy and offer opportunities for ETP to provide critical training support for businesses in those sectors, in high-wage, high-skill, secure jobs. These industries include:

- **Manufacturing** – The nation has lost over 3 million manufacturing jobs over the past four years. California's share of that was approximately 350,000 jobs. Despite gains in sales and profits, manufacturing remained stagnant.² Nonetheless, research by the California Economic Strategy Panel indicates that a new manufacturing model is emerging that combines design and logistics with just-in-time lean production to deliver directly to the customer.³ Therefore, while traditional production jobs are declining, jobs in design and logistics are growing.

A survey by a national manufacturing industry association in 2005 found that “the vast majority of American manufacturers surveyed continue to experience a serious shortage of qualified employees that is causing a significant impact to business and the ability of the economy as a whole to compete in a global economy.”⁴ This suggests the need for training solutions to address changes in the manufacturing workplace identified by the above research. Given the manufacturing industry's high multiplier effects on creating new jobs in the economy, it is essential the industry has the resources to address critical training needs.

- **Biotechnology and Life Sciences** are playing an increasingly important role in the state's economy. With more than 400 biotech firms, California has more than twice the number of such firms as the second leading state. Most California biotech jobs are

²“Outlook For The California Economy, 2005-06”, Center for the Continuing Study of the California Economy, December, 2005.

³ “Logistics and Manufacturing Value Chains: Meeting The Workforce And Infrastructure Demands Of A Real Time Economy”, Regional Economies Project, July 2005.

⁴ “2005 Skills Gap Report – A Survey of the American Manufacturing Workforce”, National Association of Manufacturers Manufacturing Institute/Center for Workforce Success and Deloitte Consulting, LLP; 2005.

located in the four major biotechnology regions: San Diego, Los Angeles/Orange, the San Francisco Bay Area, and Sacramento/Stockton.

An estimated 100,000 workers are employed by California's biotechnology firms, and it is projected that by 2015, the industry will employ up to 250,000 workers. Research shows that the “job multiplier” for biotechnology is about 1.9, meaning that almost two additional jobs are created elsewhere in the economy for every job created directly in biotech.⁵

- **Aerospace and Defense** -- Changing political and economic circumstances have reinvigorated the significance of the aerospace and defense industry. The development of products and services relating to space, defense, electronic technology, and aerospace are high in demand in commercial markets throughout the world. California has consistently been at the forefront of this industry. As a rapidly evolving field, the aerospace/defense contractors face unique challenges, which are time-sensitive, and which, coupled with significant competition in the market place, require a considerable need for training.
- **Advanced Technology Information Services** is the fastest growing sector in the economy, with a 68 percent increase in output growth rate projected between 2002 and 2012, according to the U.S. Bureau of Labor Statistics (BLS). BLS also projects excellent employment opportunities in the industry as demand for computer-related occupations increases, due to rapid advances in computer technology, continuing development of new computer applications, and the growing significance of information security.
- **Multimedia/Entertainment**, along with the film industry, remains a staple of the State's economy, providing high-wage high-skill employment, in jobs with significant multiplier effects on the economy.
- **Goods Movement and Transportation Logistics** is an increasingly important sector in California, which is producing many new jobs in the state. This key industry supports moving goods from California's ports throughout the state and to the rest of the country, through a system of facilities including seaports, airports, railways, dedicated truck lanes, logistics centers, and border crossings. The Administration has prioritized support for this emerging industry sector.
- **Healthcare** -- California is facing a critical shortage of nurses statewide – currently 9,000 new registered nurses are needed annually, while only about 6,000 RNs are graduating per year. It is estimated that by 2010, 47,600 additional nurses will be needed, and that by 2020, an additional 116,000 will be needed. The Governor's Nurse Education Initiative was initiated in 2005 to address this situation, providing a multi-faceted approach to expand California's educational capacity so more people can become nurses.
- **Construction** is currently a high-growth industry. In addition to normal labor needs for highway projects and other public works, the housing boom in California has pushed the need for construction workers to robust levels. New housing adds up to new

⁵ “Under The Microscope, Biotechnology Jobs IN California”, EDD Labor Market Information Division; June 2004.

communities needing improved roads, sewer systems, supermarkets and other business outlets, all of which involves the construction industry and even higher demand for workers.

Since 2001, job growth has been directly correlated to the surge in residential building and, as a result, has been largely in construction-related sectors. In the past five years, California has added over three times the total amount of job growth, or over 273,000 jobs, in construction-related industries, as other sectors lost 181,000 jobs.⁶

- **Agriculture** -- California is the world's fifth largest agricultural economy (i.e., supplier of food and agricultural commodities); and it is the nation's number one agriculture producer and exporter. Of the top 10 agricultural counties nationwide, nine are in California. California's agricultural exports surpassed \$8 billion for the first time in 2004, and the State exports agricultural products to approximately 150 countries. While the rest of the nation is the leading market for California's agricultural products, foreign markets have become more important in the last five years. Despite its critical importance to the State's economy, however, agricultural employment is relatively low (excluding food processing, only 2 percent of the employed workforce in 2006), and much of that employment is seasonal.

In addition, **small business** -- the economic engine of the State -- is essential to California's economy. Small employers with fewer than 100 employees represent more than 98 percent of all businesses in the state, and employ close to 70 percent of all California workers. Any strategies to enhance the state's economy must include small business as a priority.

3) Other Internal and External Factors

- **An Increasing Economic Development Role**

As the state's only discretionary source of funding for use as an economic development incentive, the Panel continues its efforts to attract and retain California businesses, and support job creation. The Panel also supports Red Teams (local inter-agency efforts to attract and retain businesses) and helps address the need for trained workers in growth industries.

The Panel is currently working with its State and local partners to encourage 30 companies to locate to California, expand their workforce, or remain in California. The number of such opportunities will likely increase, as ETP encounters new opportunities to support economic development.

- **Supporting Employers' Demand for Training**

The Panel has responded to an augmentation in its budget, by reaching out to program constituencies impacted by last year's funding moratoriums (see "Program Budget, page 7). At its June 2006 meeting, the Panel lifted its moratoriums on first-time training agencies (TA) and Workforce Investment Act (WIA) Grant Recipients, and Welfare-to-Work projects.

⁶ "Outlook For The California Economy, 2005-06", Center for the Continuing Study of the California Economy, December, 2005.

The lifting of these various moratoriums adds significantly to the number of training proposals being developed for future consideration by the Panel. First-time TAs and WIA Grant Recipients represent the largest constituency impacted by the funding restrictions, as approximately \$8 million in potential training projects may result with the lifting of that particular moratorium.

- **Welfare to Work Pilot**

ETP will implement a pilot program to support training for current or former CalWORKS recipients. Projects will emphasize training for entry-level (pre-apprenticeship) positions in the construction, healthcare, hospitality, services, and other targeted industries. ETP will coordinate with the Department of Social Services (DSS) to provide information on CalWORKS recipients and work participation rates, under federal welfare to work requirements.

- **High Unemployment Areas**

The Panel continues to fund training for companies in high unemployment areas (HUA) of the State, with a focus on the “working poor”. HUA training is focused on workers who have full-time jobs and fairly stable employment, but earn low wages, and lack the essential job skills necessary to improve their employment status.

4) Program Budget

Revenues collected through the Employment Training Tax are deposited into the Employment Training Fund (Fund) for the support of the ETP program. Historically, ETP’s annual appropriation from the Fund has been close to \$76 million. However, revenue shortfalls and annual Fund transfers to other programs for which these monies were not intended have drastically reduced funds available for ETP over the past several years.

There is \$81.4 million available in the Fund in FY 2006-07. However, of that amount, only \$53.3 million is appropriated to the ETP program, while \$28.1 million (35 percent) is transferred to other programs, primarily to the Department of Social Services (DSS) for CalWORKS. (See “Fund Status Table: FY 2006-07” on the following page.)

Estimated total funding that will be available for the ETP program is \$67.3 million. This consists of the Budget Act appropriation of \$53.3 million, and an estimated \$14 million in disencumbrances (unearned contract funds) available for reinvestment in new training projects.

Though operating on a lean budget and with limited staff resources, the Panel anticipates continued progress in meeting its mandates and priorities, maximizing its resources through strategic planning.

**Fund Status Table:
FY 2006-07**

<u>Employment Training Fund (ETF)</u>	\$ 81,407,000
<u>ETF Transfers</u>	
Department of Social Services	(\$20,000,000)
Department of Industrial Relations	(\$3,032,000)
EDD Tax Collections	(\$4,946,000)
Other*	(\$154,000)
 <u>ETP Program</u>	
Appropriation	\$ 53,275,000 ⁷
Funds Reinvested	<u>\$14,000,000⁸</u>
Total.....	<u>\$ 67,275,000</u>
 <u>Expenditures (Planned)</u>	
Program Funds	\$ 57,156,991
- <i>New Training projected funds</i>	\$43,156,991
- <i>Prior Year Contract Liabilities</i>	\$14,000,000
Marketing and Research	\$425,000
Other*	\$693,009
Program Administration	<u>\$9,000,000</u>
Total	<u>\$ 67,275,000</u>

* Includes State Controller's Office and Pro Rata charges.

⁷ Funds appropriated for the operation of the ETP Program in the State Budget Act.

⁸ Training funds approved in prior year contracts that were unearned and subsequently disencumbered for reinvestment.

As indicated on the foregoing Fund Status Table, funds are allocated for expenditure within the following budget categories:

- a) **Program Funds:** \$57.2 million to fund training and employment retention for incumbent workers and unemployed workers. The Panel funds training under two categories:
- 1) **Economic Development** targets job creation and retraining for businesses facing out-of-state competition. Projects approved under this category are primarily for retraining of incumbent workers. Some projects under this category are for training unemployed workers (i.e., “New Hires”).
 - Retraining is for employees of companies that are facing out-of-state competition and need to improve business competitiveness.
 - New Hire programs train unemployed individuals who are currently receiving unemployment insurance benefits or have exhausted their benefits within the last two years.
 - 2) **Special Employment Training (SET)** projects do not need to meet the “Economic Development” criteria – i.e., do not need to demonstrate out-of-state competition or meet regular trainee eligibility requirements. Ten percent of available program funds may be used for projects approved under this category.
 - The purpose of the SET category is to fund projects to improve skills and employment security of frontline workers who earn at least the State average hourly wage, with certain employers.
 - SET funding also allows training of frontline workers who: do not earn the State average hourly wage, if they are in high unemployment areas; have multiple barriers to employment; or are small business owners.
- b) **Marketing and Research:** \$425,000 for strategic program marketing and research. Marketing is driven by the Panel’s priorities and the need to reach businesses that have the most impact on the California economy. In addition to its internal marketing efforts, ETP has enlisted partners to provide marketing outreach to target industries, including the California Manufacturing and Technology Association, the California Labor Federation, and the California Workforce Association.
- The Panel also conducts independent research to ensure program efficiencies and effectiveness.
- c) **Program Administration:** \$9 million for operational costs, which includes \$500,000 to the Employment Development Department for administrative support.

The demand for training continues to exceed the available program funds. While ETP’s budget appropriation is actually a 40 percent increase over last year’s amount, it is still 30 percent below historic levels. Further, given ETP’s incremental funding process, obligations in prior year contracts account for \$14 million of the \$57.2 million in available program funds, leaving only \$43.2 million available for new training projects this fiscal year.

The Panel will take the following actions to maximize its limited resources:

- Assign industry and small business funding priorities.
- Continue to apply certain funding moratoriums -- as described in Section F., "Funding Priorities" (see page 11).
- Continue to incrementally encumber funds at minimal levels to maximize the number of new training projects the Panel can fund, while also ensuring first-year contract costs are covered. The Panel will initially encumber 35 percent of the contract amount to cover first year costs and mitigate future year liabilities, which will enable ETP to fund about \$123 million in new contracts in the fiscal year.
- Limit contract amounts at project approval -- with the provision that additional funds may be amended into a contract, consistent with contract performance and Panel priorities.

F. Funding Priorities

Based on the assessment of the program's environment and available resources, the Panel will prioritize the use of its funds, as follows:

1) Targeting Priority Industries

Under the Economic Development category, the Panel will emphasize support for manufacturing and other industries key to the State's economic health, including aerospace, biotechnology and life sciences, high technology services (including software development, computer programming and networking, multimedia, research & development, and engineering services), goods movement and transportation logistics, and agriculture (crop production) and related seasonal food processing. Under SET, the Panel will emphasize support for the healthcare and construction industries.

Funds will be targeted to businesses in these sectors, given their importance to the State's economy and their high return on the investment of training funds.

Special fixed-fee reimbursement rates will be used as incentives for training proposals in industry groups that are identified as funding priorities.

2) Supporting Business Attraction and Retention

Under both the Economic Development and SET categories, the Panel will prioritize economic development projects deemed to be "Critical Proposals" that support business attraction, expansion and retention.

3) Serving Small Business

The Panel will continue to emphasize support for small business and promote the program's small business efforts, including its Small Business Program, which facilitates the direct contracting process for businesses with 100 or fewer workers.

4) Assisting Hard-to-Serve Trainees

The Panel will implement a Pilot Program to support training for current or former CalWORKS recipients. The Panel will also continue to fund training in high unemployment areas (HUA) of the State, with a focus on the "working poor".

In addition, the Panel will continue to apply the following funding moratoriums:

- Limited training for non-frontline workers (supervisors and managers);
- A moratorium on the use of budget-based contracts given their substantially higher costs than the fixed fee rate;
- A moratorium on funding training for truck drivers, given that most such training is mandated by the industry and should be the responsibility of trucking companies, (this excludes cases where there is formal involvement of trucking company employers and/or

their unions or joint labor management committees in an environment that limits the potential for misuse);

- Lowest funding priority for all training for the adult entertainment industry, and card rooms and casinos; and
- A moratorium on Structured On-Site Training.

The Panel will also seek to maximize its limited administrative funds. These funds are used for developing and monitoring training contracts, fiscal accounting, information technology support, marketing activities, research studies, and overall administration of the program.

G. Goals and Objectives

Five key goals, with specific objectives will be addressed in FY 2006-07:

Goal #1: Increase the pool of qualified applicants for training funds through strategic marketing.

Objectives:

- a) Implement tiered reimbursement rates to encourage proposals from priority industry groups.*
- b) Develop statewide marketing activities designed to aggressively pursue projects meeting the Panel's funding priorities.*
- c) Utilize ETP regional office resources to strengthen local partnerships with workforce and economic development entities.*
- d) Continue to closely work with marketing partners to meet contract performance requirements for bringing in targeted clients.*
- e) Develop and execute new marketing contracts, based on a Request for Proposal, that include specific performance requirements to bring in targeted clients.*

Goal #2: Restore ETP's full funding.

Objective:

- a) Restore the appropriation of funds diverted to DSS, to ensure that the Employment Training Fund serves the purpose for which it was created*

Goal #3: Serve as a catalyst for employers to invest in worker training.

Objectives:

- a) Promote the value of workforce training.*
- b) Collaborate with other workforce partners, such as California Workforce Investment Boards, to promote workforce training.*

Goal #4: Support hard-to-serve trainee populations.

Objectives:

- a) Allocate up to \$2 million for approximately five Welfare to Work pilot projects.*
- b) Allocate up to \$10 million for training in areas of high unemployment, with a focus on helping the working poor move to higher-wage jobs.*

Goal #5: Increase the efficiency and effectiveness of the ETP program.

- a) *Refine automated processes, including the on-line orientation and application.*
- b) *Continue assessing data needs.*
- c) *Simplify project management for the Small Business Program.*
- d) *Develop automated contract management systems.*
- e) *Obtain feedback from internal and external customers and improve processes.*
- f) *Continue to review and refine regulations, policies, and contract requirements.*
- g) *Provide training to staff in key competencies and develop a succession plan for the organization.*

APPENDIX:

A: Progress on 2005-06 Goals and Objectives

Assessment of Progress on ETP's 2005 – 2006 Goals and Objectives

2005-06 Goals & Objectives	2005-06 Accomplishments	Status for 2006-07 Plan
<p>GOAL 1: Increase businesses' competitiveness through a trained workforce.</p> <p><i>Objectives:</i></p> <ul style="list-style-type: none"> ➤ Target 90% of Econ. Dev. Fund for retraining, prioritizing manufacturing, aerospace, life sciences and high-tech industries. ➤ 10% of Econ. Dev. Funds for job creation training for unemployed workers in good paying jobs. <p>GOAL 2: Support growth and demand occupations is business that do not meet standard criteria.</p> <p><i>Objectives:</i></p> <ul style="list-style-type: none"> ➤ Target 10% of avail. funds for frontline workers in Special Employment. Training (SET) projects, to support growth/high impact industries that do not have out-of-state competition, prioritizing healthcare and construction. <p>GOAL 3: Participate in Statewide economic development initiatives by funding Critical Proposals.</p> <p><i>Objective:</i></p> <ul style="list-style-type: none"> ➤ Prioritize funding for proposals that represent collaborative efforts at the local level to support statewide economic development initiatives focused on business attraction, expansion, and retention and job creation. 	<ul style="list-style-type: none"> ➤ 94% of Economic Development funds were approved for retraining incumbent workers, targeting these priority industries. ➤ 6% of Economic Development funds were approved to support new hire training. ➤ 9.9% of total funds were approved for SET category in 2005-06, prioritizing construction and healthcare. ➤ In 2005-06, Panel committed \$26 million in 30 contracts supporting creation of 6,400 new jobs, and began working on 26 new Critical Proposal initiatives. 	<ul style="list-style-type: none"> ➤ To be incorporated into new Goal #1, "Increase the pool of qualified applicants for training funds, through strategic marketing." ➤ ETP to continue funding new hire training under new Policy/ Regulations. ➤ To be incorporated into new Goal #1." ➤ To be incorporated into new Goal #1.

Assessment of Progress on ETP's 2005 – 2006 Goals and Objectives

2005-06 Goals & Objectives	2005-06 Accomplishments	Status for 2006-07 Plan
<p>GOAL 4: Support Businesses and Workers in High Unemployment Areas (HUA).</p> <p><i>Objective:</i></p> <ul style="list-style-type: none"> ➤ Target up to \$10 million for training in areas of high unemployment with a focus on helping the working poor move to higher-wage jobs. <p>GOAL 5: Support small businesses.</p> <p><i>Objectives:</i></p> <ul style="list-style-type: none"> ➤ Increase, by at least 25%, the no. of small businesses with 100 or fewer workers contracting directly with the Panel. ➤ Simplify project mgt. requirements for the SBP. <p>GOAL 6: Increase ETP funding to standard levels.</p> <p><i>Objective:</i></p> <ul style="list-style-type: none"> ➤ Restore ETF funds that have been diverted to DSS back to the ETP program to ensure that the ETF supports the trng. and work-force needs of the employers for whom the Fund was intended. 	<ul style="list-style-type: none"> ➤ Exceeded goal by approving over \$13 million in funds for training in HUAs, including \$3.7 million to serve more than 3,500 working poor trainees. ➤ This objective was not accomplished, since 65 such contracts were approved in both 2004-05 and 2005-06; however, both years saw an increase of 25% over FY 2003-04. ➤ In progress. ➤ While the full amount of diversion was not restored for 2006-07, the Panel received an increased appropriation of 40% in the upcoming FY over last year. 	<ul style="list-style-type: none"> ➤ To be incorporated as an Objective under new Goal #4, "Support hard to serve trainee populations." ➤ To be continued as an Objective under new Goal #1. ➤ To be continued as an Objective under new Goal #5, "Increase the efficiency and effectiveness of the ETP program". ➤ To be continued as an Objective under this continuing goal; renumbered as Goal 2.

Assessment of Progress on ETP's 2005 – 2006 Goals and Objectives

Appendix A

2005-06 Goals & Objectives	2005-06 Accomplishments	Status for 2006-07 Plan
<p>GOAL 7: In conjunction with marketing partners, provide outreach to customers for ETP training projects that meet the Panel's top priorities.</p> <p><i>Objective:</i></p> <ul style="list-style-type: none"> ➤ Develop and execute new marketing contracts based on a Request for Proposal, including specific performance requirements. for bringing in targeted clients. <p>GOAL 8: Continually increase the efficiency/effectiveness of the ETP program.</p> <p><i>Objectives:</i></p> <ul style="list-style-type: none"> ➤ Continue implementation of automated processes, including an on-line orientation/application, and added improvements to the automation of process, forms and procedures. ➤ Assess data needs pertinent to each critical function, and ensure that automation processes yield necessary data. ➤ Develop means for automated contract management. ➤ Obtain customer feedback and improve processes continually based on feedback. ➤ Continue an ongoing review & refinement of regulations, policies and agreement requirements. 	<ul style="list-style-type: none"> ➤ RFP Process was conducted; contracts were awarded to the California Workforce Association, CMTA and Cal Labor Federation. ➤ Online orientation and application were enhanced; continuous improvement of process, forms and procedures. ➤ Internal Staff Data Study was conducted, with report submitted in June 2006. ➤ Under consideration. ➤ Inquiries via Homepage & monitoring are addressed continually. ➤ Continuous updates have been made. 	<ul style="list-style-type: none"> ➤ To be incorporated into new Goal #1. ➤ To be continued as new Goal #5, dealing with administrative Improvements.

Assessment of Progress on ETP's 2005 – 2006 Goals and Objectives

Appendix A

2005-06 Goals & Objectives	2005-06 Accomplishments	Status for 2006-07 Plan
<p><u>GOAL 9:</u> Address key policy issues.</p> <p><i>Objectives:</i></p> <ul style="list-style-type: none"> ➤ Asses the effectiveness of traditional new hire training, in order to better support job creation. ➤ Assess the multiple-employer contractor (MEC) provided re-training and implement changes to improve the effectiveness of MEC retraining. ➤ Establish a Supplemental Training Policy to ensure that funded training is supplemental to training provided by a company during the normal course of business, or funding available through other sources. ➤ Review fixed fee reimbursement rates to determine if they need to be increased. ➤ Address training needs of workers in seasonal industries. ➤ Refine subagreement requirements for ETP contracts. <p><u>GOAL 10:</u> Promote the value of employer-provided training, and serve as a catalyst for employers to invest in worker training.</p> <p><i>Objectives:</i></p> <ul style="list-style-type: none"> ➤ Promote the value of workforce training to employers via the ETP Home Page and other avenues. ➤ Collaborate with other workforce partners such as California Workforce Investment Boards in efforts that promote workforce training. 	<ul style="list-style-type: none"> ➤ Panel approved new Policy and Regulation changes regarding New Hire Training in 2005-06. ➤ Deferred to 2006-07. ➤ New Requirements are in place per legal opinion and policy clarification. ➤ Staff reviewed fixed fee rates in 2005-06; Panel approved rate updates at June '06 Panel Mtg. ➤ Deferred to 2006-07. ➤ Subagreement requirements were revised in 2005-06. ➤ Conducted informally. ➤ Deferred to 2006-07. 	<ul style="list-style-type: none"> ➤ Policy Issues will be addressed on a Case by Case basis, as needed. ➤ To be continued as new Goal #3.

**Assessment of Progress on ETP's
2005 – 2006 Goals and Objectives**

Appendix A

2005-06 Goals & Objectives

2005-06 Accomplishments

Status for 2006-07 Plan

2005-06 Goals & Objectives	2005-06 Accomplishments	Status for 2006-07 Plan