



*EMPLOYMENT
TRAINING
PANEL*

Annual
Report

2008-2009

THE EMPLOYMENT TRAINING PANEL

Barry Broad, Acting Chair

Janice Roberts, Acting Vice-Chair

Greg Campbell, Member

Barton Florence, Member

Scott Gordon, Member

Eloisa Klementich, Member

Edward Rendon, Member

Janine Montoya, Member

Brian McMahon, Executive Director

Arnold Schwarzenegger, Governor

Vision Statement

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

Mission Statement

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

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

TABLE OF CONTENTS

I. PREFACE

The Employment Training Panel	1
A Brief History	1
Special Funding	1
Why ETP Works	2
Return on Investment	2
Report Summary	3

II. THE YEAR IN REVIEW

A Year of Challenge and Opportunity	4
Contract Activity	4
Key Actions and Accomplishments	6
Pilot Programs	8
Regulatory Actions	10
Administrative Improvements	10
Planning for the Future	11

APPENDICES:

- A) New Funding Approval Data
 - A1) Appropriations and Expenditures
 - A2) Approved Contracts in High Unemployment Areas (HUAs)

- B) Completed Contract Data
 - B1) Completed Contract Data
 - B2) Trainee Characteristics
 - B3) List of Completed Contracts

- C) Terminated Contracts
 - C1) List of Terminated Contracts

- D) Project Profiles

PREFACE

The Employment Training Panel – ETP is a statewide business-labor training and economic development program. The program supports the California economy by funding training to ensure employers have the skilled workers they need to compete globally. ETP funded training supports the creation and retention of high-wage, high-skilled, and secure jobs in industries that have the greatest positive impact on California’s economy.

The Panel¹ is one of the nation’s premier state-funded programs for retraining incumbent workers, and California’s sole discretionary economic incentive for business attraction, expansion and retention. A National Governor’s Association study found ETP’s emphasis on performance-based accountability to be a national model.²

The Panel is an eight-member bi-partisan board consisting of three gubernatorial appointees, two Speaker of the Assembly appointees, two Senate pro Tempore appointees, and an ex-officio member representing the Secretary of the Business, Transportation, and Housing Agency. Panel members represent the interests of labor and employers. The Panel meets monthly to review and approve training contracts, in accordance with statutory standards for eligibility and performance. Training contract terms are 24 months, and ETP monitors performance throughout the contract period.

A Brief History – ETP was created in 1982 with the 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. Though the program has expanded to benefit the overall California economy, the Panel continues to operate under its legislative mandate to promote a healthy labor market, with emphasis on helping businesses overcome the challenge of out-of-state and international competition. The program adjusts to changes in economic conditions and workforce needs. For more than two decades, the Panel has supported California’s workers and employers, having provided close to \$1.25 billion for the successful training and employment retention of 766,000 workers for approximately 77,200 California businesses.

Special Funding – ETP is not funded by general taxpayer dollars; rather, ETP is principally funded by the Employment Training Tax (ETT), which California companies participating in the Unemployment Insurance (UI) system pay to promote the development of California workers. ETT revenues are

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

² National Governors’ Association Center for Best Practices, A Comprehensive Look At State-Funded Employer-Focused Job Training Programs, 1999.

deposited in the Employment Training Fund (ETF), which was established to support ETP and its training programs.

Why ETP Works – The following unique features contribute to the program's success:

- Employers Fund the Program – Businesses pay the tax that funds the program. No General Fund monies support the program.
- Workers & Business Benefit – Training provides increased wages and job security for trainees and increases businesses' production and profits.
- Customized Training – Employers identify their own training needs, decide which workers need training, and select their own trainers.
- Training for Frontline Workers – Often corporate training programs only allocate a small percentage of their training budget toward training frontline workers. ETP primarily funds frontline workers who produce products and provide services.
- Matching Contributions – Employers match at least one dollar of private money for every ETP training dollar. Repeat contractors make an increased contribution towards the cost of training. ETP does not fund the full cost of workforce training for employers.
- Catalyst for Employer-Provided Training – Employers who participate in ETP funded training recognize the value of training and increase their own future investment in training.
- Pay-for-Performance – ETP's performance-based contracting requirement ensures that training is tied to a real job. Contractors earn funds only if training results in a trainee working for at least 90 days after training, in a training related job, and at a required wage.

Return on Investment – Independent evaluations of the program have demonstrated ETP's success in supporting California businesses and workers. Such research found that Panel funded training yields a return on investment of over \$5 for every \$1 in funds spent on training, as measured in benefits to companies, workers, and the State's economy.

Report Summary – This annual report describes the Panel’s actions and accomplishments during FY 2008-09 (July 1, 2008 through June 30, 2009). Because contracts cover a span of 24 months, this report includes:

- The report year’s activities and funding approvals;
- Contracts approved in prior years which completed during FY 2008-09;
- Contracts approved prior to the report year that were still ongoing at the end of the report year, and
- Appendices, which include appropriation and expenditure information; funding in high unemployment areas; completed contract data; participant demographic data; information on contracts terminated during the report year; and profiles of several ETP-funded projects illustrating ETP’s multi-faceted support for California businesses and workers.

The Year in Review

A Year of Challenge and Opportunity

In Fiscal Year (FY) 2008-09, the Employment Training Panel (ETP) continued to play a key role in supporting economic development, and business attraction and retention in California. Despite its limited resources, ETP maximized its funds to support employers' needs for trained workers to compete in the global economy, as the Panel approved the largest number of contracts in its history – primarily the result of targeted marketing and ETP's focus on its Small Business Program, which facilitates direct contracts with business employing 100 or fewer workers.

ETP is unique in that it can respond immediately to the needs of the economy within the scope of its legislative mandate. This ability was enhanced by AB 2570 (Silva) (Chapter 497, Statutes of 2008), which became effective on January 1, 2009. Along with a number of other program refinements, this legislation increased the cap on training funds allowable under the Special Employment Training (SET) category, from 10 to 15 percent, to expand the Panel's ability to support the increasing workforce training needs of businesses in industries such as construction and healthcare, that do not have out-of-state competition (and thus are not eligible for regular program funding), but which are essential to California's economy.

A significant incentive for business in California, ETP continued to support Administration priorities to address the statewide nursing shortage, bolster Career Technical Education (CTE), and support new emerging technologies, such as green technology. The Panel also continued to collaborate with its workforce partners (e.g., Workforce Investment Boards, California Business Investment Services (CalBis), Community Colleges, and Economic Development Agencies), funding projects that retain and attract new businesses to the State.

Through strategic planning and targeted marketing, the Panel prioritized key industries to achieve the greatest return on the investment of its training resources to the State's economy. These included green technology, manufacturing, high technology services, biotechnology, multi-media/entertainment, goods movement and transportation logistics, healthcare, and construction. The Panel also targeted high unemployment areas, reached out to small businesses, and, addressed emerging workforce needs through pilot programs for nurses, seasonal workers, veterans, and ex-offenders and at-risk youth.

Driven by its mission, the Panel proactively met its challenges and pursued opportunities to better serve California businesses and workers in FY 2008-09.

CONTRACT ACTIVITY

During the report year, ETP staff administered 1,094 training contracts. These included: a) 468 new agreements approved in the report year; b) 314 contracts approved in prior years, which completed in FY 2008-09; and c) 312 contracts approved prior to FY 2008-09, still active at the end of the fiscal year. The following table illustrates this activity.

	APPROVED CONTRACTS	COMPLETED CONTRACTS	ONGOING CONTRACTS	TOTAL
CONTRACTS	468	314	312	1,094
ALL TRAINEES	81,960	46,656	75,105	203,721

a) New Approved Contracts

The Panel encumbered all of its \$29.9 million in available new program funds, which, through incremental funding, enabled it to approve \$95.7 million in total contract amount for 468 new training contracts, as well as amendments to prior contracts, for the training and employment retention of 81,960 workers, (See Appendix A1, "Appropriations and Expenditures".)

A majority of the funds was targeted to manufacturing; goods movement and transportation logistics; biotechnology and life sciences; information technology services; clean and green technology; multi-media; healthcare; and construction. These key industries have a multiplier effect on the State's economy, increasing the return on ETP's investment in training, as they positively impact job growth in other industries that rely on them, such as services, trade, and transportation.

An important priority for the Panel is supporting special economic development initiatives that create new jobs and keep jobs in California. Close to \$10 million was approved for 37 new projects that support business retention and expansion, that provide training for incumbent workers, while supporting the creation of 3,280 new, high-paying jobs. The Panel worked with the CalBis on "Critical Proposals" with an emphasis on creating new jobs in California. Some of these projects are a direct result of joint state and local economic development efforts. ETP will continue to support the state's economic and workforce initiatives through strategic marketing efforts, participation in key partnerships, and specific funding incentives.

b) Completed Contracts

A total of 314 contracts, approved in prior years, were completed, providing assistance to 2,225 employers for the training and employment retention of 46,656 workers, at an average cost of \$1,249 per trainee. Data from these completed contracts reflect 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 77 percent of funds going to the manufacturing and high-technology sectors.

- Of all businesses served, 75 percent were small (i.e., employed 250 or fewer workers); 59 percent employed 100 or fewer workers; 43 percent employed 50 or fewer workers; and 26 percent employed 20 or fewer workers.

The average post-training and employment retention wage for workers who were unemployed at the beginning of training (i.e., new hires) was \$13.52 an hour; retrainees averaged \$29.23 an hour.

The training emphasis was on frontline workers in occupations in design work, production, delivery and warehousing, clerical and office support, technical support, sales, machining, nursing, construction, and hospitality.

(See Appendix B1: "Completed Contract Data"; Appendix B2: "Trainee Characteristics"; and Appendix B3: "Completed Contracts in FY 2008-09". Note that while the Completed Contract list identifies industries served in those contracts, per NAICs Code designation, many of those contracts also supported green/clean technology across various industry sectors.)

c) Ongoing Contracts

A total of 312 contracts approved prior to FY 2008-09 were still active at the end of the fiscal year, targeting training for 75,105 workers.

KEY ACTIONS AND ACCOMPLISHMENTS

In FY 2008-09, the Panel approved more training contracts than in any previous fiscal year in its history. This was largely the result of the success of its Small Business Program—providing streamlined services in direct contracts with businesses employing 100 or fewer workers. Given the demand for training by California's employers and the Panel's limited funding, ETP exhausted all of its available training funds by March 2009, three months prior to the end of the fiscal year. At the same time, ETP successfully met most of its program goals and objectives for the report year. Following are highlights:

- The Panel implemented provisions of AB 2570, making several program improvements and increased allowable funds under the SET category from 10 to 15%.
- 84 percent of all approved program funds were targeted to priority industries including green technology, manufacturing, high technology, biotechnology, multimedia entertainment, construction, goods movement and transportation, logistics, research & development, and healthcare.
- \$9.8 million was approved for economic development projects resulting in business expansion and attraction, and the creation of 3,280 new California jobs. This included two critical proposals in partnership with state and local entities - \$681,720 for Bloom Energy Corporation to train 87 new workers; and \$277,400 for Ultratech to train 73 workers.
- The Panel took steps to simplify its processes through information technology enhancements and took further steps to support small business. 189 new direct contracts with small businesses of 100 or fewer employees were approved, which was a 20 percent increase over the prior fiscal year.

- In support of small business, ETP participated in small business meetings at the state level (e.g., with Department of General Services, California Department of Transportation, and Small Business Administration) and with local chambers whose audiences were entirely small business owners.

The Panel developed an economic development initiative to assist incumbent and unemployed workers in the economic downturn (see "Planning for the Future", pg. 11).

- The Panel continued its support for nurse training, approving over \$4.5 million for the training of 2,033 nurses. This included projects to upgrade certified nurse assistants and health caregivers to become licensed nurses, as well as medical skills training for current nurses, through funding of specialty training programs.

In addition, more than \$1.2 million was approved for the training of 764 workers in healthcare-related fields, such as medical office administration, medical billing technicians, lab technicians and medical assistants.

- Continuing its support for the environment, the Panel targeted training for firms employing "green technology" methods including environmental protection and other green business practices, processes, and products, approving \$22 million for the training of 21,430 workers in "green-clean" related projects.
- Career Technical Education (CTE) prepares youth and adults for successful careers and increases public awareness and appreciation for career and technical programs. The Panel supports the statewide emphasis on CTE and related programs, such as pre-apprenticeship training, to meet the growing demand for employment in occupations requiring vocational education such as nurses, carpenters, electricians, welders, machine operators, and production workers. In the report year, the Panel approved \$11.9 million for CTE related projects to support 7,586 workers in manufacturing, healthcare, and construction.
- The Panel targets high unemployment areas (HUA)¹ of the State to foster training support for workers in regions with lagging economies, focusing on the "working poor". During the report year, close to \$20 million in training funds was approved for 155 contracts serving HUAs, providing training for 15,013 workers. (See Appendix A2. Note that while the HUA Contracts List identifies industries served in those contracts, per NAICs Code designation, many of those contracts also support green/clean technology.)

¹ 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.

- Unemployment rates in the Central Valley and Rural Northern California have been persistently high for nearly three decades. The California Partnership for the San Joaquin Valley is working with business leaders, public agencies, and educational institutions to synchronize efforts to bring more jobs and economic diversification to this agricultural region. The Partnership is working to leverage incumbent employee training to reduce turnover and improve overall job stability. ETP has prioritized support for this effort by funding training projects that foster economic growth in the region. In the report year, 135 projects were approved for \$33.4 million to train 31,948 workers in the Central Valley and rural Northern California counties.

PILOT PROGRAMS

In support of changing workforce needs and in response to Administration and Legislative priorities, the Panel continued to implement pilot programs as a way to test new training models. In the report year, based on the results of those models, several pilots were initiated or continued, with several incorporated into the Panel's regular program.

- ***Seasonal Worker Training***

On January 1, 2007, the Panel implemented a pilot program to fund training for workers in major seasonal industries under its SET category. The pilot focused on the agricultural crop production industry and training designed to increase employment retention and productivity in all cycles of crop production, including harvesting, packing, processing and transportation. The pilot served employers in seasonal industries and workers engaged in cyclical employment related to crop production seasons. While it was a pilot, the Panel approved \$234,000 for 3 contracts to train 345 seasonal workers. The training was intended to improve worker skills relative to growing, packing, storage, safe handling, shipping and other aspects of food production thereby allowing them to better adapt to new manufacturing and management techniques. The pilot proved successful, and in the report year, was incorporated into the Panel's program.

- ***CNA to LVN - Nurse Training Program***

The CNA to LVN training program was launched in 2006, as a pilot aimed at addressing California's critical nursing shortage. Since its inception it has successfully encouraged growth in the nursing sector and opened the door for increased advancement opportunities and job security to individuals who are actively working as Certified Nurse Assistants (CNA) or caregivers in for-profit, health facilities, and who are concurrently enrolled in accredited nurse training programs to become Licensed Vocational Nurses (LVN). Initially the Panel was authorized to fund up to five licensed nurse training programs annually. However, the pilot was successful, and on January 1, 2009, as a result of Assembly Bill 2570, that cap was eliminated.

- ***Medicals Skills Training***

To address the State's nursing crisis and support the healthcare industry, in October 2008, the Panel implemented a pilot program prioritizing training for the career advancement and job security of incumbent RNs and LVNs. The pilot funds medical skills training for nurse capacity building and allied healthcare occupations. Didactic and preceptor training is provided in highly skilled areas such as trauma, respiratory, neonatal, and oncology. Training involves the operation of sophisticated medical equipment such as defibrillators, infusion pumps, and pharmacy software. Such training is intended to increase overall medical skills by improving the communication, decision making, and critical thinking skills of nurses and other healthcare professionals. In the report year, 8 such contracts were approved, totaling \$2 million to train 843 trainees.

- ***Ex-Offenders/At-Risk Youth***

The Panel continued its pilot program to serve ex-offenders and at-risk youth under the SET program serving workers with multiple barriers to employment. This pilot addresses the Panel's Strategic Plan goal of supporting hard-to-serve populations by providing critical job skills training and jobs to ex-offenders and youth at risk of becoming involved in gangs and/or criminal activities. In the report year, the Panel approved 5 projects totaling approximately \$545,000 to train 140 ex-offenders/at risk-youth to help them attain long term, fulltime employment. Projects include training in construction and renewable energy industries (photovoltaic solar installation workers, laborers, pre-apprentice carpenters and plumbers). Other occupations include CNAs, medical office workers, bookkeeping/accounting staff, and customer service representatives,

ETP-funded training curriculum includes commercial skills, business skills, computer skills, and fundamental career and life skills vital to a population that often has little employment history or exposure to such skills and information necessary to excel in the work environment. Pilot projects include: Technical School Inc., DBA Technical College; Youth Employment Systems, Inc. (Los Angeles); East Bay Spanish Speaking Citizens' Foundation (Oakland); City of Richmond Workforce Investment (Richmond); Goodwill Industries of Santa Cruz, Monterey, & San Luis Obispo, Inc. dba Shoreline Workforce Development Services/Shoreline Goodwill (Santa Cruz).

- ***Serving Veterans***

The need for employment training assistance for veterans is increasing, due to the number of active and reservist personnel who have performed military service in recent years. ETP designated service to veterans as a funding priority in its FY 2008-09 Strategic Plan, and in October 2008 implemented a Pilot Program to assist unemployed veterans and members of the California National Guard entering the workforce and to improve their opportunities for advancement in high wage, secure jobs. In the report year, the Panel approved 4 pilot projects totaling approximately \$400,000 to train nearly 600 veterans in the occupations of

information technology specialist, construction, utility worker, system operators, and electricians. Projects include: CA Disabled Veterans Business Enterprise Alliance (Sacramento); Apprentice and Journeymen Training Trust Fund of the Southern CA Plumbing and Piping Industry (Compton); Managed Career Solutions (Los Angeles); and Fresno County Workforce Investment Board (Fresno).

REGULATORY ACTIONS

In the report year, the Panel systematically reviewed its regulations in order to simplify, update, and eliminate unnecessary requirements, and approved the following changes:

- Streamlined literacy training requirements as literacy and other remedial skills training provide vital skills for disadvantaged workers who are more vulnerable to lay-off (Title 22 CCR Section 4420); and,
- Streamlined and clarified safety training requirements (Title 22 CCR Section 4420.5).

The Panel also approved its own Economic Stimulus Initiative to reach unemployed workers in need of new skills to re-enter the job market; and incumbent workers in need of new skills or cross-training to maintain their jobs or prepare for layoff. The Initiative involves both actions that could be undertaken immediately, within the existing regulatory framework, and actions to be deferred, pending regulatory actions to broaden the Panel's discretion in responding to changing economic needs and shifting workforce trends. (See *PLANNING FOR THE FUTURE*, page 11.)

ADMINISTRATIVE IMPROVEMENTS

In the report year, the Panel made the following administrative improvements to its program:

New Management Information System

The Employment Training Panel (ETP) currently uses multiple data systems to provide funding to businesses for worker training. These systems are antiquated, built on outdated technologies. Lack of interface between systems results in much manual compilation of data for historical and reporting purposes. To increase the efficiency and effectiveness of the program, ETP has begun designing a new database. ETP is currently collaborating with the Employment Development Department to contract services for the design and construction of a new database system that will meet both departments' needs.

- **Website Enhancements**

Green/Clean Technology - ETP is a key resource for the development of skills and jobs in the state's emerging green economy. The Panel prioritizes training for businesses employing practices to conserve the natural environment and resources through processes that reduce or eliminate emissions and/or wastes; processes that conserve energy sources; and/or processes that generate renewable energy. As part of this effort, the Panel implemented a "Green" section on its website to highlight ETP's focus on the green economy, ETP's investment in training projects for businesses employing green business practices; and, ETP's green/clean marketing and outreach efforts including strategic partnerships and administrative strategies. The Green section is a useful tool for internal/external customers seeking information on ETP's investment in the green economy.

Publications - To provide improved and paperless service to its customers, ETP also implemented a Publications section on its website. The Publication section is a useful tool to directly access electronic copies of frequently requested paper publications and information including: ETP Annual Reports; ETP Strategic Plans; ETP Contractor's Guides; Studies and Reports on the ETP program; and, press releases and news articles designed to familiarize the business, training and workforce investment communities with the ETP program and the availability of training funds to assist companies in remaining competitive in the global market.

PLANNING FOR THE FUTURE

With declining Employment Training Fund (ETF) revenues and another projected ETF shortfall in FY 2009-10, the Panel continues to face challenges in addressing workforce training needs that exceed its resources. Thus, in the report year, the Panel continued taking steps to maximize its funds, by applying moratoria on certain types of training proposals and incrementally encumbering funds in new training projects (i.e., encumbering a portion of total funding in the first year of a contract, with additional encumbrances later, based on project success).

Given the State's economic downturn, the Panel also worked to develop its own economic development initiative intended to reach unemployed workers in need of new skills to re-enter the job market, and to assist incumbent workers in need of new skills or cross-training to maintain their jobs or prepare for layoff. The initiative was incorporated into ETP's FY 2009-10 Strategic Plan, and includes: incentives for new-hire training, reaching dislocated workers, in cooperation with employers participating in the California Retraining Benefits program, the Worker Adjustment and Retraining Notification system, and the Work Sharing Unemployment Insurance program; and through regulatory actions to broaden the Panel's discretion for new hire training and other efforts to support dislocated workers.

The Panel also developed partnerships with other agencies to diversify its funding streams. As a result, in FY 2009-10, ETP will receive \$5 million in federal American Recovery and Reinvestment Act (ARRA) funds from the California Energy Commission (CEC) to develop and administer a new Clean Energy Workforce Training Program, using its existing "core program" infrastructure to the extent possible.

The Panel will also receive \$5.4 million from the Labor and Workforce Development Agency (LWDA) as a result of the substantial augmentation to the Governor's 15 Percent WIA Discretionary Funds that occurred through an ARRA augmentation to the state's WIA formula funding. These monies will be used for a program that would target incumbent nurse training in the non-profit healthcare sector, with an emphasis on rural hospitals in high unemployment areas of the state.

ETP will also receive \$5 million in FY 2009-10 from the CEC to fund training under AB 118, recent state legislation that created the Alternative and Renewable Fuel and Vehicle Technology Program. The program's goal is to transform California's fuel and vehicle types to meet the state's climate change policies.

APPENDICES

A) NEW FUNDING APPROVAL DATA A-1)

APPROPRIATIONS AND EXPENDITURES A-2)

APPROVED CONTRACTS IN HIGH

UNEMPLOYMENT AREAS (HUAs)

B) COMPLETED CONTRACT DATA B-1) COMPLETED

CONTRACT DATA B-2) TRAINEE CHARACTERISTICS

B-3) LIST OF COMPLETED CONTRACTS

C) TERMINATED CONTRACTS C-1) LIST OF

TERMINATED CONTRACTS D) PROJECT

PROFILES

APPROPRIATIONS AND EXPENDITURES

In FY 2008-09, ETP received a Budget Act appropriation of \$56.9 million. In addition to its appropriation, the reinvestment of \$15.6 million in disencumbered funds initially brought ETP's total funding to \$72.5 million. However, given a shortfall in Employment Training Fund (ETF) revenues in FY 2008-09, the Panel's funding was reduced early in the fiscal year by \$10.3 million, resulting in an adjusted available total of \$62.2 million.

A. APPROPRIATION AND EXPENDITURE REPORT	FY 2008-09
<u>Employment Training Fund (ETF)</u>	\$ 100,759,000
<u>ETF Appropriations to Other Programs:</u>	
Department of Social Services/CalWORKS	(35,000,000)
Dept of Industrial Relations/Div Apprenticeship Stds	(3,322,000)
EDD Tax Branch (ETT Collection)	(5,357,000)
State Controllers Office	<u>(168,000)</u>
Total	\$ 43,847,000
<u>ETP:</u>	
Appropriation to ETP	\$ 56,912,000
Administrative Budget Adjustment for FY 2008-09	(10,300,000)
Reinvested Funds	<u>15,551,015</u>
Total Amount Available Fiscal Year 2008-09	\$ 62,163,015
<u>ETP Expenditures:</u>	
Program Administration	(9,100,000)
Other ProRata	(1,095,830)
Marketing and Research	(525,000)
EDD Support	(500,000)
Program Funds:	
Prior Year Contract Liabilities	(21,000,000)
New Training Contracts	<u>(29,942,185)</u>
Total	\$ 62,163,015

The resulting total of \$62.2 million available for FY 2008-09 was allocated by the Panel as follows:

Program Funds: The Panel encumbered all \$50.9 million of available program funds for training. Of this amount, \$21 million was for prior year contract liabilities, due as a result of incremental funding, and \$29.9 million was for new training contracts. (In order to maximize its limited funds, ETP incrementally encumbers training funds, initially encumbering about 35 percent of the contract amount to cover first year costs and mitigate second year liabilities. Funding is disbursed over a two-year term per project.)

- **Program Administration:** Close to \$9.6 million was spent for program administration costs, including EDD support.
- **Marketing and Research:** \$525,000 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.
- **Pro Rata:** \$1,095,830 was spent for ETP's share of Pro Rata costs for services provided by departments and agencies such as the Controllers Office and the Department of Finance.

B. NEW TRAINING CONTRACT APPROVALS

\$29.9 million was encumbered in the report year for new training contracts. Since the Panel incrementally encumbers about 35 percent of the total approved amount of contracts in their first year, this enabled the Panel to approve \$95.7 million in total contract amount in FY 2008-09 for new projects. These 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. Approximately 95 percent of funds was targeted for retraining, with 5 percent going for the training of unemployed workers. (Retraitees represented 98 percent of the trainee population, and new hires 2 percent.)

FY 2008-09 FUNDING COMMITMENTS

	Total
Approved Training Projects	468
Total Approved Funding* (in millions)	\$95.7
Workers Targeted for Training	81,960
Average Cost per Trainee**	\$1,168

*\$29.9 million was encumbered for new training, with the remaining liability to be covered in future fiscal years' funds, based on project performance.

**Overall average cost per trainee for new hires was \$3,729; for retrainees it was \$1,126

Training was targeted to the State's key industries, including the manufacturing, services, healthcare, and high-technology sectors. 49 percent went to manufacturing and 10 percent went to services including in the healthcare industry such as for the training of Registered Nurses, Licensed Vocational Nurses, and Technicians. Almost 10 percent was approved for high technology sectors, such as software development, computer programming, and multimedia entertainment. This was a slight decrease in funding for manufacturing from the prior fiscal year, when 51 percent of funds went to manufacturing businesses. The decrease in funding for manufacturing businesses was accompanied by a slight increase in trade and high-tech. Additionally, 24 percent of total approved funds went to clean technology (some of which is included in the manufacturing and high technology funding percentages) to assist contractors in protecting the environment and reducing energy consumption.

**Contracts Approved In High Unemployment Areas
for FY 2008-09**

APPENDIX A2

Contractor	County	Industry	Portion of Contract Approved in HUAs	# of Trainees
"R" Rooter & Plumbing	Fresno	Construction	\$21,840	7
ABS Global, Inc.	Tulare	Trade/Agriculture	\$68,640	33
Advance Data Communications, Incorporated	San Joaquin	Construction/ Communications	\$7,920	12
Advanced Drainage Systems, Inc.	Madera	Manufacturing	\$74,520	90
Aero Bending Company	Los Angeles	Manufacturing	\$45,240	29
Aero Turbine, Inc.	San Joaquin	Manufacturing/ Transportation	\$31,850	35
Aero Union Corporation	Butte	Manufacturing/ Transportation	\$124,740	154
AHMC Healthcare, Inc. dba Greater El Monte Community Hospital	Los Angeles	Healthcare	\$367,200	170
Air Conditioning Trade Association	Contra Costa, San Joaquin, statewide	Construction/Service	\$20,850	10
Alliant Insurance Services, Inc.	Fresno, Kern, San Bernardino	Insurance	\$42,120	72
Amcor PET Packaging, USA, Inc.	Los Angeles, San Joaquin	Manufacturing	\$105,300	130
American Airframe, Inc. dba Pacific Airframe and Engineering	Ventura	Manufacturing High Tech	\$24,960	24
Ameron International Corporation	San Bernardino, Orange, San Diego, San Joaquin	Manufacturing	\$18,000	25
Ammunition Accessories, Inc. dba RCBS	Butte	Manufacturing/ Trade	\$72,864	46
Assembly Masters Ltd.	Contra Costa	Manufacturing	\$24,960	12
Bay Alarm Company	Alameda, Sacramento, San Joaquin, Contra Costa, Orange, San Mateo, Shasta, San Bernardino, Los Angeles, Santa Clara, Sonoma, Ventura	Construction	\$87,912	111
Bay Area Video Coalition	Alameda	Multimedia/Various	\$57,544	39
Berberian European Motors	San Joaquin	Trade/Service	\$55,000	50
Bio-Med Services, Inc.	Riverside, Orange, Los Angeles, San Diego, San Bernadino	High Tech Services	\$54,000	40
Bishop-Wisecarver Corporation	Contra Costa	Manufacturing	\$74,256	51
Boboli International, Inc.	San Joaquin	Manufacturing/ Trade	\$24,700	38
Building Material Distributors, Inc.	Sacramento	Wholesale Trade/Distribution	\$36,000	60
Cactus Media Group, Inc. dba Fresno Magazine	Fresno	Manufacturing/ Publishing	\$20,280	13
California Career School	Riverside, Los Angeles, San Bernardino	Manufacturing, Service, etc.	\$111,481	23
California Manufacturing Technology Consulting	Los Angeles, San Diego, Ventura, Alameda, San Bernardino, Contra Costa, San Mateo, Santa Clara, Santa Cruz, Sacramento, etc.	Manufacturing	\$15,972	16
California State University, Fresno Foundation	Fresno	Various	\$74,946	65
Campbell Soup Company	Sacramento, San Joaquin, Yolo	Manufacturing/ Food Processing	\$17,712	41
Carney's Office Equipment, Inc. dba Carney's BusinessTechnology Center	Kern	Trade	\$15,840	12
CenCal CNC, INC.	Fresno	Manufacturing	\$72,800	35
CertainTeed Corporation	Madera	Manufacturing/ Construction	\$267,300	198
Certified Stainless Service, Inc.	Stanislaus, Merced, Kern	Manufacturing	\$275,400	180
Citibank N.A.	Fresno, Riverside	Finance	\$69,300	110
City of Richmond Workforce Investment Board	Contra Costa	Construction; Services	\$197,478	53
Class 8 Truck Repair LLC	San Bernardino, Kern	Transportation Services	\$67,650	41
Clinica MSR. Oscar A. Romero	Los Angeles	Services Healthcare	\$13,158	17
ComputerTutor Business and Technical Institute	Stanislaus	Services Healthcare	\$74,730	15

**Contracts Approved In High Unemployment Areas
for FY 2008-09**

APPENDIX A2

Contractor	County	Industry	Portion of Contract Approved in HUAs	# of Trainees
ConAgra Foods, Inc.	Stanislaus, Santa Clara, Alameda, Fresno, Los Angeles, Kings	Food Production	\$1,053,864	861
Contractors' Alliance Of Richmond	Contra Costa	Construction	\$28,350	30
Corporation for Manufacturing Excellence dba Manex	El Dorado, Contra Costa, San Joaquin, Santa Clara, Alameda, Sacramento, Los Angeles, San Mateo, Santa Cruz, San Diego, Ventura, etc.	Manufacturing	\$149,978	76
D. H. Scott & Company LLP	Shasta	Services	\$23,760	18
Dale Brisco, Inc.	Fresno	Manufacturing	\$29,250	25
Deere & Company	San Diego, Los Angeles, San Joaquin	Manufacturing	\$23,598	23
Diamond Perforated Metals, Inc.	Tulare	Manufacturing	\$65,520	91
Distinctive Signs, Inc. dba Signs Pacific	Ventura	Manufacturing	\$24,960	16
Don Todd Associates, Inc.	Alameda	Services	\$23,400	20
Dow Chemical Company	Contra Costa	Manufacturing	\$126,900	150
Dreyer's Grand Ice Cream Holdings Inc.	Kern, San Joaquin, Los Angeles	Food Production	\$1,135,728	956
Dunn-Edwards Corporation	Los Angeles	Manufacturing	\$25,800	43
East Bay Spanish Speaking Citizens' Foundation	Alameda	Construction/Service	\$72,644	26
El Camino Community College District, Center for Applied Competitive Technologies	Los Angeles, Orange, Statewide	Manufacturing, etc.	\$246,324	204
Engineering & Testing Services Corporation	Alameda	Engineering Services	\$24,300	27
Esparza's Welding and Machine Shop, Inc. dba EW Corporation	Imperial	Manufacturing	\$41,600	20
Exact Staff, Inc.	Fresno, Kern, Ventura	Service	\$24,640	28
F. Rodgers Corporation	Alameda, Fresno, Los Angeles, Riverside, Sacramento, San Diego	Construction/ Green Technology	\$129,900	144
Four C's Service, Inc.	Fresno	Consturction	\$118,560	76
Fresno City College Training Institue /State Center Community College District	Fresno, Kings, Madera, Tulare	Manufacturing	\$59,140	100
Fresno County Workforce Investment Board (WIB)	Fresno	Services	\$30,056	52
Fresno Truck Center	Fresno, Kern, San Joaquin	Wholesale Trade	\$257,250	98
Fresno West Coalition for Economic Development	Fresno	Service/Construction	\$54,235	35
Futurehome Systems And Design Inc.	Fresno	Trade	\$46,200	35
Gateway Engineering, Inc.	Fresno	High Tech Service	\$23,400	6
Gilstrap's Cleaning and Restoration Services, Inc.	Tulare	Services	\$29,920	17
Give Something Back Business Products	Alameda, Sacramento	Manufacturing1Retail	\$93,600	40
GNI Waterman LLC dba Waterman Industries	Tulare	Manufacturing	\$142,560	99
Granite Construction Company	Fresno, San Joaquin, Riverside, Kern, Santa Cruz	Construction	\$180,000	250
Greater Bakersfield Chamber of Commerce	Kern	Various	\$18,800	25
Greater Santa Ana Business Alliance	Madera	Manufacturing, etc.	\$52,149	28
Hayden Industrial products, LLC	Riverside	Manufacturing	\$146,146	77
Healthsouth Corporation dba Healthsouth Bakersfield Rehabilitation Hospital	Kern	Healthcare Services	\$107,065	49
Hedgpeth Automotive Corporation	Sacramento	Service	\$8,118	9
Hilmar Cheese Company, Inc.	Merced	Food Production	\$599,348	401
Hitcock and Holcombe, Inc. dba Continental Training Center	Alameda, Contra Costa, El Dorado, Fresno, Los Angeies, Placer, Sacramento, San Diego, San Joaquin, San Mateo, Santa Clara, Shasta, Tulare, Yojo, Yuba, Monterey	Various	\$116,910	135
International Paper Company	Tulare	Manufacturing	\$360,000	16
J.R. Simpiot Company	San Joaquin, Fresno	Manufacturing/ Agriculture	\$73,710	91

**Contracts Approved In High Unemployment Areas
for FY 2008-09**

APPENDIX A2

Contractor	County	Industry	Portion of Contract Approved in HUAs	# of Trainees
Jacob Moss, Inc. dba Moss Electrical Contracting	Sacramento	Construction Services	\$28,080	12
Jeld-Wen, Inc.	San Joaquin	Manufacturing	\$80,262	91
John Lopez Welding School	Kern	Construction/Manufacturing	\$199,864	43
Johns Naville	GLENN	Manufacturing	\$60,030	115
Kleinfelder West, Inc.	Alameda, Contra Costa, Fresno, Kern, Los Angeles, Merced, Monterey, Santa Clara, Sacramento, San Diego, San Joaquin, Sonoma, and Stanislaus	High-Tech Services	\$45,900	85
KRM Risk Management Services, Inc.	Fresno	Insurance	\$61,600	56
KS Industries LP	Kern	Construction	\$504,000	350
Lalanne Brothers, Inc.	Tulare	Wholesale Trade	\$18,480	14
Lancaster Community Hospital	Los Angeles	Healthcare Service	\$482,400	200
Leprino Foods Company	Kings, San Joaquin	Manufacturing	\$620,200	1,400
Lortz & Son Manufacturing Company, Inc.	Kern	Manufacturing	\$401,004	141
Lowe's HW, Inc.	Riverside, Sacramento, San Diego, San Joaquin	Trade - Logistics Warehousing	\$15,600	20
LSI Products, Inc. dba ProArmor	Riverside	Manufacturing	\$59,280	40
Lundberg Family Farms	Butte	Manufacturing Green Tech	\$93,420	173
Lyons Magnus Inc.	Fresno	Food Production	\$310,068	319
MAF Industries Inc.	Tulare	Manufacturing	\$100,224	64
Marich Confectionery Company, Inc.	San Benito	Manufacturing	\$68,432	94
McLane/Suneast Inc.	Merced	Trade - Goods Movement	\$20,736	48
Mean Machine, Inc.	Alameda	Manufacturing	\$30,420	13
MedicAlert Foundation	Stanislaus	Service	\$49,500	65
Millipore Corporation	Riverside	Manufacturing	\$112,500	125
MJ Avila Company, Inc.	Fresno	Construction/Service	\$14,144	17
Natural Selection Foods L.L.C. dba Earthbound Farm	San Benito	Agriculture	\$86,580	65
NTMA Training Centers of Southern California	Los Angeles, Ventura, Riverside, San Bernardino	Manufacturing	\$1,370,500	380
Organic Mattresses, Inc.	Sutter	Manufacturing	\$21,060	27
Pacific Dental Services, Inc.	San Joaquin, Kern, Riverside, San Bernardino, Los Angeles	Dental Services	\$44,370	51
Pacific Ethanol, Inc.	San Joaquin, Madera, Fresno	Manufacturing	\$162,720	113
Pactiv Corporation	Fresno, Kern, San Bernardino, Tehama	Manufacturing	\$347,418	6
Pelco, Inc.	Fresno	Manufacturing	\$251,100	450
Penske Truck Leasing Company, LP	Los Angeles, Riverside, Fresno, Kern, San Bernardino, etc.	Finance/Transportation Leasing Services	\$97,875	145
Pep Boys Manny Moe & Jack of California	San Bernardino	Retail	\$210,000	200
PHI Air Medical Group, A Division Of PHI, Inc.	Stanislaus, Shasta, Tuolumne	Health Services	\$56,079	23
Pilkington North America, Inc.	San Joaquin, Stanislaus	Manufacturing	\$115,920	64
PS Print, LLC	Alameda	Manufacturing	\$99,144	102
Pure Energy Systems, Inc.	Kern	Construction; Services	\$18,720	12
Quality Magnetics Corporation dba Delaware Quality Magnetic Corporation	Los Angeles	Manufacturing	\$31,200	20
Ramar International Corporation	Contra Costa	Food Production	\$38,304	19
Recycling Industries, Inc.	Sutter	Service/ Trade	\$15,600	10
Redwood Empire Electrical Training Trust	Lake	Construction	\$3,669	3
Refrigerating Engineers And Technicians Association (RETA)	Alameda, Fresno, Imperial, Los Angeles, Merced Monterey, San Benito, San Joaquin, Santa Barbara, SANTA CRUZ, Stanislaus, Tulare	Manufacturing	\$35,700	35

**Contracts Approved In High Unemployment Areas
for FY 2008-09**

APPENDIX A2

Contractor	County	Industry	Portion of Contract Approved in HUAs	# of Trainees
Regional Technical Training Center	Alameda	Various - Bio Tech/Life Science, Green, Services	\$460,080	120
Ricoh Americas Corporation	Alameda, Contra Costa, Los Angeles, Orange, Sacramento, San Bernardino, San Diego, San Francisco, San Mateo, Santa Clara, Yolo	Trade - Services, Green Tech	\$5,850	10
Ring Container Technologies, Inc.	San Joaquin	Manufacturing	\$29,700	15
Riverside County Economic Development Agency	Riverside, San Bernardino, Orange, Los Angeles	Various	\$118,580	140
Riverside Healthcare Systems, LP dba Riverside Community Hospital	Riverside	Health Services	\$298,320	120
Rodney Musson dba Musson General Contracting	Fresno	Construction	\$18,200	20
Sacramento Employment and Training Agency	Sacramento, Yolo, Colusa, Lake, Glenn, Sutter, Yuba, Alpine, San Joaquin	Various	\$95,982	34
Sacramento Television Stations, Inc.	Yolo	Communications/Multimedia Entertainment	\$25,668	23
San Bernardino Community College District Professional Development Center	San Bernardino	Various	\$19,240	20
Santa Clarita Community College District College of the Canyons-	Los Angeles	Various	\$32,999	41
Scaled Composites, LLC	Kern	Aerospace	\$74,520	35
Sears Logistics Services, Inc.	San Joaquin	Transportation Logistics	\$190,400	80
Sierra Aluminum Company	San Bernardino, Riverside	Manufacturing	\$37,410	86
Sierra Business Council	Tehama, Lassen, Butte, Yuba, Tulare, Kern, Alpine, Madera, Fresno, Stanislaus, Merced, San Joaquin	Various	\$15,560	18
Simpson Strong-Tie Company, Inc.	Alameda, San Joaquin, Tulare, Orange, San Bernardino	Manufacturing	\$161,424	236
Sincera Inc. dba Crown Valley Precision Machining	Los Angeles	Manufacturing; Aerospace; Defense	\$21,840	14
Sonoma County Junior College District Santa Rosa Junior College	Lake	Manufacturing	\$30,054	32
Southeast Los Angeles County Workforce Investment Board	Los Angeles, Riverside	Various	\$349,761	284
Southern CA Painting & Drywall Industries Apprentiship Trust	Los Angeles, Riverside, San Bernardino, Imperial, Kern Mono. Inyo, San Diego, San Luis Obispo, Santa Barbara and Ventura	Construction	\$31,245	20
Spreckel's Sugar Company, Inc.	Imperial	Manufacturing	\$43,200	60
Stanford Medical Billing Services, Inc.	Fresno	Service/Medical	\$53,460	27
Stang Industries, inc.	Riverside	Manufacturing	\$39,000	25
Sturgeon & Son, Inc.	Kern, Contra Costa, Los Angeles, Santa Barbara, Ventura	Construction	\$406,080	282
Summer of 42 Restaurant Enterprises dba Sal's Mexican Restaurants	Fresno, Madera	Service	\$52,800	40
Technical Consumer Products, Inc.	San Joaquin	Wholesale Trade/Manufacturing	\$115,200	40
Technical School Inc., dba Technical College	Los Angeles	Healthcare	\$103,530	30
Tempest Technology Corporation	Fresno	Manufacturing	\$38,220	21
Torosian & Walter, LLP	Fresno	Service/ Account	\$88,000	40
Tulare Joint Union High School District AKA Tulare Adult School	Tulare	Health Services	\$144,390	10
United Parcel Service, Inc.	Alameda, Contra Costa, Los Angeles, Santa Clara, San Mateo, Sacramento, San Diego, San Luis Obispo, Tulare, Fresno, San Bernardino	Transportation Services	\$444,988	407

**Contracts Approved In High Unemployment Areas
for FY 2008-09**

APPENDIX A2

Contractor	County	Industry	Portion of Contract Approved in HUAs	# of Trainees
Universal Forst Products Western Division, Inc.	San Joaquin	Manufacturing	\$106,560	37
Universal Health Services of Rancho Springs, Inc., dba Southwest Healthcare System	Riverside	Healthcare	\$458,382	191
US Farm Systems, Inc.	Tulare	Manufacturing /Agriculture	\$161,200	62
Vibra Healthcare, LLC	Fresno, San Bernardino	Healthcare	\$250,560	120
Visalia Medical Clinic	Tulare	Services	\$74,880	208
Vista Healthcare, LLC dba Vista Hospital Of San Gabriel Valley	Los Angeles	Healthcare Service	\$234,360	125
Wawona Frozen Foods	Fresno	Manufacturing	\$108,000	100
Weber Motors Fresno Inc, dba Weber BMW	Fresno	Trade/ Services	\$68,640	52
West San Gabriel Valley Consortium	Los Angeles, etc.	Manufacturing, etc.	\$28,927	31
Western Growers	Orange	Agriculture Services	\$21,960	61
Wiebe and Associates, CPA, LLP	Fresno	Services	\$46,200	35
TOTAL - 155 Contracts			\$19,989,619	15,013

COMPLETED CONTRACT DATA

Of contracts approved in prior fiscal years, 314 completed during the report year. Training funded by these contracts focused on skills to assist employers in implementing technological innovations, diversifying goods and services, and transitioning to high-performance workplaces. The training was designed to provide workers with the skills required for long-term employment at good wages, and to help California employers remain competitive in the international economy.

A. SUMMARY OF COMPLETED CONTRACTS*

The following table illustrates FY 2008-09 completed contracts. The Panel funded training in high-wage, high-skill jobs for a total of 46,656 trainees at an average cost of \$1,249 per trainee.

	Total
Number of Contracts	314
Amount Earned (in millions)	\$58.3
Retained in Employment	46,656
Cost per Trainee	\$1,249

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

The overall percentage of actual-to-planned placements was 53 percent (37 percent for new hires, and 54 percent for retrainees). The placement rates for retrainees decreased slightly by one percent; however, the new hires decreased significantly from the previous fiscal year's 62 percent largely as a result of the recession and difficulty in placing unemployed workers in jobs. The average cost per trainee increased in the report year from the prior fiscal year, from \$1,036 to \$1,249 per trainee. The average cost per trainee was \$4,308 for new hires, and \$1,211 for retrainees. Approximately 96 percent of funds were earned for successful retraining, with 4 percent going for the training of unemployed workers.

B. TRAINEES SERVED BY SIZE OF BUSINESS

The following table provides numbers of trainees by size of business served. Twenty-two percent of all retrainees and 75 percent of new hires were employed by small businesses (i.e., 250 or fewer employees).

Bus. Size	Retrainees	New Hires	Retrees \$ Earned	NH \$ Earned	\$ Earned Amount
1-20	1,164	141	\$2,105,885	\$619,292	\$2,725,177
21-50	1,940	73	\$3,231,642	\$325,370	\$3,557,012
51-100	3,472	79	\$5,416,077	\$348,964	\$5,765,041
101-250	3,830	138	\$4,666,337	\$567,208	\$5,233,545
251+	35,671	148	\$40,364,093	\$633,473	\$40,997,566
Totals	46,077	579	\$55,784,034	\$2,494,307	\$58,278,341

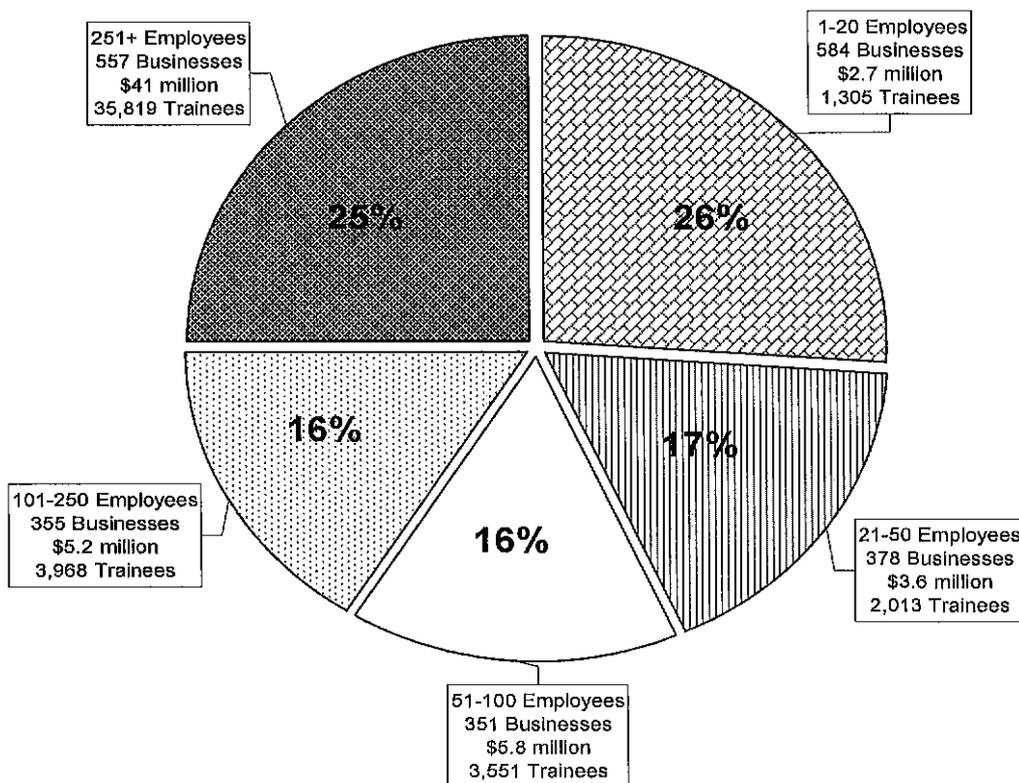
C. BUSINESSES SERVED BY SIZE

2,225 businesses were served in last year's completed contracts. While approving some limited training for unemployed workers, the Panel primarily funds the retraining of incumbent workers in California businesses, especially small firms, to help those employers become or remain competitive. A review of businesses served in completed

contracts shows that 75 percent of all firms served were small (i.e., employed 250 or fewer workers), which was an increase of about 6 percent over last fiscal year. Further, of all businesses served in completed contracts, 59 percent employed 100 or fewer workers; 43 percent employed 50 or fewer workers; and those with 20 or fewer employees represented 26 percent of all businesses served. (See chart below.)

The Panel funds training for small business 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. The Panel served 137 small businesses through direct contracts to provide training for 3,509 workers. This was a 61 percent increase from the prior fiscal year, due principally to the Panel's implementation of the Small Business Program several years ago. Another 1,531 small businesses were served through 62 multiple employer contracts, which provided training for 7,328 workers.

**NUMBER & SIZE OF BUSINESSES SERVED
IN 2008-09 COMPLETED CONTRACTS**



D. TRAINING BY INDUSTRY

The Panel funded training in all major industries in California, with a majority of contracts and funds going towards the manufacturing and high-technology sectors (e.g., software development, biotechnology, telecommunications, engineering and multi-medialentertainment).

<p><u>Manufacturing</u> 33,064 trainees \$40.9 million (70% dollars earned) 40% businesses sewed</p>	<p><u>Services</u> 5,586 trainees \$6.8 million (12% dollars earned) 23% businesses sewed</p>
<p><u>High Technology*</u> 2,605 trainees \$3.9 million (7% dollars earned) 16% businesses sewed <small>*includes software development, multimedia1 entertainment, computer programming and systems design, engineering and telecommunications.</small></p>	<p><u>Finance</u> 1,620 trainees \$1.8 million (3% dollars earned) 3% businesses sewed</p>
<p><u>Trade</u> 920 trainees \$1.2 million (2% dollars earned) 8% businesses sewed</p>	<p><u>Other**</u> 2,861 trainees \$3.6 million (6% dollars earned) 10% businesses sewed <small>**Includes agriculture, construction, and transportation.</small></p>

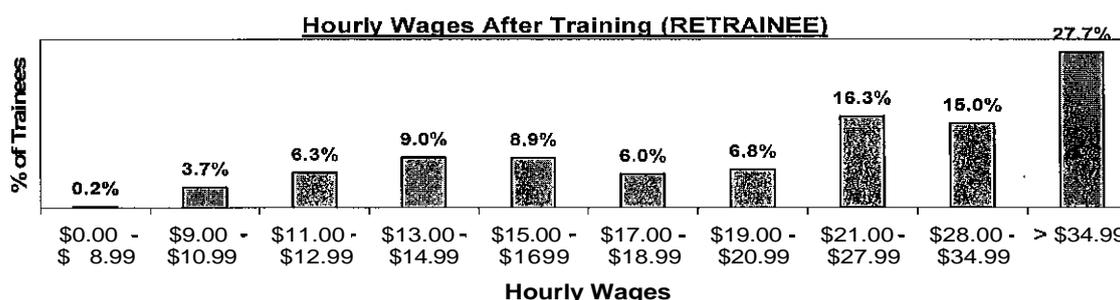
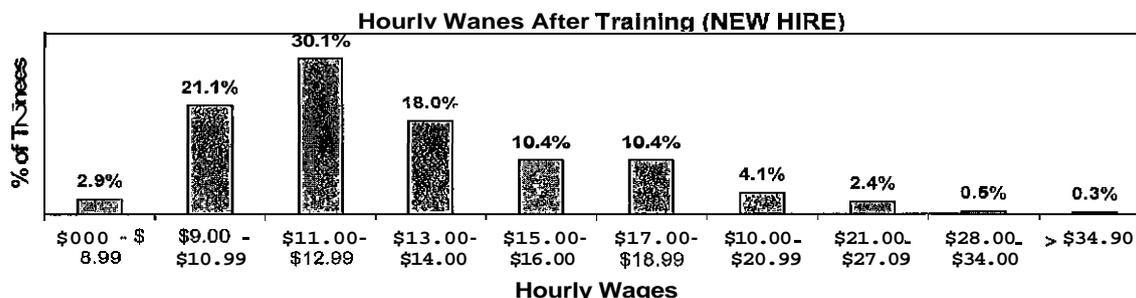
These industry data show that the percentage of funds earned by manufacturing firms in completed contracts increased significantly from the previous fiscal year, from 41 percent to 70 percent. However, the percentage of manufacturing businesses sewed was 40 percent, compared to 54 percent in FY 2007-08. The businesses sewed in high-technology contracts increased to 16 percent from 4 percent from the previous year, while funds earned by businesses in high technology services increased slightly from the prior year's 6 percent to 7 percent.

E. TRAINEE WAGES

The average post-training and retention wages for workers who were unemployed at the start of training (new hires) was \$13.52 an hour; for retrainees, it was \$29.23 per hour. The average new hire wage increased by 15.2 percent over the previous fiscal year while the retrainee wage increased by 16.6 percent.

While ETP primarily funds training for high-wage, high-skill jobs, it also funds training for lower wage workers to assist them in advancing to better paying, more secure jobs. The tables below illustrate trainees' distribution of wages after training and retention in the

report year. This is consistent with prior fiscal 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 (writing, reading, language comprehension, math, and Vocational English as a Second Language) where training has a demonstrated link to job skills training. The majority of literacy training was for frontline workers in manufacturing, many whom were in high unemployment areas. Forty-one of the completed contracts included literacy components for approximately 8,924 participants, at a cost of \$11.2 million for total training hours for those participants.

G. TRAINEE DEMOGRAPHICS

Retrainee Characteristics:

In the report year, 67.6 percent of the retrainee population in completed contracts was male and 32.4 percent was female.

New Hire Characteristics:

In the report year, 47.7 percent of the new hire population was male and 52.3 percent was female. See Appendix B2 which illustrates ethnic, education and age characteristics for both New Hires and Retrainees.

H. DISENCUMBRANCES/REINVESTMENT OF FUNDS

Since ETP contracts are "performance based", funds are not earned by a contractor until a trainee has completed training and a subsequent employment retention period, at a specified minimum wage. Therefore, funds encumbered in a training contract that are not earned, are subsequently disencumbered, and then reinvested in new training projects.

The overall disencumbrance rate of the 314 contracts completing in the report year; as well as the 24 contracts terminating in the report year, was 19 percent. \$72.4 million was encumbered in these contracts, of which \$58.3 million was earned for successful completion of training and employment retention, and \$14.1 million was disencumbered and reinvested in new training.

Research conducted by the University of California Los Angeles indicates that disencumbrances are an integral bi-product of performance-based contracting – assuring that funds not earned by contractors are disencumbered and reinvested in new training projects. Further, disencumbrances are caused largely by changes in economic and business conditions that force firms to reduce or forego training – conditions out of ETP's control. Nonetheless, the Panel has taken steps to reduce and minimize disencumbrances, including the use of incremental funding, where contract funds are encumbered in phases at minimal levels, with additional funds encumbered only as the contractor demonstrates performance.

Other Panel actions in recent years to reduce disencumbrances have included: incremental funding; limiting the number of training hours in projects; requiring top management involvement in the contract process; and, early intervention in poorly performing projects through increased technical assistance to help contractors be successful. If intervention is unsuccessful, the project is terminated, and funds are disencumbered and reinvested in new training projects.

In its earlier years, ETP incurred disencumbrance rates at levels averaging 40 percent annually. However, by taking the administrative actions described above, the Panel has significantly reduced its disencumbrances, as evidenced by the low rate of 19 percent in contracts completing and terminating in the report year.

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

Characteristic	Employment Training Panel		California Labor Force	
	New Hire Percent	Retrainee Percent	Unemployed 2007	Employed 2007
SEX:				
Female	52.3%	32.4%	45.2% a/	46.4% a/
Male	47.7%	67.6%	54.8% a/	53.6% a/
AGE:				
<25	19.3%	7.6%	33.1% a/	13.6% a/
25-34	29.9%	25.7%	21.8% a/	21.6% a/
35-44	24.8%	30.3%	17.3% a/	23.5% a/
45-54	19.9%	25.8%	16.0% a/	23.7% a/
55-64	5.8%	9.7%	9.1% a/	13.7% a/
65+	0.3%	0.9%	2.7% a/	3.9% a/
EDUCATION:				
Less than H.S. Grad.	46.9%	38.3%	18.7% a, b/	9.2% a, b/
H.S. Graduate	28.6%	22.1%	35.5% a, b/	29.6% a, b/
Some College	8.1%	29.1%	26.9% a, b/	27.8% a, b/
College Graduate	1.0%	6.6%	18.9% a, b/	33.4% a, b/
Post Graduate	15.4%	3.9%		
ETHNICITY:				
White	17.2%	38.3%	66.8% a/	74.2% a/
African-American	21.0%	4.9%	18.8% a/	10.0% a/
Hispanic	45.7%	30.4%	11.4% a/	11.6% a/
Asian	6.1%	20.7%	3.0% a/	4.2% a/
Native American	1.0%	0.9%		
Other	9.0%	4.8%	2% d/	2% d/
VETERAN:				
Yes	5.6%	1.6%	4.4% e/	5.5% e/
No	94.4%	98.4%	95.6% e/	94.5% e/

a/ Civilian Labor Force data are based on the March 2007 census provided by the Bureau of Labor Statistics in the Current Population Survey conducted by the Bureau of the Census.
b/ Percentages are for total population 25 years and older in the labor force.
c/ Labor Force data does not include agricultural workers.
d/ Based on March 2006 Civilian Labor Force data.
e/ Based on 2007 Veteran Data from Dept Veterans Affairs & US Census Bureau for ages 18 to 64.

Completed Contracts in FY 08/09

APPENDIX B3

Contractor Name	County	Business Size**	Industry	Retrainees	New Hires	Earned Amount	Percent Earned
3 PAR DATA, INC.	ALAMEDA	4	Manufacturing	17		\$12,078	25%
3D-CAM, INC.	LOS ANGELES	1	Manufacturing	10		\$14,248	76%
5TH AXIS CNC, INC.	SAN DIEGO	1	Manufacturing	4		\$4,137	20%
A & V ENGINEERING, INC.	LOS ANGELES	1	Manufacturing	1		\$1,664	89%
A&D ENGINEERING, INC.	SANTA CLARA	5	Service	34		\$21,187	59%
AAA BUSINESS SUPPLIES & INTERIORS, INC.	SAN FRANCISCO	1	Trade	34		\$23,031	60%
AAA PLATING & INSPECTION, INC.	LOS ANGELES	2	Manufacturing	26		\$31,280	100%
ABS GLOBAL, INC.	TULARE	2	Agriculture	24		\$37,793	55%
ACCESSORIES MARKETING INC.	SAN LUIS OBISPO	2	Manufacturing	34		\$24,500	49%
ACCRATRONICS SEALS CORPORATION	LOS ANGELES	2	Manufacturing	1		\$4,940	8%
ADAMS RITE MANUFACTURING CO.	LOS ANGELES	3	Manufacturing	112		\$161,978	48%
AERO MECHANISM PRECISION INC.	LOS ANGELES	1	Manufacturing	10		\$10,842	63%
AERO TURBINE, INC.	SAN JOAQUIN	2	Manufacturing	37		\$55,427	82%
AISIN MFG., CALIFORNIA, LLC	SAN JOAQUIN	5	Manufacturing	35		\$202,660	55%
ALIGNMED, INC.	ORANGE	1	Manufacturing	2		\$2,340	15%
ALTERA CORPORATION	MULTI COUNTIES	5	Manufacturing	302		\$226,938	18%
AMCOR SUNCLIPSE NORTH AMERICA	MULTI COUNTIES	5	Manufacturing	227		\$130,978	16%
AMERICAN INCORPORATED*	TULARE	4	Construction	8		\$3,999	2%
AMN HEALTHCARE, INC.	SAN DIEGO	5	Service	93		\$53,880	12%
AMULET TECHNOLOGIES, LLC	SANTA CLARA	1	Manufacturing	7		\$5,824	76%
ANTHONY INC. DBA ANTHONY INTERNATIONAL	LOS ANGELES	5	Manufacturing	43		\$42,005	10%
APOLLONIA DENTAL CENTER*	KERN	1	Service	10		\$13,200	77%
APPLIED MATERIALS, INC.	MULTI COUNTIES	6	Manufacturing	1181		\$793,581	40%
ARMA DESIGN, INC.	SAN DIEGO	1	Manufacturing	9		\$3,896	16%
ARROWPOINT CORPORATION	SOLANO	3	Service	12		\$12,480	58%
ART CRAFT PAINT INC.	SANTA BARBARA	1	Service	0		\$0	0%
AURIDENT, INC.	ORANGE	1	Manufacturing	17		\$8,502	18%
AUTODESK, INC.	MULTI COUNTIES	5	High Tech	537		\$515,862	85%
AUTOLAND, INCORPORATED*	LOS ANGELES	3	Service	35		\$36,883	29%
AVAIL MEDICAL PRODUCTS, INC.	MULTI COUNTIES	5	Manufacturing	72		\$64,071	37%
AVIANO GROUP, INC.	MULTI COUNTIES	1	High Tech	8		\$15,132	31%
BACKGROUND IMAGES, INC.	LOS ANGELES	1	Service	0		\$0	0%
BAE SYSTEMS, SAN DIEGO SHIP REPAIR, INC.	SAN DIEGO	5	Manufacturing	264		\$161,586	46%
BARKSDALE, INC.	LOS ANGELES	5	Manufacturing	42		\$34,271	20%
BARTON BRANDS OF CALIFORNIA, INC.	LOS ANGELES	5	Manufacturing	17		\$27,880	100%
BAXTER BIOSCIENCE*	LOS ANGELES	5	Manufacturing	0		\$0	0%
BAY ALARM COMPANY*	MULTI COUNTIES	5	Service	131		\$126,105	100%
BAY AREA VIDEO COALITION	MULTI COUNTIES	6	Service	881		\$1,342,689	84%
BEMA ELECTRONICS, INC.	ALAMEDA	2	Manufacturing	32		\$49,686	100%
BIOGENICS, INC.	NAPA	1	Service	3		\$2,522	54%
BIO-MED SERVICES, INC.*	MULTI COUNTIES	5	Service	16		\$20,385	91%
BORDIERS NURSERY	MULTI COUNTIES	5	Agriculture	139		\$356,832	100%
BROTMAN MEDICAL CENTER*	LOS ANGELES	5	Service	0		\$0	0%
BROWER MECHANICAL, INC.*	PLACER	1	Service	17		\$14,344	30%
BRYNS ARCHITECTURAL METAL AND GLASS*	SACRAMENTO	1	Construction	0		\$0	0%
BUDLONG AND ASSOCIATES, INC.	VENTURA	1	High Tech	6		\$2,496	15%

** (1) 1-50; (2) 51-100; (3) 101-250;

*Special Employment Training (SET) Category

B3-1

(4) 251-500; (5) 501+; (6) Multiple Employers

Completed Contracts in FY 08/09

APPENDIX B3

Contractor Name	County	Business Size**	Industry	Retrainees	New Hires	Earned Amount	Percent Earned
BURBANK STEEL TREATING, INC.	LOS ANGELES	1	Manufacturing	22		\$18,408	46%
BURDGE, INC.	LOS ANGELES	2	Manufacturing	0		\$0	0%
CADENCE DESIGN SYSTEMS, INC.	SANTA CLARA	5	Manufacturing	255		\$172,903	32%
CADFORCE, INC.	LOS ANGELES	1	Service	12		\$11,132	40%
CALIFORNIA PRETZEL COMPANY, INC.	TULARE	4	Manufacturing	58		\$53,445	21%
CALIFORNIA STATE UNIVERSITY DOMINGUEZ HILLS FOUNDATION	MULTI COUNTIES	6	Various	209		\$131,586	33%
CANYON PLASTICS, INC.	LOS ANGELES	1	Manufacturing	0		\$0	0%
CAPO INDUSTRIES, INC.	SAN BERNARDINO	2	Manufacturing	35		\$37,251	75%
CARE OPTIONS MGMT PLANS & SUPP SVC DBA COMPASS*	SHASTA	1	Service	26		\$68,823	91%
CATALINA FREIGHT LINE*	LOS ANGELES	1	Transportation	25		\$17,182	43%
CATI, INC. DBA SATI OF SACRAMENTO	SACRAMENTO	6	Various		6	\$37,980	40%
CEILINGS PLUS, A JOINT VENTURE	LOS ANGELES	2	Manufacturing	51		\$38,226	77%
CENTER FOR EMPLOYMENT TRAINING	SACRAMENTO	6	Various	2	13	\$86,619	18%
CENTURY CITY DOCTORS HOSPITAL LP*	LOS ANGELES	5	Service	0		\$0	0%
CENTURY HOUSING CORPORATION*	MULTI COUNTIES	6	Construction		79	\$397,619	78%
CERTIFIED STAINLESS SERVICE, INC.	MULTI COUNTIES	3	Manufacturing	176		\$405,000	100%
CF TRAINING CENTER, LLC	MADERA	6	Service	10		\$60,000	20%
CHA HOLLYWOOD MEDICAL CENTER, L.P. HOLLYWOOD PRESBYTERIAN MEDICAL CENTER*	LOS ANGELES	5	Service	107		\$309,587	36%
CHARO COMMUNITY DEVELOPMENT CORPORATION*	MULTI COUNTIES	6	Various	6		\$1,597	1%
CHEVRON PRODUCTS COMPANY	CONTRA COSTA	5	Manufacturing	569		\$1,049,276	59%
COMBUSTION ASSOCIATES, INC.	RIVERSIDE	1	Manufacturing	23		\$16,093	33%
COMMUNITIES IN SCHOOLS OF SOUTH BAY, INC.*	LOS ANGELES	6	Various	0		\$0	0%
COMMUNITY BUSINESS COLLEGE, INC.*	MULTI COUNTIES	6	Various		23	\$109,338	18%
COMMUNITY CAREER DEVELOPMENT, INC.	LOS ANGELES	6	Various	6		\$62,886	14%
COMMUNITY CAREER DEVELOPMENT, INC.	LOS ANGELES	6	Various		23	\$74,116	31%
COMPREHENSIVE TRAINING SYSTEMS, INCORPORATED	SAN DIEGO	6	Various		35	\$174,655	61%
COTTAGE BAKERY, INC.	SAN JOAQUIN	5	Manufacturing	525		\$360,042	44%
COUNTY OF SAN BERNARDINO WORKFORCE INVESTMENT BOARD	SAN BERNARDINO	6	Various	66		\$131,268	73%
CRANE AEROSPACE AND ELECTRONICS	LOS ANGELES	5	Manufacturing	37		\$44,064	8%
CROWN VALLEY PRECISION MACHINING	LOS ANGELES	1	Manufacturing	25		\$42,237	90%
CYPRESS SURGERY CENTER*	TULARE	1	Service	21		\$19,454	25%

** (1) 1-50; (2) 51-100; (3) 101-250;

*Special Employment Training (SET) Category

B3-2

(4) 251-500; (5) 501+; (6) Multiple Employers

Completed Contracts in FY 08/09

APPENDIX B3

Contractor Name	County	Business Size**	Industry	Retrainees	New Hires	Earned Amount	Percent Earned
DART CONTAINER CORPORATION OF CALIFORNIA	RIVERSIDE	5	Manufacturing	663		\$338,289	85%
DAUNTLESS MOLDS	LOS ANGELES	1	Manufacturing	22		\$49,899	100%
DBHB LLC DBA DIRECT BUY OF LONG BEACH	LOS ANGELES	1	Trade	26		\$25,422	52%
DELTA DENTAL OF CALIFORNIA	SACRAMENTO	5	Finance/Insurance	316		\$212,663	52%
DIEBOLD, INC.	MULTI COUNTIES	5	Manufacturing	110		\$209,088	63%
DISPLAYWORKS LLC	MULTI COUNTIES	5	Manufacturing	65		\$42,507	21%
DKB RESOURCES, INC.	SANTA BARBARA	1	Manufacturing	3		\$4,680	100%
DLUGOSH CABINET & FIXTURE, INC.	ALAMEDA	1	Manufacturing	0		\$0	0%
DOCUSOURCE, LLC	MULTI COUNTIES	2	Service	51		\$109,219	98%
DOMINO PLASTICS MANUFACTURING, INC.	KERN	1	Manufacturing	12		\$25,365	14%
DR. FRESH, INC.	ORANGE	1	Service	23		\$28,468	96%
DREYER'S GRAND ICE CREAM	TULARE	5	Manufacturing	271		\$304,720	100%
DST OUTPUT	EL DORADO	5	Manufacturing	139		\$126,854	11%
DUNN-EDWARDS CORPORATION	LOS ANGELES	5	Manufacturing	110		\$38,878	100%
E3 FINANCIAL, INC.	ORANGE	1	Finance/Insurance	17		\$16,458	73%
EAST LOS ANGELES DOCTORS HOSPITAL*	LOS ANGELES	5	Service	67		\$100,847	34%
EAST SAN GABRIEL VALLEY REGIONAL OCCUPATIONAL PROGRAM AND TECHNICAL CENTER	MULTI COUNTIES	6	Various		16	\$28,275	9%
EDWARDS LIFESCIENCES LLC	ORANGE	5	Manufacturing	443		\$660,777	38%
EL CAMINO COMMUNITY COLLEGE DISTRICT, CENTER FOR APPLIED COMPETITIVE TECHNOLOGIES (CACT)	MULTI COUNTIES	6	Manufacturing	1067		\$761,594	49%
ELDER OPTIONS, INC.*	EL DORADO	1	Service	11		\$11,572	29%
ELECTRONIC INTERFACE INC. DBA APPLIED ENGINEERING	SANTA CLARA	2	Manufacturing	53		\$160,512	100%
ELECTRONIC INTERFACE, INC. DBA APPLIED ENGINEERING	SANTA CLARA	2	Manufacturing	89		\$456,508	100%
EMPLOYERS GROUP	MULTI COUNTIES	6	Manufacturing	1422		\$831,929	70%
ENTERPRISE COMMUNICATIONS SOLUTIONS, INC.*	ORANGE	1	High Tech	6		\$3,807	15%
ENVIVIO, INC.	SAN MATEO	1	Service	14		\$21,858	44%
EURO RSCG SAN FRANCISCO	SAN FRANCISCO	1	Service	31		\$21,780	53%
EXCALIBUR ENGINEERING, INC.	ORANGE	1	High Tech	31		\$42,198	97%
EXPRESSJET AIRLINES, INC.*	MULTI COUNTIES	5	Transportation	60		\$124,344	9%
FASHION BUSINESS, INC.	MULTI COUNTIES	6	Manufacturing	45		\$33,649	17%
FLEXTRONICS INTERNATIONAL LTD.	MULTI COUNTIES	5	Manufacturing	1121		\$1,481,695	100%
FLIGHT LIGHT, INC.	SACRAMENTO	1	Manufacturing	17		\$13,376	68%
FLUIDMASTER INC.	ORANGE	3	Manufacturing	0		\$0	0%
FORGED METALS, INC.	SAN BERNARDINO	5	Manufacturing	6		\$4,194	2%
FORTUNE FASHION INDUSTRIES LLC	LOS ANGELES	4	Manufacturing	75		\$85,389	27%
FRANKLIN CAREER COLLEGE	MULTI COUNTIES	6	Service		188	\$834,766	100%
FREMONT INVESTMENT & LOAN	MULTI COUNTIES	5	Finance/Insurance	46		\$56,252	6%
FRESENIUS MEDICAL CARE NORTH AMERICA	MULTI COUNTIES	5	Manufacturing	0		\$0	0%

** (1) 1-50; (2) 51-100; (3) 101-250;

'Special Employment Training (SET) Category

B3-3

(4) 251-500; (5) 501+; (6) Multiple Employers

Completed Contracts in FY 08109

APPENDIX B3

Contractor Name	County	Business Size**	Industry	Retrainees	New Hires	Earned Amount	Percent Earned
FRITO LAY, INC.	MULTI COUNTIES	5	Manufacturing	1652		\$1,678,383	100%
FRONT OFFICE STAFF, INC.	MULTI COUNTIES	1	Other - Communication	0		\$0	0%
FUJI FOOD PRODUCTS, INC.	ORANGE	4	Manufacturing	34		\$62,613	72%
G2 HOLDINGS CORPORATION	SANTA CLARA	1	Service	0		\$0	0%
GATEWAY ENGINEERING, INC.	FRESNO	1	High Tech	5		\$21,307	91%
GDA TECHNOLOGIES, INC.	SANTA CLARA	5	High Tech	0		\$0	0%
GEKKO ENGINEERING INC	LOS ANGELES	1	High Tech	22		\$18,167	58%
GENERAL ATOMICS	SAN DIEGO	5	Manufacturing	102		\$76,963	35%
GENERAL DYNAMICS NASSCO	SAN DIEGO	5	Manufacturing	296		\$583,364	49%
GENERAL MILLS OPERATIONS, INC.	LOS ANGELES	5	Manufacturing	95		\$85,223	36%
GNOMON SCHOOL OF VISUAL EFFECTS	MULTI COUNTIES	6	Service	107		\$149,761	75%
GOODWILL INDUSTRIES OF SANTA CLARA COUNTY (HUA%)	MULTI COUNTIES	6	Various	0		\$0	0%
GOODWILL INDUSTRIES OF VENTURA & SANTA BARBARA COUNTIES, INC.	MULTI COUNTIES	6	Various		9	\$33,321	20%
GREATER SANTA ANA BUSINESS ALLIANCE	MULTI COUNTIES	6	Various	718		\$1,304,037	100%
GROSSMONT-CUYAMACA COMMUNITY COLLEGE DISTRICT	SAN DIEGO	6	Various		4	\$22,953	14%
GUITTARD CHOCOLATE COMPANY	MULTI COUNTIES	4	Manufacturing	43		\$110,695	56%
HAWAII PACIFIC APPAREL GROUP INC., DBA MIMI & MAGGIE	LOS ANGELES	1	Manufacturing	5		\$3,629	58%
HI TECH ELECTRONIC MANUFACTURING, INC.	SAN DIEGO	2	Manufacturing	22		\$10,500	21%
HITCHCOCK AND HOLCOMBE, INC., DBA CONTINENTAL TRAINING CENTER	MULTI COUNTIES	6	Various	927		\$748,054	100%
HOLLY YASHI, INC.	HUMBOLDT	1	Manufacturing	20		\$4,659	12%
HOSPIRA, INC.	MULTI COUNTIES	5	Manufacturing	444		\$536,590	78%
HUNTER DIRECT, INC.*	ORANGE	1	Service	15		\$9,922	47%
HYATT CORPORATION	MULTI COUNTIES	5	Service	1328		\$637,440	70%
INGOMAR PACKING COMPANY, LLC	MULTI COUNTIES	2	Manufacturing	47		\$14,487	67%
INTEGRATED MANAGEMENT SYSTEMS MARKETING, INC. DBA INTEGRATED MANAGEMENT TRADE ASSOCIATION	MULTI COUNTIES	6	Manufacturing	144		\$267,556	31%
INTELLIQUOTE INSURANCE SERVICES	EL DORADO	1	Finance/Insurance	40		\$28,544	95%
INTERNATIONAL BUSINESS MACHINES CORPORATION	MULTI COUNTIES	5	Manufacturing	1551		\$1,072,764	8%
IRWIN INDUSTRIES, INC.*	MULTI COUNTIES	5	Construction	251		\$338,994	46%
ISOMATRIX INC	VENTURA	1	Service	3		\$3,960	75%
J & R FILM CO. INC. D.B.A. MOVIOLA EDUCATION CTR.	LOS ANGELES	6	High Tech	456		\$673,583	90%
J. R. & L, INC. DBA POWERTEK LEARNING CENTER	MULTI COUNTIES	6	Various	43		\$38,562	20%
JACUZZI BRANDS, INC.	SAN BERNARDINO	5	Manufacturing	355		\$417,031	48%
JD ENGINEERING	SANTA CLARA	1	Manufacturing	35		\$145,600	86%
KEELEY AEROSPACE, LTD.	MULTI COUNTIES	1	Manufacturing	11		\$15,600	100%
KELLER LUMBER SALES, INC.	SHASTA	1	Trade	12		\$15,488	84%

** (1) 1-50; (2) 51-100; (3) 101-250;

*Special Employment Training (SET) Category

B3-4

(4) 251-500; (5) 501+; (6) Multiple Employers

Completed Contracts in FY 08/09

APPENDIX B3

Contractor Name	County	Business Size**	Industry	Retraitees	New Hires	Earned Amount	Percent Earned
KERN COMMUNITY COLLEGE DISTRICT-BAKERSFIELD COLLEGE	MULTI COUNTIES	6	Various	46		\$27,887	6%
KLA-TENCOR, INC.	MULTI COUNTIES	5	Manufacturing	486		\$375,365	42%
KLM ENTERPRISES, INC. DBA NEW HORIZONS COMPUTER LEARNING CENTERS OF SOUTHERN CALIFORNIA*	MULTI COUNTIES	6	Various	213		\$127,242	26%
KOREA RADIO, INC./ DBA RADIO KOREA, INC.	LOS ANGELES	2	Other - Communication	27		\$22,568	6%
KRUGER FOODS, INC	SAN JOAQUIN	2	Manufacturing	44		\$39,644	100%
KUNDE ESTATE WINERY AND VINEYARDS	SONOMA	2	Manufacturing	34		\$23,091	46%
L-3 ELECTRON DEVICES	SAN MATEO	5	Manufacturing	21		\$13,755	6%
LABEL IMPRESSIONS, INC.	ORANGE	1	Manufacturing	18		\$30,497	85%
LAND O' LAKES, INC.	TULARE	5	Manufacturing	204		\$269,253	77%
LASCO BATHWARE, INC.	ORANGE	5	Manufacturing	33		\$23,818	17%
LEADMAN ELECTRONICS USA, INC.	SANTA CLARA	1	Manufacturing	0		\$0	0%
LIGHTING CONTROL & DESIGN- INC.	LOS ANGELES	2	Manufacturing	20		\$19,581	40%
LIGHTSPEED SYSTEMS INC.	KERN	2	Service	31		\$10,907	30%
LIN ENGINEERING, INC.	SANTA CLARA	3	Manufacturing	28		\$28,925	59%
LOCKHEED MARTIN AERONAUTICS COMPANY	LOS ANGELES	5	Manufacturing	739		\$755,626	60%
LOGICVISION, INC.	SANTA CLARA	2	High Tech	9		\$11,778	28%
LOGITECH, INC.	ALAMEDA	5	Manufacturing	43		\$21,255	2%
LOS ALAMITOS MEDICAL CENTER"	ORANGE	5	Service	111		\$3,208	1%
LOS ANGELES PACIFIC COLLEGE"	LOS ANGELES	6	Various	52	6	\$98,630	41%
MARINO ENTERPRISES, INC. DBA GEAR TECH	SAN BERNARDINO	1	Manufacturing	18		\$11,921	51%
MCLELLAN EQUIPMENT, INC.	KINGS	3	Manufacturing	76		\$145,964	68%
MEANS ENGINEERING, INC.	SAN DIEGO	2	Manufacturing	29		\$13,626	27%
MELLANO ENTERPRISES, INC.	MULTI COUNTIES	3	Agriculture	40		\$62,159	40%
MEMORIAL HOSPITAL OF GARDENA"	LOS ANGELES	5	Service	27		\$98,533	33%
MERCED COUNTY DEPARTMENT OF COMMERCE, AVIATION AND ECONOMIC DEVELOPMENT'	MULTI COUNTIES	6	Various	1		\$385	1%
MICRODYNE PLASTICS, INC.	SAN BERNARDINO	2	Manufacturing	40		\$35,217	71%
MILLERCOORS	LOS ANGELES	5	Manufacturing	303		\$843,680	66%
MILLIPORE, INC.	RIVERSIDE	5	Manufacturing	150		\$143,620	42%
MILLIPORE, INC.	SHASTA	5	Manufacturing	2		\$1,440	1%
MKG ENTERPRISES, INC.*	ORANGE	1	Service	12		\$8,790	18%
MONIGHAN & ASSOCIATES, INC., DBA MONIGHAN DESIGN	SACRAMENTO	1	Service	0		\$0	0%
MONTEREY MUSHROOMS, INC.	MONTEREY	5	Agriculture	842		\$657,434	63%
MOTION ENGINEERING, INC.	MULTI COUNTIES	5	Manufacturing	13		\$12,933	60%
MULTIPROBE, INC.	SANTA BARBARA	1	Manufacturing	28		\$20,657	37%
NATIONAL LENDING -- CORPORATION	MULTI COUNTIES..	5	Finance/Insurance	0		\$0	0%
NATIONAL OILWELL VARCO, L.P.	ORANGE	5	Manufacturing	322		\$348,381	98%
NATIONAL SEMICONDUCTOR CORPORATION	MULTI COUNTIES	5	Manufacturing	812		\$781,519	39%

** (1) 1-50; (2) 51-100; (3) 101-250;

*Special Employment Training (SET) Category

B3-5

(4) 251-500; (5) 501+; (6) Multiple Employers

Completed Contracts in FY 08/09

APPENDIX B3

Contractor Name	County	Business Size**	Industry	Retrainees	New Hires	Earned Amount	Percent Earned
NDC INFRARED ENGINEERING, INC.	LOS ANGELES	5	Manufacturing	44		\$43,884	60%
NEW TECHNOLOGY TRAINING INSTITUTE	MULTI COUNTIES	6	Service		18	\$67,716	79%
NEW UNITED MOTOR MANUFACTURING, INC.	ALAMEDA	5	Manufacturing	2459		\$5,613,064	93%
NEXBIO, INC.	SAN DIEGO	1	High Tech	46		\$49,140	100%
NHK LABORATORIES, INC.	LOS ANGELES	2	Manufacturing	22		\$19,201	39%
NITELOG, INC.	MONTEREY	1	High Tech	0		\$0	0%
NL&A COLLECTIONS, INC. DBA NOVA LIGHTING	LOS ANGELES	1	Manufacturing	11		\$3,880	8%
NORD COAST VINEYARDS SERVICES	NAPA	1	Agriculture	16		\$16,315	100%
NORDEX ADVANCED TECHNOLOGY, INC.	VENTURA	1	Manufacturing	8		\$10,858	63%
NORTEL NETWORKS LIMITED	MULTI COUNTIES	5	Manufacturing	123		\$89,523	7%
NORTHROP GRUMMAN CORPORATION MARINE SYSTEMS	SANTA CLARA	5	Manufacturing	247		\$214,178	21%
NTMA TRAINING CENTERS OF SOUTHERN CALIFORNIA	MULTI COUNTIES	6	Manufacturing	695		\$2,251,162	100%
OASIS AIR CONDITIONING, INC.*	KERN	1	Construction	27		\$27,768	64%
OFFICE SOLUTIONS BUSINESS PRODUCTS & SERVICES, INC.	ORANGE	2	Service	84		\$123,766	68%
OLYMPIA MEDICAL CENTER*	LOS ANGELES	5	Service	108		\$171,577	57%
OMNI LOS ANGELES HOTEL AT CALIFORNIA PLAZA	LOS ANGELES	5	Service	191		\$196,800	100%
ON-SITE LASERMEDIC CORPORATION	MULTI COUNTIES	2	Service	44		\$44,946	91%
ORCON CORPORATION	ALAMEDA	3	Manufacturing	88		\$118,546	52%
OXMAN COLLEGE*	MULTI COUNTIES	6	Service		23	\$108,906	2%
PACIFIC ADVANCED CIVIL ENGINEERING, INC.	ORANGE	2	High Tech	31		\$13,390	29%
PACIFIC ASIAN CONSORTIUM IN EMPLOYMENT (PACE)*	LOS ANGELES	6	Various		23	\$63,664	32%
PACIFIC COACHWORKS, INC.	RIVERSIDE	2	Manufacturing	31		\$48,321	97%
PACIFIC COAST CABLING, INC.	MULTI COUNTIES	3	Other - Communication	39		\$42,751	17%
PACIFIC HANDY CUTTER, INC.	ORANGE	1	Manufacturing	19		\$15,995	33%
PAN-PACIFIC PLUMBING CO., INC.*	ORANGE	3	Construction	73		\$64,377	44%
PEREGRINE SEMICONDUCTOR CORPORATION	SAN DIEGO	3	Manufacturing	62		\$59,241	29%
PERFORMANCE COMPOSITES INC.	LOS ANGELES	2	Manufacturing	13		\$10,647	21%
PERILLO INDUSTRIES, INC. DBA CENTURY ELECTRONICS	LOS ANGELES	1	Manufacturing	18		\$48,906	98%
PHENOMENEX, INC.	MULTI COUNTIES	4	Manufacturing	173		\$298,800	100%
PHOTON, INC.	SANTA CLARA	1	Manufacturing	5		\$7,800	100%
PLASTIKON INDUSTRIES, INC.	ALAMEDA	4	Manufacturing	199		\$296,148	100%
PLX TECHNOLOGY, INC.	SANTA CLARA	3	Manufacturing	38		\$28,739	29%
POLYCOMP ADMINISTRATIVE SERVICES, INC.	MULTI COUNTIES	3	Finance/Insurance	61		\$46,269	93%
PRAXAIR DISTRIBUTION, INC.	MULTI COUNTIES	5	Manufacturing	54		\$30,413	5%
PRECISION SWISS PRODUCTS, INC.	SANTA CLARA	1	Manufacturing	72		\$369,915	100%
PROGRESSIVE CASUALTY INSURANCE COMPANY	SACRAMENTO	5	Finance/Insurance	266		\$254,219	65%
QPE TECHNICAL INSTITUTE	MULTI COUNTIES	6	Manufacturing	200		\$191,448	71%

** (1) 1-50; (2) 51-100; (3) 101-250;

*Special Employment Training (SET) Category

B3-6

(4) 251-500; (5) 501+; (6) Multiple Employers

Completed Contracts in FY 08109

APPENDIX B3

Contractor Name	County	Business Size**	Industry	Retraitees	New Hires	Earned Amount	Percent Earned
QUANTECH MACHINING INC.	LOS ANGELES	1	Manufacturing	0		\$0	0%
QUINN GROUP, INC.*	MULTI COUNTIES	5	Manufacturing	294		\$209,299	25%
RABBIT SEMICONDUCTOR, A DIVISION OF DIGI INTERNATIONAL	YOLO	4	Manufacturing	35		\$34,299	33%
REDWOOD REGIONAL MEDICAL GROUP, INC.*	MULTI COUNTIES	4	Service	25		\$17,925	24%
AND TECHNICIANS	MULTI COUNTIES	6	Manufacturing	125		\$80,125	89%
REGAL ART & GIFT	CONTRA COSTA	1	Trade	15		\$10,109	69%
REGIONAL TECHNICAL TRAINING CENTER	ALAMEDA	6	Various		37	\$134,100	67%
REID PRODUCTS, INC.	SAN BERNARDINO	2	Manufacturing	21		\$21,632	69%
INC.	SAN DIEGO	5	Manufacturing	163		\$192,190	29%
RICOH*	MULTI COUNTIES	5	Service	195		\$173,826	43%
RIVERSIDE COUNTY ECONOMIC DEVELOPMENT AGENCY	MULTI COUNTIES	6	Various	114		\$91,879	31%
RIVERSIDE HEALTHCARE SYSTEMS, LLC DBA RIVERSIDE COMMUNITY HOSPITAL*	RIVERSIDE	5	Service	157		\$206,437	26%
RIVIERA, INC. DBA THE ENTERPRISE U	MULTI COUNTIES	6	Various	441		\$262,232	87%
ROHR, INC. DBA GOODRICH AEROSTRUCTURES	RIVERSIDE	5	Manufacturing	114		\$133,171	18%
ROSS ENGINEERING CORPORATION	SANTA CLARA	1	Manufacturing	20		\$12,682	33%
RWM FIBER OPTICS, INC.*	MULTI COUNTIES	6	Various		34	\$161,126	68%
SACRAMENTO EMPLOYMENT & TRAINING AGENCY*	SACRAMENTO	6	Various	810		\$1,823,090	100%
SACRAMENTO VALLEY SHEET METAL WORKERS JOINT APPRENTICESHIP AND TRAINING FUND COMMITTEES (JATC)*	SACRAMENTO	6	Construction	27		\$16,401	12%
SAFETY-KLEEN SYSTEMS, INC.	MULTI COUNTIES	5	Manufacturing	228		\$201,157	23%
SAGE SOFTWARE, INC.	MULTI COUNTIES	5	Manufacturing	93		\$88,848	30%
SAN DIEGO HOSPITALITY INSTITUTE	MULTI COUNTIES	6	Service		5	\$22,340	8%
SAN DIEGO TRAVEL GROUP	SAN DIEGO	2	Service	60		\$28,868	58%
SANTA CLARITA ASSOCIATION MANAGEMENT, INC. DBA VALENCIA MANGEMENT GROUP*	LOS ANGELES	1	Finance/Insurance	0		\$0	0%
SANTA CLARITA COMMUNITY COLLEGE DISTRICT	MULTI COUNTIES	6	Various	491		\$391,638	89%
SCHLOSSER FORGE COMPANY	SAN BERNARDINO	5	Manufacturing	54		\$66,768	31%
SEAGATE TECHNOLOGY LLC	MULTI COUNTIES	5	Manufacturing	615		\$1,334,581	88%
SEALY, INC.	MULTI COUNTIES	5	Manufacturing	125		\$188,208	58%
SEDGWICK CLAIMS MANAGEMENT SERVICES, INC.	MULTI COUNTIES	5	Finance/Insurance	71		\$65,632	10%
SEQUOIA GROUP LLC*	MULTI COUNTIES	2	Service	0		\$0	0%
SHAW DIVERSIFIED SERVICES, INC.	LOS ANGELES	5	Manufacturing	0		\$273,876	70%
SHEA HOMES LIMITED PARTNERSHIP*	RIVERSIDE	5	Construction	15		\$10,449	21%
SIERRA PACIFIC ORTHOPAEDIC AND SPINE CENTER MEDICAL GROUP, INC.	FRESNO	3	Service	30		\$18,430	10%

** (1) 1-50; (2) 51-100; (3) 101-250;

(4) 251-500; (5) 501+; (6) Multiple Employers

Completed Contracts in FY 08/09

APPENDIX B3

Contractor Name	County	Business Size**	Industry	Retraitees	New Hires	Earned Amount	Percent Earned
SILICON VALLEY WORKFORCE INVESTMENT NETWORK	SANTA CLARA	6	Various	0		\$0	0%
SMURFIT-STONE CONTAINER CORPORATION	LOS ANGELES	5	Manufacturing	29		\$25,359	34%
SO. CA. OPERATING & MAINTENANCE ENGINEERS APPRENTICESHIP TRUST FUND FOR LOCAL 501'	LOS ANGELES	6	Various	46		\$27,130	16%
SONOMA COUNTY JUNIOR COLLEGE DISTRICT, SANTA ROSA JUNIOR COLLEGE	MULTI COUNTIES	6	Various	268		\$184,277	59%
SONY PICTURES ENTERTAINMENT, INC.	LOS ANGELES	5	Manufacturing	226		\$210,562	52%
SOUTH BAY INSPECTION, INC.	LOS ANGELES	2	Service	2		\$2,640	5%
SOUTHEAST AREA SOCIAL SERVICES FUNDING AUTHORITY	MULTI COUNTIES	6	Manufacturing		14	\$56,387	52%
SOUTHEAST LOS ANGELES COUNTY WORKFORCE INVESTMENT BOARD (SELACO WIB)	MULTI COUNTIES	6	Various	1717		\$1,937,787	94%
SOUTHERN CALIFORNIA PAINTING & DRYWALL INDUSTRIES APPRENTICESHIP TRUST*	LOS ANGELES	6	Construction	79	8	\$59,646	27%
SPACE SYSTEMS/LORAL, INC.	MULTI COUNTIES	5	Manufacturing	467		\$330,880	31%
STANDARD FILTER CORPORATION	SAN DIEGO	2	Manufacturing	19		\$23,272	60%
STANTEC CONSULTING INC.*	MULTI COUNTIES	3	Service	51		\$30,222	13%
STERLING ALLIANCE, INC., DBA CCT COMPUTER LEARNING CENTER	MULTI COUNTIES	6	Various	119		\$188,371	82%
STOESSER INDUSTRIES DBA STOESSER-GORDON PLASTICS	SONOMA	2	Manufacturing	28		\$11,690	36%
STRYKER ENDOSCOPY	SANTA CLARA	5	Manufacturing	486		\$470,582	97%
STUROI-QUICK PREFABRICATED STRUCTURES*	MULTI COUNTIES	6	Construction		3	\$16,278	8%
T. C. INSPECTION, INC.	CONTRA COSTA	2	Service	44		\$84,392	41%
T. CHRISTY ENTERPRISES, INC.	MULTI COUNTIES	2	Trade	47		\$25,611	52%
TAIT & ASSOCIATES, INC.	MULTI COUNTIES	3	High Tech	128		\$164,192	58%
TAMCO STEEL	SAN BERNARDINO	4	Manufacturing	6		\$3,600	1%
TANFIELD ENGINEERING SYSTEMS (US) INC.	FRESNO	5	Manufacturing	0		\$0	0%
TEAM SURGICAL, INC.	ORANGE	2	Trade	0		\$0	0%
TENNECO AUTOMOTIVE	LOS ANGELES	5	Manufacturing	22		\$9,504	65%
THE BOEING COMPANY	MULTI COUNTIES	5	Manufacturing	381		\$378,000	100%
THE CLOROX COMPANY	MULTI COUNTIES	5	Manufacturing	1342		\$1,213,215	79%
THE CORPORATION FOR MANUFACTURING EXCELLENCE D.B.A. MANEX	MULTI COUNTIES	6	Various	341		\$939,792	188%
THE KETTEL CO.	LOS ANGELES	1	Manufacturing	0		\$0	0%
THE KROGER CO.	LOS ANGELES	5	Manufacturing	70		\$42,091	18%
THE OLIVIA COMPANIES LLC	SAN FRANCISCO	1	Service	40		\$109,721	85%
THE PERMANENT MEDICAL GROUP, INC.*	MULTI COUNTIES	5	Service	382		\$504,049	93%
THE RAYMOND GROUP*	MULTI COUNTIES	4	Construction	16		\$16,069	8%

** (1) 1-50; (2) 51-100; (3) 101-250;

*Special Employment Training (SET) Category

B3-8

(4) 251-500; (5) 501+; (6) Multiple Employers

Completed Contracts in FY 08/09

APPENDIX B3

Contractor Name	County	Business Size**	Industry	Retraitees	New Hires	Earned Amount	Percent Earned
THERMIONICS METAL PROCESSING, INC.	ALAMEDA	2	Manufacturing	45		\$124,645	74%
TOLAR MANUFACTURING COMPANY, INC.	RIVERSIDE	1	Manufacturing	15		\$14,182	45%
TOYS "R" US, INC.	MULTI COUNTIES	5	Trade	12		\$14,920	4%
TRAV-L-WORLD COLLEGE*	MULTI COUNTIES	6	Service		12	\$26,474	13%
TUSTIN CHAMBER OF COMMERCE*	ORANGE	6	Various	2		\$699	1%
TYCO THERMAL CONTROLS LLC	SAN MATEO	5	Manufacturing	109		\$99,000	100%
U.S. FARM SYSTEMS, INC.	TULARE	2	Manufacturing	52		\$122,486	58%
UAW LABOR EMPLOYMENT AND TRAINING CORPORATION	MULTI COUNTIES	6	Manufacturing	259		\$468,615	31%
UNIVERSITY OF SAN DIEGO-DIVISION OF CONTINUING EDUCATION"	SAN DIEGO	6	Various	19		\$15,019	19%
UPTOWN STUDIOS	MULTI COUNTIES...	1	High Tech	0		\$0	0%
US HYBRID	LOS ANGELES	1	Manufacturing	0		\$0	0%
USC UNIVERSITY HOSPITAL, INC., A CALIFORNIA CORPORATION, DBA USC UNIVERSITY HOSPITAL*	LOS ANGELES	5	Service	50		\$43,630	78%
VENTURA FOODS, LLC	MULTI COUNTIES	5	Manufacturing	77			6%
VETERINARY PET INSURANCE COMPANY	ORANGE	4	Finance/Insurance	94		\$81,547	17%
VISALIA MEDICAL CLINIC, INC.*	TULARE	4	Service	110		\$87,271	32%
VISIONS PAINTING, INC.*	SACRAMENTO	1	Construction	0		\$0	0%
VISIONS RECYCLING, INC.	SACRAMENTO	1	Manufacturing	0		\$0	0%
VOLUTION, INC.	VENTURA	2	Service	28		\$18,567	89%
WEST SAN GABRIEL VALLEY CONSORTIUM DBA CAREER PARTNERS	MULTI COUNTIES	6	Various	159		\$129,153	29%
WESTTECH COLLEGE*	MULTI COUNTIES	6	Various	338		\$609,241	73%
WESTERN DIGITAL CORPORATION ¹	MULTI COUNTIES	5	Manufacturing	899		\$740,750	63%
WESTERN GROWERS*	MULTI COUNTIES	6	Agriculture	74		\$52,857	11%
WESTERN GROWERS*	MULTI COUNTIES	4	Agriculture	57		\$27,412	20%
WIEBE AND ASSOCIATES CPA, LLP	FRESNO	1	Finance/Insurance	32		\$28,384	83%
WILLIAMS FURNACE COMPANY	SAN BERNARDINO	5	Manufacturing	263		\$546,957	100%
WINSELOW AUTOMATION, INC.	SANTA CLARA	2	Manufacturing	36		\$24,041	49%
XEROX CORPORATION	LOS ANGELES	5	Manufacturing	217		\$283,500	100%
ZVX CORPORATION	SANTA CLARA	1	Trade	0		\$0	0%
TOTAL - 314 Contracts				46,077	579	\$58,278,341	

*Special Employment Training (SET) Category

** (1) 1-50; (2) 51-100; (3) 101-250; (4) 251-500; (5) 501+; (6) Multiple Employers

TERMINATED CONTRACTS

Twenty four contracts terminated in the report year, prior to completion of the contract term. In several cases, some training occurred; but in others, training never began. While the Panel initially approved \$ 2,870,506.00 in funding for these projects, it only encumbered, and subsequently disencumbered in the report year, approximately half of that approved funding amount. Most of the contracts were terminated due to changes in the company's economic conditions, including plant closure or sale of the company, increase in business, turnover and staff reductions, and changes in priorities.

ETP continues to limit disencumbrances through early ETP intervention in projects where problems were occurring, as well as the implementation of increased flexibility for contractors in implementing their training plans.

This table provides a list of the report year's terminated contracts:

Contractor Name	Funding Amount	No. of Trainees	Industry	County
ACSCO Products, Inc.	\$ 42,120.00	27	Manufacturing	Los Angeles
ARMA Design, Inc.	\$ 19,448.00	22	Manufacturing	San Diego
Balboa Water Group, Inc.	\$ 83,160.00	110	Manufacturing	Orange
Cambrio Enterprises, Inc. dba Buggy World	\$ 5,940.00	6	Trade	San Diego
Career College of California	\$ 197,484.00	42	Various	Orange
Com Dev USA, LLC	\$ 40,698.00	17	Manufacturing	Los Angeles
Credence Systems Corporation	\$ 285,768.00	252	Manufacturing	Santa Clara
DK Global, Inc.	\$ 26,400.00	20	Services	San Bernardino
Fideiis Brothers, Inc. dba Denny's Electric and Home Services	\$ 18,720.00	12	Construction	Ventura
Gateway Cities Partnership, Inc.	\$ 111,916.00	28	Services	Los Angeles
J.D. Power And Associates	\$ 283,140.00	363	Services	Multi Counties
LATIS Career College, Inc. dba LATIS Career College	\$ 113,050.00	25	Various	Los Angeles
MASCO Corporation	\$ 452,196.00	474	Construction	Muiti Counties
McBain Instruments	\$ 51,480.00	33	Manufacturing	Los Angeles
Miller Machine Inc.	\$ 23,760.00	18	Manufacturing	San Diego
Newland Communities	\$ 217,872.00	103	Construction	Multi Counties
Northern Video Systems, Inc.	\$ 101,250.00	225	Trade	Placer
Ramcast Ornamental Supply Co, Inc.	\$ 48,960.00	68	Manufacturing	Los Angeles
Reborne, Inc.	\$ 94,424.00	43	Trade	Multi Counties
Spansion LLC	\$ 151,200.00	350	Manufacturing	Santa Clara
Syntax-Brilliant Corporation	\$ 243,360.00	169	Manufacturing	Los Angeles
T S Steel, Inc.	\$ 49,920.00	32	Manufacturing	San Bernardino
The Sedaker Group of California, Inc. dba Diectbuy of West Riverside County	\$ 48,400.00	40	Trade	Multi Counties
Unilever Supply Chain, Inc.	\$ 159,840.00	111	Manufacturing	Riverside
	\$ 2,870,506.00	2590		

Project Profiles

The following project profiles include examples of how the Employment Training Panel supports California's key industries and economic priorities – such as manufacturing, hi-technology, small business, bio-tech, clean technology, construction, and healthcare.

- 1. CALIFORNIA LABOR FEDERATION, AFL-CIO**
- 2. TEMPEST TECHNOLOGY CORPORATION**
- 3. SPECTRA LABORATORIES, INC.**
- 4. EDWARDS LIFE SCIENCES**
- 5. GOODWILL INDUSTRIES OF SANTA CRUZ**
- 6. APPRENTICE & JOURNEYMEN TRAINING TRUST FUND OF THE SOUTHERN CALIFORNIA PLUMBING & PIPING INDUSTRY**
- 7. CALIFORNIA BUILDING PERFORMANCE CONTRACTORS ASSOCIATION**
- 8. SOUTHERN CALIFORNIA PAINTING & DRYWALL INDUSTRIES APPRENTICESHIP TRUST**
- 9. CALIFORNIA RETREADERS**
- 10. PROMEGA BIOSCIENCES**

California Labor Federation, AFL-CIO

Preparing Workers for the Emerging Green Economy

Recent legislation combined with a push towards energy efficiency and demand for greenhouse gas reductions are driving trends and shifting California towards a greener economy. As the state continues to move towards a more environmentally friendly marketplace and more sustainable products and practices, the impacts to the building industry have been severe. The development of green building measures for new construction, as well as existing buildings, is creating a need for additional training to ensure compliance with new regulations and to keep pace with upcoming legislation and consumer demand.

Realizing the key role construction plays in the shift to a green economy, and the need for trained workers, the California Labor Federation, AFL-CIO requested funding from the Employment Training Panel for the implementation of a statewide **Building Green Skills** training program. In January 2009, the Panel approved \$1,196,216 for the Federation to provide training to 1450 workers, paving the way for a new generation of construction workers trained in the increasingly complex technologies of the future.

The curriculum, based on predicted requirements, was jointly developed by local union and employer representatives and was designed to meet the specific needs of participating employers and assist construction union members in the acquisition of greener skill sets, and prepare them for active participation in the emerging green economy.

The curriculum provides affordable, ongoing journey-level training in sustainable, green building and development, potentially reducing periods of unemployment for construction trade workers who have been severely affected by the current economy. While reducing their carbon footprint, addressing climate change and other environmental challenges, such training may also prevent further economic hardship by preparing workers for jobs on commercial and public works projects generated as a result of green initiatives, enabling them to earn high wages and good benefits as they keep pace with California's rapid shift to a new, more sustainable, green economy.

Tempest Technology Corporation

Keeping Small Business Viable in California

Tempest Technology Corporation (Tempest) is a small, but rapidly growing company in a high unemployment region of California. Since its inception in 1987, Tempest has become a leader in the fire equipment manufacturing industry. Its products include specialized fans which provide positive pressure ventilation used by firefighters to reduce heat and increase visibility, particularly in high rise structures. Tempest also manufactures a full line of fire rescue saws used by fire fighters.

In October, 2008, the Panel approved \$38,220 for Tempest to provide business, computer, continuous improvement, management, and manufacturing skills training to 21 workers - effectively paving the way for implementation of a structured, company-wide training program. The high cost of this type of training, which includes time taken out of production, would be out of reach for a small business, such as Tempest, to implement without funding from ETP.

In addition to its training program, which includes quality improvement and a vigorous customer service training agenda, Tempest is currently undergoing a computer conversion update, which requires intensive training of all employees, from the front office to the leads on the production floor. ETP's contribution has not only helped to relieve Tempest's fiscal burden as its employees undergo training, but has enabled the company to efficiently meet its customer needs, while transitioning to a high performance workplace which will enable it to maintain a competitive edge in the global marketplace.

Spectra Laboratories, Inc.

Strengthening Advanced Technology in California

Founded in 1979, Spectra Laboratories, Inc. (Spectra) is a national clinical laboratory which specializes in the testing of blood, urine, microbiology and water, as well as other laboratory tests for End Stage Renal Disease (ESRD). It offers a wide range of data, diagnostic and disease management services to dialysis centers, physician's offices, medical clinics, and hospitals nationwide, generating a significant portion of its revenue from customers located outside of California.

In March 2008, the Panel approved \$157,290 for Spectra to train 214 California employees in Advanced Technology, Business Skills, Computer Skills, and Continuous Improvement Skills.

In addition to this training, Spectra remains committed to independent, ongoing product training to ensure employees acquire the skills needed to comply with future changes in its testing services, as well as training such as literacy skills, new-hire training and orientation, compliance training, basic business skills, and executive management training. ETP funding enhances Spectra's training menu, and focuses on a new platform which will allow the company to undertake new initiatives, meet the challenge of out-of-state competition, and build its presence in California.

Edwards Life Sciences, LLC

Supporting the Creation of New Jobs and a Highly Skilled Workforce

Edwards Life Sciences, LLC conducts research, development, and manufacturing activities at its company headquarters in Irvine, California, where its primary focus is developing and testing new technologies for the treatment of cardiovascular disease, including heart valves, heart valve rings, and associated treatment delivery systems for the healthcare industry.

To maintain a competitive edge in the global marketplace, the company identified a need to train and build upon the skills of both new and incumbent workers to provide them with skills necessary to better understand Edwards' customer requirements and company design for manufacturing principles, as well as accelerate the development and commercialization of new product technologies.

The Panel approved \$489,048 for Edwards Life Sciences to provide training for 984 full-time workers at its Irvine facilities. Curriculum has been designed to improve product quality, decrease cycle time, and better meet customer demands and the rigid compliance standards for medical device manufacturing established by the FDA.

Over the next several months the Irvine facility plans on hiring up to 150 new employees for its *research/development*, operations, marketing, and clinical departments and will fill approximately 100 manufacturing positions. Additionally, the company anticipates that up to 160 highly skilled workers will be needed to manufacture its products. Edwards plans to hire staff currently working in a temporary capacity into full-time, permanent positions as production operators following the completion of their training.

Completion of training will prepare both long-term and new employees to participate in improved company processes and better support the development of more technologically advanced products. Once trained, this highly skilled workforce will enable Edwards to move quickly toward meeting increasing worldwide demand for innovative and less invasive replacement valve therapies that address industry demand in the treatment of cardio vascular disease.

Goodwill Industries of Santa Cruz

Providing Tools for Success

Established in 1928, Shoreline Goodwill provides vocational services, including employment, training, workshops, work experience programs, job placement, vocational counseling and evaluation, and on-the-job training to adults in the counties of Santa Cruz, Monterey, & San Luis Obispo.

In March 2009, the Panel approved \$83,835 for Shoreline Goodwill to provide training for 30 unemployed, hard-to-serve trainees in a variety of vocational skills. Training needs were based on labor market information obtained from Employment Development Department (EDD), local market studies and surveys; and from working with participating employers to determine specific job requirements and needs. The skills identified are then incorporated into training curricula by staff experienced in course development.

Funded under the Panel's guidelines for the Ex-Offender/At-Risk Youth pilot program, the training is center-based and delivered at agency locations throughout the tri-county region. Trainees are being trained in the occupations of office specialist, customer service representatives, financial information records staff, health care support staff, food preparation and serving staff, hotel/motel and resort desk staff, and solar energy installer helpers. Trainees in these programs are learning office procedures, word processing, office software, and customer service skills. Additionally, medical specialization candidates are receiving training in medical terminology and diagnostic codes. Bookkeeping/accounting specialization candidates are receiving additional training in accounting fundamentals and related accounting software. Hospitality trainees are being trained in hotel terminology and guest relations. Solar energy installer helpers are receiving training in software specific to the industry.

Shoreline Goodwill is working collaboratively with the Santa Cruz, Monterey, and SLO County Social Service departments to create a referral system of eligible participants. Additionally, the organization is building upon existing relationships with local non-profits, such as Turning Point of California, which specialize in working with at-risk populations. Shoreline Goodwill's program is well-established program which has consistently and successfully trained at-risk youth and ex-offenders for work in demand occupations.

Apprentice & Journeyman Training Trust Fund of the Southern California Plumbing & Piping Industry

Strengthening California's Workforce

Headquartered in Compton, California, the Apprentice & Journeymen Training Trust Fund of the Southern California Plumbing & Piping Industry (P&P Trust) represents the plumbing and pipefitting industry throughout Southern California. Operating eight training centers, the Trust is responsible for training thousands of apprentices and journey-level workers who work in a variety of settings, both private and commercial.

With a high concentration of work in large industrial and commercial projects, the industry's employment and training needs remain strong. In order to remain competitive, workers in the plumbing and piping industry must be able to work in a variety of complex, multi-skilled construction settings, and rapidly changing job trends result in an ongoing need for worker training.

New technology, continuous production demands, and an increased consumer demand for energy-efficient, "green" projects have resulted in a need for additional certification and a broader skill set for workers. Currently there is a national shortage of industry workers, especially welders, and this shortage, along with the need for skilled craftsmen to work in specialized jobs, will be compounded in the next couple of years as baby boomers retire, and federal and state infrastructure development projects are funded.

In March 2009, the Panel approved \$536,190 for P&P Trust to train 710 workers, helping to combat both present and future industry challenges. With national and local input from the piping community, a comprehensive curriculum was developed around industry needs. The program has been designed to prepare workers in the industry for nationally recognized industry certifications, and will include specialized training in valve repair; medical gas installation; welding; refrigerant handling; industrial rigging; foreman skills; geothermal systems; instrumentation, and green awareness.

Training is taking place at P&P Trust facilities located throughout the state, including Camp Pendleton, and will help ensure ongoing employment to workers in the construction industry and new employment with high wages and career potential for a small segment of the veteran population. After training, workers will be able to perform the jobs currently in demand for both commercial and industrial construction, and will support "green" projects, as well as federally funded economic stimulus projects and state bond funded projects to rebuild and enhance California's infrastructure.

California Building Performance Contractors Association

Increasing Workforce Opportunity While Reducing California's Carbon Footprint

Formed in 2001, the California Building Performance Contractors Association (CBPCA) is a non-profit trade association which assists green contractors in the identification and completion of quality, green home, energy upgrades designed to improve homeowner's comfort and indoor air quality while lowering energy bills. This idea of a comprehensive, science-based, home energy-efficiency improvement is a relatively new, yet crucial concept in the United States, where 20-30% of all green house gas emissions are from buildings.

In recent years CBPCA has experienced a growing demand for training from its membership and the construction industry at large. In order to meet the increasing demand for training in the green contracting field, the CBPCA has developed a certification training, based on CBPCA surveys, member feedback, California's new energy initiatives, and national best practice standards, that will provide Green Home Energy Retrofits training to small business owners and their employees.

In February 2009, the Panel approved \$252,600 for CBPCA to provide Instructor Certification training for Green Home Energy Retrofits, which will focus on *energy-efficient* buildings and meeting the State Energy Plan. The curriculum is designed to help small business owners build and grow their green contracting business through training in Home Performance principles, business marketing, and sales. The initial training will be administered to 20 small business owners in order to certify them as trainers in *CBPCA's* Home Performance program.

Training will be conducted statewide. Small business owners, as well as frontline workers, will be trained in commercial and computer skills that will certify them to conduct Green Energy Home Performance assessments, diagnostic testing, and remediation. Training will also include specialized skills pertaining to energy efficiency, which ultimately results in lower energy costs and a reduced carbon footprint. Once trainees have completed the program, they will have an understanding of how energy efficiency is achieved by addressing the whole house as a system, and will be able to train an additional 130 small business owners and 75 employees to perform the Green Home Energy Retrofits. Additionally, once training is completed, trainees may become certified as Home Performance Contractors with Energy Star, which adds further value to their training, builds on their skill sets, and has the potential to create further opportunity within the green construction industry.

Southern California Painting & Drywall Industries Apprenticeship Trust

Improving the Skill Set and Competitiveness of California's Workforce

Over the last few years the craft of painting has undergone significant changes due to industry modernization, as well as a shift to greener, more environmentally friendly industry practices. As a result, the level of complexity of construction projects has steadily increased, and so has competition from out-of-state.

The Southern California Painting & Drywall Industries Apprenticeship Trust (SCP&D) is a non-profit institution which provides apprenticeship and journey-level training on behalf of the 8,000 employees represented by the Painters & Allied Trades District Council 36. In March 2009, the Panel approved \$124,978 for SCP&D to provide training to approximately 250 Journeymen Painters, in 12 counties throughout California. The new retraining program has been implemented based on feedback from the union and employers.

Training will focus on specialty work, including new finishes, green technology, lead paint removal, and industrial painting and coating systems, such as **Airless** Spray Systems. The training will enable workers in the painting and drywall industry to begin utilizing the latest materials and processes, resulting in improved quality standards, and the ability to meet consumer demand.

All training will be conducted at SCP&D training facilities in Commerce, Santa Fe Springs, Garden Grove, and San Diego, and is designed to improve the skill sets of workers, resulting in enhanced employment opportunities, job security, and increased wages.

California Retreaders, Inc

Training for Success

Operating from two locations in Fresno, California Retreaders is one of the largest processors of recyclable tire rubber in California. The company provides complete commercial facilities for full-service tire retreading, as well as mobile road service. Customers include commercial trucking companies, local municipalities, and tire dealers that resell the company's product.

California Retreaders is a Michelin franchise privately owned by Paul Neufeld and **Mathew** Schoettler. As a small business manufacturer facing out-of-state competition, they recognize the value of ongoing employee training. With a successful track record of hiring, training, and retaining at-risk youth and ex-offenders, the company has designed a curriculum that will provide its employees with occupational growth opportunities, as well as providing skills that will improve its business viability and stimulate company growth.

In March 2008, the Panel approved \$182,540 for California Retreaders to train 40 workers. As a result, new hires recruited through federal and state correction agencies including the Department of Justice, employment offices, community-based organizations, and similar sources will receive training in commercial, business, and manufacturing skills.

In addition to ETP-funded training, California Retreaders provides employee training and activities in literacy, basic skills, life skills, and guidance involving personal, interpersonal, and **group/team** matters. The company also works closely with Fresno's Chief of Police and the Police Department in matters involving employees who would be enrolled as ex-offenders and/or at-risk youth.

The company anticipates the opportunity for enhanced training made possible by ETP funds will further encourage an ongoing financial commitment in this area, and the company expects to continue with employee training in all occupations, beyond the ETP-funded program, recognizing that training is vital to future success.

Promega Biosciences

Leading the Way in Life Science Research and Development

Established in 1974, Promega Biosciences, Inc. (PBI), a wholly owned subsidiary of Promega Corporation, is a chemical synthesis research, development and manufacturer of biochemical compounds. With approximately 990 employees world-wide, Promega Corporation is a leader in life science research in development and sales of assay systems used in genomic research, cellomics, proteomics, drug discovery, food and pharmaceutical testing, molecular diagnostics and genetic identification.

In February 2008, the Panel approved \$43,992 for PBI to train 47 of its California workers. ETP funds have enabled the company to create a more comprehensive training program which covers a broad spectrum of technical skills and also includes training in computer skills, continuous improvement, management skills, hazardous materials, manufacturing skills, and business skills for all levels of employees. Training is designed to improve the company's performance in the areas of productivity and efficiency as well as maintain competitiveness with out-of-state competition.

The Annual Report was prepared by the Planning and Research Unit staff: Jill McAloon, Elizabeth Slape, Tara Armstrong, Alana Sanchez, John Bohart, Nancy Reed, and Renee Pierce.

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.

The Employment Training Panel (ETP), as a recipient of state funds, is an equal opportunity employer/program and is also subject to Section 504 of the Rehabilitation Act and the Americans with Disabilities Act (ADA).

Individuals with disabilities who would like to receive the information in the publication in an alternate format may contact ETP at (916) 327-5640.

<http://www.etp.ca.gov>