

***Employment
Training
Panel***

ETP

***Annual Report
1992-93***



THE EMPLOYMENT TRAINING PANEL

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December, 1993

With the conclusion of fiscal year 1992-93, the Employment Training Panel (ETP) completes its first decade of operation in a noteworthy manner. The Panel's achievements in 1992-93 indicate a trend toward maximizing the use of its funds by committing all available training funds for the year and assisting more California businesses and workers to become more productive, customer driven and competitive in a global market.

The Panel not only expended all of its available training funds for the first time in six years, but was also successful in maximizing its funds by working in partnership with other entities and leveraging public and private monies. ETP increased its collaboration efforts with business, labor and government, in addressing the challenges presented by the recession, global economy, aerospace downsizing/conversion, base closures, and emerging technologies by focusing on training that not only supplies business with a skilled workforce, but also provides workers reasonable wages and employment security while contributing to the economic health of the State.

ETP actions during the report period were highlighted by the Panel's continuing progress toward approving more training funds for more employers and trainees at a reduced cost per trainee. In 1992-93, the Panel approved 236 projects and encumbered \$91 million, compared to 231 contracts for \$82.6 million in fiscal year 1991-92. Fifty-two thousand individuals are targeted for training with these funds, including 3,900 new hires and 48,100 retrainees. Funding for small businesses increased by 23 percent, and for job-linked literacy training by over 33 percent from the previous year. The Panel also approved over \$7.6 million to support the Rebuild Los Angeles activities last year, which was in addition to the \$20 million transferred from the Employment Training Fund to support this effort in fiscal year 1991-92.

The findings of three major ETP sponsored studies were also completed during the report year, including an evaluation which shows that ETP training has resulted in higher earnings and secure jobs for trainees, even two years after the completion of training. Significantly, average real earnings for Panel trainees increased, while average real earnings in California were declining over the same period.

These accomplishments during 1992-93 coincided with the passage of SB 96, legislation authored by Senator Patrick Johnston and signed by Governor Pete Wilson, which reauthorized ETP and made several changes in the ETP program. SB 96 emphasizes training directed toward reviving the California economy and assisting businesses in meeting the challenges of out-of-state and foreign competition.

ETP's success during the past fiscal year demonstrates the Panel's readiness to implement the requirements of the new legislation. ETP looks forward to continuing its partnership with business, labor and other government entities as we work together to help California businesses and workers to compete in an increasingly global and competitive market.



Ted W. Dutton
Chairman



Gerald G. Geismar
Executive Director

ACKNOWLEDGEMENTS

This Annual Report was completed with special assistance provided by the Employment Training Panel's Fiscal and MIS Units.

We also received special assistance and cooperation from several companies featured in the report under "Case Studies". In particular, we very much appreciate the help of Steven Steigman, Business Development Labs; Sue Helfgott and Rod Hamilton, Merced College; Hal Weatherly and Paula Fredericks, American Polytherm/Weatherly Aviation; Kellie Dodson and Doug Wall, Ace Clearwater Enterprises; Ed Gardner and Klaus Reiter, Spectra-Physics Lasers; Tom Fisher and Rolf Sannes, Vickers Incorporated, Sterer Division; Ray Leap and Bert Schuster, San Francisco Bay Area Chapter National Tooling and Machining Association Training Center; and E. Duane Lyon, RMA Group.

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TABLE OF CONTENTS

EXECUTIVE SUMMARY	i
HIGHLIGHTS	1
INTRODUCTION	3
I. PANEL ACTIONS	7
Project Commitments	8
ETP Expenditures	9
Special Priority Areas	11
Small Businesses	11
Literacy	11
Key Panel Strategies and Actions	13
Marketing	13
Coordination/Leveraging Funds	13
Customer Service	16
Policy and Regulation Changes	18
ETP Studies	19
II. CONTRACTS COMPLETED	25
Completed Contracts Summary	26
Service to Small Businesses	27
Literacy Training	29
Enrolled Versus Employed	29
Industry Comparison	30
Characteristics of Panel Trainees	31
III. CASE STUDIES	33
Spectra-Physics Lasers, Inc.	34
Sterer Engineering and Manufacturing Co.	35
San Francisco Bay Area Chapter NTMA	36
Business Development Labs	37
Ace Clearwater Enterprises	38
Merced College Truck Driver Training	39
American Poly-Therm/Weatherly Aviation	40
RMA Group	41
IV. APPENDICES	43
Revenue and Expenditure Report, Fiscal Year 1992-93	44
Allocation of Training Funds, Fiscal Year 1992-93	45
Completed Projects, Fiscal Year 1992-93	49
Active Contracts, as of July 1, 1993	75
Terminated Contracts, Fiscal Year 1992-93	77

EXECUTIVE SUMMARY

During the fiscal year 1992-93, the Employment Training Panel (ETP) responded to the needs of the California economy, and the increasing needs of California businesses for skilled workers, by committing all of its available training funds for the year -- for the first time, since fiscal year 1986-87.

The Panel worked in partnership with business, labor, and government to help California businesses and workers respond to the needs of the new global economy, emerging technologies, changes in the aerospace industry, and downsizing in defense-related industries. Last fiscal year, ETP helped many California businesses respond to these challenges and remain economically viable by ensuring that their workers have the necessary skills to perform in an increasingly competitive and complex market.

This accomplishment was largely the result of the Panel's ability to enact several key strategies outlined in the ETP Annual Plan for 1992-93. These included: increased targeting of services for small business; more funding for job-based literacy training; coordination with other entities and the leveraging of other funds; increased marketing of the ETP program; and improved service to Panel customers. The Panel also took several administrative actions, such as fully staffing its San Diego field office and providing all ETP staff with training to ensure continuous improvement in the provision of service.

This Annual Report describes ETP's activities and accomplishments over the past fiscal year. Since ETP contracts approved during one fiscal year can span up to 24 months, this report covers (1) Panel actions during 1992-93; (2) contracts completed during the year; and (3) contracts still active as of July 1, 1993.

PANEL ACTIONS DURING 1992-93

Project Commitments

In 1992-93, the Panel committed all of its available training funds. This resulted in increased numbers of approved training contracts, with more persons targeted for training, at a reduced cost per trainee from previous years. During the year, the Panel approved 236 training projects totaling \$91 million for training, targeting 52,000 persons (including 3,900 new hires and 48,100 retrainees), at an average cost per trainee of \$1,750.

This represents an increase over last year's corresponding project commitments and continues an ETP trend toward the expenditure of more money for training, at a lower cost per trainee.

ETP Expenditures

In 1992-93, the Panel's revenues and expenditures were in balance, both equalling \$132.6 million for the year.

Prior to determining the amount of funds available to ETP for training, \$31.7 million in revenues were transferred to the Employment Development Department (EDD) and the Department of Industrial Relations (DIR) to supplement their functions. Of its available funds for the year, ETP expended \$8.1 million, or 8.9 percent, on administration -- well below the 15 percent administrative limit allowed by statute. Funds committed for training totaled \$91 million.

Special Priority Areas

During fiscal year 1992-93, the Panel continued its emphasis on two special priority areas for the use of Panel resources: (1) serving small businesses; and (2) funding job-linked literacy training.

The Panel approved 154 contracts and \$55 million to serve small businesses. This was almost a 25 percent increase in funding targeting small business over fiscal year 1991-92. Panel contracts and funding for small businesses have more than tripled since fiscal year 1990-91.

ETP also continued its emphasis on job-based literacy training, by approving \$2.8 million for 54 contracts with a literacy component, targeting 1,200 new hire trainees and 2,800 retrainees. ETP funding for training with a literacy component has increased steadily over the past three fiscal years.

Key Panel Strategies And Actions

During the past fiscal year, the Panel took concerted steps to increase its ability to target and expend more training funds, by enacting several strategies which were outlined in the ETP Annual Plan for fiscal year 1992-93. These included: a) increased marketing of the ETP Program; b) coordination with other entities and leveraging outside funds; and c) continually improving ETP customer service.

Marketing -- ETP undertook a targeted statewide effort, in cooperation with other agencies, particularly the Trade and Commerce Agency, to familiarize businesses and the training community with ETP programs and services.

Coordination/Leveraging Funds -- The Panel continued to coordinate with various federal, state, and local agencies, including the Trade and Commerce Agency, the Chancellor's Office of the California Community Colleges, and the Employment Development Department (EDD), in order to leverage funds and maximize the dollars available for training.

ETP leveraged funds from other sources, such as the Technology Reinvestment Program (TRP), the California Center for Manufacturing and Technology (CCMT), the California Council on Science and Technology (CCST), Team California, "Red Teams", the Job Training Partnership Act (JTPA) Program, and the Greater Avenues for Independence (GAIN) Program. In addition, the Panel was instrumental in several economic development efforts, including support of the Rebuild Los Angeles effort.

Customer Service -- ETP continued its commitment to providing its customers with technical assistance in developing successful training programs, by assisting potential applicants in completing the application and in the development of a budget and subsequent proposal. In addition, ETP took several other steps to further improve service to its customers, by providing ETP staff with Total Quality Management training and the implementation of a variety of steps to facilitate the contracting process for contractors.

Policy and Regulation Changes

Last year, the Panel began to examine ETP policies and regulations to determine where improvements might be made to simplify, streamline and expedite the ETP Program. The Panel made several such improvements last year, including policy changes in the areas of double enrollments, Standards of Accountability, Structured On-Site Training, and GAIN waivers. In addition, the Panel adopted revised New Hire regulations that permit new hire contractors to recover all training and placement costs for a trainee if a 60 percent placement and retention rate is achieved.

ETP Studies

The Panel continued its commitment to supporting research in several areas, including: evaluating the ETP Program to determine its effectiveness; determining how to better target training funds; and supporting emerging technologies and industries. Three major Panel-sponsored studies in these areas were conducted during the 1992-93 fiscal year.

The first study, conducted by researchers at California State University, Northridge, provides preliminary second year findings on the impact of ETP-funded training on improving the earnings and employment security of workers. Major findings indicate that ETP training has resulted in increased earnings and employment security for trainees, even two years after the training. By contrast, wages in California were declining over the same period,

The second study, provided by the National Center for Research in Vocational Education (NCRVE) and the Center for Labor Research and Education (CLRE) at the University of California at Berkeley, focuses upon upgrade training, ETP Demonstration Projects, and strategies for the optimal targeting of ETP resources, including the development of recommendations for the refinement of ETP's current processes for targeting its resources.

The third, undertaken by the California Council on Science and Technology (CCST) and its major initiative, Project California, concentrates on human resources issues, in conjunction with

emerging technologies. The study provides a useful planning tool for the identification of emerging technologies and occupations and determining California's capacity to meet the training needs of emerging high technology businesses.

The findings and recommendations in these studies will provide a basis for the development of future policies, regulations, and legislation, as the Panel continually seeks to better meet the training needs of workers and businesses in California.

CONTRACTS COMPLETED

Completed Contracts Summary

During fiscal year 1992-93, 117 ETP contracts reached completion, providing many California employers with highly skilled new or retrained workers. Under these completed contracts, \$26.1 million was earned, and 13,532 persons were trained and employed. This included 1,151 new hires and 12,381 retrainees. In addition:

- The average cost per trainee was \$1,928.
- The average hourly wage paid to new hires after training was \$8.92; for retrainees it was \$14.77.
- There was also a reduction in the average cost of training per trainee for all completed contracts from the previous fiscal year.

Serving Small Business

Completed contracts results for fiscal year 1992-93 show that the Panel continued its excellent record of serving small businesses. During fiscal year 1992-93, the Panel funded training for a total of 2,785 businesses, of which 2,325, or 83.5%, percent, were small businesses.

A total of 13,532 persons (1,151 new hires and 12,381 retrainees) received training through Panel funding. Sixty-two percent of the new hires (714) and 42 percent of the retrainees (5,200) were employed by small businesses. Approximately \$15 million was earned by contracts serving primarily small businesses.

Completed contracts data for fiscal year 1992-93 indicates that the Panel served small businesses in two ways: 1) ETP contracted directly with 51 small businesses to assist them with their training needs; and 2) ETP assisted 2,274 small businesses through 37 consortia contracts. An average of 73 businesses (large and small) were served per consortia contract.

Support For Literacy Training

In addition, 20 completed contracts included a literacy component, compared to 14 in 1991-92. 760 trainees were trained in job-linked literacy skills in addition to vocational skills. This compares to 684 trainees last year. \$900,000 was earned for literacy training, an increase from last year's amount of \$797,000 earned.

Industries and Clients Served

Completed contracts data also indicated that the Panel provided funding across all major industries in California, but the majority of contracts and funding were for the manufacturing sector.

Trainee demographic data indicated that the average Panel new hire trainee is a minority male, aged 25-44, with a high school education or less. The average retrainee is a white male, aged 25-44, with a high school education and some college.

ACTIVE CONTRACTS

124 contracts remained active as of July 1, 1993. These contracts included \$61 million in committed training funds to provide training for 34,564 individuals. 74 of these contracts target training primarily for small businesses. Job-linked literacy training is included in 28 of the active projects. Training represented is reading, math, business english, and Vocational English as a Second Language (VESL). The types of training most frequently represented in these contracts are Statistical Process Control (SPC), Total Quality Management (TQM), Management Skills, and Office Automation.

APPENDIX

FISCAL YEAR 1992-93 HIGHLIGHTS

PANEL ACTIONS

- **ETP committed all of its available training funds**, for the first time since fiscal year 1986-87.
- The Panel approved **236** new training projects and **\$91 million** for training, targeting **52,000 trainees**, at an average cost of only **\$1,750** per trainee.
- The Panel approved **\$55 million** to serve small businesses and **\$2.8 million** for job-linked literacy training.
- The Panel continued its efforts to target and expend more training funds, through:
 - Increased and collaborative marketing of the ETP program,
 - Coordination with other entities/leveraging of funds, and
 - Improved customer service to contractors.
- The Panel sponsored three key research studies, including an evaluation study which shows that **ETP training has resulted in increased earnings and employment security for trainees, even two years after the completion of training.**

COMPLETED CONTRACTS

- During the fiscal year, **117** ETP contracts were completed and **\$26.1 million** was earned by contractors.
- **13,532** individuals were trained and employed. The average cost per trainee was **\$1,928**. The average hourly wage paid after training was **\$8.92** for new hires, and **\$14.77** for retrainees.
- The average Panel new hire trainee was a minority male, aged 25-44, with a high school education or less. The average Panel retrainee was a white male, aged 25-44, with a high school education and some college.
- **2,325** businesses served through completed contracts were small. (**83.5 percent** of all businesses.) **5,914** trainees were employed by small businesses. (**44 percent** of all trainees.)
- **Twenty** completed contracts included a job-linked literacy component.

INTRODUCTION

"The beauty of ETP training for Vickers' Sterer Division was that it recognized the competition offshore...the program enabled us to assess our needs, plan and implement...TQM is now part of the company's fabric...We're getting an increasing market share in a decreasing market place, because of what we've done...When done properly, ETP is a win for everybody.... Without ETP dollars, we couldn't do what we've done."

*Tom Fisher, Director Total Quality Management
Vickers, Incorporated*

1992-93 was an exciting and pivotal year for the Employment Training Panel (ETP). During the past fiscal year, ETP responded to the needs of the California economy, and the increasing needs of California businesses for skilled workers, by maximizing and committing all of its available training funds for the year -- the first time since fiscal year 1986-87.

The Panel working in partnership with business, labor, and government, has been successful in assisting California businesses respond to challenges presented by the new global economy, emerging technologies, changes in the aerospace industry, and downsizing in defense-related industries. During fiscal year 1992-93, ETP helped many California businesses respond to these challenges and remain economically viable by ensuring that their workers have the necessary skills to perform in an increasingly competitive and complex market.

The Panel's success in committing all available training funds last fiscal year was largely the result of its ability to enact strategies outlined in the ETP Annual Plan for 1992-93. These included: increased targeting of services for small businesses; more funding for job-linked literacy training; coordination with other entities and the leveraging of funds; increased marketing of the ETP program; and improved service to Panel customers.

The Panel also took several administrative actions to respond to the increasing demand for skilled workers by California businesses. In 1992-93, the Panel's San Diego field office became fully staffed, increasing ETP's ability to handle more training requests in Southern California. The Panel also emphasized staff training and continuous ETP process improvement for all of its offices throughout the State.

This report describes how these various ETP strategies and actions combined to make fiscal year 1992-93 a year in which the Panel produced some noteworthy results. For example, the Panel committed all of its available training funds by approving:

- 236 training projects.
- \$91 million for training, with 52,000 targeted trainees.
- \$2.8 million for job-linked literacy training.
- \$55 million to serve small businesses.

These numbers represent an increase over last year's corresponding project commitments and continues an ETP trend toward the expenditure of more money for training, increased funding for job-linked literacy training, and the prioritization of funding to serve small businesses.

A comparison of ETP's 1992-93 fund commitments with the previous two fiscal years illustrates the extent of last year's accomplishment:

Three-Year Trend: ETP Training Fund Commitments

	FY 1990-91	FY 1991-92	FY 1992-93
Training Funds Committed	\$ 56.3 Million	\$ 82.6 Million	\$91 Million
Training Funds Available	\$145.2 Million	\$132.4 Million	\$91 Million
% Available Training Funds Committed	39%	62%	100%

A comparison of the number of contracts approved, trainees targeted, and average cost per trainee further illustrates the extent of last year's success.

Three-Year Trend: Targeted Services/Training Costs

	FY 1990-91	FY 1991-92	FY 1992-93
Contracts Approved	93	231	236
Training Funds Committed	\$56.3 Million	\$82.6 Million	\$91 Million
Trainees	22,713	40,000	52,000
New Hires	3,407	4,818	3,900
Retrainees	19,306	35,182	48,100
Average Cost per Trainee	\$2,479	\$2,065	\$1,750

Clearly, 1992-93 was a noteworthy year for the Panel in meeting its planned project commitments and managing the use of the training fund. The Panel approved more projects to train more individuals at a lower cost per participant than previous years.

In addition, the Panel achieved good results in the performance of contracts which completed during fiscal year 1992-93. Completed ETP contracts results included:

117 completed contracts
\$26.1 million earned
13,532 persons trained & employed
\$1,928 average cost per trainee

83.5% of businesses served were small
20 contracts included a job-linked literacy component

The following chart illustrates ETP completed contract results over the past three years.

Three Year Trend: Completed Contracts

	FY 1990-91	FY 1991-92	FY 1992-93
Completed Contracts	152	76	117
\$ Earned	\$59.2 Million	\$35.1 Million	\$26.1 Million
Trainees	31,084	16,205	13,532
New Hires	1,478	1,632	1,151
Retrainees	29,606	14,573	12,381
Average Cost Per Trainee	\$1,905	\$2,240	\$1,928

A review of last year's completed contracts results shows increased ETP services for small business, more contracts with literacy components, and a reduction in the average cost of training per trainee. Lower numbers in dollars earned and trainees served last year, from previous years, indicates that the average size of a contract was smaller than previous years.

This report describes these ETP achievements during the 1992-93 fiscal year in detail. Since ETP contracts can cover a span of up to 24 months, the report covers both areas referenced above: (1) Commitments and actions during 1992-93 ; and (2) Contracts completed in 1992-93. A third category of contracts -- active contracts, approved prior to last year and still active as of July 1, 1993 -- is included in Appendix D. At the end of fiscal year 1992-93, there were 124 active ETP contracts, with \$61 million in approved funds, targeting 34,564 trainees.

This report also contains summaries of three ETP sponsored studies, including: a) an evaluation of the effectiveness of ETP-funded training on trainees' earnings and employment security; b) research and recommendations on the targeting of training funds; and c) a report on human resources issues as they pertain to emerging transportation technologies and industries.

In addition, a listing of contracts terminated during the report year is included in Appendix E. These are contracts in which funds were encumbered, but which were subsequently terminated by the contractor before June 30, 1993.

Finally, the report includes several case studies, which represent a cross-section of projects which completed during the past fiscal year.

I. PANEL ACTIONS

This section of the report provides a discussion of actions taken by the Panel during fiscal year 1992-93, including a review of the following:

- A summary of project commitments.
- Revenues and expenditures.
- Special priority funding areas -- i.e., small businesses and the provision of job-linked literacy training.
- Key Panel strategies:
 - Increased coordination with other entities and the leveraging of funds.
 - The Panel's efforts to develop increased and collaborative marketing of its program.
 - Improvements in providing service to its customers.
- Policy and regulation changes.
- Results of three sponsored studies.

PROJECT COMMITMENTS

ETP's 1992-93 fiscal year was highlighted by the Panel's ability to commit all of its available training funds for the year, the first time the Panel has accomplished this since fiscal year 1986-87. This resulted in increased numbers of approved training contracts, with more persons targeted for training, at a reduced cost per trainee from previous years.

During fiscal year 1992-93, the Panel's project commitments included:

236 approved training projects
\$91 million approved for training

52,000 persons targeted for training, including:
3,900 new hire trainees, and **48,100** retrainees
\$1,750 average cost per trainee

\$55 million targeted to serve small businesses
\$2.8 million for job-linked literacy training

The most frequently approved types of training were:

1. Total Quality Management (TQM)
2. Statistical Process Control (SPC)
3. Manufacturing Resource Planning (MRP)
4. Management Skills (MS)
5. Office Automation (OA)
6. Customer Service (CS)

As indicated on the trend charts on page 4, ETP project commitments in fiscal year 1992-93 point to the Panel's continuing emphasis on maximizing the use of the fund, and thereby increasing training to provide California businesses with skilled workers.

ETP EXPENDITURES

In 1992-93, the Employment Training Fund (ETF) revenues and expenditures were in balance, both equalling **\$132,609,389** for the year. Appendix A, "Revenue and Expenditure Report", provides a summary of these revenues and expenditures.

ETP expenditures fall into two categories: Non-Training Expenditures and Training Expenditures.

Non-Training Expenditures

The Employment Training Tax (ETT) generates the monies to administer and fund employment training programs. Funds utilized for non-training purposes include: (1) funds transferred from ETF revenue to support other programs; and (2) ETP administrative expenditures.

Transfers: In 1992-93, ETF funds were transferred, as provided by the Budget Act, to support other agencies and their functions or for services. These included:

\$3.1 million for the Employment Development Department (EDD)/State/Local Labor Market Information program to produce a variety of information on industrial/occupational employment data,

\$3 million to EDD's Tax Branch for the collection of the ETT,

\$23.8 million to EDD's Job Service Program and Employment Service Center 90% Program for reemployment services to the unemployed at the local level, and

\$1.8 million to the Department of Industrial Relations for administrative support of the Division of Apprenticeship Standards.

ETP Administrative Expenditures: The Panel may use up to 15% of the ETF for administration*. Approximately 8.9% was spent for administration during 1992-93. These funds pay staff salaries and benefits; expenses for supplies; travel and equipment; and miscellaneous contracted services.

Total administrative expenditures increased slightly from \$7.9 million in fiscal year 1991-92 to \$8.1 million last fiscal year, due largely to the full staffing of the San Diego field office, and expenditures for staff training (reflected in both Personnel Expenses and Operating Expenses).

*Expenses for Marketing and Research are not included in the 15% administrative fund limitation.

Personnel Expenses: The Panel utilized 109.4 Personnel Equivalents (PE's). Of those, 97.1 PE's were Panel staff and 12.3 PE's were EDD support personnel. The Panel expended a total of \$4,979,964 in salaries and benefits.

Operating Expenses: Operating expenses totaled \$3,097,057. Included in this total are equipment, supplies, travel expenses, and contracts for miscellaneous services.

Marketing and Research Expenses: \$1,882,645 was spent in contracts for marketing and research. Expenditure of marketing funds included interagency agreements with the Trade and Commerce Agency, and the Chancellor's Office of the California Community Colleges. Research funds were expended for services provided by EDD's Labor Market Information Division and for research studies, such as those described under "ETP Studies" on page 19.

Training Expenditures

The Panel expended approximately \$91 million last year for training. The ETP Annual Plan for 1992-93 established allocation categories for the planned distribution of these funds. These allocation categories serve as broad funding targets for projects that are consistent with the Panel's legislatively mandated priorities. Four of the nine categories, and the amount to be spent on each, are mandated by the Legislature. These include: Upgrade Training, Demonstration Projects, Programs for Newly Legalized Individuals or Seasonal Farmworkers, and Greater Avenues for Independence (GAIN) program projects. The remaining categories and the percentage of funding allocated is determined by the Panel. Appendix B, "Allocation of Training Funds, 1992-93", provides detailed information on the allocation categories.

The Panel was able to effectively target its training funds last year from the use of these allocation categories; further, the Panel was able to execute several planned strategies for expending the fund, as outlined in ETP's 1992-93 Annual Plan. These strategies included:

- Focusing on two special priority areas:
 - Continued emphasis on serving small businesses, and
 - Increased funding for job-based literacy training;
- Implementing three key strategies for achieving optimal use of the training fund:
 - Coordination with other entities and leveraging funds from other sources,
 - Increased marketing of the program, and
 - Improved customer service to contractors.

SPECIAL PRIORITY AREAS

The Panel's mission emphasizes training the State's labor force and strengthening the California economy. Two priority areas for the use of Panel resources to accomplish this are: (1) serving small businesses; and (2) funding job-linked literacy training.

SERVING SMALL BUSINESSES

In 1992-93, the Panel approved a substantial amount of its funds to meet the training needs of small businesses throughout California. ETP defines small businesses as businesses with 250 or fewer employees. Fiscal year 1992-93 data shows a significant increase from the previous fiscal year in funds approved for training to serve small businesses. It is estimated that more than 2,000 small businesses will be served with these funds.

The Panel approved:

154 contracts to serve small businesses, totalling **\$55** million.

This was almost a **25 percent** increase in funding compared to fiscal year 1991-92.

The Panel's continuing emphasis on services for small businesses is illustrated below. As shown, contracts and funding for small businesses have more than tripled since fiscal year 1990-91.

Three Year Trend: ETP Funding For Small Businesses

	FY 1990-91	FY 1991-92	FY 1992-93
Contracts Targeting Small Business	40	126	154
Funds Targeting Small Business	\$14 Million	\$44.6 Million	\$55 Million
% Funds Targeting Small Business	26.1%	54%	60.4%

TRAINING FOR JOB-LINKED LITERACY SKILLS

Last report year, ETP continued its emphasis on job-linked literacy training, by approving **\$2.8** million for **54 contracts** with a literacy component, targeting **1,200** new hire trainees and **2,800** retrainees.

As shown below, ETP funding for training with a literacy component has increased steadily over the past three fiscal years.

Three-Year Trend: Training For Job-Linked Literacy Skills

	FY 1990-91	FY 1991-92	FY 1992-93
Contracts w/ Literacy Component	24	44	54
Funds for Literacy Skills	\$1.4 Million	\$2.1 Million	\$2.8 Million
Trainees	2,096	2,551	4,000
New Hires	403	828	1,200
Retrainees	1,693	1,723	2,800

This increase in approved literacy training is the result of the Panel's continuing emphasis on contracts containing a job-linked literacy component. To be funded by ETP, literacy training must be tied to job-specific training, and be necessary to obtain or retain employment. The Panel defines literacy training to include, but not limited to, math, reading/language comprehension, writing, and Vocational English as a Second Language (VESL).

Support for literacy training is not limited to projects for unemployed persons seeking to re-enter the labor market. Many currently employed workers lack the necessary literacy skills to advance in the job or to merely keep pace with the requirements of new technologies affecting their current job. Consequently, Panel-funded training programs have included a large number of currently employed persons (retrainees) needing job-linked literacy training. Most trainees participating in literacy components tend to be in the occupational categories of clerical or production worker.

KEY PANEL STRATEGIES AND ACTIONS

In fiscal year 1992-93, the Panel took concerted steps to increase its ability to target and expend more training funds through several strategies, as stated in the ETP Annual Plan for that year.

MARKETING

The Panel will.. "undertake a general, statewide marketing effort to familiarize the public with ETP..."

ETP Annual Plan for 1992-93

In 1992-93, ETP undertook a targeted statewide effort to familiarize businesses and the training community with ETP programs and services. ETP's major marketing efforts during the year included:

- Collaboration with other state agencies, employers, labor, and organizations such as the California Manufacturers Association (CMA), California Economic Development Corporation, and Chambers of Commerce to market and promote the ETP program,
- Coordination with the Trade and Commerce Agency, through a contract for collaborative marketing of the ETP program. The contract provided for the hiring of three Trade and Commerce Agency analysts to market ETP to targeted industries, small businesses, Enterprise Zones, CalSIP and rural areas through-out the state, and
- Conducting ETP Application Workshops for potential contractors, providing an orientation and overview on the ETP contracting process.

ETP's marketing effort was successful in bringing the program to the attention of more California employers last year. Inquiries by employers on the ETP program increased by 75%, from 808 inquiries in 1991-92 to 1,406 in 1992-93. Employer applications for ETP funding increased by 62%, from 343 applications to 554. The Panel will continue to market its program, in conjunction with other State agencies, such as the Trade and Commerce Agency, to better target training funds.

The ETP marketing effort also played a key role in ETP's coordination with other entities and its ability to leverage funds.

COORDINATION/LEVERAGING FUNDS

"During the coming fiscal year, ETP will continue to work closely with other groups and explore the availability of additional sources of funding which will allow the Employment Training Fund to be used to train a larger portion of the workforce and further strengthen the state's ability to rebound from the current recession."

ETP Annual Plan for 1992-93

In 1992-93, factors such as the continuing recession, an emerging global economy, downsizing in the aerospace industry, and the closure of many military bases in California required coordinated responses to a variety of training needs. The Panel made it a priority to coordinate with other groups in the economic development and employment and training fields and leverage funds from other sources.

The Panel continued to coordinate with various federal, state and local agencies, including the Trade and Commerce Agency, the Chancellor's Office of the California Community Colleges and the Employment Development Department (EDD), in order to leverage funds and maximize the dollars available for training.

ETP also leveraged funds from other sources by coordinating activities with entities/programs such as the Technology Reinvestment Program (TRP), the California Center for Manufacturing and Technology (CCMT), the California Council on Science and Technology (CCST), Team California, "Red Teams", the Job Training Partnership Act (JTPA), and the Greater Avenues for Independence (GAIN) Program.

Highlights included:

- **CALSIP** -- The Panel continued its support of the California Supplier Improvement Program (CalSIP), which was created in 1990 through the efforts of ETP, the Trade and Commerce Agency, and the Chancellor's Office of the California Community Colleges to address the needs of small aerospace and defense suppliers required to implement a Total Quality Management (TQM) Program to continue doing business with larger defense contractors. The Panel has so far committed about \$6 Million to this effort.
- **TRP** -- In May, 1993, the Advanced Research Projects Agency (ARPA) of the Department of Defense released a Request for Proposals for \$472 million available nationally, under TRP. TRP will provide defense conversion funds to private firms, non-profit organizations, government agencies and institutions for various defense conversion activities. To be eligible for federal funds, proposals were required to identify at least a 50 percent match.

The Panel set aside an initial \$15 million of California's \$65.6 million in matching funds. ETP then solicited and reviewed proposals for combined ETP/TRP funded projects. Bidders then sent proposals to ARPA for potential funding, citing the potential ETP match. The federal government began notifying successful bidders after October 1, 1993. Funded TRP projects with an ETP match will follow the regular ETP project development process.

- **CMTC** -- ETP continued its support for the California Manufacturing and Technology Center (CMTC), which was initiated in 1992, when California was selected by the National Institute of Standards and Technology (NIST) for a Center grant. The CMTC will work to link manufacturers with resources and take an active role in assisting with the transition from defense to commercial related production.

In August, 1992, the Panel committed \$800,000 toward the State's first year match for the Center. In June, 1993, the Panel voted unanimously to extend its contract with the California Manufacturing Technology Center (CMTC) and to allocate an additional \$640,000 for fiscal year 1993-94.

- **CCST** -- ETP is a primary contributor to the Council on Science and Technology's (CCST) "Project California" and funded a Human Resource Study administered by "Project California". The goal of "Project California" is "to create new industries and jobs by establishing California as a world leader in advanced transportation and related telecommunications systems for the people, goods, services and information." ETP contributed \$600,000 to the CCST, leveraging \$2.1 million in private sector support.

Based on an exhaustive study, CCST selected six sectors in which California is believed to have a unique advantage. These are: 1) electrical vehicles; 2) fuel cell technologies; 3) intelligent vehicle highway systems; 4) Maglev trains; 5) communications, command, and control technologies; and 6) advanced telecommunications.

The "Project California" Human Resource Study is designed to help ETP better target its training funds to key high technology-based industries and businesses, providing skills training that promotes a strong technology base in California.

- **Economic Development** -- The Panel participated in a number of economic development activities within the State last year, including support of the following:

Team California -- The Panel participates in Team California, a project managed by the Trade and Commerce Agency, involving a statewide network of economic development professionals from State government, public and private-sector organizations, utilities, and other business and trade groups, working together for business assistance, job creation, and the promotion of investment in California.

"Red Teams" -- ETP participates on "Red Teams" -- groups formed to attract an employer to California or to help retain a particular business that may be considering a move to another state. "Red Teams" are partnerships, usually formed at the local level, that may include private companies, economic development agencies, state agencies, and regulatory boards. Members of the teams work with the target employer to expedite any needed permits, help locate necessary financing and find the resources that might induce a business to locate or stay in California.

Economic Development Projects -- The Panel actively participated and made substantial commitments to the following economic development-related projects:

- Intel - \$3.1 Million
- Legoland - Up to \$2.5 million
- Disneyland - Up to \$10 million
- AT&T Multi-Lingual Center - Up to \$2.5 million

- **JTPA** -- ETP funded a number of projects involving Private Industry Councils (PICs). This resulted in several joint ETP/PIC funded projects, with additional funding provided by PICs for activities which are not covered by ETP funding, such as supportive services.
- **GAIN** -- The 1992-93 Budget Act established an ETP allocation category of \$2.7 million for the training and employment of participants in the GAIN program. GAIN participants are recipients of Aid to Families with Dependent Children (AFDC).

In one of three contracts approved by the Panel for services to GAIN clients, ETP was able to leverage funds from the federal Department of Health and Human Services for a project serving the residents of Los Angeles' Nickerson Gardens.

- **Rebuild LA** -- Last year, the Panel also approved the funding of over \$7.6 million for 7 projects to train and employ over 2,500 South Central Los Angeles residents in order to assist with the Rebuild Los Angeles activities. This amount was in addition to the \$20 million diverted from the Employment Training Fund to EDD for the Los Angeles Recovery Program in Fiscal Year 1991-92.

CUSTOMER SERVICE

"Preeminent among ETP's concerns is its effort to improve customer service to contractors. During 1992-93, ETP will work to simplify and streamline the proposal and approval process."

ETP Annual Plan for 1992-93

In 1992-93, ETP continued its commitment to provide its customers with technical assistance in developing successful training programs by assisting potential applicants in completing the application, and the development of a budget and subsequent proposal. ETP administrative staff answered inquiries from contractors, other State agencies, and the public. In addition, ETP took several other steps to further improve service to its customers. These included:

- **Total Quality Management** -- ETP continued its implementation of a Total Quality Management (TQM) program for Panel staff. An ETP TQM Quality Committee was established. "TQM Awareness" training was provided to all staff and "Team Building" training was provided to ETP management.

Five Quality Improvement Teams and several process improvement TQM work groups were established. ETP also developed a Quality Improvement Suggestion Process to promote staff ideas for process improvements. Several employee suggestions were implemented during the year.

- **Expedited Contract Approval** -- Since 1990, the Panel has delegated to the ETP Executive Director the authority to approve training contracts that do not exceed \$50,000. In 1992-93, the Executive Director approved 34 contracts for over \$1.2 million in training funds. This expedited the contract approval process for a significant number of contracts, an action which especially benefitted small businesses.

The Panel also allows the Executive Director to approve final contracts of up to \$500,000 which have not significantly changed since they were approved in the proposal stage by the Panel. The Executive Director approved more than \$43 million in these types of contracts last year.

- **Continued/Increased Use of the Fixed-Fee Cost Guide** -- The Panel continued to encourage the use of the Fixed-Fee Cost Guide to simplify and expedite the contract development process. The Cost Guide establishes a per hour rate for the Panel's most frequently approved skills training categories. Contractors utilizing the Guide to compute training costs are not required to submit budgets to substantiate training costs.

The Fixed-Fee Cost Guide rates were used in 86 percent of the contracts approved during fiscal year 1992-93, as compared to 72 percent in 1991-92, and 46 percent in 1990-91.

The rates allowed in the Cost Guide are based on historical ETP training project data. One of the Panel's goals is to continually review types of training and add new categories to the Cost Guide.

- **Certification and Enrollment Changes** -- Effective January 1, 1993, the Panel made two major changes to its certification and enrollment procedures, in order to expedite certification and enrollment: 1) retrainee and upgrade trainees no longer need to be certified; and 2) enrollment paperwork requirements were eliminated.
- **Adding Employers To Consortia/Training Agency Contracts** -- The Panel developed guidelines providing that consortia and training agency contracts will no longer need to be amended to add eligible employers. The contractor is now solely responsible for placing trainees only with eligible employers.
- **Customer Survey** -- ETP conducted a survey of contractors who withdrew or terminated ETP training requests in 1992-93. Survey responses indicated that economic factors, along with company restructuring, were the primary reasons most companies withdrew or terminated ETP training requests during the past fiscal year. However, most respondents also felt that the ETP application process is difficult and complicated -- that the process can be unclear and requires too much paperwork.

As a result of this survey, ETP is examining ways to further simplify and expedite the application process to improve its services to prospective ETP contractors, particularly smaller employers.

POLICY AND REGULATION CHANGES

The Panel, in 1992-93, began to examine ETP policies and regulations to determine where improvement might be made to simplify, streamline and expedite the ETP Program. The Panel made several such improvements last year, including:

New Hire Regulations -- The Office of Administrative Law approved regulations that allow ETP to offer incentive payments to induce contractors to create employment opportunities for the unemployed. In the past, ETP projects for new hires have not been as numerous as those for retrainees, due, in part, to the higher risk factors for new hire projects.

The new regulations seek to reduce such risk by permitting a new hire contractor to recover all training and placement costs for a trainee if a 60 percent placement and retention rate is achieved. The revised regulations also allow contractors to earn bonus payments for achieving specified success ratios beyond the 60 percent placement and retention required for 100 percent payment.

Double Enrollment Policy -- The Panel approved a policy which allows contractors to enroll trainees who previously completed an ETP training program more than three years earlier without requiring approval from ETP. This will help ensure that current workers are retrained and provided critical skills needed by employers who are coping with changes in technology, job requirements, competition and productivity.

Revised Standards of Accountability -- The Panel approved a policy to revise its Standards of Accountability Plan. The Panel requires retraining contractors to develop acceptable Standards of Accountability to measure the effect of training on improving employee skills. These Standards of Accountability are then incorporated into the ETP agreement. The Panel now allows contractors to develop their own standards, and encourages use of any of the following to evaluate the success or failure of the training program: a) individual employees' demonstration of key competencies; b) work unit performance; and c) company performance. (Note: SB 96, which renewed the ETP Program, discontinued the requirement for Standards of Accountability, effective January 1, 1994.)

Structured On-Site Training -- The Panel approved a policy for Structured, On-Site Training (SOST), which includes: a) requirements for instructor qualifications; b) a restriction that no more than two hours of SOST shall be provided for every one hour of classroom or laboratory instruction; and c) a requirement for the identification by contractors of minimum competencies to be gained as a result of the training.

GAIN Waiver Policy -- The Panel adopted policy guidelines relative to waiver requests under the GAIN category, to equitably consider requests for waivers from potential GAIN contractors. Potential waiver areas include enrollment caps, minimum training hours, minimum wage requirements, 90-day placement with one employer, and limitations on allowable costs.

ETP STUDIES

The Panel is committed to conducting research, in order to evaluate the ETP Program to determine its effectiveness; to determine how to better target training funds; and, to support emerging technologies and industries. Three major studies in these areas were conducted during the 1992-93 fiscal year. The first study provides preliminary second year findings on the impact of ETP-funded training on improving the earnings and employment security of workers. The second study focuses upon strategies for the optimal targeting of ETP resources. The third concentrates on human resources issues, in conjunction with emerging technologies.

The findings and recommendations in these studies will provide a basis for the development of future policies, regulations, and legislation, as the Panel continually seeks to better meet the training needs of workers and business in California.

CSUN STUDY OF ETP TRAINEES

In Fiscal Year 1992-93, California State University, Northridge (CSUN) researchers released preliminary second year findings of their study of the impact of ETP training on ETP trainees. These findings reaffirm last year's findings that ETP has had a substantial impact in raising the earnings of trained workers and on improving the California economy.

This study, entitled "California Employment Training Panel Outcomes Project", analyzes the effect of ETP training on two groups of ETP trainees -- the first, were trained through projects ending during the 1989-90 fiscal year, the second through projects completed in 1990-91.

The study focused on two key research questions:

1. Did the 1990-91 ETP trainees experience gains in employment and earnings found in earlier groups of trainees?
2. Did the earnings and employment gains that 1989-90 ETP trainees experienced in the first year after training (as described in CSUN's first report) continue in the second year?

The study examined the records of each trainee for: a) a period of one year before and after training of 41,959 trainees enrolled in contracts that completed in fiscal year 1990-91; and b) the records for the period of one year before and two years after training of the 46,946 trainees who enrolled in training in fiscal year 1989-90. The records of those completing training and those enrolled but not completing (dropouts) were both examined and compared. The study used official Employment Development Department (EDD) wage and employment records.

Major Findings:

1990-91 Trainees:

1. ETP trainees experienced gains in employment.

- 74% of the trainees completed training and were retained on a related job for 90 days. (This compares to the 78% completion rate for the 1989-90 trainees in the first year after training.) The percentages of completion were about the same for both new hires and retrainees.
- Both new hires and retrainees who completed training were unemployed fewer weeks and received less in unemployment insurance payments than dropouts in the year after training.

2. ETP trainees experienced gains in earnings.

- Earnings increased for all trainees, but those who completed training had far greater gains than dropouts.
 - The largest group, retrainee completers averaged \$29,160 in the year before training, and \$33,738 in the year after. **They earned over \$4,500 more after training than they did before, an increase of over 15 percent.**
 - New hire completers averaged \$11,376 in the year before training, and \$21,484 in the year after. **They earned over \$10,000 more after training -- an 88 percent increase in earnings.**
- Both the retrainee and new hire dropout groups also experienced increases in earnings; however, these increases from the pre-training to the post-training year were much smaller -- 3.1 percent for new hires, and 14.7 percent for retrainees.

1989-90 Trainees:

1. The substantial earnings gains which the 1989-90 group of trainees experienced in the first year after training continued in the second year after training.

- This result held for both nominal and real earnings and for all trainee groups. Retrainee completers averaged \$24,043 in the year before training, and **\$29,901** in the first year after; then averaged **\$30,889** in the second year after training. New hire completers averaged \$12,770 in the year before training, and **\$22,372** in the first year after; then averaged **\$24,386** in the second year after training.
- The continued higher earnings in the second year after training is significant, because studies have shown that, for many other training programs, gains found in the first year do not persist.

- The result is impressive because, over this period, average real earnings in California were declining.

It is anticipated that the final report will be issued in January, 1994. That report will provide an in-depth analysis of the research conducted.

NCRVE STUDY:

- Upgrade Training
- ETP Demonstration Projects
- Targeting ETP Resources

The National Center for Research in Vocational Education (NCRVE) and the Center for Labor Research and Education (CLRE) at the University of California Berkeley, conducted three studies for the Employment Training Panel, focusing on Upgrade Training, Demonstration Projects, and the Targeting of ETP Resources.

Upgrade Training

The purpose of the Upgrade Training study was two-fold: 1) To identify potential barriers to effective Upgrade Training, as well as potential incentives for promoting successful Upgrade Training projects; and, 2) To evaluate the effectiveness of current Upgrade Training projects in meeting the intent of the legislation that directed ETP to target Upgrade Training and develop recommendations for new strategies to better meet that intent.

The key finding in NCRVE's final report on Upgrade Training is that there never has been, and that there is not now, a discernible need by employers for Upgrade Training. Therefore, the study recommends that ETP seek legislation for the elimination of the Upgrade Training provisions and shift the \$2.7 million Upgrade allocation to the Demonstration Project allocation category for special projects that will support the creation/maintenance of employee career ladders and the strong commitment of employers to training for the career advancement of frontline workers.

The aim of this recommendation is to allow ETP to better focus on the intent of Upgrade Training and the development of career advancement opportunities for frontline workers. Shifting the funds to the Demonstration Project allocation category would provide the flexibility inherent in ETP's ability to waive the standard trainee eligibility requirements for Demonstration Projects.

Demonstration Projects

A second study provided for an in-depth review of all existing ETP Demonstration Projects with the goal of developing recommendations for improving current selection, evaluation and accountability processes. Demonstration Projects are intended to increase ETP's understanding of the requirements for effective new hire and retraining programs; encourage the development of new industries; improve ETP's understanding of the relationship between training designs, achieve employer training objectives, and develop new industries.

NCRVE/CLRE's final report on Demonstration Projects recommends that ETP develop a systematic strategy that focuses upon Demonstration Projects that emphasize the select policy and program directives specified in the ETP statute. NCRVE/CLRE also offers a number of substantive recommendations for improving accountability and evaluation of ETP demonstration projects.

Targeting of ETP Resources

Recognizing that training funds are limited, NCRVE/CLRE's third and centerpiece study focused on the development of recommendations for the refinement of ETP's current processes for targeting its resources. Building upon ETP's success in using allocation categories for distributing ETP funds, this report focused on identifying even more refined methods for targeting ETP resources where they will generate the greatest economic benefit to the California economy.

The preliminary research design of this study was reviewed and discussed at a two-day invitational conference in February, 1993. The conference, attended by Senator Patrick Johnston and staff, economists from both the University of California, Berkeley and the Massachusetts Institute of Technology, representatives of business, labor and government, generated ideas that helped shape portions of Senate Bill 96, authored by Senator Johnston.

The final report, "Choosing Wisely For California: Targeting The Resources of The Employment Training Panel", provides the Panel with recommendations which include:

- Thirteen targeting principles, based upon four categories of economic rationales for government support of training programs, as a means for prioritizing training projects. The four categories include:
 - 1) Providing support for training that is under-provided,
 - 2) Providing training in sectors and firms with social benefits,
 - 3) Supporting transformations in employment and training, and
 - 4) Giving consideration to equity issues;
- Setting minimum standards that each applicant for training funds must meet to qualify for additional consideration;
- Establishing priorities and implementing targeting strategies for training programs; and
- The need for the consistent re-evaluation of the minimum standards and priorities adopted.

The NCRVE/CLRE report also provides several alternative systems for ranking training applications/proposals and a model for allocating ETP funds.

The purpose of the recommendations in the report is to assist the Panel in meeting its primary goal of funding training projects that result in statewide economic development.

The findings and recommendations in the three NCRVE/CLRE reports, served as primary resources for the Panel's special session on the implementation of SB 96, held on October 27-28, 1993, and in the subsequent development of ETP's 1993-96 Strategic Plan.

PROJECT CALIFORNIA'S HUMAN RESOURCES STUDY

ETP served as the catalyst for an important study undertaken by the California Council on Science and Technology (CCST) and its major initiative, Project California, on the role of human resources and training in emerging high technology industries. As a primary contributor to CCST (see page 15), the Panel is promoting the development of new industries that contribute to high skilled employment and the economic development of California. CCST was created to capitalize on the scientific and technological strengths of California to produce and attract new industries and related jobs to California. Project California's goal is to "create new industries and jobs by establishing California as a world leader in advanced transportation and related telecommunications systems for people, goods, services and information."

Within the context of Project California's focus on advanced transportation technologies, ETP served as the catalyst for a study of the role of human resources and training in high technology industries. This study, entitled "Human Resources Report on Project California for The Employment Training Panel", resulted in: 1) the design of processes for the identification of emerging industries and key occupations; 2) the development of an assessment methodology for determining the training needs of high technology businesses; and, 3) an analysis of the capacity of the state to provide the needed training. The analytical processes developed by Project California will be a useful planning tool for the identification of emerging technologies and occupations and determining California's capacity to meet the training needs of emerging high technology businesses.

The report recommends that ETP:

- Adapt the planning tool from the Human Resources Report to its own standards and methods of operation in order to identify emerging training needs and actively promote timely responses to these needs.
- Target up to \$5 million, annually, over the next five years for advanced transportation technology training, and
- Assist in the start-up of a new Advanced Transportation Training program which would be governed by the advanced transportation industry, with the participation and support of government and higher education. Its purpose would be to meet the identified training needs, drawing from existing providers.

ETP will consider the recommendations made in the "Human Resources Report on Project California" as the Panel develops its research agenda and Strategic Plan for 1993-96.

II. CONTRACTS COMPLETED

This section of the report provides a review and summary of the performance of the ETP contracts that completed during the report period. This review includes:

- A summary of completed contracts,
- The number of persons trained and employed,
- The number and size of businesses served,
- Service to small business,
- Completed contracts with a literacy component,
- Distribution of ETP contracts and funds by industry sector, and
- Demographic information on trainees.

COMPLETED CONTRACTS SUMMARY

During fiscal year 1992-93, 117 ETP contracts reached completion providing many California employers with highly skilled new or retrained workers. The results of ETP contracts completed during 1992-93 were as follows:

117 completed contracts
\$26.1 million earned
13,532 persons trained & employed
1,151 new hires and 12,381 retrainees
\$1,928 average cost per trainee

The average hourly wage paid to new hires after training was \$8.92 and for retrainees, \$14.77.

83.5% of businesses served were small
20 contracts included a job-linked literacy component

The most frequent types of training funded were:

1. Total Quality Management (TQM)
2. Statistical Process Control (SPC)
3. Office Automation (OA)
4. Management Skills (MS)

The number of completed contracts increased between 1991-92 and 1992-93, from 76 to 117 (see trend chart on page 5 for comparison of past three fiscal years). However, the number of trainees and ETP dollars earned by contractors have decreased in the past few years -- most recently, from 16,205 trainees and \$35.1 million earned in fiscal year 1991-92, to 13,532 trainees and \$26.1 million earned in 1992-93. This is most likely the result of increased services to small business last year, as evidenced by the increasing number of small businesses served and the higher number of trainees placed in small businesses. For example, one training agency or consortia contract can serve hundreds of small employers.

At the same time, results from the past fiscal year show an increase in contracts with literacy components. The results also indicate a reduction in the average cost of training per trainee for all contracts.

(A complete listing of all ETP contracts which completed during 1992-93 is provided in Appendix C.)

SERVICE TO SMALL BUSINESSES

Completed contracts results for 1992-93 show that the Panel continued its excellent record of serving small businesses. As in the past, the Panel funded training that benefitted more small businesses than large businesses.

The Panel defines a small business as employing 250 or fewer workers. According to trainee completion records for all contracts completing during fiscal year 1992-93, **the Panel funded training for a total of 2,785 businesses, of which 2,325, or 83.5%, percent, were small businesses.** (Using the Small Business Administration definition for a small business as having less than 500 employees, 85 percent of the total businesses served by ETP were small businesses.)

A total of 13,532 persons (1,151 new hires and 12,381 retrainees) received training through Panel funding. **Sixty-two percent of the new hires (714) and 42 percent of the retrainees (5,200) were employed by small businesses.** Approximately **\$15 million** was earned by contracts serving primarily small businesses (i.e., contracts in which at least 75 percent of the businesses served were small).

As illustrated below, ETP's services for small business have remained high over the past three years.

Three Year Trend: ETP Services for Small Business

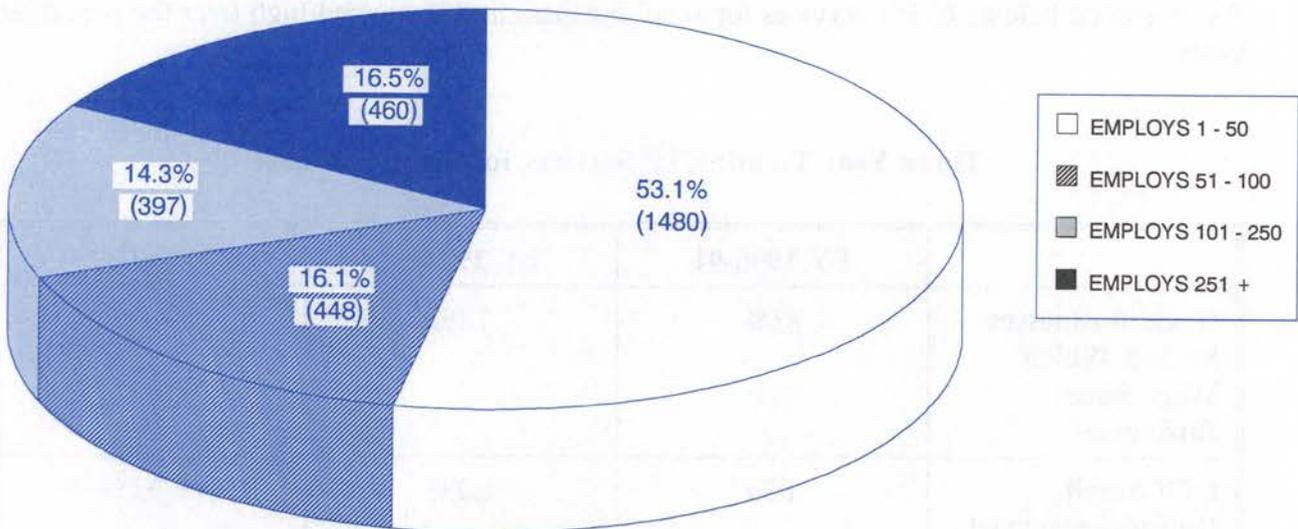
	FY 1990-91	FY 1991-92	FY 1992-93
% Of Businesses Served Which Were Small Businesses	83%	78%	83.5%
# Of Small Businesses Served	816	1,233	2,325
Trainees Employed By Small Businesses	3,819	5,271	5,914
New Hires	503	721	714
Retrainees	3,316	4,550	5,200

Completed contracts data for fiscal year 1992-93 indicates that the Panel served small businesses in two ways:

1. By contracting directly: Through direct contracts with ETP, **51 small businesses** were assisted in meeting their training needs.
2. By means of consortia contracts which are designed to serve multiple businesses and primarily small businesses (a consortia can be a group of businesses with similar training needs, a training agency, a joint apprenticeship training committee, a foundation, a union, or a regional occupational program): In the past fiscal year, **2,274 small businesses** were assisted through **37 consortia contracts**. In addition, over **431 large businesses** also were served through these same contracts. An average of **73 businesses** (large and small) were served per consortia contract.

As illustrated below, most of the businesses ETP served last fiscal year were small businesses.

SMALL BUSINESS SUMMARY
Businesses Served 1992-93



TOTAL BUSINESSES SERVED - 2,785

A total of **1,480** of the small businesses served (64 percent of all small businesses and 53 percent of all businesses) employed fewer than 50 employees. Small businesses employed **62 percent** of all new hires.

Forty-four percent of all trainees were employed by small businesses.

LITERACY TRAINING

ETP contracts which completed in 1992-93 showed an increase in job-linked literacy training components. This increase in projects with a literacy component is consistent with the Panel's emphasis on increased funding for literacy training.

- 20 contracts included a literacy component, compared to 14 in 1991-92.
- 760 trainees were trained in job-linked literacy skills in addition to vocational skills. This compares to 684 trainees last year.
- \$900,000 was earned for literacy training, an increase from last year's amount of \$797,000 earned.

ENROLLED VERSUS EMPLOYED

The chart below provides information on completed contract performance by type of trainee. It compares planned enrollment with actual enrollment and the subsequent employment (placements) and retention of trainees for at least 90 days.

Comparison of ETP Enrollments Vs. Placements for FY 1992-93

Type of Trainee	Planned Enrollment	Actual Enrollment	Number Employed	% Of Enrolled Employed
NEW HIRES	3,629	2,277	1,151	51%
RETRAIINEES	20,563	15,237	12,381	81%

INDUSTRY COMPARISON

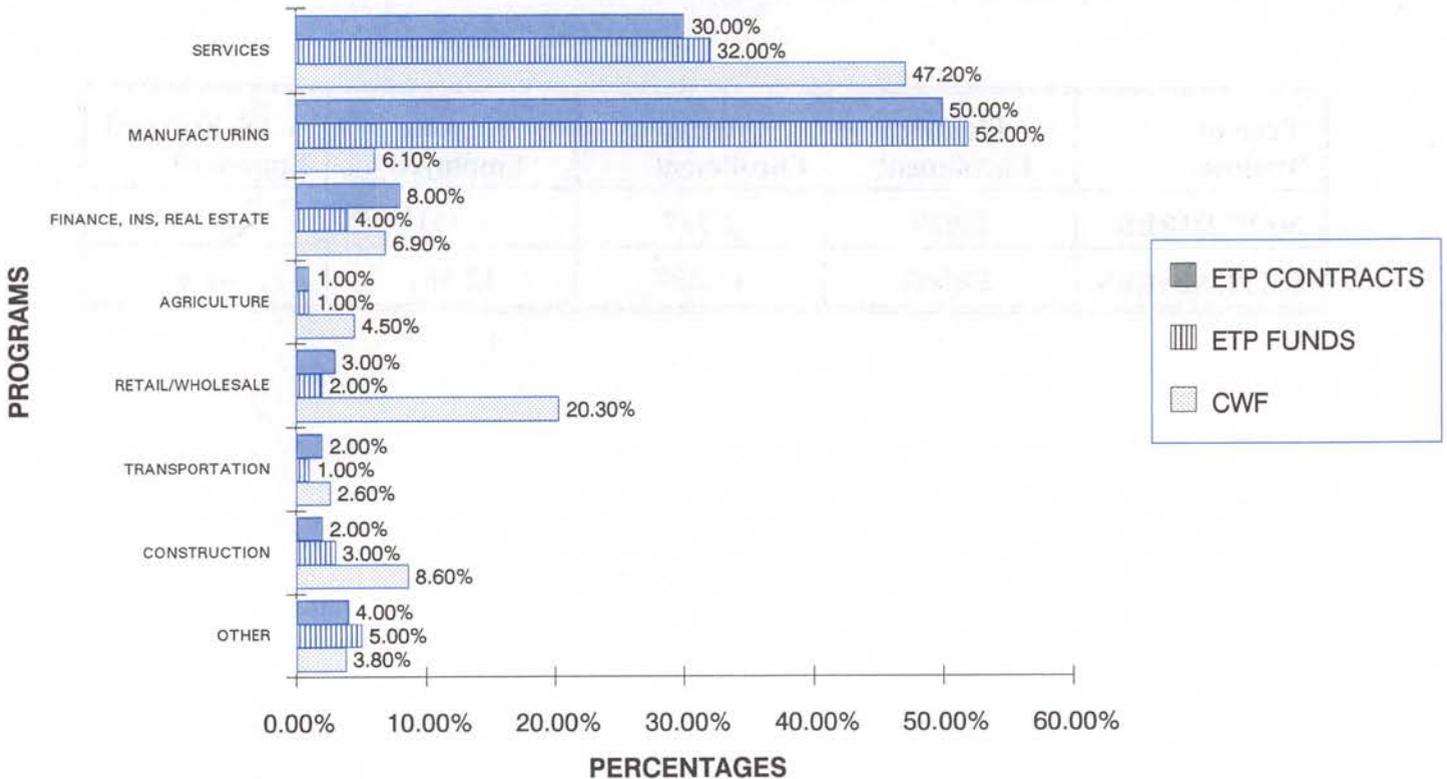
The following provides a graphic representation of all contracts completed during fiscal year 1992-93 by major industry sector in California compared to California Workforce (CWF) data.

"ETP Contracts" provides the percentage breakdown of the number of ETP contracts which served each industry sector. "ETP Dollars" indicates the percentage breakdown of ETP funds earned by businesses in each industry sector, under those contracts. The "CWF" data represents the percentage breakdown of total business in the State, by industry sector. As shown, the Panel provides funding across all major industries in California, but the majority of contracts and funding were for the manufacturing sector.

	Services	Manuf.	Financ.	Agri.	Retail/ Whlsle.	Transpt.	Const.	Other
ETP Conts.	30%	50%	8%	1%	3%	2%	2%	4%
ETP \$	32%	52%	4%	1%	2%	1%	3%	5%
CWF	47.2%	6.1%	6.9%	4.5%	20.3%	2.6%	8.6%	3.8%

INDUSTRY AND ETP PROJECT COMPARISON

CONTRACTS COMPLETED FISCAL YEAR 1991 - 92



CHARACTERISTICS OF PANEL TRAINEES

A summary of demographic data indicates that ETP-funded training for contracts completing during fiscal year 1992-93 focused on established workers (retrainees).

- The average Panel new hire trainee is a minority male, aged 25-44, with a high school education or less.
- The average retrainee is a white male, aged 25-44, with a high school education and some college.

The chart on the following page compares the characteristics of ETP trainees with those of the total California labor force.

**CHARACTERISTICS OF PANEL TRAINEES
COMPARED TO CALIFORNIA LABOR FORCE**

Characteristic	Employment Training Panel		California Labor Force	
	New Hire Percent	Retrainee Percent	Unemployed	Employed
SEX:				
Female	46.2	34.9	41.6	43
Male	53.7	65.0	59.4	57
AGE:				
<25	6.8	4.6	29.4	15.5
25-34	36.9	36.6	29.4	29.7
35-44	31.0	32.5	21.5	27.3
45-54	17.9	18.3	11.8	18.2
55-64	6.9	7.1	6.5	9.2
65+	0.3	0.6	1.4	2.4
EDUCATION:				
Less than H.S. grad.	1.6	4.1	20.8	20.8 a/
H.S. graduate	59.6	45.8	28.1	28.1
Some College	28.7	30.5	26.8	26.8
College graduate	7.7	13.7	24.4	24.4 *
Post Graduate	2.1	5.7		
MARITAL STATUS:				
Married	45.0	62.2	41.1	51.1 b/
Single	54.9	37.7	41.2	28.0
ETHNICITY:				
White	48.5	55.1	49.9	60.3
Black	11.4	4.2	8.8	5.5
Hispanic	21.1	21.0	34.7	23.9
Asian	15.7	16.2	6.6	10.4 c/
Native American	0.8	1.1		
Other	2.2	2.1		
VETERAN:				
Yes	15.5	14.6	12.4	12.4 d/
No	88.4	85.3	87.6	87.6

a/ Percentages are for the total population 25 years and older. Data is not separated by individual category of employed or unemployed.

*Combines the categories of college graduate and Post Graduate.

b/ Figures do not total 100 percent due to the elimination of individuals who are divorced, widowed, separated, or are married but the spouse is absent.

c/ Combines the racial categories of Asian, Native American and Other.

d/ Data is not separated by individual category of employed or unemployed.

Unemployment and Civilian Labor Force data are based on the 1992 annual averages provided by the Bureau of Labor Statistics in the Current Population Survey conducted by the Bureau of the Census. California Labor Force "Veteran" category based upon 1991 data.

III. CASE STUDIES

The following case studies represent a cross-section of ETP projects which completed during fiscal year 1992-93. An attempt was made to select a number of successful projects representing a variety of training needs, size and type of business, and new hire and retraining models.

The case studies focus on each project's initial need for training, factors which led to the development and success of each project, and some of the individuals involved. Included in these case studies are the following:

- Spectra-Physics Lasers, Inc. (Mountain View)
- Sterer Engineering and Manufacturing Co. (Los Angeles)
- San Francisco Bay Area Chapter NTMA (Santa Clara)
- Business Development Labs (Salinas)
- Ace Clearwater Enterprises (Torrance)
- Merced College Truck Driver Training (Merced)
- American Poly-Therm/Weatherly Aviation (Lincoln)
- RMA Group (Rancho Cucamonga)

Spectra-Physics Lasers, Inc. -- Quality Processes At Work

"We look at Total Quality Control (TQC) as an ongoing process...we are in the midst of that journey..."

*Meg Gerlach, Associate Administrator
Quanta-Ray Division, Spectra-Physics*

Spectra-Physics Lasers, Inc. is a 31-year old company located in Mountain View, that produces lasers and laser systems primarily for scientific markets and original equipment manufacturers (OEM). Typically, Spectra-Physics products are found in medical and color-separation markets, along with some commercial applications including use in IBM high-speed computer printers.

Faced by increasing domestic and overseas competition, as well as requirements by hi-tech firm customers for proven quality control systems, Spectra-Physics contracted with ETP to support Total Quality Management (TQM) training. ETP paid Spectra-Physics \$806,402 to retrain 373 employees in total quality improvement. Spectra-Physics contracted with Organization Dynamics, Inc. (ODI) to provide a Quality Management Skills Workshop and three Quality Action Team workshops. The remaining training workshops were taught by Spectra-Physics trainers who attended ODI's "Train the Trainer" sessions.

An important ingredient in the training was the ability of Spectra-Physics Lasers to use the ODI trainers and resources to develop a large corps of its own quality improvement trainers and facilitators, who have carried on the process, such as Micky Downey, Materials Manager for Spectra's Original Equipment Manufacturing (OEM) Business Unit. Downey emphasizes the importance of the training in giving everyone a common language, as well as tools to gather data and perform objective analysis.

Spectra-Physics managers speak enthusiastically of the training. According to Ed Gardner, Vice-President of Human Resources, a key element of the training was that it "gave us tools to better organize ourselves and recognize where there are problems and to provide mechanisms for solving these problems."

Meg Gerlach, Associate Administrator for Quanta-Ray Division, explains that the company knew that it had to increase employee focus on total quality. "In order to stay competitive, TQC is a ticket to get in -- like a ball game." Gerlach attributes the success of the program to the involvement of many key players -- including the support of management, the ODI trainers, and commitment by the company's employees themselves.

This support and commitment is evident in the full implementation of TQM within the company, following the training, including the establishment of quality councils within each company business unit. Business unit quality councils are overseen by an overall company-wide Quality Council.

A key quality measurement tool developed by Spectra-Physics Lasers is the "Quality BINGO Sheet" -- a one page monthly summary of key performance indicators for the company. "Quality BINGO sheet" indicators include warranty expenses, scrap and rework, on-time delivery, rogue lasers and number of down customers.

This measurement system already shows remarkable results. According to Pat Edsell, President of Spectra-Physics Lasers, "Recent figures for Spectra-Physics Lasers indicate that warranty expenses are 47% lower than they were in 1990; scrap and rework are 42% lower than in 1990; on-time delivery, delivery to specification, rogue lasers and down customers have improved dramatically. Further, the company's market share has increased to over 50% in three of Spectra-Physics' four major scientific lines. Finally, despite a variety of new challenges and a decrease in sales volume, the profitability of Spectra-Physics Lasers has increased substantially."

Sterer Engineering and Manufacturing Company --

Quality In The Workplace

"The most important part of the ETP training is what it has allowed us to do...We have an increasing market share of a decreasing market, because of our increased ability..."

*Tom Fisher, Director Total Quality Management
Vickers, Incorporated*

According to Tom Fisher, Director of Vickers Incorporated's Total Quality Management (TQM) program, Employment Training Panel (ETP) funded training has played a key role in providing Vickers' Sterer Division with a competitive edge in today's market.

Sterer Engineering and Manufacturing Co., a division of Vickers, Incorporated, is located in Los Angeles and employs approximately 405 persons. The company specializes in the design and manufacture of hydraulic and pneumatic valves and actuation controls principally for the aircraft industry. Two key factors caused Sterer to focus on TQM training for its workforce. First, Sterer's major commercial and military customers began requiring the implementation of Statistical Process Control (SPC) and TQM systems. Subsidized competition from European and Asian offshore companies had also created a competitive imbalance, requiring improvement in Sterer's operations to reduce costs and improve the company's competitive position.

Thus, Sterer contracted with ETP to support TQM, SPC and Vocational English as a Second Language (VESL) training for 118 Sterer employees representing various departments in the company. The trainees were divided into seven groups. The first two groups were recruited from representative divisions within the company and provided with "Train the Trainers" training, with the provision that they provide TQM and SPC training for the remaining five groups, and later train the balance of the work force not covered in the ETP contract. Training took place at Sterer's Los Angeles facility.

Ken Guss, Director of Sterer's Contracts Administration, states that the value of the training was that it helped him and others look at processes. "I think it's the most necessary thing we've done as a company. Companies that don't do it won't be around...Our customers like it."

Rolf Sannes, Sterer's Training Manager agrees: "We all speak the same language now...One of the key elements of the training was making people realize that they are a vital part of the process....and we have been able to instill data-driven, instead of opinion-driven decision making...for example, through our use of the SPC system..."

A key result of the training was the institution of a "price of non-conformance" measurement system which provides an ongoing evaluation of potential improvement areas such as rework, expediting, production rejects, past due orders, warranties scrap, excess inventory, and machine downtime. This measurement system enables all of the company's employees to become directly involved with making data-based decisions and informed on Sterer's efforts at continuous process improvement.

Tom Fisher also points to the value of the VESL training. Many of Sterer's employees are either Latino or Vietnamese (14% to 18%) with limited English skills. The VESL component provided many with the communication tools they need to excel in their jobs and advance in the company.

Fisher points to Victor Diaz, a Planner in Production Control, as an employee who has used available training to enhance his skills and secure his position in the company. "I could not speak any English when I started with Sterer 11 years ago," Diaz says.

Although Diaz' rise has been a steady, 11-year, self-driven effort, he sees the ETP training as a key factor in his recent success. "I just can't speak well enough about the effect of this training on my job and my life," he states.

San Francisco Bay Area Chapter NTMA -- A Plus For Manufacturing

"ETP training is the best thing that's happened in California for some time...It's a real plus for manufacturing in the State."

*Ray Leap, President
L&P Machine, Inc.*

According to Ray Leap, founder and president of L&P Machine, Inc., and one of three trustees who administer the San Francisco Bay Area Chapter National Tooling and Machining Association (NTMA) Training Center, it has become increasingly difficult for California machine shops to find skilled machinists, particularly due to the industry's increasing reliance on computerized machining tools.

Nonetheless, Mr. Leap is quick to applaud the efforts of ETP and the NTMA Training Center to provide training for machine operators and machinists. "This program is one of the few breaks that manufacturing has gotten in the state," Leap says.

The NTMA Training Center was established nine years ago in response to an industry need for skilled machinists. For this contract, ETP paid the NTMA Training Center \$604,500 to train and place 90 unemployed workers, and \$207,375 to retrain 95 employed machinists in need of advanced skills. This project responded to a need by small and medium-sized machine shops for more workers who are skilled in the use of conventional machining techniques and computer-assisted numerical control (CNC) machining.

Bert Schuster, Manager of the NTMA Training Center states that "A lot of machine shops have benefitted from this program", and explains that training typically involves approximately 50 percent new hires and 50 percent retrainees. Both new hire and retrainee classes consisted of 14 weeks of training -- New hires, 40 hours per week, and retrainees averaging 8 hours per week.

Ray Leap praised the NTMA's management and staff as the key to its success in implementing ETP funded training. NTMA trainers are experienced instructors with extensive backgrounds and knowledge of machining or are journey-level machinists with training experience.

Many employers, particularly small employers, benefitted from this project. One-hundred and twenty-six companies were served, including 103 employers with 50 or fewer employees. For the most part, retrainees were from small machine shops averaging 20 employees.

The new hire training emphasized blueprint reading, the use of measuring instruments, inspection procedures and the operation of drills, lathes, milling machines, grinders, and CNC machines. The retraining component responded to Bay Area machine shops with a continuing need to replace present equipment with new, more sophisticated systems due to advances in technology. Machinists must now understand and use CNC programming and CAD systems. Therefore, the training emphasized skills necessary for employees to succeed in these areas.

According to Eric Erich, owner of Omnitech, one of the participating employers, "We've been with the NTMA program from its inception...I definitely think these are dollars well spent..."

Trainees have also responded well to the training. An example is Gino Mercado, hired by L&P Machine after participating in the training. Mercado states that, "This training gave me the basics for using measuring tools and blueprint reading", pointing out that he uses the skills for duties ranging from the operation of CNC Milling equipment to preparing charts.

Business Development Labs - Developing Quality

"The TQM process showed me and others that there is a way to see the whole process, not just its components..."

*Steven Steigman, Owner
Business Development Labs*

Business Development Labs (BDL) is a small, privately owned business located in Salinas which produces and packages tea and coffee products and other specialty items. Although it is a small company, BDL produces 150 million tea bags a year and specialty items such as throat spray and herbal nut butter.

BDL owner Steven Steigman entered the tea industry in 1978 when he established Satori Teas as a marketing company which contracted all production out to available manufacturers in California. Later, Satori developed its own manufacturing capability, and now, under the BDL umbrella, Steigman's company produces over 135 inventory items, providing a variety of services to clients with differing needs, including milling, blending, extraction, screening, teabagging, packing, bottling, labeling and casing.

In recent years, with tightening markets and increasing competition, Steigman determined that BDL needed to become more quality oriented to remain competitive. BDL contracted with ETP for \$48,113 to train 26 employees in Total Quality Management (TQM) and Vocational English as a Second Language (VESL). Training was provided to two general groups of BDL employees -- 13 supervisory and lead personnel, and 13 production workers, machine operators, and warehouse workers. Both groups received TQM training. The second group also received VESL instruction.

Steigman points to several areas where the training has made a difference. The company's profitability has gone up. The use of teamwork and TQM tools has increased. "In the past we responded on gut feelings, now we base decisions on objective data...we have a better understanding of statistics and the use of measures." However, Steigman states that the "biggest area is in communication."

According to Steigman, when trainees broke up into teams, "They got to know each other better. Trainees learned to distinguish between emotional and intellectual responses...and people began picking up on statistical analysis." He credits BDL's increasing use of data based decision making to the implementation of measurement concepts and tools provided through the training.

BDL employees agree that training improved communication between employees, and between employees and company management. According to production worker, Oni Garcia, "They taught us how to communicate better...If there is something you think you can do easier, you aren't afraid to say so."

According to Steigman, the VESL component was especially effective, given the company's high percentage of Latino and Filipino employees with limited English skills. This component was set up in conjunction with the Salinas adult school.

BDL considers this training project only a starting point on the road to continuous improvement. Company personnel officer Willis Kaufman explained that next steps include quality management and improvement training for the remainder of the company's employees followed by more specific training for all employees.

Ace Clearwater Enterprises -- Attitude Committed To Excellence

"This training came at a critical time for us. We were in a rut. The only difference between a rut and a grave is the dimension...The training filled in the rut."

*Kellie Dodson, President
Ace Clearwater Enterprises*

Kellie Dodson, President of Ace Clearwater Enterprises, feels that Employment Training Panel (ETP) funded training has made a critical difference to the company. Dodson asserts that the training has increased the company's profitability and made for improvements throughout. "Others are closing down," she says, while we're getting work."

Ace Clearwater Enterprises is a privately owned aerospace industry subcontractor, employing 195 persons in three plants located in the Los Angeles area. The company's products include aluminum forms, ducts, vents and exhaust outlets for aircraft use. Its major customers are prime aerospace manufacturers, such as Boeing, Douglas Aircraft, McDonnell Douglas Helicopter Co., and General Electric, as well as other military and commercial companies.

Several trends in recent years convinced Ace Clearwater management that it needed to retrain its workforce in quality improvement. Most defense and aerospace contractors began requiring that vendors have Total Quality Management (TQM) in place in their work processes. In order to continue doing business with its major customers, Ace needed to institute Statistical Process Control (SPC), TQM, and Team Building. At the same time, Ace Clearwater was having difficulty keeping up with customer demands. The company was behind on deliveries and falling even further behind each month.

Ace Clearwater contracted with ETP for \$50,612 to support training for 36 employees in TQM, SPC, Just in Time (JIT) Management, and Team Building. The project was submitted through the California Supplier Improvement Program (CalSIP) and the training was conducted by El Camino College at the Ace Clearwater facilities.

Ace Clearwater has been successful in taking various principles provided in the training and incorporating them into its everyday processes. A steering committee was formed to determine the strategic direction of the company's quality improvement plan. The steering committee prioritizes improvement opportunities, develops and communicates improvement requirements and provides employees with the necessary tools to implement them.

Kellie Dodson emphasizes that Ace Clearwater does not consider a process in control "unless there are measurable performance improvements in the areas of cost quality and schedule to our internal and external customers." Tools such as events logs, charting at work stations; employee procedure manuals; corrective action matrices; and safety initiatives have played a significant role in measuring the company's performance in specific areas.

Quality Assurance Director Doug Wall states that Ace now has 100% ratings with most of its customers. Three years ago, average variance from specification with Boeing was 17%, by July 1993 it was only 0.22%. Wall points out that productivity improvements were especially prominent in the Weld Shop and Cleaning Department with productivity studies and cycle time reduction. Team studies have led to reductions in weld defects and improved material handling. According to Wall, "We've been afforded the opportunity to discuss problems away from the job...so common sense has gone up."

ETP training served as an important catalyst for Ace Clearwater as the company continues to emphasize quality improvement training for its employees. Training plans for 1993/94 include more TQM, SPC, TLC, and JIT training, as well as ISO 9000, supervisory/management development, and welding/blueprint reading.

Merced College Truck Driver Training -- A Coordinated Solution

"This program is unique and special...it brings together the college, the Private Industry Councils, and ETP to help several diverse employers who need truck drivers."

*Sue Helfgott, Assistant Director
Employer-Focused Training Center, Merced College*

When Bart Ramirez, of Ramirez & Sons Trucking in Merced, hired Tino Miranda, of Planada to haul agricultural products last year, he was more than pleased. "I didn't have to train him," says Ramirez of the formerly unemployed ETP graduate of the Merced College Truck Driver Training Program. "They'll send me people who will work out for us."

The Merced College project, which involves the Employment Training Panel (ETP), Merced Community College, the Merced County Private Industry Council (PIC) and other central valley PICs, the City of Merced, and private employers, is a case study in successful coordination.

The project responded to a local labor market survey conducted by the Merced County PIC which indicated a shortage of qualified truck drivers to transport agricultural and other products in the San Joaquin Valley and Merced area. As a result, the valley PICs and ETP jointly funded the project which was administered by Merced College. ETP provided approximately \$45,000 for the training of 24 ETP eligible trainees. This funding was supplemented by approximately \$125,000 from the Merced PIC and other valley PICs to train 51 JTPA eligible persons.

Instructor Rod Hamilton, a faculty member of the Merced College, with 20 years truck driving experience, states that the training emphasized the intricacies of safe truck driving, along with advanced operating practices, vehicle maintenance, and non-vehicle activities, such as cargo handling and documentation, trip planning, and public and employer relations.

"My people can back up and operate in tight situations safely," Hamilton adds. This is no small feat, given the size of the big rigs involved. Most companies who hire drivers from the program are diverse employers that require knowledgeable, highly skilled drivers. Emphasis is placed on safe skillful operation. Hamilton adds that trainees drive fully-loaded trucks -- including trips over the Pacheco Pass and back, for mountain driving experience.

Ramirez & Sons Trucking, which employs from 9 to 15 drivers during the year, is one of a number of small employers who benefitted from the program. However, larger employers were also served.

Dan Hodge, Human Resources Director for McLane Pacific, which employs 350 persons, including 75 drivers, also applauded the program. McLane Company is an international distributor to convenience stores like Circle-K and 7-11 -- a customer base involving multi-stop, multi-drop deliveries. When Sue Helfgott of Merced College contacted him as part of the training program's job development effort, Dan indicated his need for a new driver.

The Merced College program quickly became a viable option for McLane Pacific. According to Hodge, "Merced College did the paperwork, and the trainee was well-trained..." Hodge states that the company obtained an outstanding employee in Hilario Avila of Merced, who was hired by McLane at \$9.00 an hour and has become one of the company's valued drivers.

American Poly-Therm/Weatherly Aviation -- Training To Remain Competitive

"If the economy improves as much as we are trying to with TQM, everything will be OK..."

*John Pek, Employee
American Poly-Therm*

American Poly-Therm and Weatherly Aviation, two sister companies located in Lincoln, with a combined workforce of 146 employees, received a competitive boost last year from Employment Training Panel (ETP) training under the California Supplier Improvement Program (CalsIP).

American Poly-Therm is a privately owned small business which manufactures parts and assemblies for use in many defense and aerospace programs as well as for various commercial applications. Products range from rocket nozzles to bicycle frames to magnetic imaging equipment to wheel chair assemblies. Major customers include General Dynamics/Convair, Hercules, General Electric and Raytheon.

Weatherly Aviation is a wholly owned subsidiary corporation of American Poly-Therm which has manufactured high-performance agricultural aircraft for the past 30 years. The company is one of only four remaining agricultural aircraft manufacturers in the United States. It maintains a dealership network throughout the United States and is developing outlets in Australia and South America.

According to Hal Weatherly, President of American Poly-Therm/Weatherly Aviation, several factors led the companies to jointly apply for ETP training -- foreign competition, defense cutbacks, and the general issue of overall competitiveness -- the need for a more effective and efficient workforce. Military and aerospace projects began requiring that their suppliers implement and use tools and techniques associated with Total Quality Management (TQM). Since 85% of American Poly-Therm's business is related to military and aerospace contracts, it became necessary to provide TQM training for the company's workforce to meet this requirement. At the same time, foreign competition was having an effect on Weatherly Aviation. Continual process improvement became a priority for the company as a means of remaining competitive.

Therefore, American Poly-Therm/Weatherly Aviation contracted with ETP for \$78,144 to train 65 employees in TQM Philosophy; Statistical Process Control; Just-In-Time Management; and Teamwork, Leadership, and Communication (TLC). The training was provided by certified CalsIP trainers at Sierra College in Rocklin to four groups of trainees including administrative, clerical, and production workers.

According to Mr. Weatherly, the training resulted in many process improvements particularly through increased teamwork and worker cooperation. Employees have shown initiative in identifying and solving problems both individually and as members of teams. SPC has become a habit on the shop floor with workers charting their daily work operations and processes. Lou Lara, of American Poly-Therm, states that, "TQM opened the door to find out who our customers are as well as the importance of teamwork."

Paula Fredericks, Personnel Manager for American Poly-Therm/Weatherly Aviation, feels that the project gave employees a better understanding of their customers, and was very effective in improving the success of meetings. "People speak up and identify problems...then form teams..."

Quality Assurance Manager Bob Paschke indicates that the training was only a beginning. While one-half of the companies' employees were trained under the project, American Poly-Therm/Weatherly Aviation plans to provide similar training to the remaining employees followed by more specialized training for all employees according to individual job duties. ETP served as a catalyst for the company to continue on the road toward process improvement. According to Paschke, the program was a "good start toward a new way of thinking."

RMA Group -- The Road To Quality

"For years, we mainly dealt with the building industry...then we began doing work with roads and highways...that's why we needed the training...I thought this was a good program...we received a lot of value."

*E. Duane Lyon, President
RMA Group*

The RMA Group is a small business located in Rancho Cucamonga employing 25 people which provides geo-technical consulting services in the construction of buildings and roads, to public agencies, private developers, general contractors, special districts, and residential customers. Services include materials testing, construction inspection, and management services. The company averages about 350 projects a year of varying size and duration, ranging from the construction of larger facilities such as high schools to residential home construction.

In past years, the RMA Group worked primarily as a consultant in the building industry. Then, a slowdown in building construction caused the company to become increasingly involved in road and highway construction. However, RMA Group President E. Duane Lyon explains that, while his RMA Group technicians had industry approved certification to perform the building work, the highway work "used a different rule book."

In order to work on projects sponsored by the State's Department of Transportation (Cal Trans) and the federal government, RMA technicians needed to become certified by the National Institute for the Certification of Engineering Technicians (NICET). At the same time, foreign and out-of-state competition began establishing small offices in Southern California and outbidding the RMA Group on state highway and construction projects. Thus, the RMA Group contracted with ETP for \$33,646 to retrain 18 RMA employees in a geo-technical quality program with the intent that all of the RMA technicians would take, and pass, the NICET examination. Additionally, trainees were to learn the tools and techniques of quality improvement.

The training project enabled RMA to implement a Quality Assurance Program directed toward quality procedures for more accurate testing of soil and construction materials samples. In addition, the company replaced its manual accounting, project management and design systems with automated processes. The training emphasized improving employees' ability to provide written and verbal reports and their ability to use technical computer programs to improve the management of statistical information and resource expenditures. One of the major goals of the project was met when all of the RMA technicians passed the NICET exam after the training.

Mr. Lyon points to many improvements in his company which resulted from the training program. For example, RMA Group Managers who received the training now approach projects from a total quality management perspective. Greg Chandra, an engineer and Manager of RMA's Testing and Inspection Unit indicates that the training was helpful in providing him with time management skills and helped him become more organized. He states that since the training helped show the interaction between all work areas in the company "employees now care about what each other do... and help market each other's services to customers..."

Employee comments on the training indicate enthusiasm for various aspects of the program. Steve Crooks, an RMA lab technician, points out that the technical aspects of the training were most useful to him. "The math was really helpful," he states. He adds that training also emphasized the importance of documentation and writing daily reports.

Beverly Willet, RMA's Dispatcher, points out that the WordPerfect automation training was valuable in helping employees put together better reports. "All employees put together a report and make it as good as possible." She emphasizes the importance of customer service training, since customer impressions of the company are based initially on phone conversations and reports.

IV. APPENDICES

- A. Revenue and Expenditure Report, Fiscal Year 1992-93
- B. Allocation of Training Funds, Fiscal Year 1992-93
- C. Completed Contracts, Fiscal Year 1992-93
- D. Active Contracts, as of July 1, 1993
- E. Terminated Contracts, Fiscal Year 1992-93

APPENDIX A
REVENUE AND EXPENDITURE REPORT
Fiscal Year 1992-93

REVENUE

Yearly Appropriation	\$66,288,000
Revenue Adjustment	(\$21,597,445)
Funds Carried Forward (from prior years)	\$49,783,471
Prior Year Dis-encumbrances	<u>\$38,135,363</u>
Total Revenue	\$132,609,389

EXPENDITURES

Transfers:

EDD State/Local Labor Market Information	(\$3,090,000)
EDD Tax Collections Branch	(\$2,996,523)
EDD Employment Service Center 90% Program/Job Services	(\$23,797,800)
Department of Industrial Relations	<u>(\$1,768,000)</u>
Total Transfers:	(\$31,652,323)

Administrative:

(\$8,073,256)

Marketing and Research:

(\$1,882,645)

Training Funds Committed:

(\$91,001,165)

Total Expenditures

\$132,609,389

APPENDIX B

ALLOCATION OF TRAINING FUNDS, 1992-93

ALLOCATION CATEGORY	AMOUNT COMMITTED	NUMBER OF CONTRACTS
Upgrade a/	\$0	0
Demonstration a/	\$2,754,507	5
Newly Legalized Individuals or Seasonal Farmworkers a/	\$1,891,330	2
GAIN a/	\$2,693,705	3
Economic Development/Business Expansion	\$4,563,302	15
Productivity Improvement/Workforce Retention	\$43,919,514	152
Consortia	\$27,353,400	40
Regional Economic Impact	\$6,682,302	18
Apprenticeship	\$1,143,105	1
TOTALS	\$91,001,165	236

The preceding table summarizes the Panel's actions for each established allocation category during Fiscal Year 1992-93. Below are definitions of these categories:

a/Legislatively-Mandated Allocation Categories

Upgrade: The law directed ETP to annually allocate \$2.7 million to retrain individuals in skills for which there is a demonstrable shortage. Such training must allow for career advancement; and, once the trainee moves into the new, advanced position, the vacated position must be filled by an unemployed individual.

Demonstration: The law allows ETP to use up to \$2.7 million to try various approaches designed to reach diverse and difficult to serve populations under standard eligibility criteria. Legislation increased the allocation to \$5 million and expands its scope to include economic development, beginning January 1, 1993.

Newly Legalized Individuals and Seasonal Farmworkers: The Budget Act of 1992-93 directed the Panel to set aside up to \$5 million to help meet the training and employment needs of newly legalized individuals and seasonal farmworkers served under the Immigration Reform and Control Act (IRCA) of 1986.

GAIN: The Budget Act of 1992-93 established an allocation category of \$2.7 million to train and employ participants in the Greater Avenues to Independence (GAIN) program or recipients of Aid to Families of Dependent Children (AFDC).

Panel Established Categories

In order to target the funding of ETP monies and ensure the legislative intent that ETP funds be used to assist employers in becoming more competitive and productive while contributing to the economic health of the California economy, the Panel established the following allocation categories:

Economic/Business Expansion: These funds were intended to assist in attracting businesses to California, prevent businesses from relocating out-of-state, and stimulate the expansion of existing businesses. This category targeted companies located in Enterprise Zones and Economic Incentive Areas.

Productivity Improvement/Workforce Retention: This category addressed the retraining needs of businesses to enhance the productivity of their current workers and thereby their competitiveness.

Consortia: Although any size business may participate in a consortia training project, these funds are primarily intended to meet the needs of small businesses unable to organize individual training projects. Consortium contractors may be community colleges, job apprenticeship training committee's (JATC's), employer associations, private industry councils (PIC's), or private training agencies that organize training programs for a number of employers with similar training needs.

Regional Economic Impact: Training funds in this allocation category focused on training in growth and emerging occupations and employment in regions of the state with high levels of unemployment.

Apprenticeship: This category was intended to supplement funding for training in specific apprenticeship skills related to new or advanced technology, methods, processes, or equipment which is not otherwise currently included in the curriculum of an apprenticeship program.

The following is a brief description of funds approved for the four mandated categories in 1992-93.

Demonstration Projects

The Panel approved \$2,754,507 for five demonstration projects, including;

- Amerigon/ CALSTART -- Approved \$1,443,950 to train 35 new hires and 300 retrainees in the manufacturing, assembly and testing of electric car parts and vehicles in order to demonstrate the role of training in the retooling and conversion of the aerospace and defense industry to advanced transportation systems.
- Goodwill of Southern California -- Approved \$390,075 to train 125 hard-to-serve physically, mentally, and socially disabled individuals in computer and clerical skills, retail management, food service managers, and forklift operators.
- Science Applications (SAIC/ITER Project) -- Approved \$356,588 to train 24 new hires and 24 retrainees in CADD/CAM and Office automation -- to provide skilled technicians and administrative staff to meet the needs of scientists at the site.

- LA Mission College -- Approved \$286,750 to train 50 new hires in office skills, VESL, and Basic Math to enhance economic development in the area.
- College of the Desert - Sunline Transit Agency -- Approved \$277,144 to train 28 new hires as mechanics and shop supervisors to enhance the use of CNG-powered transit busses, as a pilot effort, for future replication at other sites.

Upgrade Training

Due to lack of interest for this category of funding, no funds were committed. The \$2.7 million available were redistributed among the other categories.

Programs for Newly Legalized Individuals or Seasonal Farmworkers

The Panel funded two projects under this category for a total of \$1,891,330 to assist newly legalized citizens and seasonal farmworkers.

- Center for Employment Training (CET) IRCA/Farmworker Multi-Skills II -- Approved \$1,503,056 to train unemployed farmworkers or other newly legalized persons, in a variety of skills including: clerical, automotive, maintenance, food service, child care, electronic assembly, retail clerk, security officer, sheet metal fabricator, and welding.
- California Human Resources Development Corporation/CET Training Program -- Approved \$388,274 to train IRCA and/or non-IRCA, limited English-speaking, unemployed persons in Vocational English as a Second Language, and a variety of skills including: clerical, maintenance, home health aides, welder helpers.

Greater Avenues for Independence (GAIN) Program

The Panel funded three projects for a total of \$2,693,705 to assist GAIN clients.

- CET/GAIN Multi Skills -- Approved \$1,245,705 to train GAIN participants in a variety of skills including: clerical, CAD, child care provider, food service, electronic assembly, printing & graphics, and shipping & receiving.
- East San Gabriel Valley Regional Occupational Program -- Approved \$48,000 to train GAIN participants in office automation.
- Nickerson Gardens -- Approved \$1,400,000 for GAIN participants in the South Central Los Angeles/Watts area.

APPENDIX C

**COMPLETED PROJECTS,
FISCAL YEAR 1992-93**

**Employment Training Panel - Completed Projects
July 1, 1992 - June 30, 1993**

Contractor & County	Project Profile <i>*indicates Literacy component</i>	# Type of Vocational Training	Placements		Amount Earned
			New Hire	Retrainee	
Access Computer and Management Training Center - Contra Costa	Female-owned and operated training facility which provides intensive, personalized instruction in word processing, computerized accounting, and database systems. Contracted to provide retraining for employees of participating businesses to meet the need for office automation specialists.	OA		52	\$71,448
Ace Clearwater Enterprises - Los Angeles (CalSIP)	Aerospace and defense supplier, specializing in metal fabrication (e.g., welding, spinning, tube bending, precision machining, drop hammer, heat treating, tooling, and foundry). Retrained employees to respond to customer quality requirements.	JIT, SPC, TQM, TLC		36	\$50,612
Aero Stretch, Inc. - Los Angeles	Manufactures aircraft structural components made from aluminum sheet stock and extrusion. Retrained employees to respond to increased customer requirements for SPC.	SPC		24	\$37,200
American Polytherm/Weatherly Aviation - Placer (CalSIP)	American Polytherm manufactures parts and assemblies made from carbon and ceramic reinforced composite organic materials. Weatherly Aviation manufactures high-performance agricultural aircraft. Companies jointly retrained employees due to increased customer quality requirements and foreign competition.	JIT, SPC, TQM, TLC, and Cycle Time Mgmt		65	\$78,144
Autek Systems Corp. - San Diego	Minority-owned small business which manufactures sophisticated test systems for complex commercial and defense electronic equipment for U.S. defense and aerodynamics companies. Retrained employees in order to remain competitive.	PT, SPC, TQM, TLC		23	\$27,739

**Employment Training Panel - Completed Projects
July 1, 1992 - June 30, 1993**

Contractor & County	Project Profile <i>*indicates Literacy component</i>	# Type of Vocational Training	Placements		Amount Earned
			New Hire	Retrainee	
Avtech Institute - Los Angeles	Training agency which trains experienced and new employees to become quality welders and technicians. Planned to train and place unemployed workers as welders and motorcycle/machine technicians. However, contractor had difficulty placing trainees due to closure and relocation of many client companies and the loss of defense and commercial contracts by companies that have been the contractor's best source of jobs for its graduates.	Automotive Repair, Welding, Pipefitting	0	0	\$0
Bay Area Engineering Soc. Comm. on Manpower Training (ESCMT) - San Francisco	Non-profit corporation sponsored by 16 professional organizations of engineers and architects in the San Francisco Bay Area. ESCMT works to increase career opportunities in engineering and related work for minorities. Trained employees of participating businesses to keep up with technological changes in the industry.	CAD		119	\$208,369
Beverly Enterprises, California, Inc. - Sacramento	With 87 facilities in operation throughout California, this firm provides long-term care for over 5,000 elderly or frail persons. Provided training for UI recipients as certified nurse assistants, in order to keep up with the increased need for qualified nursing personnel.	CNA	69		\$81,075
BNS Technical Institute, Inc. - Los Angeles	Proprietary post-secondary school which provided training for UI recipients as CNC machinists, quality control inspectors, and office automation accountants in order to meet participating employers' demand for highly skilled personnel. * 35 UI recipients and recent exhaustees were given 30-60 hours of Basic Math or Business English with their skills training. The trainees were placed in occupations including: Production Control Clerk, Numerical Control Machine Operator, Secretary, General Clerical, Accounting Clerk, Auditor, Quality Engineer.	CNC, OA	35		\$158,796

Employment Training Panel - Completed Projects
July 1, 1992 - June 30, 1993

Contractor & County	Project Profile *indicates Literacy component	# Type of Vocational Training	Placements		Amount Earned
			New Hire	Retrainee	
Business Development Labs - Monterey	Small, privately-owned business which produces and packages private label tea and coffee products and other specialty items. Retrained a number of employees in order to remain viable and competitive. * 13 current Business Development Lab employees were given 40 hours of Vocational English as a Second Language with their TQM training. These employees' occupations include: Production Workers, Machine Operators, and Warehousepersons.	TQM		26	\$48,113
Calbiochem Corporation - San Diego	Firm manufactures and distributes fine chemical products for research scientists in the biochemical and biopharmaceutical industries. Retrained a number of employees in order to meet increased customer quality standards.	MS, OA		29	\$34,797
California Association of Thrift & Loan Companies (CATLC) - Sacramento	Trade association which provides members with support in the areas of government relations, management, marketing, purchasing and education. CATLC trained employees of participating members to keep up with competition in the thrift industry.	CS		100	\$161,054
California Manufacturers Association (CMA)/Western Digital) - Orange	Firm produces semiconductor devices and sub-systems, storage management hardware (VSLI chips), storage controllers, integrated disk drives, single-chip universal and synchronous receiver/transmitters, graphic boards, and video controller chips. Trained a number of current employees to meet customer demands and remain competitive.	TQM		547	\$703,780
CMA/ Lockheed Advanced Development Company - Los Angeles	Lockheed Advanced Development Company designs, develops and produces state of the art military aircraft. In conjunction with CMA, contracted to retrain a number of its employees due to dramatic Federal budget cuts and the need to remain competitive and on leading edge of aerospace technology field.	CAD		65	\$100,937

Employment Training Panel - Completed Projects
July 1, 1992 - June 30, 1993

Contractor & County	Project Profile *indicates Literacy component	# Type of Vocational Training	Placements		Amount Earned
			New Hire	Retrainee	
CMA/ Sequel Industries - Santa Clara	Sequel Industries manufactures Rigid Oxide Media disks for use in computer disk drives, and also manufactures and repairs disk drives for spare replacements. Contracted in conjunction with CMA to retrain workers due to out-of-state competition.	SPC		259	\$464,596
California Medical Transcription, Inc (CMTI) - San Francisco	Firm provides medical transcription (word processing) services to businesses in the health industry. In order to remain a viable enterprise, CMTI hired and trained unemployed individuals as medical transcriptionists. * 5 UI recipients or exhaustees were given 206 hours of Job Specific English in medical terminology with their skills training. They were placed as Medical Transcriptionists.	Medical Transcription	6		\$26,118
California Sheetmetal Industry Statewide JAC - Statewide	The California Sheet Metal Industry Statewide JAC is comprised of 34 members of the Sheet Metal Workers International Association (union) and the Sheet Metal and Air Conditioning Contractors National Association (employers). The Statewide Committee coordinates and administers training in order to reduce periods of unemployment among journeylevel sheet metal workers and increase the competitiveness of California's small business sheet metal contractors. The JAC coordinated and administered training for sheet metal workers at 23 sheet metal training centers operated by the local JAC's. Training occurred in 17 geographic areas throughout California.	Sheetmetal Work		621	\$1,009,746
California State University Foundation, Northridge - Los Angeles	Educational institution planned to train current employees of several companies to help them respond to defense industry cutbacks and new Department of Defense requirements. However, when some of the participating employers were not able to start the training, the project was put on hold.	TQM	0	0	\$0

**Employment Training Panel - Completed Projects
July 1, 1992 - June 30, 1993**

Contractor & County	Project Profile <i>*indicates Literacy component</i>	# Type of Vocational Training	Placements		Amount Earned
			New Hire	Retrainee	
Capital Bank of California - Los Angeles	This California financial institution trained employees to meet customer needs in order to remain competitive.	CS, MS		56	\$80,724
Calmark Corporation - Los Angeles	Firm manufactures a variety of electronic packaging products used in the aerospace and defense industries. Retrained a number of its employees to meet increased customer requirements.	SPC		20	\$31,000
Career Planning Center - Los Angeles	This woman-owned, community based training organization provides occupation-specific training to help persons gain economic independence. The training did not proceed as planned due to lack of employer commitment.	OA	0	0	\$0
Career Resources Development Center - San Francisco	With offices in San Francisco and Oakland, this nonprofit, community-based training agency trained fluent and limited English-speaking unemployed workers, and retrained current employees of participating organizations in office automation skills to meet continuous businesses needs for skilled office workers. *11 Limited English speaking unemployment insurance recipients and recent exhaustees were given 155 hours of Vocational English as a Second Language. They were placed in the following occupations Secretary, Clerk Typist, and Terminal Operator.	OA	15	66	\$153,146
Chavez & Associates Institute - Los Angeles	Private postsecondary institution which offers a comprehensive program of career oriented vocational education in order to meet the needs of employers in the greater Southern California service- oriented labor market. Trained several UI recipients, to meet employer demand for persons skilled in automated business finance and computer business applications.	OA, Business Finance	9		\$41,508

**Employment Training Panel - Completed Projects
July 1, 1992 - June 30, 1993**

Contractor & County	Project Profile *indicates Literacy component	# Type of Vocational Training	Placements		Amount Earned
			New Hire	Retrainee	
Chinatown American Cooks School, Inc. - San Francisco	Non-profit vocational training school. Trained and placed a number of unemployed individuals as cooks.	Cooking	10		\$50,000
Cogswell Polytechnical College - Santa Clara	Private, non-profit, four-year college, specializing in engineering technology programs. Due to a skills shortage, Cogswell, in partnership with the Foundation for Educational Achievement, retrained a number of employees of participating organizations in the use of a Musical Instrument Digital Interface hardware and software system.	Musical Instrument Digital Interface		41	\$92,045
Cohu, Inc., Electronics Division - San Diego	Company manufactures high-performance, closed circuit television cameras and accessory equipment/systems for security, surveillance, machine vision, robotics and other markets for U.S. defense and aerodynamics companies. Due to stiff competition, retrained a number of current employees.	SPC, Team concepts, TQM		47	\$46,342
College of the Siskiyous - Siskiyou	An educational institution, this college provided quality improvement training for employees of P & M Cedar, a wood products company producing pencil stock, siding, decking, and plank paneling in order to increase employees' productivity and efficiency.	SPC, TQM		36	\$40,923
Community Bank - Los Angeles	Financial institution. Retrained employees to remain competitive.	CS, MS		172	\$182,974
Continental Baking Company - Statewide	Located in Los Angeles, Pomona, and San Pedro, this company produces snack cakes, bread, and bun products. Retrained a number of employees to meet increased competition.	SPC		231	\$299,527
Continental Savings of America - Statewide	California-chartered stock savings and loan association operates seven savings branch offices and two loan offices in San Francisco as well as two loan offices in Los Angeles. Retrained a number of current employees, in order to remain a viable and successful institution in a competitive market.	OA, TQM		116	\$195,688

Employment Training Panel - Completed Projects
July 1, 1992 - June 30, 1993

Contractor & County	Project Profile *indicates Literacy component	# Type of Vocational Training	Placements		Amount Earned
			New Hire	Retrainee	
Contra Costa County Regional Occupational Program - Contra Costa	Public education agency which provides occupational training for entry-level employment or retraining to upgrade worker skills. In order to meet demands from businesses for skilled employees, CCROP trained unemployed persons in office occupations, auto technology and computer-aided drafting. *35 UI recipients received 135 hours of Business Communications Skills training.	Automotive Repair, CAD, OA	43		\$149,739
Dow-Key Microwave Corporation - Ventura	Firm manufactures radio frequency coaxial relays and microwave mechanical switch devices. Due to both foreign and out-of-state competition and government requirements, trained a number of current employees in quality improvement.	MRP, SPC		51	\$109,649
Dynabil Industries West, Inc. - San Diego	Firm manufactures precision sheet metal components and assemblies for U.S. defense and aerodynamics companies. In response to increased customer quality requirements, retrained a number of current employees.	JIT, SPC, TQM, TLC		37	\$36,334
Eastman, Inc. - Los Angeles	Office supply retail outlet which due to increased competition retrained employees in TQM, customer service, and inventory control.	CS, TQM		408	\$419,508
Economic & Social Opportunities, Inc - Santa Clara	Private non-profit corporation, and the locally certified communication action agency for Santa Clara County. Provided training to meet participating employers' demands for new employees with automation skills. * 59 UI recipients or recent exhaustees received 90 hours of Business English or Basic Math with the Office Automation skills training. Trainees were placed in the following occupations: Secretary, Clerk Typist, Payroll Clerk, Accounts Receivable Clerk, Bookkeeping.	OA	59		\$254,880

**Employment Training Panel - Completed Projects
July 1, 1992 - June 30, 1993**

Contractor & County	Project Profile <i>*indicates Literacy component</i>	# Type of Vocational Training	Placements		Amount Earned
			New Hire	Retrainee	
Exicom Technologies, Inc - Santa Clara	<p>Firm offers manufacturing capabilities for both turn-key and consignment customers. In order to remain a viable company, Exicom retrained a number of current employees in Total Quality Management.</p> <p>* 122 current employees of Exicom received 24-36 hours of Vocational English as a Second Language and TQM. Occupations of trainees included: Assembler, Data Entry, General Clerical, Receiving Inspector and Control Inspector.</p>	TQM		161	\$348,128
Faber Enterprises, Inc. - Los Angeles	<p>Privately-owned firm produces high quality hydraulic fittings for the aerospace industry and other commercial ventures. Retrained a number of employees to meet out-of-state competition.</p> <p>* 46 current Material Handlers for Faber Enterprises were given 120 hours of VESL training with their skills training.</p>	SPC		107	\$186,301
Fairfield-Suisun Adult School - Solano	<p>Adult school that has been providing employment and pre-employment instruction to the surrounding community since 1960. Due to increasing demands among new and existing businesses for workers with office automation skills, as well as an on-going shortage of available workers with such skills, trained UI recipients in office automation accounting and secretarial skills.</p> <p>* 40 UI recipients or recent exhaustees received 56 hours of Business English or Basic Math. They were placed in occupations as Secretaries and Accounting Specialists.</p>	OA	40		\$107,520

**Employment Training Panel - Completed Projects
July 1, 1992 - June 30, 1993**

Contractor & County	Project Profile *indicates Literacy component	# Type of Vocational Training	Placements		Amount Earned
			New Hire	Retrainee	
Family Medical Group - Los Angeles	With five locations in San Fernando Valley, this health care institute provides medical services to primarily elderly, Spanish-speaking members of health maintenance organizations. In order to cut costs and still provide quality service, FMG retrained a number of current employees in customer service techniques and office automation skills.	CS, OA		21	\$24,864
FMC Corporation Ground Systems Division - Santa Clara	Designs and manufactures ground combat vehicles for the U.S. government and performs research and development in advanced technologies. Due to the county's decreasing defense budget, firm predicted layoffs of approximately 50 percent of its 4,500 employees over a four year period. FMC felt that this number would increase if the workforce was not equipped to implement new manufacturing and engineering processes instituted by the company to remain competitive. In order to reduce the negative impact of employee dislocation, FMC provided on-site vocational skills training and remedial education to a number of employees to enable them to retain their jobs or to find a job with long-term security and career potential if laid off. * 116 FMC shop employees were targeted to receive 40 hours of VESL and Basic Math training with their skills training.	Various including: Assembly, Welding, Maintenance, Inspection, CADD, and Engineering Project Management.		731	\$1,068,090
Frazee Industries, Inc. - San Diego	Firm is a leading developer, manufacturer and distributor of paints, wall coverings and associated sundries. Retrained employees in order to remain a viable company.	CS, MS, OA, PT, TQM		270	\$404,485
Glendale Community College (Office Automation V) - Los Angeles	This college provided office skills training to many current employees of primarily small businesses as well as a number of unemployed persons.	OA	127	420	\$1,100,497

**Employment Training Panel - Completed Projects
July 1, 1992 - June 30, 1993**

Contractor & County	Project Profile *indicates Literacy component	# Type of Vocational Training	Placements		Amount Earned
			New Hire	Retrainee	
Glendale Community College (Small Business) - Los Angeles	This agreement served only small businesses that needed workers who possess office automation skills.	OA		705	\$1,042,695
GS Aerospace Technology, Inc - San Bernardino (CalSIP)	Privately held corporation that manufactures precision fasteners for prime aerospace contractors. Provided training for a number of new hires to meet increased customer demands.	JIT, SPC, TQM, TLC	22		\$36,124
Hallmark Circuits, Inc - San Diego	Small family-owned business manufactures printed circuit boards which are sold for consumer and technical applications. Retrained a number of employees due to competition, both foreign and domestic, and to reduce scrap and rework expenditures.	SPC		113	\$129,724
HMT Technology Co - Alameda	Firm manufactures thin-film rigid disks used to provide information storage for computers. Retrained a number of current employees in order to meet customer quality requirements and to remain competitive.	MS, TQM		125	\$183,945
Hoosier Plastic Fabrication, Inc - Riverside	Small, female-owned business which produces precision plastic machining for aerospace and defense contractors throughout the U.S. Contracted to retrain a number of its employees to meet increased customer quality requirements. However, poor economic conditions in Southern California and budget cuts in military and aerospace industries caused reduction in company's sales. The project was curtailed due to financial difficulties.	JIT, SPC, TQM, TLC	0	0	\$0
IAM District Lodge #190 (Autobody Retraining) - Statewide	The International Association of Machinists District Lodge No. 190 Automotive Industries Joint Apprenticeship Training Committee retrained workers in automobile body repair to keep up with technological advances in the industry.	Automotive Repair		96	\$288,000

Employment Training Panel - Completed Projects
July 1, 1992 - June 30, 1993

Contractor & County	Project Profile *indicates Literacy component	# Type of Vocational Training	Placements		Amount Earned
			New Hire	Retrainee	
IAM District Lodge #190 (Mechanics Retraining) - Statewide	Project is a series of journey-level automotive mechanic training projects between ETP, the Automotive Industries Joint Apprenticeship Training Committee (JATC) and the various motor car dealerships and dealer associations who held a collective bargaining agreement with IAM. To keep up with recent technological changes, currently employed auto mechanics were trained in advanced electronic and fuel emission systems throughout Northern California.	Automotive Repair		493	\$1,676,200
IMO Industries, Inc (Wiggins Connectors Division) - Los Angeles	Engineering design firm that manufactures aircraft connectors, quick disconnect couplings, fill and drain systems, hoses, and heaters. Trained a number of current employees, in order to meet customer requirements and to remain competitive. * 11 current employees received VESL with SPC training. The occupations include: Stock Clerks, Grinders, and Production Workers.	PT, SPC		104	\$213,257
Independent Forge Company - Orange	Female, minority-owned firm that manufactures precision "no draft" and conventional aluminum forging for the commercial, military aerospace and defense industries. Retrained a number of employees to meet increased customer quality requirements.	SPC, TQM		25	\$38,025
Ioptex Research Incorporated - Los Angeles	Firm manufactures intraocular lenses used in the restoration of eyesight for cataract patients. Due to foreign competition and in order to remain a viable company, Ioptex retrained a number of current employees.	TQM		88	\$129,624
Jan-Al Innerprizes, Inc. - Los Angeles (CalSIP)	Firm manufactures products for aerospace and defense industries. Contracted to retrain part of its workforce to respond to increasing customer quality requirements. However, project was curtailed due to a downturn in company's business.	JIT SPC, TQM, TLC	0	0	\$0

Employment Training Panel - Completed Projects
July 1, 1992 - June 30, 1993

Contractor & County	Project Profile *indicates Literacy component	# Type of Vocational Training	Placements		Amount Earned
			New Hire	Retrainee	
Kaiser Eckel Valve - Los Angeles	Firm designs and manufactures high technology valves and controls for aircraft and spacecraft hydraulic, pneumatic and fuel systems. Retained a portion of its workforce to respond to increased customer quality requirements.	SPC, TQM		29	\$45,638
Kelley-Clarke, Inc - Los Angeles	Firm is a broker of grocery, household and beauty products. In order to remain competitive, retrained a number of current employees in office automation, manufacturing resource planning and management skills.	MS, MRP, OA		99	\$66,442
Kennerley-Spratling, Inc. - Alameda	Firm manufactures custom injection plastic molded parts for the electronic, computer and medical industries. Retrained a number of employees to meet customer needs on new injection molding machines.	New Machinery		46	\$92,276
Kwikset Corporation - Orange	Firm manufactures tubular locksets for the security hardware industry. Retrained a portion of its workforce, due to out-of-state and foreign competition.	MS		108	\$97,848
LA/NTMA Training Center Trust - Los Angeles	Training center is an organization of machine shop owners in the Los Angeles and Orange County areas. Due to advanced technological changes and a sustained growth in the metal trades industry, LA/NTMA retrained a number of employees of individual member firms to operate Computer Numerical Control and Numerical Control machines related computers and programs. In addition, trained unemployed workers as assistant machine operators.	CNC	36	246	\$816,000
Loma Linda University Medical Center - San Bernardino	This is the third project with Loma Linda University Medical Center (LLUMC) Education and Training Division for Community Support. This non-profit training agency trained a number of office workers in response to an increasing and continuous demand for office automation by local businesses.	OA		320	\$434,240

Employment Training Panel - Completed Projects
July 1, 1992 - June 30, 1993

Contractor & County	Project Profile *indicates Literacy component	# Type of Vocational Training	Placements		Amount Earned
			New Hire	Retrainee	
Los Angeles Pierce College - Los Angeles	Largest of nine schools that comprise the Los Angeles Community College District. In order to remain competitive, a number of small businesses contracted with the college to provide training for several currently employed individuals in office automation.	OA		4	\$4,424
Machine Industries, Inc. - San Diego	A customer precision machine shop which produces a variety of complex parts for both the commercial and military aircraft industries. Company planned to retrain a number of its employees in order to meet customer quality requirements. However, firm experienced operational difficulties and had to dismiss 13 employees at the beginning of the contract and was unable to conduct the training program.	TQM	0	0	\$0
Magnet Sales & MFG. Co. - Los Angeles (CalSIP)	Firm manufactures custom magnets used extensively in aerospace applications. Retrained some employees in order to meet increased customer quality requirements.	JIT, SPC, TQM, TLC		6	\$6,138
Manpower Temporary Services - Statewide	Headquartered in Santa Clara County with offices in San Mateo, Santa Clara, Monterey and Santa Cruz Counties. This company's primary business activity is to place "contingent" employees in long-and- short-term jobs. To stay competitive, a number of Manpower's employees were retrained in TQM.	TQM		5	\$4,860
Mardith Manufacturing Corporation - Orange (CalSIP)	Firm manufactures high quality injection molding for prime aerospace contractors. Planned to retrain its workforce to meet foreign competition and increased customer quality requirements. The company was unable to proceed with training due to employee workload requirements	JIT, SPC, TQM, TLC	0	0	\$0
Mariners Bank - Orange	This financial institution provides full deposit and loan services. Retrained a number of its employees to remain competitive.	CS, MS		35	\$45,043
McWhorter's Stationers, Inc. - Santa Clara	This retail outlet sells office products. McWhorter's retrained a number of its employers in order to remain competitive.	CS, Mgt.		157	\$205,237

Employment Training Panel - Completed Projects
July 1, 1992 - June 30, 1993

Contractor & County	Project Profile *indicates Literacy component	# Type of Vocational Training	Placements		Amount Earned
			New Hire	Retrainee	
Merced Community College District - Merced	Project involved ETP, Merced College, and San Joaquin valley Private Industry Councils (PIC) in order to train UI recipients as truck drivers in response to participating employers' needs for qualified truck drivers.	Truck Driving	24		\$46,512
Molecular Biosystems, Inc. - San Diego	Firm is engaged in the development and limited production of proprietary medical products that diagnose human disease. Retrained a number of employees to meet increased customer requirements.	JIT, SPC, TQM		55	\$59,105
Net Shapes, Inc. - San Bernardino	Company produces a broad spectrum of castings for such customers as Boeing and General Dynamics. Retrained a number of employees in order to meet increasing customer requirements and remain competitive.	SPC, Team Concepts, TQM		15	\$15,285
No. Ca Teamsters Appren. Trn/Edu. Trust Fund - Alameda	Joint union/management training committee. Provided retraining for several workers to meet participating employers' demands for skilled construction drivers.	Construction Driving		4	\$12,000
Nylon Molding Corporation - Los Angeles	Firm manufactures and distributes specialty fasteners. Retrained a number of employees in order to meet increased customer requirements.	SPC		19	\$45,950
Optical Corporation of America - Orange	Firm produces high quality precision optical lenses for the aerospace and defense industries. Due to increasing out-of-state competition, OCA retrained a number of its employees.	SPC		87	\$155,817
Pacific Forge, Inc - San Bernardino	Firm produces titanium high-temperature alloy, stainless/PH grades, carbon/alloy steel and aluminum forging. Retrained some of its workforce in response to national competition and increased customer quality requirements.	SPC, TQM		42	\$87,696

**Employment Training Panel - Completed Projects
July 1, 1992 - June 30, 1993**

Contractor & County	Project Profile <i>*indicates Literacy component</i>	# Type of Vocational Training	Placements		Amount Earned
			New Hire	Retrainee	
Payday, The Payday Company - San Francisco	Firm provides payroll and tax preparation services to small businesses. In order to better meet the needs of its clients, Payday trained a number of current employees in the use of a new software system.	CS, OA		21	\$33,100
Performance Metal Products, Inc. - Santa Clara	Firm manufactures precision sheet metal products. PMP retrained a number of employees in order to meet increasing customer requirements.	MS, SPC		28	\$48,425
Pirelli Armstrong Tire Co -Kings	Tire manufacturer. Retrained employees to meet increasing quality standards for management and supervision, and to operate newly purchased equipment.	TQM		76	\$98,652
Postal & Federal Employees Credit Union - Orange	This full service credit union is dedicated to systematic savings deposits and loan repayments through a payroll deduction program. In order to remain competitive, a number of current employees were retrained.	CS, MS, Computer Skills		36	\$62,530
Prema Engineering, Inc. - Los Angeles	Firm manufactures small and medium machine parts and sub-assemblies used commercially and in the aerospace industry. Retrained workers to meet increased customer quality demands. * 39 Production Workers, Machinists, and Support Supervisors were given 16 hours of Basic Industrial Math with SPC training.	SPC		39	\$60,450
Quality Care Health Foundation - Ventura	This non-profit foundation provides educational programs and conducts research and demonstration studies on behalf of the long-term care industry. In order to meet employers' demand for nurses in the Oxnard area, retrained and upgraded a nurse assistant to licensed vocational nurse.	Licensed Vocational Nurse		1	\$1,466
Quinn Company - Fresno	Firm sells agricultural equipment to farmers. Retrained a number of current employees in order to remain competitive and a viable business.	Mechanic Training, CS		95	\$102,819

**Employment Training Panel - Completed Projects
July 1, 1992 - June 30, 1993**

Contractor & County	Project Profile <i>*indicates Literacy component</i>	# Type of Vocational Training	Placements		Amount Earned
			New Hire	Retrainee	
RMA Group - San Bernardino	Firm provides geo-technical consulting services to public and private developers, general contractors, special districts, and residential customers. Retrained employees in order to remain a viable and successful operation given out-of-state competition and increased customer requirements.	TQM		18	\$33,646
Roadway Express, Inc. - Yolo	Firm provides long-haul and less-than-truckload general freight services throughout the U.S., Canada, Mexico, and Puerto Rico. Due to the difficulty in finding qualified applicants, a number of both current employees and UI recipients were trained as supervisors, dockworkers, and driver/dockworkers.	Specialized Driver's Training	4	1	\$15,422
San Diego Consortium & Private Industry Council - San Diego	This project was designed on behalf of National Steel and Shipbuilding Company (NASSCO) which designs and builds large ocean-going vessels for the U.S. Navy. Trained a number of UI recipients as helpers for electricians, ironworkers, machinists, and painters in order to meet increased demand due to new construction contracts. * 135 UI recipients or recent exhaustees received 6 hours of Basic Mechanical Mathematics with their Helper Training. They were placed in positions as Electrician's Helper, Ironworker's Helper, Machinist's Helper, or Painter's Helper.	Various including: knowledge of Tools, Safety, Cable, Machine Parts, and Painting Preparation	135		\$486,000
San Francisco Bay Area Chapter NTMA - Santa Clara	This training center is an organization of machine shop owners in the San Francisco Bay Area. Provided training and retraining to meet the continuous demand for better trained machine operators and machinists due to sustained growth and technological advances in the industry.	CNC	90	95	\$604,500

Employment Training Panel - Completed Projects
July 1, 1992 - June 30, 1993

Contractor & County	Project Profile *indicates Literacy component	# Type of Vocational Training	Placements		Amount Earned
			New Hire	Retrainee	
Sani-Top, Inc. - Los Angeles	CounterTop Supply and Sani-Top are small businesses with the same owner. Sani-Top manufactures preformed counter tops and is the leader in the decorative laminate industry. CounterTop Supply manufactures custom kitchen counter tops. Retrained some employees from both companies to compete with out of state companies.	MRP		2	\$5,280
Santa Clara Adult Education Center (SCAE) - Santa Clara	This agency offers career preparation, computer training and job skills training. SCAE retrained a number of current employees of participating organizations, and trained UI recipients, as CAD/CAM operators and graphic arts technicians to keep up with technological changes.	CAD	14	128	\$214,061
Santa Clara County Federal Credit Union - Santa Clara	This non-profit financial cooperative provides a variety of financial services to employees and teachers who work for Santa Clara County. In order to remain competitive, SCCFCU retrained a number of its current employees in major technological, organizational, and product changes.	CS, OA		38	\$88,450
Santel Federal Credit Union - San Diego	This savings and loan institution serves employees of the telecommunications, information management and communications industries. In order to reverse negative trends and remain a viable company, Santel retrained a number of employees in management/leadership skills and office automation.	MS, OA		25	\$40,996
Sierracin/Harrison - Los Angeles	This company designs, develops and manufactures aerospace fluid power fittings and seals that are sold to prime aerospace contractors. Retrained workers in response to customer demands for higher levels of quality. * 44 current Machine Operators, and Inspectors were given 20 hours of Basic Math with their SPC training.	SPC		44	\$79,112

**Employment Training Panel - Completed Projects
July 1, 1992 - June 30, 1993**

Contractor & County	Project Profile *indicates Literacy component	# Type of Vocational Training	Placements		Amount Earned
			New Hire	Retrainee	
Signet Armorlite, Inc. - San Diego	This firm manufacturers and distributes over 5,600 different lenses for contact and eyeglass wear. Signet retrained a number of its employees in order to remain competitive both nationally and in the world market and to meet customer demands for high quality.	TQM		316	\$411,808
Somerset Convalescent Hospital - Yolo	This privately-owned nursing facility provides long-term care nursing services. In order to keep up with the increased need for qualified nursing personnel, Somerset trained a UI recipient as a Certified Nurse Assistant.	CNA	1		\$800
Sony Trans Com, Inc. - Orange	This firm manufactures high reliability state-of-the-art audio and visual equipment. Retrained a number of workers to meet increased customer requirements.	MS, PT, TQM		47	\$54,557
Southwest Marine, Inc. - San Diego	This corporation repairs and renovates U.S. Navy and commercial company vessels. Southwest retrained a number of its employees in order to meet government requirements and to gain a greater share of commercial business.	TQM		517	\$744,433
Spectra-Physics Lasers, Inc - Santa Clara	This firm produces laser and laser systems primarily for scientific markets but is seeing an increase in industrial, medical and consumer applications of laser technology. Conducted training to meet challenge of overseas and out-of-state competition and to satisfy customer demand for proven quality control systems.	TQM		373	\$806,402
Steccone Products Company - Alameda	Firm manufactures professional window washer tools, mainly for the janitorial sector. Retrained a number of current employees in order to facilitate growth and be competitive in new market areas.	MRP, SPC		33	\$66,150

**Employment Training Panel - Completed Projects
July 1, 1992 - June 30, 1993**

Contractor & County	Project Profile <i>*indicates Literacy component</i>	# Type of Vocational Training	Placements		Amount Earned
			New Hire	Retrainee	
Sterer Engineering & Manufacturing Co - Los Angeles	Firm designs and manufactures hydraulic and pneumatic valves and actuation controls, primarily for the aircraft industry. In order to meet customer requirements and to remain competitive, retrained a number of employees. * 16 Assemblers, Machine Operators, and Production Workers were given 180 hours of VESL, in conjunction with TQM training.	TQM		118	\$138,561
Stoll Metalcraft, Inc. - Los Angeles	This sheet metal job shop manufactures precision sheet metal parts and mechanical assemblies. Stoll retrained a number of employees due to competition and to meet higher customer demands.	TQM		41	\$68,142
Teal Electronics Co - San Diego	This firm manufactures power conditioners which filter power going into sensitive electronics. Retrained a number of employees in order to maintain high quality standards and reduce costs.	MRP, TQM		33	\$51,333
Televideo Systems, Inc. - Santa Clara	This firm designs, manufactures, markets and supports computer-oriented products. Planned to retrain workers to remain competitive. However, project did not proceed due to issues pertaining to selection of curricula.	PT, TQM	0	0	\$0
The Copper Connection, Inc. - Santa Clara	This female-owned and operated small business provides Auto-CAD, P-CAD, and printed circuit board design training. In order to respond to employer needs, provided training to employees of participating firms.	CAD		287	\$710,322

**Employment Training Panel - Completed Projects
July 1, 1992 - June 30, 1993**

Contractor & County	Project Profile <i>*indicates Literacy component</i>	# Type of Vocational Training	Placements		Amount Earned
			New Hire	Retrainee	
The Foundation for Educational Achievement - San Diego	<p>Training agency which provides office automation/computer training for a consortium of over 200 small businesses. In order to address businesses' training and employment needs, the Foundation retrained a number of current employees and trained unemployed workers.</p> <p>* 61 UI recipients or recent exhaustees were given 78 hours of Basic Math with the Office Automation training and were placed as Receptionists, Sales Representatives, Production Clerks, and in the General Clerical fields.</p>	OA	61	491	\$923,379
The Permanente Medical Group, Inc. - Contra Costa	This corporation is one of the nation's largest private health care programs providing comprehensive prepaid outpatient and inpatient services. Planned to retrain workers to improve quality in conjunction with facilities' expansion. However, training did not begin as originally planned. Contractor informed ETP that the training required was more complex and difficult to develop than originally anticipated.	MS	0	0	\$0
The Regents of the University of California - San Francisco	Non-profit organization within the Foundation for Medicine at the University of California, San Francisco, that evaluates current and proposed methods of pre-hospital medicine, encourages citizen participation in both emergency awareness and Cardio Pulmonary Respiratory skills, and educates Emergency Medical Services personnel. To alleviate the shortage for quality pre-hospital emergency care, training was provided to current employees and unemployed workers.	Emergency Medical Technician, Paramedic	8	69	\$544,083
The Warehouse Entertainment, Inc - Los Angeles	This entertainment retailer specializes in listening and viewing products for home entertainment. Retrained a number of workers in response to increased competition.	MS		234	\$235,404

**Employment Training Panel - Completed Projects
July 1, 1992 - June 30, 1993**

Contractor & County	Project Profile <i>*indicates Literacy component</i>	# Type of Vocational Training	Placements		Amount Earned
			New Hire	Retrainee	
To-Vel Industries - Orange (CalSIP)	This firm manufactures precision microwave components and spacecraft structural parts. Planned to retrain some workers to meet increased customer demands and foreign competition. However, training was halted soon after it began due to business and production demands.	JIT, SPC, TQM, TLC	0	0	\$0
U.S. Mexico Foundation - San Diego	A private non-profit corporation, membership organization of both small and large business, all of whom promote the development of commerce and relations between the U.S. and Mexico. Training was directed towards retraining employees and training new hires in health care provider and health benefit management organizations which are located primarily within economically under-served areas in Southern California with a high percentage of minority employees.	OA	3	152	\$347,928
UAW-Labor Employment and Training Corp. (LETC) (San Jose City College) - San Jose	Due to an acute shortage of office personnel, this Bay Area College retrained a number of current employees of local firms (of which 95 percent are small businesses) and trained an additional number of unemployed persons in office automation.	OA	78	76	\$359,262
UAW-LETC (HITP III) - Los Angeles	This private non-profit corporation (UAW-LETC) oversees the San Francisco Hospitality Industry Training Program (HIPT). UAW-LETC trained current employees and unemployed workers in the hospitality industry in the Bay Area. *6 current housekeeping employees received 80 hours of VESL with their hospitality training.	Housekeeping Guest Services	37	45	\$341,080

**Employment Training Panel - Completed Projects
July 1, 1992 - June 30, 1993**

Contractor & County	Project Profile <i>*indicates Literacy component</i>	# Type of Vocational Training	Placements		Amount Earned
			New Hire	Retrainee	
UAW-LETC (CNC III) - Los Angeles	Employers participating in this project were from small businesses that manufacture machined parts for large manufacturers. This training was for both currently employed machinists and new hires who lacked skills in the state-of-the-art programming and operation of numerically controlled equipment such as manual data input systems, machining centers, and NC/CNC programming systems. *15 current employees in the occupation of Machinist received 80 hours of VESL with their CNC retraining.	CNC	101	566	\$2,562,850
UAW-LETC/Douglas - Los Angeles	Due to continued growth (at that time) and competition, UAW-LETC trained unemployed workers as structural assemblers, electrical/electronics assemblers, and wire preparer/installers, and placed them in full-time employment with Douglas Aircraft.	Aircraft Electronics Assembly	42		\$199,500
Ventura County Agricultural Association - Ventura	Serving the needs of the agricultural employer community in Ventura and Santa Barbara Counties, this non-profit organization functions on a year-round basis. The Association's members have a work force in excess of 10,000, over 95 percent being women and minorities who possess only a single skill. To prevent periodic layoffs because of various adverse conditions inherent in the agricultural industry, a number of current employees were cross-trained to do other agricultural jobs to extend their employment period. * 57 Current field workers were given 40 - 80 hours of VESL training.	Agriculture Skills		84	\$254,320

**Employment Training Panel - Completed Projects
July 1, 1992 - June 30, 1993**

Contractor & County	Project Profile <i>*indicates Literacy component</i>	# Type of Vocational Training	Placements		Amount Earned
			New Hire	Retrainee	
Weldmac Manufacturing Company - San Diego	This firm produces precision sheet metal and machined and welded assemblies primarily for the aerospace and defense markets. Retrained a number of employees to meet higher quality standards and customer requirements.	SPC		33	\$45,408
West Marine Products - Santa Cruz	This firm is the largest supplier of marine products in the western U.S. Due to expansion, training was provided to current employees in computer hardware and software skills.	OA		43	\$60,900
Western Bank Mortgage Company - Orange	This loan servicing center retrained a number of employees in customer service and quality management to meet increased competition.	CS, MS, Team concepts		176	\$185,705
World Educational Services, Inc. (Summit College) - Alameda	This for-profit division of World Educational Services, Inc, offers a variety of training programs in office skills and basic education. Training was provided for new employees in office automation in order to meet the needs of small and medium sized employers. * 10 UI recipients or recent exhaustees were given 40 - 60 hours of Business English with their Office Automation skills training. They were placed in occupations including: Word Processor, Legal Secretary, Bookkeeping, and Accounts Receivable Clerk.	OA	18		\$62,208

**Employment Training Panel - Completed Projects
July 1, 1992 - June 30, 1993**

Contractor & County	Project Profile <i>*indicates Literacy component</i>	# Type of Vocational Training	Placements		Amount Earned
			New Hire	Retrainee	
Worldwide Educational Service - Statewide	This project responded to the demands of employers in Contra Costa, Santa Cruz, San Joaquin, and Solano Counties who needed workers trained in the use of computers and computer-based business machines found in business, communications, and industry today. This training provided participants with skills necessary to effectively compete for jobs in the ever-expanding communications electronics area including the repair and installation of business machines, telephones, telecommunications equipment, and cable and master television (CATV/MATV) applications.	OA, Electronic	64		\$253,919
Zac Precision, Inc. - Orange	This company produces electro-mechanical assemblies and specialized parts for defense and commercial companies. In order to remain competitive, a number of employees were retrained.	SPC		17	\$27,676
	* LITERACY TOTALS:				
	369 retrainees 391 new hires	TOTALS	1,151	12,381	\$26,095,540
		Average Cost Per Trainee		\$1,928	

Type of Vocational Training

CAD	Computer Assisted Design	PT	Production Techniques
CNA	Certified Nursing Assistant	SPC	Statistical Process Control
CNC	Computer Assisted Numerical Control	TLC	Team Leadership & Communication
CS	Customer Service	TQM	Total Quality Management
JIT	Just-in-Time		
MS	Management Skills		
MRP	Manufacturing Resource Planning		
OA	Office Automation		

Name	Address	City	State	Zip	Phone	Fax	E-mail	Comments
<p>1. Name of the organization</p> <p>2. Full name of the organization</p> <p>3. Full name of the individual</p> <p>4. Full name of the individual</p>	<p>1. Street address</p> <p>2. Street address</p> <p>3. Street address</p> <p>4. Street address</p>	<p>1. City</p> <p>2. City</p> <p>3. City</p> <p>4. City</p>	<p>1. State</p> <p>2. State</p> <p>3. State</p> <p>4. State</p>	<p>1. Zip</p> <p>2. Zip</p> <p>3. Zip</p> <p>4. Zip</p>	<p>1. Phone</p> <p>2. Phone</p> <p>3. Phone</p> <p>4. Phone</p>	<p>1. Fax</p> <p>2. Fax</p> <p>3. Fax</p> <p>4. Fax</p>	<p>1. E-mail</p> <p>2. E-mail</p> <p>3. E-mail</p> <p>4. E-mail</p>	<p>1. Comments</p> <p>2. Comments</p> <p>3. Comments</p> <p>4. Comments</p>
<p>1. Name of the organization</p> <p>2. Full name of the organization</p> <p>3. Full name of the individual</p> <p>4. Full name of the individual</p>	<p>1. Street address</p> <p>2. Street address</p> <p>3. Street address</p> <p>4. Street address</p>	<p>1. City</p> <p>2. City</p> <p>3. City</p> <p>4. City</p>	<p>1. State</p> <p>2. State</p> <p>3. State</p> <p>4. State</p>	<p>1. Zip</p> <p>2. Zip</p> <p>3. Zip</p> <p>4. Zip</p>	<p>1. Phone</p> <p>2. Phone</p> <p>3. Phone</p> <p>4. Phone</p>	<p>1. Fax</p> <p>2. Fax</p> <p>3. Fax</p> <p>4. Fax</p>	<p>1. E-mail</p> <p>2. E-mail</p> <p>3. E-mail</p> <p>4. E-mail</p>	<p>1. Comments</p> <p>2. Comments</p> <p>3. Comments</p> <p>4. Comments</p>

APPENDIX D

ACTIVE CONTRACTS

The following summary covers contracts that were approved prior to fiscal year 1992-93 and were still active as of July 1, 1993.

ACTIVE CONTRACT SUMMARY

124 contracts
\$61 million approved
34,564 trainees planned to train and employ
74 of contracts target training primarily small businesses

25 VESL Contracts
12 Basic Math Contracts

TYPES OF TRAINING

The following are the types of training most frequently represented in these contracts:

1. Statistical Process Control (SPC)
2. Total Quality Management (TQM)
3. Management Skills (MS)
4. Office Automation (OA)

Job-linked literacy training is included in 28 of the active projects. Training represented is reading, math, business english, and Vocational English as a Second Language (VESL).

MEMORANDUM

TO : [Illegible]

FROM : [Illegible]

SUBJECT: [Illegible]

**APPENDIX E
TERMINATED CONTRACTS
FISCAL YEAR 1992-93**

The following contracts were approved by the Employment Training Panel, but were terminated by the contractor during 1992-93, prior to completion of the term of the contract. The list includes a brief description of each contract and the reason for termination. In some cases, some training occurred, and in other cases training never began. Generally, most of the 28 following contracts were terminated for economic reasons or due to company reorganizations.

Alcoa. This manufacturing firm, headquartered in Los Angeles County, specializes in the manufacture of metal and fiber composite structures and adhesively bonded assemblies. Training was planned for employees to meet stricter customer requirements for federal contracts. Terminated project due to sale of business.

Amber Engineering. Located in Santa Barbara County, develops and manufactures infrared focal planes, test systems, and integrated infrared camera systems for the Department of Defense. To remain competitive, Amber planned to retrain current employees in Statistical Process Control (SPC), Team Building, Leadership, and Communication. The company terminated the contract when activities surrounding its merger with Raytheon Co. led Amber to conclude that it could not dedicate the time and resources necessary to implement the training program.

Arlin Personnel Services. Provides temporary and permanent workers to companies in Los Angeles, Orange, and San Bernardino counties. Planned to train several employees in Office Automation in order to remain competitive with others in the industry. Terminated project due to financial difficulties.

Automotive Services Councils of California (ASC). Industry association which represents the interests of approximately 2,000 automotive repair shops and more than 5,100 technicians throughout the State. Planned to retrain employees in Automotive Repair. ASC terminated the project due to the company's perceived difficulties in negotiating terms of the contract.

Barry Controls. Located in Los Angeles County, this contractor manufactures vibration shock isolation and noise reduction systems for the commercial and defense industries. Planned to retrain some employees in Total Quality Management (TQM), Office Automation, Vocational English as a Second Language (VESL), and Basic Math Skills in order to meet increased customer demands. Terminated contract when the company reorganized and closed the California facilities.

Bowling Management Group. Four Bowling centers located throughout San Mateo and Santa Clara Counties planned to participate under this agreement. In order to remain competitive, current employees of these four small businesses were going to receive training in TQM and Office Automation. Discontinued training due to unexpected increase in business and could not resume training during the agreement term.

Cal-Air. Full-service mechanical contractor, located in Los Angeles County, provides engineering, design and installation of heating, ventilating and air conditioning systems to commercial, industrial and government markets. Planned to retrain current employees in Management Skills, Office Automation, and SPC. Terminated project due to company reorganization.

CalSIP/Capo Industries. Small privately-held corporation located in San Bernardino County, manufactures turbine engine components of auxiliary power units for the federal government and prime contractors. Training was intended to meet stricter customer standards and federal requirements. Terminated project due to cost constraints (employee time off from production) and downsizing of staff.

CalSIP/Santa Fe Rubber. Small, privately-held corporation located in Los Angeles County, manufactures high precision rubber and rubber-to-metal bonded components for prime aerospace contractors. With current vendor status in jeopardy, planned to provide several employees with training that included SPC, Just-in-Time, and Team Building. Terminated project due to poor economic conditions.

Coast Metal Craft. Located in Los Angeles County, this company researches and develops flex hoses, bellows and sheet metal ducting for application in aerospace and the military defense industry. Planned to retrain several employees in SPC, Production Techniques, Management Skills, and VESL. Terminated project due to poor economy.

College of the Siskiyous. This college, located in Siskiyou County, planned to provide TQM and SPC training for current employees of P & M Cedar, a wood-products company producing pencil stock, siding, decking and plank paneling in order to increase the company's productivity and efficiency. Terminated project due to the poor economy.

Continental Volvo. Alameda County firm which sells new and used vehicles, vehicle repairs and car parts. Planned to retrain employees in Computer Skills, Management Skills, and Customer Service to remain competitive. Terminated contract due to the contractor's perception that ETP Program is unresponsive to small business.

Del Amo Diagnostic Center. Located in Los Angeles County, this is a fully equipped radiation therapy and diagnostic imaging facility providing physicians with state-of-the-art diagnostic and therapeutic radiological services. In order to remain competitive, Del Amo Diagnostic Center planned to retrain several employees in Customer Service, Management Skills, and Office Automation. Terminated project when the company was transitioning to new ownership.

Dillingham Construction Corp. San Mateo County general contractor which designs, builds and provides construction management for a wide variety of projects, including commercial structures, industrial process plants, and heavy construction projects. Planned to provide employees with TQM and Computer Skills training, in order to remain competitive. Terminated project due to poor economy.

Endevco Corp. Headquartered in Orange County, firm manufactures vibration monitors for the aerospace industry. Due to stricter customer requirements, Endevco planned to retrain several employees in TQM, VESL, and Math Skills. Terminated project due to poor economic conditions and perceived difficulties with ETP contracting process.

Eurekabank. Located in San Mateo County, this federal savings bank provides personalized financial services to Northern California customers. Planned to retrain several employees in Management Skills, Customer Service and Office Automation, due to increased competition. Terminated project due to poor economy.

GEC. Located in San Diego County, this company develops electronic systems for the avionic industry. Company planned to retrain workforce to remain competitive. Terminated contract due to company reorganization and closure of California plant.

LA County PIC/Rio Hondo. The Los Angeles County Private Industry Council (PIC) and Rio Hondo College planned to train several new hires and retrain currently employed machinists in Computer Numerical Control for the FADAL Vertical Machining Center. Terminated contract due to withdrawal of training agency.

Libby-Owens Ford. Located in San Joaquin County, this company manufactures optics for high-powered lasers for the Department of Defense, the medical, industrial, and various commercial industries. Planned to retrain current employees in TQM, SPC, Computer-Aided Design/Computer-Aided Mechanical Design and Production Techniques, in order to avoid plant closure. Terminated project due to poor economy.

McCurdy Circuits. This Orange County company produces multi-layer printed circuit boards for high technology, computer and medical electronics markets. Planned to retrain several employees in TQM and SPC. Terminated project due to poor economy and perceived difficulties with the contracting process.

Menasco Aerospace. Los Angeles County firm which designs and manufactures airplane landing gear for both commercial and military use. Planned to retrain current employees in TQM, SPC, Management Skills, and Computer Aided Design in order to remain competitive. Terminated project due to company reorganization.

Oakland Tribune. Minority-owned daily newspaper company located in Alameda County. In order to remain a viable company, the Tribune planned to retrain existing employees in TQM, Desktop Publishing and Computer Graphics. Terminated project due to sale of business.

Pneucon. Located in Contra Costa County, this manufacturer of pneumatic control components and systems planned to train employees to compete with out-of-state and foreign companies and changing market demands. Terminated project. Not able to devote time to implement training.

Spectrum Technology. Located in Santa Barbara County, firm manufactures hybrid crystal oscillators. In order to meet increased government and customer requirements, Spectrum planned to retrain several current employees in TQM, SPC, and Manufacturing Skills. Some

employees were also going to receive VESL and Basic Math Skills training. Terminated project due to company relocation out-of-state.

Smith Engineering. Located in San Bernardino County, firm designs, manufactures, installs and services regenerative and recuperative thermal oxidizers and heat-recovery systems for air pollution control. In response to new rulings by the U.S. Environmental Protection Agency, Company planned to retrain current employees in SPC, Office Automation and Management Skills. Terminated project due to downsizing of staff.

Trimble Navigation. Headquartered in Santa Clara County, firm designs, manufactures and markets electronic instruments for determining geographical location. In order to meet increased customer quality requirements, planned to retrain employees in SPC, Office Automation, Computer-Aided Design/Computer-Aided Mechanical Design, Management Resources Planning (MRP), Production Techniques and Management Skills. Terminated project due to reorganization of company.

United Parcel Service (UPS). Private, employee-owned consolidated package delivery company which transports and delivers packages throughout the U.S. and 180 countries and territories. In order to diversify its workforce to reflect changing demographics, UPS planned to train unemployed workers as package delivery drivers at 85 distribution centers throughout California. Terminated contract due to poor economy and collective bargaining issues.

Versatron. Located in Sonoma County, this small privately owned manufacturer produces state-of-the-art motors and does a great deal of research and development. Terminated contract due to contractor's perception that the process required too much paperwork.

The Employment Training Panel
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