



Employment

Training

Panel

Annual Report 2004-05



Vision Statement

ETP will maximize leveraging of ETP funding by partnering with other workforce development programs to strengthen the skills of California workers and maintain a healthy state economy.

Mission Statement

The mission of ETP is to provide financial assistance to California businesses to promote customized worker training through partnerships with government, business, and labor for the purpose of:

- ◆ *Attracting and retaining businesses that promote a healthy California economy;*
- ◆ *Providing workers with good jobs that pay good wages;*
- ◆ *Successfully competing in the global economy; and*
- ◆ *Promoting the value of employee training.*

ETP is governed by a seven-member Panel that sets policy for the operation of the Program, and meets each month to consider and act on policy issues and training proposals. The Panel members have backgrounds in business, labor and job training. The current Panel members include:

David Filomeo, Chairperson, was appointed to the Panel in April, 2005. He is the Vice President and Deputy of Human Resources for Lockheed Martin Space Systems Company, where he previously also served as Director of Compensation, Benefits, & Staffing and Director of HR Services.

Barry Broad, Vice-Chairperson, was appointed to the Panel in January, 2002, and reappointed in December, 2003. Mr. Broad is the principal in the Law Offices of Barry Broad. He was legislative counsel for the California Teamsters Public Affairs Council for nearly a decade, as well as Staff Counsel to the Public Employment Relations Board.

Tyrone R. Freeman was appointed to the Panel in June, 2002. He is the General President of the SEIU Local 434B, Long Term Care Union in Los Angeles and is also the International Vice President of SEIU, in Washington DC; Chair of California Homecare Council; and Chair of the Southern California SEIU State Council.

Bob Giroux was appointed to the Panel in May, 2005. He is a Senior Consultant to the Speaker of the Assembly, Fabian Nunez and a Board Member of the California High-Speed Rail Authority. He has spent his entire career in various public affairs positions in both the public and private sectors. Among his positions, he has served in an advisory capacity to the Senate and Assembly Labor and Workforce Development Committees.

Scott Gordon was appointed to the Panel in July, 2005. He is the Executive Director of the Laborers Training, Retraining and Apprenticeship Trust of Southern California. He has nearly 20 years of labor relations experience.

Robert M. Lennox was originally appointed to the Panel in March, 2001 and has since been reappointed twice. He serves as the Secretary-Treasurer of Joint Council 42 in El Monte.

Janice Roberts was appointed to the Panel in April, 2005. She is the Region Training and Development Manager for Frito-Lay, Inc, and has been with the company since 1996. Prior to that, Ms. Roberts served in various management positions with companies such as Anheuser-Busch, and Sequoia Forest Industries.

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Introduction

A Brief History Of The Panel

The Employment Training Panel (ETP) is a statewide economic development program that supports the California economy by funding training, to ensure that employers have the skilled workers they need to compete globally. ETP is the only state-funded program that supports training incumbent workers, and California's only discretionary economic incentive for business attraction, expansion and retention. The Panel¹ fulfills this role by collaborating with business, labor, and other public entities.

ETP was created in 1982 with the initial mandate of addressing the large displacement of workers resulting from plant closures, by moving the unemployed quickly into jobs, or by saving jobs of workers threatened with displacement. Since then, the program has significantly expanded to benefit the overall California economy, primarily focusing its funds on the retraining of incumbent workers of businesses challenged by out-of-state competition. Since it began, ETP has funded training for approximately 650,000 workers for more than 60,000 businesses, most of which are small firms.

The program is funded through the Employment Training Tax (ETT), which is levied on the California employers who participate in the Unemployment Insurance (UI) system. This tax provides revenues for the Employment Training Fund (ETF), which was established solely to fund ETP. ETP has typically averaged \$70 to \$100 million in training funds annually. Although ETF shortfalls and fund diversions to other programs have reduced the Panel's appropriation in recent years, it is anticipated that an improving economy will result in the restoration of the full appropriation in future years.

Why the Program Works

ETP is recognized nationally as a model training program. ETP's success is the result of several unique features:

- Businesses Pay the Tax that Funds the Program – This, in turn, serves the workforce needs of those California employers. No General Fund monies support the program.
- Joint Labor/Management Collaboration – Training benefits labor by providing increased wages and job security, and business by increased production and profits.
- Training is Customized to Business Needs – Employers identify training needs to increase competitiveness and decide which workers need training, and select their own trainers.
- Businesses Match State Investment – Employers match at least one dollar of private money for every dollar spent by the State for training.

¹ Throughout this report, the terms ETP and Panel will be used interchangeably.

- A Catalyst for Employer Provided Training – Recognizing the benefits of worker training, employers who participate in training projects increase their own investment in training their workers.
- Pay-for-Performance Ensures Training for Real Jobs – A key feature is the 100 percent performance-based contracting requirement, which ensures that training is tied to a real job. Contractors are paid only if training results in a trainee working at least 90 days after training in a training related job, at a required wage.

THE ANNUAL REPORT

The Panel's Annual Report describes the actions and accomplishments for the 2004-05 fiscal year. Because contracts cover a span of 24 months, the Report covers the following:

- 1) Last fiscal year's activities and funding approvals, including a description of new policies and training initiatives, and funding targets for next year;
- 2) Contracts approved in prior years that were completed during the fiscal year, providing data on the results of those contracts with respect to businesses and trainees served; and
- 3) Contracts approved prior to the report year, which were still ongoing at the end of the fiscal year.

Appendices are included that provide detail on FY 2004-05 appropriations and expenditures, a list of contracts approved in areas of high unemployment in the report year, completed contract data, and demographic data on program participants.

FISCAL YEAR HIGHLIGHTS

PANEL ACTIONS

- *Approved 208 new training projects for \$69.3 million (actual encumbrances amounted to \$34.2 million. These contracts approved training and employment retention of 66,614 workers (including both incumbent and unemployed workers), at an average cost of \$1,043 per trainee.*
- *Targeted businesses and industries with the highest return on investment of training dollars to the California economy, i.e., traditional and high-tech manufacturing, telecommunications, computer programming and systems design, software production, multimedia/entertainment, and biotechnology. 66 percent of all newly approved training funds went to manufacturing and high-technology companies.*
- *Committed \$13 million for 26 economic development projects, supporting new and expanding businesses in the State, creating over 5,000 new jobs.*
- *Permanently established the Small Business Program to facilitate direct contracts with businesses having 100 or fewer employees, which resulted in a 25 percent increase in such contracts.*

COMPLETED CONTRACTS

- *212 previously approved and implemented contracts were completed. (Actual performance achieved in completed contracts results more than two years after initial project approval.)*
- *Performance data for these completed contracts is important in measuring impacts, such as cost benefits, trainee wages, and workers, businesses and industries served. Last year's data showed:*
 - *Contractors earned \$57.3 million for the successful training and retention in employment of 55,163 workers; the average training cost per trainee was \$1,038 (including \$4,740 per previously unemployed workers (new hires), and \$946 per retrainee).*
 - *The average hourly wage earned after training and employment retention was \$12.72 for previously unemployed workers (new hires), and \$27.11 for retrainees.*
 - *65 percent of all funds earned went to businesses in manufacturing and high technology sectors.*
 - *74 percent of all businesses served were small firms; 61 percent had 100 or fewer workers.*

The Year In Review

CHALLENGES AND OPPORTUNITIES

Fiscal Year (FY) 2004-05 presented new challenges and opportunities for the Employment Training Panel (ETP) in its 23rd year as a key statewide economic development program. Reduced Employment Training Fund (ETF) revenues and ETF diversions to other programs resulted in a decrease in the Panel's annual budget appropriation. Historically, ETP has received an annual appropriation of close to \$76 million. However, in the report year, the Panel's decreased appropriation resulted in the lowest ETP annual funding level in its history. Nonetheless, the Panel took key steps to maximize its limited resources in order to fund as many new training projects as possible, while ensuring its fiduciary responsibility for the program.

Funds were maximized through minimal incremental funding of new training contracts, reducing contract amounts, and by implementing a number of funding limitations. The Panel also continued implementing goals and objectives of its Strategic Plan, aimed at targeting key industries, undertaking new economic development initiatives, refining processes and procedures for enhanced customer service, and further automating its contracting processes. The Panel also collaborated closely with its marketing partners in business and labor, and other workforce development entities.

High unemployment areas in the State were targeted to assist firms and employees in those lagging economies. On a more limited scale, the Panel funded training of unemployed workers, in order to help create jobs and promote workers' employment security.

CONTRACT ACTIVITY

During the report year, staff administered close to 550 training contracts. These included: a) 208 new agreements approved in the report year; b) 212 contracts approved in prior years which were completed in the report year; and c) 128 contracts approved prior to FY 2004-05, which were still active at the end of the fiscal year. The table below illustrates this activity.

	<i>NEW APPROVED CONTRACTS IN REPORT YEAR</i>	<i>CONTRACTS COMPLETED DURING REPORT YEAR</i>	<i>ONGOING CONTRACTS IN REPORT YEAR</i>	<i>TOTAL</i>
<i>CONTRACTS</i>	208	212	128	548
<i>TRAINEES</i>	66,614	55,163	50,679	172,456

a) New Approved Contracts

The Panel approved \$69.3 million for 208 new training contracts, for the training and employment retention of 66,614 workers. (Using its incremental funding approach to maximize its limited funding, the Panel encumbered all \$35 million of the year's available funds, including \$24.7 million for new training contracts and \$10.3 million to cover prior year liabilities. See Appendix A-1, "FY 2004-05 Appropriations and Expenditures".)

A majority of funds was targeted to basic industries, such as manufacturing and high technology. These key industries have a multiplier effect in the State's economy, increasing the return on the investment in training, as they affect other industries that rely on them, such as services, trade and transportation.

An important priority for the Panel is supporting economic development initiatives that create new jobs for California workers. Approximately \$13 million was approved for 26 new economic development projects that will create more than 5,000 new jobs.

b) Completed Contracts

A total of 212 contracts, approved in prior years, were completed during the report year, providing assistance to approximately 3,300 employers for the training and employment retention of 55,163 workers, at an average cost of \$1,038 per trainee. Data from these completed contracts reflected the Panel's continuing emphasis on funding training for high-wage, high-skilled workers in industries that positively impact California's economy:

- Businesses in all major industries in California received assistance, with 57 percent of funds going to manufacturing and 8 percent to high technology sectors.
- Of all businesses served, 74 percent were small (i.e., employed 250 or fewer workers); 61 percent had 100 or fewer workers; and 30 percent had 20 or fewer workers.
- The average post-training and employment retention wage for workers who were unemployed at the beginning of training was \$12.72 an hour; retrainees averaged \$27.11 an hour.
- Occupations trained were primarily frontline workers (such as designers, production workers, delivery and warehousing workers, clerical and office support, technical support, salespersons, machinists and machine operators, nurse assistants, construction workers, and hospitality workers).

(See Appendix B-1 "Completed Contract Data" and Appendix B-3, "Completed Contracts in FY 2004-05.

c) Ongoing Contracts

A total of 128 contracts approved prior to FY 2004-05 were still active at the end of the fiscal year. This represents a significant additional workload for monitoring and fiscal staff, including project monitoring visits, the provision of technical assistance to contractors, and the processing of invoices.

Key Actions and Accomplishments

During the report year, the Panel's key actions and accomplishments included:

- **ECONOMIC DEVELOPMENT**

Last year, the Panel revised its "critical proposal" regulation to increase its ability to fund training on an expedited basis as part of economic development initiatives, often as part of a Red Team -- which is a locally generated team of government and economic development entities that come together to attract a company to, or retain a company in California. ETP funds are used as part of the overall incentive package.

Working with the Administration, the Labor and Workforce Development Agency (LWDA), the California Business Investment Services (CalBIS) Unit within the LWDA, and numerous statewide and local economic partners, the Panel streamlined program requirements to increase its ability to provide training incentives as part of larger efforts to help businesses meeting specific criteria grow, and create jobs in the State. For economic initiatives critical to the State's economy, the Panel provided added incentives, such as higher training reimbursement rates and waivers to some program requirements.

The Panel approved 6 such "Critical Proposal" economic development projects aimed at business expansion and the creation of new jobs. These projects total over \$5 million dollars and will provide training for nearly 3,000 new jobs with Genentech, Inc., Abbott Diabetes Care, Dreyers Ice Cream, Pepsico/Gatorade, Fisher Investments, and Edwards Life Sciences. Another 20 economic development projects were also approved for \$7 million to expand businesses operating in California, creating an estimated 2,500 new jobs. (Some of these contracts were with Avail Medical Products, BioGenex Lab, Marquez Brothers International, Pacific Lumber, Pacific Wine Partners, Photon Dynamics, Stryker Endoscopy, Wachovia Corp, WMC Mortgage, and Wolfe Engineering.)

- **SERVING SMALL BUSINESS**

ETP serves small employers through both direct contracts with single employers, and multiple-employer contracts (i.e., contracts with employer consortia or training agencies that train workers of multiple employers). Historically, most small businesses participating in ETP-funded training have done so through multiple-employer contracts, since they often lacked the resources to enter into direct contracts for the training.

The new Small Business Program (SBP) continued to make it easier for small businesses to contract directly for training, through streamlined and expedited contracting processes. The SBP resulted in an increase in newly approved direct small business contracts from 52 to 65 (25 percent) over the previous fiscal year, a sign of the continuing success of this new model.

- ***Targeting High Unemployment Areas***

The Panel again targeted high unemployment areas (HUA) of the State, to ensure training support for workers in regions with lagging economies, focusing on the “working poor”. HUAs are defined as counties or sub-county areas with unemployment rates at least 25 percent higher than the State average, based on data from the Employment Development Department’s (EDD) Labor Market Information Division. During the report year, \$11.3 million in training funds were approved for 64 contracts in HUAs, for the training of nearly 10,000 workers in 32 counties. Industries served were manufacturing, services, high tech, construction, communications, finance, aerospace, healthcare, agriculture, transportation and trade. A portion of the \$11.3 million (13 percent) went to working poor trainees, who qualified for wage waivers. (See Appendix A-2 for a listing of approved HUA contracts.)

- ***Enhancing Customer Service***

The Panel improved its processes and procedures to make the agency more proficient, and to better meet customer and stakeholder needs.

- Online orientation was improved, incorporating an online application for funding. These automated processes were streamlined and made highly interactive, significantly reducing the time required to complete the determination of contracting eligibility for ETP customers.
- Information technology (IT) capabilities were improved. Online enrollments, invoicing, and class/lab tracking and trainee eligibility documents were automated to simplify the contracting process. Use of electronic authorizations and digital signatures were implemented.
- Staff began testing electronic record keeping for more efficient management of the program.
- Requirements were clarified for subcontracts within ETP agreements.

APPENDICES

A) NEW FUNDING APPROVAL DATA

- A-1) APPROPRIATIONS AND EXPENDITURES**
- A-2) CONTRACTS APPROVED IN HIGH
UNEMPLOYMENT AREAS IN FY 2004-05**

B) COMPLETED CONTRACT DATA

- B-1) COMPLETED CONTRACT DATA**
- B-2) TRAINEE CHARACTERISTICS**
- B-3) LIST OF COMPLETED CONTRACTS**

APPROPRIATIONS AND EXPENDITURES

ETP’s initial Employment Training Fund (ETF) appropriation was \$13.6 million. An augmentation of \$16.3 million was later authorized by the Department of Finance in January 2005, as a result of Workers’ Compensation reform. Also, \$13.7 million in funds that were not earned by contractors in past year contracts supplemented the budget appropriation for reinvestment in new training projects, bringing ETP’s total appropriation for the year to \$43.6 million.

As shown on the “Appropriation and Expenditure Report” below, the Employment Development Department (EDD), the Department of Social Services (DSS), and the Department of Industrial Relations (DIR) also receive appropriation authority from the ETF through Budget Act transfers. Those ETF transfers included: \$40.4 million to DSS for CAL-Works; \$3 million to DIR in support of the Division of Apprenticeship Standards, and \$4.9 million to EDD for the collection of the Employment Training Tax.

A. Appropriation and Expenditure Report	FY 2004-05
<u>Appropriations from the Employment Training Fund (ETF)</u>	\$ 92,099,000
<u>Other Programs:</u>	
Department of Social Services/CalWorks	(40,430,000)
Dept of Industrial Relations/Div Apprenticeship Stds	(3,007,000)
Statewide General Administration (Pro Rata)	(45,000)
EDD Tax Branch (ETT Collection)	(4,934,000)
State Controller’s Office	(33,000)
Total	<u>(\$ 48,449,000)</u>
<u>ETP:</u>	
Appropriation to ETP	<u>43,650,000*</u>
Total	<u>\$ 43,650,000</u>
<u>ETP Expenditures:</u>	
Program Administration	(7,472,000)
ProRata	(430,000)
Marketing and Research	(296,000)
EDD Support	(491,000)
Program Funds	<u>(34,961,000)</u>
Total	<u>(\$ 43,650,000)</u>

* Includes: \$13.7 in funds reinvested.

As indicated on the “Appropriation and Expenditure Report”, \$43.6 million was available to the Panel for program administration, marketing and research, and training:

- **Program Administration:** \$7.8 million was spent for program operational costs, including EDD support.
- **Marketing and Research:** \$296,000 was spent on strategic marketing conducted by outside consultants under contract to the Panel. Expenditure of marketing funds included marketing agreements with the California Manufacturers and Technology Association, and the California Labor Federation, which were awarded through a Request for Proposal process.
- **Training:** The Panel encumbered all \$35 million of its available training funds.

B. CHARACTERISTICS OF NEW APPROVED PROJECTS

Training funds were approved under: a) the regular Economic Development category, primarily for the retraining of incumbent workers in businesses threatened by out-of-state competition, as well as training for unemployed workers; and b) the Special Employment Training (SET) category for businesses and workers not eligible under regular program criteria. (Within the Economic Development and SET categories, the Panel approved \$11.3 million for training in high unemployment areas in the State.)

FY 2004-05 FUNDING COMMITMENTS*

	Total	Economic Development	SET
Approved Training Projects**	208	190	31
Total Approved Funding (in millions)	\$69.3	\$61.5	\$7.8
Workers Targeted for Training	66,614	59,167	7,447
Average Cost per Trainee***	\$1,043	\$1,039	\$1,047

* \$23.9 million of these approved funds was encumbered in 2004-05, with the liability to be covered in future years' funds, based on project performance.

**Includes several projects with both Economic Development and SET funding categories.

***Overall average cost per trainee for new hires was \$4,807; for retrainees it was \$1,012.

Training was targeted to the State's basic industries, primarily manufacturing and high-technology sectors. Of approved funds, 53 percent went to businesses in manufacturing; another 13 percent was approved for businesses in non-manufacturing high technology sectors, such as software development, computer programming, and multimedia/entertainment. This was a decrease in funding for manufacturing from last fiscal year, when 61 percent of total training funds went to manufacturing businesses; however it is an increase in funding in the high tech sectors over last year, when 8 percent went to other high technology firms. The decrease in funding for manufacturing was accompanied by increased funding in services, finance, and construction.

APPENDIX A-2

**CONTRACTS APPROVED IN HIGH UNEMPLOYMENT AREAS (HUA)
FY 2004-05**

Contractor	County	Industry	Portion of Contract Approved in HUAs	# of Trainees in HUAs
Pacific Wine Partners LLC	Monterey	Winery	\$221,000	100
Hitchcock & Holcombe, Inc	Shasta, Yuba	Various	\$27,324	36
Computer Tutor Business & Tech Institute*	Stanislaus	Finance/Insurance	\$229,800	40
Evolution Manufacturing Trade Assoc	San Joaquin, Stanislaus	Manufacturing	\$169,682	181
Glendale Community College Prof Dev	Los Angeles	Various	\$23,479	20
A.P.C. -2000, Inc	Fresno	Manufacturing	\$8,000	5
Sysco Food Services of Ventura, Inc	Ventura	Food Services/Distrib	\$373,100	350
Alameda Co Electrical Joint Apprentice	Alameda, Calaveras, San Joaquin	Construction	\$114,376	161
Northrop Grumman Mission Systems	Alameda, Los Angeles, Sacramento, San Bernardino, Santa Barbara, Santa Clara, Trinity etc.	Manufacturing	\$35,353	55
Travidia, Inc	Butte	Services	\$80,080	52
Sysco Food Services of Central CA, Inc	Stanislaus	Food Services/Distrib	\$388,960	440
Wachovia Corporation	Sacramento	Banking	\$50,700	75
NTMA Training Centers of Southern CA	Los Angeles, San Bernardino	Machining	\$56,536	22
South East LA County WIB	Los Angeles	Various	\$375,349	313
Nestle Brands Co. Confection & Snacks	Stanislaus	Food Processing	\$120,796	101
Redwood Regional Medical Group	Lake	Services	\$16,192	27
Clorox Company*	Alameda	Manufacturing	\$506,349	683
Trinet Networking & Training	Los Angeles, Riverside, San Bernardino	Various	\$49,859	22
California Manufacturing Technology Consulting	Imperial, Los Angeles, Riverside, San Joaquin	Manufacturing	\$638,225	614
Riverside Co Economic Develop Agency*	Riverside	Various	\$76,921	129
Worldwide Educational Services*	Alameda, Contra Costa, San Joaquin, Santa Cruz, Solano, Stanislaus	Finance, Telecom, Healthcare, Other Services	\$81,730	18
Specialized Printing and Promotions, Inc.	Fresno	Printing	\$3,900	5
RWM Fiber Optics, Inc.*	Los Angeles	Telecommunications	\$15,622	3
Swinerton Builders	Alameda, Contra Costa, Los Angeles, Sacramento, S Clara	Construction	\$24,991	18
Monterey Mushrooms*	Monterey	Agriculture	\$242,424	259
Corporate Express Office Products	Alameda, Monterey	Office Product Dist	\$132,600	102
Bowsmith, Inc	Fresno, Kern, Tulare	Manufacturing	\$24,420	33
Decade Software Company, LLC	Fresno	High Tech Manufacturing	\$8,580	11
Crystal Cream and Butter Company	Shasta, Stanislaus	Food Processing	\$118,300	175
West San Gabriel Valley Consortium*	Los Angeles	Manufacturing	\$76,061	137
Marquez Brothers International*	Fresno, Kings	Food Processing	\$260,000	200
Dreyer's Grand Ice Cream Holdings, Inc	Kern	Food Processing	\$1,872,090	671
JDS Uniphase*	Los Angeles	High Tech Mfg	\$264,745	568
EcoTerra Global California, LLC	Monterey	Manufacturing	\$242,000	31
UAW - Labor Employment & Training*	Tulare	Aerospace	\$107,030	77
Sacramento Employment & Training Agency	Calaveras, S Joaquin, Sutter	Various	\$148,258	81
Alameda Computer Center, Inc.	Sacramento, San Joaquin	Various	\$15,321	3
Agilent Technologies, Inc.	Santa Clara	Mfg/High Tech	\$253,500	260
Sonoma County Junior College District	Lake	Manufacturing	\$19,045	33
Leadership, Training and Education Fund*	Alameda, Contra Costa, Santa Clara	Janitorial Services	\$29,955	43
El Camino Comm College District/CACT	Los Angeles	Aerospace	\$108,446	148

APPENDIX A-2

**CONTRACTS APPROVED IN HIGH UNEMPLOYMENT AREAS (HUA)
FY 2004-05**

Pacific Coast Maritime Consortium	Alameda, Contra Costa	Transportation	\$105,534	66
MedicAlert Foundation*	Stanislaus	Services	\$94,874	82
California Community Colleges Chancellor	Alameda, Butte, Contra Costa, Fresno, Humboldt, Imperial, Kern, Los Angeles, Riverside, Sacramento, San Joaquin, Santa Clara, Shasta, Stanislaus, Solano, Ventura, Yuba	Various	\$120,680	140
Sysco Food Services of Los Angeles, Inc	San Joaquin	Food Distribution	\$72,800	70
PacificCare Health Systems, Inc	Fresno only	Health Services	\$41,619	119
Pac-West Telecomm, Inc	Alameda, Fresno, San Joaquin	Telecommunications	\$163,618	290
Paul Evert's RV Country, Inc*	Fresno	Transportation Sales	\$280,098	126
AAA Plating & Inspection, Inc	Los Angeles	Aerospace Mfg	\$33,000	55
Bay Area Video Coalition	Alameda	Telecommunications	\$42,688	58
Community Business College, Inc*	Calaveras, Merced, S Joaquin, Stanislaus, Tuolumne	Various	\$631,950	110
Safeway Merced Grocery Plant	Merced	Food Processing	\$63,440	80
Keiser Corporation	Fresno	Mfg Exercise Equipment	\$6,460	19
MedLine Industries*	San Joaquin	Mfg/Distrib Medical	\$49,608	72
Pactiv Corporation	Kern	Mfg Food Pkg Prod	\$237,029	258
United States Can Company Inc	Los Angeles	Container Manufacturer	\$226,499	131
United Parcel Service, Inc	Tulare	Delivery Services	\$337,350	519
Raytheon Company	Kern	Aerospace	\$19,240	38
Frito-Lay, Inc	Kern, San Joaquin, Stanislaus	Food Processing	\$358,436	628
Quebecor World (USA), Inc*	Merced	Printing	\$45,648	52
Unilever	San Joaquin	Food Processing	\$26,520	51
Northern California Construction & Training	San Joaquin	Construction	\$26,808	6
HCM HealthCare Inc*	Lassen, Madera, Merced, Plumas, Stanislaus, S Cruz	Health Services	\$483,720	510
Sterling Alliance, Inc.	Shasta, Trinity	Various	\$181,252	113
TOTAL - 64 contracts			\$11,259,970	9,894

* Fully or Partially Working Poor Trainees - Provided a waiver from ETP wage requirements.

Working Poor (16 contracts)

\$1,447,820

1,096

13%

11%

COMPLETED CONTRACT DATA

Of contracts approved in prior years, 212 were completed during the report year. Training in these contracts focused on skills to assist employers in implementing technological innovations, diversifying goods and services, and transitioning to high-performance workplaces. The training provided workers with the skills required for long-term employment at good wages, and helped California employers remain competitive in the international economy.

A. SUMMARY OF COMPLETED CONTRACTS*

The following table illustrates last year's completed contracts by funding category. The Panel funded training in high-wage, high-skill jobs for a total of 55,163 trainees at an average cost of \$1,038 per trainee.

	Total	Economic Development	SET
Number of Contracts	212	191	38
Amount Earned (in millions)	\$57.3	\$52.7	\$4.6
Retained in Employment	55,163	50,444	4,719
Cost per Trainee	\$1,038	\$1,049	\$970

* See Appendix B-3, "Completed Contracts" for a listing of the year's completed contracts.

In last year's completed contracts, the percentage of actual to planned placements was 68 percent (63 percent for new hires, and 68 percent for retrainees). The 68 percent rate for retrainees was an improvement over the previous year's 57 percent. At 63 percent, the new hire completion rate was down somewhat from the FY 2003-04 rate of 69 percent (the latter being largely the result of several large projects with high placement rates serving demand industries, including machining, and health care.)

The average cost per trainee decreased last year, both overall and for the Economic Development category. (The average cost per trainee was \$4,740 for new hires, and \$946 for retrainees.)

B. TRAINEES SERVED BY SIZE OF BUSINESS

The following table provides numbers of trainees by size of business served. Nineteen percent of all retrainees were employed by small businesses (i.e., 250 or fewer employees), while 72 percent of all new hires were employed by small firms. This is a significant increase in percentage of service to small business over last year, when 15 percent of retrainees and 67 percent of new hires were employed by small firms.

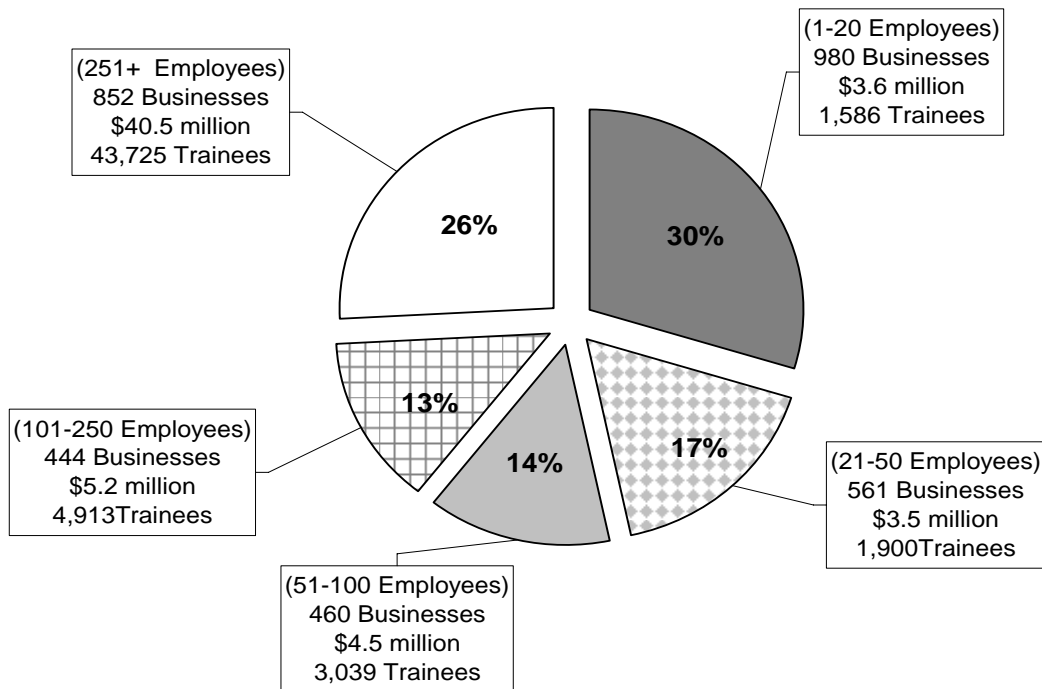
Business Size	Retrainees	New Hires	\$ Earned Amount
1-20	1,257	329	\$3,602,892
21-50	1,679	221	\$3,541,731
51-100	2,869	170	\$4,491,558
101-250	4,661	252	\$5,188,807
251+	43,350	375	\$40,454,029
Totals	53,816	1,347	\$57,279,017

C. BUSINESSES SERVED BY SIZE

About 3,300 businesses were served in last year's completed contracts. Of those, 74 percent were small (i.e., 250 or fewer workers). Of all businesses served, 61 percent had 100 or fewer workers; 47 percent had 50 or fewer workers; and those with 20 or fewer employees represented 30 percent of all businesses served. Overall, small businesses earned 29 percent of all training dollars expended last year (5 percent higher than in FY 03-04).

The Panel serves small employers through both direct contracts with single employers, and multiple-employer contractors (MEC) such as employer consortia, or training agencies that train workers of multiple employers. ETP served 57 small businesses through direct contracts, that provided training for 1,597 workers which was a decrease from the prior year. (However, given the new Small Business Program, a marked increase in direct small business contracts will occur in future years.) Another 2,388 small businesses were served through 50 multiple employer contracts, which provided training for 9,841 workers in these small firms.

NUMBER & SIZE OF BUSINESSES SERVED IN 2004-05 COMPLETED CONTRACTS



D. TRAINING BY INDUSTRY

The Panel funded training in all major industries in California, with a majority of contracts and funds going to the manufacturing sector. Businesses in non-manufacturing, high technology sectors such as software development, biotechnology, telecommunications, and multi-media/entertainment also earned a significant percentage of available funds.

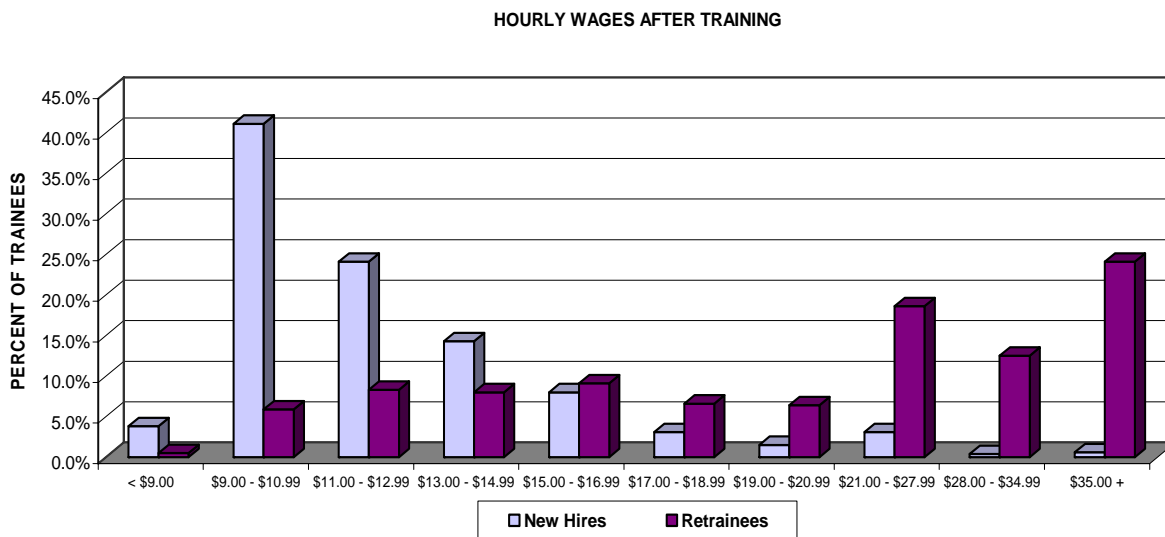
<p><u>Manufacturing</u> 33,582 trainees \$32.9 million (57% dollars earned) 37 % businesses served</p>	<p><u>Services</u> 3,631 trainees \$4.9 million (9% dollars earned) 22 % businesses served</p>
<p><u>High Technology*</u> 4,100 trainees \$4.1 million (7% dollars earned) 8 % businesses served <small>*includes software development, multimedia/entertainment, computer programming and systems design, and telecommunications.</small></p>	
<p><u>Trade</u> 3,792 trainees \$4 million (7% dollars earned) 12% businesses served</p>	<p><u>Other**</u> 10,058 trainees \$11.4 million (20 % dollars earned) 21% businesses served <small>**Includes agriculture, construction, transportation, and finance.</small></p>

These industry data show that the percentage of funds earned by manufacturing firms in completed contracts increased slightly from the previous year, from 56 percent to 57 percent. However, the percentage of businesses served in those industries was only 37 percent, compared to 45 percent in FY 03-04, reflecting larger sized manufacturing firms served in last year's completed contracts. At the same time, only 7 percent of dollars earned were by high-tech services, compared to 11 percent in FY 03-04 while businesses served in high-tech increased to 8 percent from 5 percent. This decrease in funding for high tech firms was the result of slight increases in support for the services and trade sectors.

E. TRAINEE WAGES

The average post-training and retention wages for workers who were unemployed at the start of training (new hires) was \$12.72 an hour; for retrainees, it was \$27.11 per hour. Wages were up for both new hires and retrainees, compared to last year. (The new hire average wage increased over 7 percent, while the retrainee average wage increased 3 percent) The wages earned by ETP trainees were substantially higher than standard ETP-required minimum wages in effect when these contracts were written - \$8.98 to \$9.98 for new hires and \$10.98 to \$11.98 for retrainees.

It is important to note that while ETP primarily supports training for high-wage, high-skill jobs, it also supports training for lower wage workers to assist them in advancing to better paying, more secure jobs. In the report year, 16 percent of ETP trainees earned less than \$13.00 per hour. This is consistent with prior years' data, and reflects ETP's ability to assist workers at both ends of the wage spectrum.



F. LITERACY TRAINING

The Panel supports literacy training, defined as writing, reading, language comprehension, math, and Vocational English as a Second Language (VESL), where such training has a demonstrated link to job skills training. Six of the year's completed contracts included literacy components for 756 participants, at a cost of about \$330,000 for literacy training. Literacy training provides English speaking skills to some lower wage workers to facilitate their vocational skills training and success on the job. Contract data shows that this category of training was primarily provided for production workers in the manufacturing industry.

G. TRAINEE DEMOGRAPHICS

APPENDIX B-I

Trainee demographic data indicates that 64 percent of retrainees were male, while 61 percent of new hires were male. The male representation of trainees was higher than in the California labor force. This was primarily the result of training provided in male dominated occupations such as computer numerical control operators, machinists, automobile assembly workers, and construction workers. For both new hires and retrainees, the biggest percentage of age groups served were 35-44 years old, more concentrated than in the labor force.

ETP retrainees consisted of more college graduates, but fewer post-graduates than in the California employed labor force. The ETP new hires had more high school graduates (38.5 percent) versus other levels of education than the general labor force of unemployed workers. The ETP new hires were generally more diverse than the unemployed labor force, with the largest percentage being Hispanic. Retrainees were also more ethnically diverse than the employed labor force. (See Appendix B-2 for trainee characteristics data.)

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

Characteristic	Employment Training Panel		California Labor Force	
	New Hire Percent	Retrainee Percent	Unemployed 2004	Employed 2004
SEX:				
Female	38.9%	35.8%	43.4% a/	44.9% a/
Male	61.1%	64.2%	56.6% a/	55.1% a/
AGE: a/				
<25	10.7%	7.8%	31.5% a/	14.0% a/
25-34	28.3%	28.8%	22.9% a/	23.2% a/
35-44	33.7%	33.5%	19.3% a/	25.4% a/
45-54	21.5%	22.0%	15.7% a/	22.6% a/
55-64	5.6%	7.5%	8.3% a/	11.6% a/
65+	0.2%	0.4%	2.3% a/	3.2% a/
EDUCATION:				
Less than H.S. Grad.	12.6%	6.0%	18.7% b,d/	18.7% b,d/
H.S. Graduate	38.5%	32.7%	21.9% b,d/	21.9% b,d/
Some College	33.3%	24.0%	27.7% b,d/	27.7% b,d/
College Graduate	14.3%	29.7%	21.2% b,d/	21.2% b,d/
Post Graduate	1.3%	7.6%	10.5% b,d/	10.5% b,d/
MARITAL STATUS:				
Married	48.7%	54.2%	35.9% a/	54.9% a/
Single	51.3%	45.8%	64.1% a/	45.1% a/
ETHNICITY:				
White	35.6%	42.5%	54.8% a,c/	61.5% a,c/
African-American	8.9%	5.1%	7.6% a,c/	4.6% a,c/
Hispanic	37.0%	25.1%	30.1% a,c/	24.0% a,c/
Asian	7.7%	16.2%	7.5% a,c/	9.9% a,c/
Native American	1.6%	0.9%		
Other	9.2%	10.2%		
VETERAN:				
Yes	8.6%	4.7%	2.9%	10.7%
No	91.4%	95.3%	97.1%	89.3%
a/ Based on 2004 annual averages from Employment Status Report.				
b/ Percentages are for total population 25 years and older.				
c/ Data for "other" ethnicities not available.				
d/ Data is not separated by individual category of employed or unemployed. Civilian Labor Force data are based on the March 2004 census provided by the Bureau of Labor Statistics in the <u>Current Population Survey</u> conducted by the Bureau of the Census.				

COMPLETED CONTRACTS IN FY 2004-05

APPENDIX B-3

Contractor Name	County	Business Size**	Industry	Retrainees	New Hires	Contract Earned	Percent Earned
AAA PLATING AND INSPECTION, INC.	LOS ANGELES	2	Manufacturing	13		\$2,600	76%
ABC WINDOW COMPANY, INC.	SAN BERNARDINO	3	Manufacturing	105		\$67,294	67%
ABX HEMATOLOGY, INC. DBA ABX DIAGNOSTICS	ORANGE	5	Service	22		\$19,500	50%
ADAMS RITE MANUFACTURING COMPANY	LOS ANGELES	4	Manufacturing	124		\$201,680	83%
ADCON TECHNICAL INSTITUTE, INC.	LOS ANGELES	6	Various	482		\$524,864	100%
ADVANCED CARDIOVASCULAR SYSTEMS, INC. DBA GUIDANT VASCULAR INTERVENTION	RIVERSIDE	5	Manufacturing	1,237		\$989,560	94%
ADVANCED MATERIAL JOINING CORPORATION, DBA ADVANCED TECHNOLOGY COMPANY	LOS ANGELES	2	Manufacturing	12		\$14,400	100%
AEC ABLE ENGINEERING COMPANY, INC.	SANTA BARBARA	3	Manufacturing	11		\$4,290	11%
AERO UNION CORPORATION	BUTTE	3	Transportation	16		\$18,280	35%
AETNA INC.	MULTIPLE COUNTIES	5	Finance	345		\$773,240	49%
AFFILIATED COMPUTER SERVICES, INC. (ACS)	KERN	5	Service	320		\$126,575	92%
AGRI-CEL, INC.	KERN	2	Manufacturing	0		\$0	0%
ALEXANDER'S MOVING AND STORAGE	MULTIPLE COUNTIES	4	Transportation	91		\$93,434	74%
ALTEVERS ASSOCIATES	SAN DIEGO	1	Service	13		\$3,120	72%
ALTEVERS INTERNATIONAL	SAN DIEGO	1	Service	2		\$480	67%
AMERICAN TRUCK SCHOOL, LLC	MULTIPLE COUNTIES	6	Transportation		103	\$314,642	52%
ANTELOPE VALLEY COMMUNITY COLLEGE DISTRICT*	LOS ANGELES	6	Manufacturing	569		\$419,780	56%
APPLIED MATERIALS	MULTIPLE COUNTIES	5	Manufacturing	3,185		\$2,141,524	72%
APTOS BERRY FARMS, INC.	VENTURA	5	Agriculture	12		\$6,240	6%
ARCHER TRAVEL SERVICE, INC.	LOS ANGELES	1	Service	15		\$34,500	32%
ATLAS PACIFIC ENGINEERING COMPANY, INC.	MULTIPLE COUNTIES	4	Manufacturing	13		\$40,352	76%
AUTODESK, INC.	MULTIPLE COUNTIES	5	High Technology	389		\$183,531	72%
AUTOMATIC DATA PROCESSING, INC.	LOS ANGELES	5	High Technology	752		\$481,364	47%
AUTOMOBILE CLUB OF SOUTHERN CALIFORNIA*	MULTIPLE COUNTIES	5	Manufacturing	1,111		\$719,928	63%
BABCOCK, INC.	LOS ANGELES	3	Manufacturing	0		\$0	0%
BANK OF AMERICA CORPORATION	MULTIPLE COUNTIES	5	Finance	2,334		\$2,912,832	80%
BAY AREA VIDEO COALITION	MULTIPLE COUNTIES	6	Various	504		\$878,040	88%
BEACH HOUSE INN*	MULTIPLE COUNTIES	4	Service	41		\$81,380	82%
BEVERLY ONCOLOGY & IMAGING*	LOS ANGELES	1	Service	25		\$38,500	86%
BORLA PERFORMANCE INDUSTRIES	VENTURA	3	Manufacturing	6		\$3,120	5%
BURLINGAME INDUSTRIES, INC.	SAN BERNARDINO	5	Manufacturing	65		\$39,858	9%
CALIFORNIA CHASSIS, INC.	ORANGE	2	Manufacturing	44		\$41,680	78%
CALIFORNIA DROP FORGE INC.	LOS ANGELES	5	Manufacturing	15		\$11,700	75%
CALIFORNIA HUMAN DEVELOPMENT CORPORATION*	MULTIPLE COUNTIES	6	Manufacturing		64	\$323,507	94%
CALIFORNIA MANUFACTURING TECHNOLOGY CONSULTING	LOS ANGELES	6	Manufacturing	3,055		\$2,898,820	100%
CALIFORNIA PRO-SPECS, INC., DBA PRODUCTION SPECIALTIES	SACRAMENTO	1	Manufacturing	12		\$38,400	43%
CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS	VENTURA	6	Manufacturing	14		\$11,466	93%
CALIFORNIA STEEL INDUSTRIES, INC.	SAN BERNARDINO	5	Manufacturing	65		\$36,920	47%

*Special Employment Training (SET) Category

** (1) 1-5-, (2) 51-100, (3) 101-250
(4) 251-500, (5) 501+, (6) Multiple Employers

COMPLETED CONTRACTS IN FY 2004-05

APPENDIX B-3

Contractor Name	County	Business Size**	Industry	Retrainees	New Hires	Contract Earned	Percent Earned
CALIFORNIA TECHNICAL INSTITUTE (FRMLY - ALAMEDA COMPUTER CENTER, INC.)	MULTIPLE COUNTIES	6	Various		55	\$233,537	36%
CALIFORNIA WATER SERVICE COMPANY*	MULTIPLE COUNTIES	5	Other	487		\$361,608	37%
CALPINE OPERATING SERVICES COMPANY, INC.	MULTIPLE COUNTIES	5	Other	78		\$125,060	53%
CANADAIGUA WINE CO., INC.	MADERA	5	Manufacturing	0		\$0	0%
CEILINGS PLUS, A JOINT VENTURE	LOS ANGELES	2	Manufacturing	63		\$120,480	94%
CELLCO PARTNERSHIP DBA VERIZON WIRELESS	MULTIPLE COUNTIES	5	High Technology	957		\$872,905	31%
CHEVRON USA, INC.	KERN	5	Manufacturing	246		\$137,514	25%
CITY NATIONAL BANK*	MULTIPLE COUNTIES	5	Finance	14		\$10,140	4%
COLLEGE OF OCEANEERING/ ADV COLLEGE OF TECH (ACT)	SAN DIEGO	6	Manufacturing	29	7	\$69,435	35%
COMMUNITIES IN SCHOOLS OF SOUTH BAY, INC.*	LOS ANGELES	6	Various	12	7	\$23,267	22%
COMMUNITY BUSINESS COLLEGE, INC.	MULTIPLE COUNTIES	6	Various		87	\$499,815	58%
COMMUNITY CAREER DEVELOPMENT, INC.	LOS ANGELES	6	Various	25		\$45,450	31%
COMPOSITE ENGINEERING, INC.	SACRAMENTO	2	Manufacturing	9		\$1,600	18%
COMPUTER TUTOR BUSINESS & TECHNICAL INSTITUTE*	STANISLAUS	6	Service		37	\$222,625	93%
CONEXANT SYSTEMS, INC.	MULTIPLE COUNTIES	5	Manufacturing	62		\$33,960	9%
CONTINENTAL DATA GRAPHICS, A SUBSIDIARY OF THE BOEING COMPANY	MULTIPLE COUNTIES	5	Manufacturing	220		\$92,604	65%
COVAD COMMUNICATIONS, INC.*	SANTA CLARA	5	Construction	74		\$32,348	26%
CTB/MCGRAW-HILL	MONTEREY	5	Manufacturing	189		\$98,280	62%
CUSTOM BUILDING PRODUCTS	MULTIPLE COUNTIES	5	Manufacturing	218		\$93,080	46%
CUSTOM CABS INDUSTRIES	SAN DIEGO	5	Manufacturing	8		\$9,792	100%
CYCLE GEAR, INC.	MULTIPLE COUNTIES	3	Trade	80		\$80,080	83%
CYTEC ENGINEERED MATERIALS INC.	ORANGE	5	Manufacturing	261		\$154,765	71%
DELAWARE NORTH COMPANIES PARKS & RESORTS at YOSEMITE, INC.	MARIPOSA	5	Service	212		\$135,980	65%
DEY, L.P.	NAPA	5	Manufacturing	212		\$121,613	13%
DIGITAL ENGRAVING, INC.	SAN FRANCISCO	1	Manufacturing	13		\$10,140	76%
DIVERSA CORPORATION	SAN DIEGO	4	High Technology	98		\$48,685	27%
DOCUSOURCE, LLC	ORANGE	2	Trade	40		\$80,000	57%
DUNN-EDWARDS CORPORATION	MULTIPLE COUNTIES	5	Manufacturing	616		\$395,460	80%
EATON AEROSPACE	ORANGE	5	Manufacturing	38		\$59,280	25%
EATON AEROSPACE STERER FLUID CONTROLS	LOS ANGELES	5	Manufacturing	96		\$94,775	41%
E-GATE COLLEGE, INC.	ORANGE	6	Manufacturing	89		\$89,363	45%
EL CAMINO COMMUNITY COLLEGE DISTRICT (CACT)	LOS ANGELES	6	Manufacturing	729		\$468,303	100%
EL CLASSIFICADO	LOS ANGELES	2	Service	34		\$15,200	62%
EMPLOYERS GROUP	MULTIPLE COUNTIES	6	Manufacturing	2,536		\$1,597,845	100%
ENDPAK PACKAGING, INC.	LOS ANGELES	2	Manufacturing	17		\$43,760	95%
EXPERIAN INFORMATION SOLUTIONS, INC.	ORANGE	5	Service	404		\$262,221	45%
F & P INC. DBA HOWE MARKETING GROUP	LOS ANGELES	1	Service	10		\$17,000	43%

*Special Employment Training (SET) Category

** (1) 1-5-, (2) 51-100, (3) 101-250
(4) 251-500, (5) 501+, (6) Multiple Employers

COMPLETED CONTRACTS IN FY 2004-05

APPENDIX B-3

Contractor Name	County	Business Size**	Industry	Retraitees	New Hires	Contract Earned	Percent Earned
FLIR SYSTEMS INC., INDIGO OPERATIONS	SANTA BARBARA	3	Manufacturing	106		\$129,532	52%
FRANKLIN CAREER COLLEGE, INC.	SAN BERNARDINO	6	Various		53	\$318,032	96%
FRESNO COUNTY WORKFORCE INVESTMENT BOARD*	FRESNO	6	Various	9		\$15,399	66%
GAP, INC.	MULTIPLE COUNTIES	5	Trade	451		\$262,947	33%
GASKET SPECIALTIES, INC.	ALAMEDA	1	Manufacturing	10		\$5,540	73%
GENERAL MOTORS ACCEPTANCE CORPORATION DBA DITECH.COM	ORANGE	5	Finance	339		\$208,172	58%
GENERAL MOTORS SERVICES AND PARTS OPERATIONS	SAN BERNARDINO	5	Manufacturing	243		\$469,534	79%
GEN-PROBE INCORPORATED	SAN DIEGO	5	Manufacturing	149		\$89,896	29%
GLENDALE COMMUNITY COLLEGE PROFESSIONAL DEVELOPMENT CENTER*	MULTIPLE COUNTIES	6	Manufacturing	1,966		\$1,955,990	74%
GOLDEN STAR TECHNOLOGY, INC.	LOS ANGELES	2	Manufacturing	9		\$22,000	40%
GOODEN WATCH REPAIR	LOS ANGELES	1	Service	15		\$11,700	100%
GOODWILL INDUSTRIES OF SANTA CLARA COUNTY	SANTA CLARA	6	Various		23	\$110,124	77%
GOODWILL INDUSTRIES OF VENTURA & SANTA BARBARA COUNTIES	MULTIPLE COUNTIES	6	Various		42	\$127,344	60%
HANNIBAL INDUSTRIES, INCORPORATED	LOS ANGELES	5	Manufacturing	30		\$17,056	81%
HERBURGER PUBLICATIONS, INC.	SACRAMENTO	2	Manufacturing	6		\$1,440	13%
HIT PRODUCTS CORPORATION	TULARE	2	Manufacturing	0		\$0	0%
HITCHCOCK & HOLCOMBE, INC., DBA CONTINENTAL TRAINING CENTER	SACRAMENTO	6	Manufacturing	794		\$613,046	100%
HOUSE OF PACKAGING, INC.	LOS ANGELES	3	Manufacturing	87		\$57,824	49%
ICI DULUX PAINTS	LOS ANGELES	5	Manufacturing	19		\$12,857	9%
IDEATE, INC.	MULTIPLE COUNTIES	1	High Technology	9		\$18,000	33%
INFONET SERVICES CORPORATION	MULTIPLE COUNTIES	5	High Technology	316		\$283,152	50%
INLAND PAPERBOARD & PACKAGING, INC.	SANTA CLARA	5	Manufacturing	24		\$12,480	15%
INLAND PAPERBOARD AND PACKAGING, INC.	CONTRA COSTA	5	Manufacturing	17		\$7,755	14%
INTEL CORPORATION	MULTIPLE COUNTIES	5	Manufacturing	1,266		\$623,847	37%
INTERNATIONAL METAL TRADING, LLC	LOS ANGELES	1	Manufacturing	0		\$0	0%
IRVINE CHAMBER OF COMMERCE	ORANGE	6	Manufacturing	247		\$468,041	100%
J & R FILM CO. INC. DBA MOVIOLA DIGITAL EDUCATION CENTER	MULTIPLE COUNTIES	6	High Technology	486		\$923,605	96%
JETCO, INC.	LOS ANGELES	1	Manufacturing	1		\$780	50%
JOHNS MANVILLE CORPORATION	GLENN	5	Manufacturing	65		\$46,800	79%
KEISER CORPORATION*	FRESNO	2	Manufacturing	26		\$36,400	50%
KING'S HAWAIIAN HOLDING COMPANY, INC.	LOS ANGELES	4	Manufacturing	92		\$28,704	85%
LOEWS CORONADO BAY RESORT	SAN DIEGO	5	Service	104		\$44,798	41%
LOS ANGELES COUNTY ELECTRICAL TRAINING INSTITUTE (ETI)	LOS ANGELES	6	Construction	559		\$324,875	100%
LOS ANGELES PACIFIC COLLEGE*	MULTIPLE COUNTIES	6	Various	91	27	\$194,024	68%
MARIANI PACKING CO., INC.	SOLANO	3	Manufacturing	142		\$107,848	79%
MELLES GRIOT, INC.	MULTIPLE COUNTIES	5	Manufacturing	82		\$58,916	61%
MISSION HILL TRUCK SCHOOL INC.	STANISLAUS	6	Transportation		47	\$180,010	90%

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COMPLETED CONTRACTS IN FY 2004-05

APPENDIX B-3

Contractor Name	County	Business Size**	Industry	Retraitees	New Hires	Contract Earned	Percent Earned
MOLDING INTERNATIONAL & ENGINEERING, INC.	RIVERSIDE	2	Manufacturing	29		\$22,620	91%
MTC HOLDINGS	MULTIPLE COUNTIES	5	Finance	0		\$0	0%
MULTI SCREW, INC.	ORANGE	2	Manufacturing	0		\$0	0%
NAPROTEK, INC.	SANTA CLARA	2	Manufacturing	54		\$187,176	98%
NEW UNITED MOTOR MANUFACTURING, INC.	ALAMEDA	5	Manufacturing	1,893		\$5,241,870	82%
NIEBAUM COPPOLA ESTATE WINERY	SONOMA	4	Manufacturing	0		\$0	0%
NORTHERN CALIFORNIA CONSTRUCTION & TRAINING, INC.*	MULTIPLE COUNTIES	6	Construction		24	\$107,232	100%
NORTHERN CALIFORNIA TEAMSTERS APPRENTICE TRAINING AND EDUCATION TRUST FUND	MULTIPLE COUNTIES	6	Construction		33	\$102,261	80%
NORTHROP GRUMMAN CORPORATION	LOS ANGELES	5	Manufacturing	1,299		\$695,968	77%
NTMA TRAINING CENTERS OF SOUTHERN CALIFORNIA	MULTIPLE COUNTIES	6	Manufacturing	542	187	\$3,140,093	60%
NUGGET MARKET, INC.*	MULTIPLE COUNTIES	5	Trade	58		\$42,511	30%
NURSERYMEN'S EXCHANGE, INC.*	SAN MATEO	5	Agriculture	83		\$54,352	38%
NURSING CARE PROVIDERS, INC. DBA NCP VOCATIONAL SCHOOL	MULTIPLE COUNTIES	6	service		67	\$273,695	45%
OBERMAN, TIVOLI, MILLER AND PICKERT, INC. DBA MEDIA SERVICES	LOS ANGELES	3	Service	70		\$92,205	52%
OBERTHUR CARD SYSTEMS	LOS ANGELES	5	Manufacturing	56		\$84,240	45%
OFFICE DEPOT, INC.	LOS ANGELES	5	Trade	0		\$0	0%
ONE HEALTH PLAN OF CALIFORNIA, INC.	MULTIPLE COUNTIES	5	Finance	4		\$2,080	0%
PACIFIC COAST PRODUCERS	YOLO	5	Manufacturing	117		\$657,800	100%
PACIFIC DESIGN TECHNOLOGIES, INC.	SANTA BARBARA	1	Manufacturing	9		\$7,200	100%
PACIFIC MARINE SHEET METAL CORPORATION DBA SOUTHWEST FABRICATORS	SAN DIEGO	3	Manufacturing	4		\$1,389	2%
PAC-WEST TELECOMM, INC.*	MULTIPLE COUNTIES	4	Service	38		\$58,840	13%
PARAMIT CORPORATION	SANTA CLARA	4	Manufacturing	264		\$404,820	99%
PAYROLL PEOPLE, INC.	FRESNO	2	Service	22		\$6,880	100%
PELCO	FRESNO	5	Manufacturing	337		\$220,896	28%
PEOPLESOFT, INC.	ALAMEDA	5	Manufacturing	165		\$214,500	41%
PERFORMANCE PLASTICS, INC.	SAN DIEGO	2	Manufacturing	0		\$0	0%
PERKINELMER HOLDINGS, INC.	SANTA CLARA	5	Manufacturing	17		\$12,066	41%
PIONEER PACKING, INC.	ORANGE	4	Manufacturing	70		\$92,976	94%
PLANT EQUIPMENT, INC.	RIVERSIDE	3	Manufacturing	31		\$24,160	47%
PLEASANT HOLIDAYS, LLC	KERN	5	Service	95		\$37,050	36%
POLYCOMP ADMINISTRATIVE SERVICES, INC.	MULTIPLE COUNTIES	3	Finance	96		\$70,926	100%
POLYONE CORPORATION	LOS ANGELES	5	Manufacturing	14		\$6,240	80%
PRACTICAL DATA PROCESSING, INC.	LOS ANGELES	6	Various	87	176	\$577,582	85%
PREMIER RETAIL NETWORKS	SAN FRANCISCO	3	Service	0		\$0	0%
Q MICROWAVE, INC.	SAN DIEGO	1	Manufacturing	8		\$25,600	38%
RADIOLOGICAL ASSOCIATES OF SACRAMENTO MEDICAL GROUP, INC.*	SACRAMENTO	5	Service	62		\$118,737	38%
RANTEC POWER SYSTEMS INC.	SAN LUIS OBISPO	5	Manufacturing	53		\$54,470	90%
RAYTHEON COMPANY	MULTIPLE COUNTIES	6	Manufacturing	1,002		\$561,000	25%
RECOT, INC. DBA FRITO - LAY, INC.	SAN BERNARDINO	5	Manufacturing	307		\$195,559	55%

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COMPLETED CONTRACTS IN FY 2004-05

APPENDIX B-3

Contractor Name	County	Business Size**	Industry	Retrainees	New Hires	Contract Earned	Percent Earned
REM EYEWEAR INC.	LOS ANGELES	2	Trade	43		\$36,100	100%
REXAM BEVERAGE CAN AMERICAS	ALAMEDA	5	Manufacturing	0		\$0	0%
RINA ACCOUNTANCY CORPORATION*	MULTIPLE COUNTIES	2	Service	19		\$18,480	39%
RIO HONDO COLLEGE	LOS ANGELES	6	Various	388		\$235,728	100%
RWM FIBER OPTICS, INC.	MULTIPLE COUNTIES	6	service		31	\$178,095	91%
SACRAMENTO EMPLOYMENT AND TRAINING AGENCY*	SACRAMENTO	6	Various	114		\$169,054	82%
SAINT-GOBAIN CONTAINERS, INC.	LOS ANGELES	5	Manufacturing	55		\$33,592	16%
SAINT-GOBAIN SEMICONDUCTOR EQUIPMENT, INC.	SANTA CLARA	4	Manufacturing	26		\$42,432	9%
SAN DIEGO ELECTRICAL TRAINING TRUST*	SAN DIEGO	6	Construction	56		\$30,920	21%
SAN DIEGO-IMPERIAL COUNTIES LABOR COUNCIL*	SAN DIEGO	6	Construction		148	\$278,700	25%
SANTA CLARITA COMMUNITY COLLEGE DISTRICT	MULTIPLE COUNTIES	6	Manufacturing	443		\$389,434	89%
SANTA CRUZ MILLWORK	SANTA CRUZ	1	Manufacturing	2		\$1,040	18%
SANTA MONICA COLLEGE	LOS ANGELES	6	Various	226		\$294,402	61%
SAP LABS, INC.	SANTA CLARA	5	High Technology	25		\$13,000	14%
SEAGATE RECORDING MEDIA OPERATIONS	SANTA CLARA	5	Manufacturing	500		\$402,792	100%
SEARS LOGISTIC SERVICES, INC.	KERN	5	Transportation	119		\$173,264	74%
SEARS, ROEBUCK AND COMPANY*	MULTIPLE COUNTIES	5	Trade	31		\$34,632	7%
SETCO, INC.	ORANGE	5	Manufacturing	40		\$30,680	26%
SOLANO COMMUNITY COLLEGE*	SOLANO	6	Various	4		\$2,224	8%
SOUTHEAST LOS ANGELES COUNTY WORKFORCE INVESTMENT BOARD	MULTIPLE COUNTIES	6	Manufacturing	2,055		\$1,885,130	85%
SOUTHWEST ADMINISTRATORS, INC.*	LOS ANGELES	4	Finance	99		\$51,480	99%
SPECTRA LABORATORIES, INC.	ALAMEDA	5	High Technology	38		\$24,661	15%
STANDARD PACIFIC HOMES, ORANGE CO. DIV*	ORANGE	5	Construction	125		\$95,760	33%
STRATEGIC HOTEL CAPITAL, THE RITZ-CARLTON, LAGUNA NIGUEL	ORANGE	5	Service	159		\$110,470	20%
SUN MICROSYSTEMS, INC.	MULTIPLE COUNTIES	5	Manufacturing	5,010		\$3,133,032	79%
SUNSWEET GROWERS INC.	YUBA	5	Agriculture	110		\$57,200	88%
SYSCO FOOD SERVICES OF SAN DIEGO, INC.*	SAN DIEGO	5	Trade	157		\$91,286	49%
TAYLORMADE GOLF COMPANY, INC., A DELAWARE CORPORATION D/B/A/ TAYLORMADE-ADIDAS GOLF COMPANY	SAN DIEGO	5	Manufacturing	73		\$42,666	26%
TEICHERT, INC.*	MULTIPLE COUNTIES	5	Manufacturing	224		\$167,462	23%
TERRASAT COMMUNICATIONS, INC.	SANTA CLARA	1	Manufacturing	0		\$0	0%
TG CALIFORNIA AUTOMOTIVE SEALING, INC.	ALAMEDA	5	Manufacturing	76		\$39,520	40%
THE ALAMEDA COUNTY ELECTRICAL INDUSTRY APPRENTICESHIP AND TRAINING TRUST*	MULTIPLE COUNTIES	6	Construction	140		\$123,432	60%
THE BOEING COMPANY, AIRLIFT & TANKER PROGRAMS	LOS ANGELES	5	Manufacturing	462		\$240,240	10%
THE FAIRMONT HOTEL, SAN JOSE	SANTA CLARA	5	Service	95		\$165,792	38%
THE HENRY WINE GROUP*	SOLANO	5	Manufacturing	66		\$33,758	78%
THE HOMAC COMPANIES	KINGS	5	Manufacturing	7		\$5,460	11%

*Special Employment Training (SET) Category

** (1) 1-5-, (2) 51-100, (3) 101-250
(4) 251-500, (5) 501+, (6) Multiple Employers

COMPLETED CONTRACTS IN FY 2004-05

APPENDIX B-3

Contractor Name	County	Business Size**	Industry	Retraitees	New Hires	Contract Earned	Percent Earned
THE PINES RESORTS OF CALIFORNIA, INC. DBA THE PINES RESORT & CONFERENCE CTR*	MADERA	3	Service	78		\$80,912	64%
THE RIGHT WAY COMPUTER TRAINING CENTER	LOS ANGELES	6	Various		0	\$0	0%
THE TRANE COMPANY*	MULTIPLE COUNTIES	5	Trade	8		\$11,648	3%
TM MICROSCOPES CORPORATION	SANTA CLARA	4	Manufacturing	0		\$0	0%
TRINET NETWORKING AND TRAINING, INC.	MULTIPLE COUNTIES	6	Various	362		\$1,004,019	100%
TYCO THERMAL CONTROLS LLC	SAN MATEO	5	Manufacturing	130		\$209,131	81%
UAW LABOR EMPLOYMENT AND TRAINING CORPORATION	MULTIPLE COUNTIES	6	High Technology	69		\$78,194	17%
UNION TECHNOLOGY CORPORATION	LOS ANGELES	1	Manufacturing	8		\$32,000	89%
UNITED HEALTHCARE SERVICES, INC.	SAN FRANCISCO	5	Finance	81		\$26,750	21%
UNITED PARCEL SERVICE, INC. (OHIO)*	MULTIPLE COUNTIES	5	Transportation	2,163		\$1,424,072	79%
VALLEY FRESH, INC.	STANISLAUS	5	Manufacturing	6		\$3,120	6%
VARCO INTERNATIONAL, INC.	ORANGE	5	Manufacturing	203		\$202,761	69%
VA-TRAN SYSTEMS, INC.	SAN DIEGO	1	Manufacturing	4		\$3,120	67%
VENOCO, INC.	SANTA BARBARA	3	Other	17		\$17,030	18%
VIDEO SYMPHONY ENTERTRAINING, INC.	MULTIPLE COUNTIES	6	High Technology	651		\$992,355	83%
VISION SERVICE PLAN	MULTIPLE COUNTIES	5	Finance	217		\$162,019	10%
W.L. BUTLER CONSTRUCTION, INC.*	SAN MATEO	3	Construction	101		\$173,677	93%
WATSON PHARMACEUTICALS, INC.	RIVERSIDE	5	Manufacturing	66		\$32,240	73%
WESS-DEL INCORPORATED	SANTA CLARA	1	Manufacturing	4		\$2,480	10%
WEST HILLS COMMUNITY COLLEGE DISTRICT	MULTIPLE COUNTIES	6	Various		40	\$172,360	87%
WESTECH COLLEGE SCHOOL OF TECHNOLOGY*	MULTIPLE COUNTIES	6	Various	534		\$740,592	76%
WILBUR CURTIS COMPANY, INC.	LOS ANGELES	4	Manufacturing	94		\$118,469	34%
WINTEC INDUSTRIES, INC.	ALAMEDA	4	Manufacturing	145		\$174,233	76%
WORLDWIDE EDUCATIONAL SERVICES OF CALIFORNIA, INC.*	MULTIPLE COUNTIES	6	Various		89	\$462,286	75%
Z- WORLD, INC.	YOLO	2	Manufacturing	47		\$84,800	50%
				53,816	1,347	\$57,279,017	

*Special Employment Training (SET) Category

** (1) 1-5-, (2) 51-100, (3) 101-250
(4) 251-500, (5) 501+, (6) Multiple Employers

The Annual Report was prepared by the Planning and Research Unit staff: Mike Rice, Cheryl Griffiths, Shari Little, Jill McAloon, Robert Meyer, Ann Preston, and Elizabeth Slape.

Additional copies of the Annual Report may be obtained by contacting the Employment Training Panel at 1100 J Street, 4th Floor, Sacramento, CA 95814, (916) 327-5640.

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