

# PANEL PACKET

## DECEMBER 2015





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# M e m o r a n d u m

To: Panel Members Date: December 4, 2015

From: Stewart Knox Executive Director File: Panel Memo Doc.

Subject: **Directions to Meeting Site**

The Employment Training Panel will meet on FRIDAY, **December 4, 2015 at 9:30 a.m.**

**New City Hall  
Council Chambers, Room 1103, 1<sup>st</sup> Floor  
915 I Street  
Sacramento, CA 95814**  
Telephone (916) 327-5640 (ETP Central Office)  
FAX: (916) 445-5972 (ETP Central Office)

## **Directions to the New City Hall Council Chambers**

### **From Sacramento International Airport:**

- Take **Hwy 5 South**
- Exit on "**J**" **Street** to **11<sup>th</sup> St.**
- Turn Left on **11<sup>th</sup> Street**
- Turn Left on **I Street**
- **915 I Street**

### **From San Francisco**

- Take **I-80 E**
- Merge onto **I-5 N**
- Exit on "**J**" **Street** to **11th St.**
- Turn Left on **11th Street**
- Turn Left on **I Street**
- **915 I Street**



# M e m o r a n d u m

To: Panel Members

Date December 4, 2015

From: Stewart Knox  
Executive Director

File: Mtg. Site Memo

Subject: **Future Meeting Sites**

<p><b>December 4, 2015</b></p>	<p><b>New City Hall – Sacramento</b>  <b>Time: 09:30 AM</b>  <b>Council Chambers, Room 1103, 1<sup>st</sup> Floor</b>  <b>915 I Street</b>  <b>Sacramento, CA 95814</b></p>
<p><b>January 22, 2016</b></p>	<p><b>California Environmental Protection Agency</b>  <b>Time: 09:30 AM</b>  <b>Sierra Hearing Room, 2nd Floor</b>  <b>1001 I Street</b>  <b>Sacramento, CA 95814</b></p>
<p><b>February 26, 2016</b></p>	<p><b>California Environmental Protection Agency</b>  <b>Time: 09:30 AM</b>  <b>Sierra Hearing Room, 2nd Floor</b>  <b>1001 I Street</b>  <b>Sacramento, CA 95814</b></p>
<p><b>March 25, 2016</b></p>	<p><b>California Environmental Protection Agency</b>  <b>Time: 09:30 AM</b>  <b>Sierra Hearing Room, 2nd Floor</b>  <b>1001 I Street</b>  <b>Sacramento, CA 95814</b></p>



**STATE OF CALIFORNIA  
EMPLOYMENT TRAINING PANEL MEETING**

New City Hall – Sacramento  
915 I Street  
Council Chambers, Room 1103, 1<sup>st</sup> Floor  
Sacramento, CA 95814  
November 5, 2015

**PANEL MEMBERS**

Barry Broad  
Chair

Janice Roberts  
Vice-Chair

Gloria Bell  
Member

Sonia Fernandez  
Member

Leslie McBride  
*Ex-Officio* Member

Edward Rendon  
Member

Sam Rodriguez  
Member

**Executive Staff**

Stewart Knox  
Executive Director

Maureen Reilly  
General Counsel

**STATE OF CALIFORNIA**  
**EMPLOYMENT TRAINING PANEL MEETING**  
New City Hall – Sacramento  
915 I Street  
Council Chambers, Room 1103, 1<sup>st</sup> Floor  
Sacramento, CA 95814  
November 5, 2015

**I. PUBLIC PANEL MEETING CALL TO ORDER**

Chairman Broad called the meeting to order at 9:36 a.m.

**II. ROLL CALL**

Present

Gloria Bell  
Barry Broad  
Sonia Fernandez  
Leslie McBride  
Edward Rendon  
Sam Rodriguez

Absent

Janice Roberts

Executive Staff Present

Stewart Knox, Executive Director  
Maureen Reilly, General Counsel

**III. AGENDA**

Chairman Broad asked for a motion to approve the Agenda.

ACTION: Ms. Bell moved and Ms. McBride seconded the motion that the Panel approve the Agenda.

Motion carried, 6 - 0.

**IV. MINUTES**

ACTION: Ms. McBride moved and Mr. Rendon seconded the motion that the Panel approve the Minutes from the September 25, 2015 meeting.

Motion carried, 6 - 0.



## V. REPORT OF THE EXECUTIVE DIRECTOR

Stewart Knox, Executive Director said, good morning panel members, applicants, and stakeholders. Following the last Panel meeting in September, we have another large panel meeting today with approximately \$12.5M in projects with an additional \$1.1M in Delegation Orders, totaling just over \$13.5M. I will also give you an update on the Fiscal Year (FY) 2015/16 funds as well.

Today we have a mix of single employer and multiple employer projects. Regional Office Managers Diana Torres, Creighton Chan, and Willie Atkinson are here today to present those proposals.

Regarding the budget for Alternative Fuels in partnership with the California Energy Commission, we started off this year with \$2.8M. Should the Panel approve all of today's projects, we will have approximately \$488,000 remaining for this FY. The \$2M of drought funding has been completely encumbered and we were not allocated additional funds for the new FY.

In regards to CORE funding for the FY 2015/16, to date, the Panel will consider an additional \$12.3M in projects with another \$1.1M by Delegation Order. Should the Panel approve all the projects today, the Employment Training Panel (ETP) will have approximately \$41.8M for the remainder of the FY. You may have heard some discussion that funding may not be available after January, this information is not accurate.

Under the Delegation Order, all project proposals will be capped at \$100,000 to be approved by the Executive Director on a continuous flow basis, and as of today we have approved 22 projects totaling over \$1.1M for this month.

For the FY 2015/16 program funding, to date, we have approximately 490 projects submitted in the first and second round, with a value of over \$90M. The Panel has already approved just under \$49M. In looking at December's Panel packet, we will have another \$12M, so by the end of the year, we would put out almost \$16M, which is a record for the Panel.

In regards to the FY 2015/16 Fund Status Report, the results are about \$4M more than we anticipated coming into the fund this year. What we have done is to allocate the monies to the prior year liabilities keeping the fund at \$90.6M going into this year. This is about \$3.5M more than we've had in the prior liabilities. Since we brought the values down, projects continue to do better each year. They are performing at 80 to 85 percent; it used to be 50 to 65 percent in the previous years. As I mentioned at the previous meeting, for the FY, we are looking very good. Our allocations are at \$76.2M approved through appropriations, and we have about \$22M in the reserve funds. If we have to take \$6M out of that, the balance will drop down to \$16M for the remaining for FY 2015/16. We will monitor this closely since the appropriations are higher than last year to make sure each year we are not dipping to the funds at a high rate, and when the economy lapses, that we still have funding to smoothly ease off, rather than have a drastic cut.

Regarding applications for contracts that are still in the regional offices: Single Employer Contract requests are at \$38M; \$28M in allocations. Multiple Employer Contract (MECs)

requests are at about \$7.3M in demand; \$3.1M in allocations. Small Business has \$2.7M in demand; \$5M in allocations. Critical Proposals are at \$1.2M in demand; \$3.1M in allocations. Apprenticeships are at \$3.6M in demand; \$3.4M in allocations. Overall demand is approximately \$52.8M.

Regarding the number of projects remaining in the regional offices today: Single Employers 100, MECs 10, Small Business 65, Critical Proposals 3, Apprenticeships 2; total of 180. AAU by category: Single Employers 65, MECs 21, Small Business 57, Critical Proposals 0, Apprenticeships 16; total of 159. Total number of projects left: 339. The Panel has already funded 151 projects to date with a total remaining at 409. We are currently working very quickly to get those projects out of AAU and out into the regional offices. We have pushed out 60% of the projects, but as you know, they come in as quickly as they go out. We are only receiving about 15 to 16 projects per month; that number has dropped off quite a bit.

In terms of the Individuals With Disability (IWD) program that we have discussed last month, Maureen Reilly, General Counsel, will discuss more of that later today. We have met with several stakeholders and partner agencies about this program to discuss how we can serve people with disabilities and individuals with barriers to employment. We look forward to some of the projects coming forward with those components in the future.

Regarding legislative update, SB 342 was enrolled and presented to the Governor on September 3, 2015. Under existing law, the California Workforce Investment Board (CWIB) is responsible for assisting the Governor in the development, oversight, and continuous improvement of California’s workforce investment system. Existing law requires the board to assist the Governor in targeting resources to specified industry sectors and providing guidance to ensure that services reflect the needs of those sectors.

SB 342 would additionally require the CWIB to assist the Governor in helping individuals with barriers to employment achieve economic security and upward mobility by implementing policies that encourage the attainment of marketable skills relevant to current labor market trends. On October 5, 2015, SB 342 was approved by the Governor and chaptered by the Secretary of State; Chapter 507, Statutes of 2015. Currently, we are not looking at any additional bills.

**VI. MOTION TO ADOPT CONSENT CALENDAR PROJECTS**

Mr. Knox asked for a motion to adopt Consent Calendar Items #1 through #9.

Able Disabled Advocacy, Inc.....	\$199,748
ASC Process Systems, Inc.....	\$178,416
Asian Neighborhood Design, Inc.....	\$193,620
General Mills Operations, LLC.....	\$155,104
Grossmont-Cuyamaca Community College District.....	\$90,000
La Reina, Inc.....	\$145,728
Los Angeles Community College District.....	\$70,707
Managed Career Solutions, Inc.....	\$199,000
Riverside County Economic Development Agency.....	\$75,362

ACTION: Ms. McBride moved and Ms. Bell seconded the approval of Consent Calendar Items #1 through #9

Motion carried, 6 – 0.

## VII. REQUEST MOTION TO DELEGATE IN EVENT OF LOSS OF QUORUM

Mr. Knox asked for a motion for the Panel to delegate authority to the Executive Director to approve Proposals and other action items on the Agenda in consultation with the Panel Chair or Vice Chair.

ACTION: Ms. McBride moved and Ms. Fernandez seconded the approval to delegate authority to the Executive Director in event of loss of quorum.

Motion carried, 6 – 0.

Mr. Broad said, I want to take a moment to mention a few things. I received a copy of a press release put out by the Training Refund Group that encourages employers to apply for funding by January 2016 because we are running out of money. I assume that this was just an honest mistake. However, given the history of the last few years, there's sort of a cautionary tale there. We don't want to get into the "run to the bank" mentality of goals based on the theory that we are running out of money, when we are clearly not running out of funds. There is plenty of funding, there's over \$30M that will be allocated before the end of the FY. I would caution folks to be careful about what they say because sometimes words have consequences.

## VIII. REPORT OF THE GENERAL COUNSEL

### **No More Barriers**

Maureen Reilly, General Counsel, said I'm going to speak on the **No More Barriers** program that we launched effective October 1, 2015. This is a program within a program. We are following our Job Creation program as far as offering incentives to employers who commit to hire and train individuals with disabilities, and we are also offering training funds for related training. By that, I mean recruitment efforts, HR staff training on Section 503 Compliance, or the company's own personalized program to reach out to the community. We are active with this and we are encouraging companies that have this type of program, whether it's a Section 503 Compliance, related to federal contracting, or just an ongoing program for diversity to step forward. We will do whatever we need to do in the contract to not identify these trainees by name, Social Security number, but just in the sense that they are included in the contract. Our training funds are available for this purpose, and we are going to be able to add courses to Exhibit B: Menu Curriculum per your own existing training programs in this regard.

Companies that have outreach programs and training for veterans are also eligible for this type of contract. If you don't have that attribute identified in any of your contracts, we can add it by modification or amendment, and request additional funding if necessary. We are encouraging employers to step forward, especially the larger companies that typically have

these types of programs. Again we are not asking you to set up the program, we are asking you to just work with us in regards to an existing program.

### New or Active Contractors

ETP can add a **No More Barriers** Job Number to your contract. We can do it on the record here, or follow up with a modification. If more funding is needed and you are already in the contract, we can follow up with an amendment. **No More Barriers** is an attribute of the Job Number. It is not per trainee or tagged to training.

### Critical Proposal Status

The aspect of this program means that when a proposal comes to us with five individuals to be considered for **No More Barriers**, you will be processed at the top of the heap as a Critical Proposal with the highest funding priority, in terms of ETP staff workload. We do not have a trainee count; we do not have a minimum. We are expecting some of these Job Numbers or groups to be small: 5 or 10 people. Sometimes we have veterans, and our overall objective reflects the Federal Workforce Investment and Opportunity Act (WIOA) that supports the Governor's Office of Business and Economic Development (GO-Biz) policies.

### No More Barriers Training Topics

If you have a training topic or have a training topic in development, that includes training, how to recruit, how to hire, or how to retain individuals with disabilities, those are the key words coming out of the Section 503 Compliance for the federal contractors; we can add that to the Exhibit B: Menu Curriculum. In other words training and support functions, such as HR training, IT training that will make your website more user-friendly for someone who is visually impaired, and sensitivity training for hiring individuals with disability.

### Job Creation with No More Barriers

If you are hiring individuals with disabilities, you get all the same incentives as we give for Job Creation. You will receive the new hire rate, which is \$20 per hour. You will also receive the new hire wage, not SET, a High Unemployment modification, no Substantial Contribution, no turnover rate penalty, up to 260 hours per-trainee, and literacy and job readiness at 50%. Temporary to permanent positions are ok, as well as productive laboratory. This applies only to Single Employer Contracts. As we launch this new program, we are just going to work with single employer contractors; this may be extended to Multiple Employer Contractors (MECs) in the future.

You can also have a **No More Barriers** component without Job Creation. You can just go to standard training with an existing Job Number. Without the Job Creation, you will not receive the incentives. You will still get your priority status if you are in the development stages. Everything else follows the Job Number that your individuals with disability are going to be enrolled in, or we can include the trainees in an existing Job Number.

### Dispelling Myths

In talking to some employers that are getting ready to come before the Panel today, we've found out that there is a concern that funding allocation is locked into a Job Number for veterans with individuals with disabilities. There are concerns that the funding won't be movable or shifted in or out of that specific Job Number. We are here to say that you have the option to shift funds between Job Numbers, just as they do for any other non-focused

trainee population. Again the **No More Barriers** is an attribute, and we are not tagging it per individual. We are also going to say that if performance is poor, and if you do have a dedicated Job Number, Job Creation **No More Barriers**, and you don't recruit to the extent like you thought you were going to, you will be held harmless on performance for that contract, and it is the same for the veteran component.

### Confidentiality

We can set up a new Job Number with the **No More Barriers** attribute without tagging individual's names or Social Security numbers. In this case, it would be impossible to tell if the trainees, who are taking **No More Barriers** courses, such as sensitivity training, webmaster courses, recruiting and outreach training, have a disability or not. We will work with employers, and ask them to simply report to us, at the end of the contract, how many persons were included in training, regardless if it's a separate Job Number. There will not be any disability tag, not at enrollment or online tracking, not on invoicing, or at data entry, or in any other regard, and we will work this out with the companies based on your own HR protocols as they exist today.

Just in general, most people here know that we do hold any nonpublic personal information in the highest confidence and the IWD status is also confidential. It is not tagged in any way in our system and in general to ensure confidentiality. All trainee data is encrypted at transmission as you do your uploads to our ETP online system. It is stored in a secured ETP database, password protected, need to know access and all of the state of California and security standards in place.

### Follow Employer's Program

Again, we are following the employer's program. The employers are the ones who will document any diversity types of statuses or IWD status. There is an Office Management Budget (OMB) form CC-305 online that will allow people to self-certify whether or not they have a disability. We will accept the employer's statement reported to us as to whether or not any trainees or individuals have disabilities. We anticipate having a successful program and I am open to answer any questions from Panel members.

## **IX. APPRENTICESHIP PRESENTATION**

Peter Cooper, Assistant Director, said good morning. My presentation this morning will be fairly quick. November 2 - 8, 2015 is National Apprenticeship Week and President Obama has proclaimed it as such. This is the first time we've had a National Apprenticeship Week and there are activities and events going on across California. President Obama has done quite a bit to support apprenticeships, including grants of \$175M and other initiatives. I have included a letter of support from Governor Brown, which he issued earlier this week for National Apprenticeship Week. I will say a few words from that, and then I'll get into the statistics of our program.

Governor Brown writes, for more than 75 years, formal state registered apprenticeship training programs have been in an integral part of California's effort to promote a highly trained workforce. The state's apprenticeship system brings together industry, labor, education and government to increase career opportunities for Californians while meeting employer's needs for skilled workers.

Apprenticeship programs provide on-the-job training and technical instruction in which the apprentice learns by doing and earns while learning. Today there are 62,000 apprentices statewide in California being trained in more than 800 occupations, and just a side note, the Division of Apprenticeship sent me some information earlier today, indicating that we have the largest apprenticeship program in the country; the next largest is about 30,000.

Governor Brown writes, given the significance of apprenticeship to the state's workforce development system, it is essential that the apprenticeship model continue to adapt along with changes in our economy. The budget that was put in place this past year directs funding to expand existing apprenticeship programs and create new programs in non-traditional fields and emerging industries to meet unmet labor demands.

Governor Brown said, I urge Californians to recognize the value of registered apprenticeship to the economic well-being of our state, its workers and its employers. I also encourage all California employers to explore the potential of apprenticeship as a means to grow their businesses to meet their needs for skilled personnel and offer opportunities for their employees to advance in their careers.

We have strong support nationally, and on the state level and as you know, we have a program that supports classroom instruction as part of our apprenticeship program. I wanted to share with you some interesting data that we just got back regarding our program.

Should the Panel approve all the projects today, our totals would be 83 in contracts totaling over \$35M. The average amount is \$423,040 and 94% are JATC's. The most important figure here is that we are serving over 20,000 trainees. Based on our Contract Analysis, these programs are largely in the construction sector and we are making efforts to reach out to new sectors as well, including machining and tooling, a/c and refrigeration, and butchers. We are working with our state partners to figure out how we can expand this model to other sectors.

In looking at the ETP Apprenticeship Program, the number of trainees is shown by county in the shaded areas on the map. The largest uptake is in the Los Angeles County as well as the East Bay and South Bay. We have reached almost the entire state of California. There are some rural regions in the far north east part of the state that don't have apprenticeship trainees there yet. I think this reflects the apprenticeship system as a whole and I think the program is doing a good job of reaching the whole state.

Regarding the number of demographics of trainees, the statistics shows that over half of the participants are Hispanic or Latino, 50.3%, White 33.6%, Black 4.8% and Other Race 11.4%. The Apprenticeship Program participants are male, 99%. This is one of the areas that our partners with Division of Apprenticeship Standards (DAS), community colleges, labor agencies, trade unions, and employers are trying to change, so that there are more females who are involved in the apprenticeship training. If you look at the age breakdown, the bulk is in the 26-34 year old age range; 45%, under 25 years old 18%, 35-44 years old 21%, and over 44 years old 16%. As the apprenticeship expand, you will see younger people using apprenticeship programs, as they often do in Germany, Switzerland, and other industrialized countries that have strong broad, apprenticeship programs.

The Apprenticeship Program is going strong at ETP and we are engaged with our partners. The economy is doing better. The Governor has included \$15M for new and alternative apprenticeship programs in the most recent budget. We are working with them to figure out how our funding and program can dovetail with the college's and Department of Labor (DOL) initiatives. Going back on the slides that I showed you earlier, it indicated that \$175M has gone out from the DOL, \$19M of those has come to California. The ETP, myself, and Mr. Knox are working together to figure out how we can report those efforts to expand this great model. That concludes my presentation. I wanted to share the data with you and let you know that there is a lot of energy in this area and we have a lot of support.

Mr. Broad said, thank you.

## **X. REVIEW AND ACTION ON PROPOSALS**

### **Single Employer Proposals**

#### **AHMC Greater El Monte Community Hospital LP dba Greater El Monte Community Hospital**

Diana Torres, Manager of the San Diego Regional Office, presented a Proposal for AHMC Greater El Monte Community Hospital LP dba Greater El Monte Community Hospital (AHMC El Monte or Hospital) in the amount of \$363,880. AHMC El Monte is a 117-bed, full care acute hospital, accredited by the Joint Commission on Accreditation of Healthcare Organizations. This will be AHMC El Monte's third ETP Agreement

AHMC El Monte is a repeat contractor with payment earned in excess of \$250,000 at its facility within the last five years. Training in the proposal differs from and expands on training delivered in previous projects.

Ms. Torres introduced Eric Radagio, Director of Education in Nursing Informatics, Medical Surgical Telemetry Director.

Ms. Fernandez said, in your last agreement, you completed 70%, and prior to that, it was 100%. You are requesting for more funding. How are you going to utilize the funding and how is this contract going to be different from the previous contract? Mr. Radagio said, when we came in March 2013 for our initial project, we hired more people for our facility and we were impacted by the effect of the Affordable Care Act (ACA). Fewer patients were admitted to the hospital, and we were not able to afford any of the training for our staff. The numbers of patients and staff were decreased, and because of this, we were not able to meet our budget and provide the needed training. On the second project, more patients came in because of the implementation of the ACA. The traffic of patients increased, and we were able to deliver training to the staff. In regards to the ACA, there were plenty of requirements for us to meet. There were changes in volume-based purchasing indicators, there were a lot of requirements in order to be reimbursed, and we were required to provide excellent patient care. We were also required to meet quality outcome measures in order for us to provide quality care for our patients. We struggled in the beginning, but later on, we were able to cope. For this upcoming project, there are more requirements by the government in regards to providing services to our community. They have added Prevention of Hospital-Acquired

Infection. We need to be able to train our staff in order to comply with those requirements. In addition the OSHA requires us to promote employee safety. They are asking us to provide training for Lift Equipment and Meaningful Use Stage 2. We need to train our staff in order for us to provide quality care to our patients.

Ms. Fernandez asked, do you have the support of the leadership within your organization so that you can overcome any barriers you may encounter, and be able to continue the training? Mr. Radagio said, yes. As a matter of fact, this year, we hired 12 new graduates. We intend to hire additional new graduate nurses in the upcoming years. We have job openings, but we don't have any experienced nurses applying for the positions. Most of our applicants are coming out of the new graduate program. We are committed to hiring more nurses in our facility. Ms. Fernandez said thank you.

Mr. Broad said, I don't see the Lifting Training in the curriculum. It must be included in a different category because I happen to listen to the series in National Public Radio (NPR) about injuries of nurses in hospitals and the report is bad. It is bad story for the industry; there are a lot of debilitating injuries that are happening to the nurses who are being required to lift patients. There isn't adequate lifting training that is available for the employees. I think our money would be well spent because some of the injuries sustained by the employees are career-ending.

Mr. Rodriguez asked, is the request similar to the previous contract or is it different? Ms. Torres said, the difference is in the training. Mr. Radagio touched on the trainings that are required by the government, although they are going to be the same skills, they have new graduate nurses, so those skills have to be taught in the didactic. Mr. Radagio said, yes, that is correct.

**ACTION:** Ms. McBride moved and Mr. Rendon seconded the approval of the proposal for AHMC Greater El Monte Community Hospital LP dba Greater El Monte Community Hospital in the amount of \$363,880.

Motion carried, 6 – 0.

### **Northrop Grumman Systems Corporation**

Ms. Torres presented a Proposal for Northrop Grumman Systems Corporation (NGSC) in the amount of \$899,940. This proposal has been designated a Critical Proposal by the Governor's Office of Business and Economic Development (GO-Biz) based on NGSC's planned business expansion and commitment to adding jobs in California. The Company has designated its Palmdale facility as a Manufacturing Center of Excellence, one of only two in the nation; and its San Diego facility as an Engineering Center of Excellence, one of three in the nation.

Ms. Torres introduced Orville Dothage III, Sector Manager, Julianna Kirby, Chief Operating Officer, Training Funding Partners.

Ms. Fernandez asked, what plans do you have in place to hire additional veterans? Mr. Dothage said, we have ongoing programs at Antelope Valley College. First, for the mechanic



individual on the floor, in one semester, a person can be qualified for an interview, get hired, and come in as a trainee. Second, we put together a proposal with Antelope Valley College that went to the Governor's office, and they were selected for the stem baccalaureate program, which will kick off in the fall of 2016. We will grow some of our own engineers locally in aerospace manufacturing technology. Third, Antelope Valley College can't meet our need for growth, so they're not going to be able to produce enough of a pool. We are currently working with the city of Palmdale, Antelope Valley College, and the Workforce Investment Board (WIB), and they will hire not only disabled individuals and veterans, but also work on the population. We plan on adding more classes at different campuses. Ms. Fernandez said, thank you.

**ACTION:** Mr. Rendon moved and Mr. Rodriguez seconded the approval of the proposal for Northrop Grumman Systems Corporation in the amount of \$899,940.

Motion carried, 6 – 0.

### **90210 Desert Resorts Management Co., LLC**

Ms. Torres presented a Proposal for 90210 Desert Resorts Management Co., LLC (Desert Resorts Management) in the amount of \$425,575. This will be the fourth training project funded by ETP. The prior ETP Agreements were held by LQR Property LLC. The name change to Desert Resorts Management occurred as a result of corporate restructuring and was not a change in ownership.

Ms. Torres introduced Danyse Jensen, Director of Human Resources, and Jay Kriske, Manager.

Ms. Bell asked, how do you recruit your staff? Do they come in as a temporary hire and become a permanent employee? Ms. Jensen said, no. By the end of the year, we hope to bring in a department that has been outsourced since 2009 when the economy crashed. We love that component of the contract in order to be able to start training those individuals. By the end of the year, we will be able to bring in 80-90 employees

Ms. Bell asked, so none of your employees are temporary hire to permanent? What is your probationary period for your employees? Ms. Jensen said, there is a 90-day introductory period. However, we treat them as employees from day one. Ms. Bell asked when do they qualify for medical benefits? Ms. Jensen said, they qualify after 90 days.

Ms. Torres asked, in this particular proposal, will you have any temporary hire to permanent employees in the Job Creation Number? Ms. Jensen said, it will be very small. We are anticipating 70 to 80 positions.

Mr. Broad said, this temporary hire to permanent employment is going to come up again today. I just want to understand this correctly. The 70 to 80 people who are currently outsourced right now, who is their temporary employer? Ms. Jensen said, their current employer right now is another organization. Mr. Broad asked, is it a temporary employer agency? Mr. Kriske said, it is an employment company that provides staffing for the

hospitality industry. Mr. Broad asked, are these trainees already working at your facility? Ms. Jensen said, they are already working.

Mr. Broad asked, the general question I want to ask here is, who is doing the temporary hire to permanent and how long will they be in a temporary position; what is the timeframe? Mr. Kriske said, what we're moving away from is a permanent scenario. In 2009, we outsourced the entire housekeeping department. We want to bring it all in house. In our market, there is a window, from January 1 to Easter, where you are running at peak level of 40% higher than normal. In that window, our intent is to have everyone be our team members. It's a question as to whether the employment market will be able to bear it.

Mr. Broad asked, so is this a one-time situation? Ms. Jensen said, yes. Mr. Broad asked, on the average, how long will they be employed as a temporary hire before they become a permanent employee? Ms. Jensen said, 30 to 60 days. Mr. Broad said, thank you.

Ms. Fernandez asked, when someone is in a temporary to permanent position, once the employee is converted to permanent status, is there an additional waiting period for benefits? Secondly, for those who receive training on the lower skill wages, what types of opportunity do they have to move up? Mr. Kriske said, part of our strategy with the training, when you have a resort that is spread out over 8 miles, and have all the diverse businesses we have, usually 80% of the time might be busy and 20% might be a little slower period. This time will be used as cross training, so we can put people into other positions that might not be there home department, give them the chance to grow and earn more money. There's a chance than an individual can be promoted internally. It's a big strategy to cross train in multiple lines of expertise.

Ms. Bell said, I'm not sure if I heard it correctly. So I want to ask this, a temporary employee starts off day one and in approximately 30 to 60 days, they are converted to full time? Do they have to wait an additional 30 to 60 days before they can qualify for benefits, or is that original temporary time bridged over? Ms. Jensen said yes, it's included.

Mr. Rodriguez asked, is your training focused on guest services and sales? Ms. Jensen said, quite a bit of our training is guest services, continuous improvement, and job skills. We do have some new technology that will benefit our guests in the long run. That is the type of skill set that we will have to train our team members on, different programming. Mr. Rodriguez asked, what is the number of employees dedicated for that function? Ms. Jensen said, all of our team members. Every individual that works at our resort is a salesperson. They have contact with the guest, and they need to be able to communicate properly with them and provide that type of service. The front office sales teams have more interaction and they require more advanced training. As far as we're concerned, we need to provide that skill set to all of our team members.

Mr. Rodriguez asked, currently, what is the size of your workforce? Ms. Jensen said, currently, we have about 1250 team members. Mr. Rodriguez asked, what is the percentage in terms of the ETP training? Ms. Jensen said, we have 900 trainees who are eligible for this contract. Mr. Rodriguez asked, including training in housekeeping? Ms. Torres said, you have 582 of which 85 are under Job Creation.

Mr. Rodriguez asked, what percentages of the trainees are classified as temporary? Ms. Jansen said, 85%. Mr. Broad said, what we typically see here is that companies hire their employees directly to come work for them. So this is a one –time event and you are bringing the outsourced employee back in the house, which is a good thing. Mr. Kriske said, yes, that is correct.

**ACTION:** Ms. Fernandez moved and Mr. Rendon seconded the approval of the proposal for 90210 Desert Resorts Management Co., LLC in the amount of \$425,575

Motion carried, 6 – 0.

### **Western Digital Corporation**

Ms. Torres presented a Proposal for Western Digital Corporation (WDC) in the amount of \$583,920. WDC designs, manufactures and sells high-performance hard disks, solid-state drives, and other consumer electronics. WDC is a repeat contractor with payment earned in excess of \$250,000 and with former Substantial Contributions at the 15% and 30% levels, at the Irvine and Fremont facilities, within the past five years. Accordingly, reimbursement for trainees at the Job Number 1 facilities (Irvine and Fremont) will be reduced by 50% to reflect the company's \$132,480 Substantial Contribution to the cost of training.

Ms. Torres introduced Susan Hagg, Director, Leadership and Organizational Development.

**ACTION:** Mr. Rendon moved and Ms. Bell seconded the approval of the proposal for Western Digital Corporation in the amount of \$583,920.

Motion carried, 6 – 0.

### **Headway Technologies, Inc.**

Creighton Chan, Manager of the Foster City Regional Office, presented a Proposal for Headway Technologies, Inc. (Headway) in the amount of \$580,629. Headway designs and manufactures recording heads for high-performance hard drives used in laptops, portable computers, and computer servers. This is headway's fourth ETP Agreement in the previous five-year period.

Mr. Chan introduced Louie Berry, Training Manager and Belva Biagas, Employees Relations Manager.

Ms. Bell asked, regarding the temporary to permanent employment, it states here in the Panel packet that you have a small group; what do you consider a small group? Mr. Berry said, 30. Ms. Bell asked, how long is the waiting period before you convert them to permanent full time position? Mr. Berry said, it takes a year. Ms. Bell asked, after that one year waiting period, is there an additional waiting period? Mr. Berry said, no, there is no additional probationary period. Ms. Bell asked, when are the employees eligible for healthcare? Mr. Berry said, they are eligible for healthcare after 90 days. Ms. Bell asked, is that under Headway or through the temporary agency? Mr. Berry said, we do not use a temporary agency. All the employees are directly employed with Headway.

Mr. Broad asked, when does the temporary employee begin the training? Mr. Berry said, we start the training immediately. When we hire an employee, we take them into our factory and work them in a clean room environment; we take them inside the green room. All our training is one-on-one; it's a complicated process. We train them to understand the importance of what we are doing by following the cleaner protocol. The training takes some time. Once they are trained, then they can start producing our product in the manufacturing line. Over a year period, they build more skill sets through training. We don't train them on one thing; we train them on multiple items. The training is time consuming.

Mr. Broad said, with regards to the temporary employees, are they receiving training through ETP funding, or is it through the temporary agency? Mr. Berry said, we employ all the individuals directly. Mr. Broad asked, who are considered temporary to permanent hire? Mr. Berry said, what we do is hire them for a probationary period for a year. Mr. Broad said, so there isn't a temporary agency scenario at all. Mr. Berry said, yes, that is correct.

Mr. Chan said, it's confusing on the narrative because they reference to a temporary agency, which we understood it to be, but now we are finding out that that is not the case.

Mr. Broad asked, from day one, are all your trainees employed with Headway, not a subcontractor or a temporary agency? Mr. Berry said, yes, that is correct. Mr. Broad said, we have an error on the description in the Panel packet.

**ACTION:** Ms. Bell moved and Mr. Rendon seconded the approval of the proposal for Headway Technologies, Inc. in the amount of \$580,629.

Motion carried, 6 – 0.

### **Lockheed Martin Space Systems Company, a Division of Lockheed Martin Corporation**

Mr. Chan presented a Proposal for Lockheed Martin Space Systems Company, a Division of Lockheed Martin Corporation (LM Space Systems) in the amount of \$749,232. LM Space Systems is one of five major divisions of Lockheed Martin Corporation.

LM Space Systems has participated in two previous Agreements, one project within the last five years. The Company is not subject to a Substantial Contribution since the earned funds were not in excess of \$250,000 within the last five years.

Mr. Chan introduced Craig Burchell, Talent Development and Organizational Capability.

Mr. Rodriguez said, I'm not familiar with the Marquis Group. Mr. Burchell said, Marquis Group is a vendor that we utilized to put the contract together and manage the funding. Mr. Rodriguez asked, do they have an experience in California? Mr. Burchell said, they have been on past contracts for California, and they have access to our LMS system.

Mr. Chan said, the Marquis Group was initially involved with the previous Lockheed contract five projects ago. They no longer have an office here in California, but they're operating out of Texas. They have been involved with all the projects with Lockheed Martin, and we are recommending it.

Mr. Rodriguez asked, how is the Marquis Group going to function without an office, are they going to oversee the administrative portion of the contract virtually, or will they have someone on site? Mr. Burchell said, they will do it virtually, and travel out to the facility. Mr. Rodriguez said thank you.

Ms. Fernandez said, this is a great proposal and you have done a great job. As a veteran myself, I appreciate the initiative you have internally. I wish you good luck and I make a motion to approve.

**ACTION:** Ms. Fernandez moved and Ms. McBride seconded the approval of the proposal for Lockheed Martin Space Systems Company, a Division of Lockheed Martin Corporation in the amount of \$749,232.

Motion carried, 6 – 0.

### **Maxim Integrated Products, Inc.**

Mr. Chan presented a Proposal for Maxim Integrated, Inc. (Maxim) in the amount of \$731,538. Maxim designs, develops, manufactures, and markets a range of linear and mixed-signal integrated circuits, commonly referred to as analog circuits.

Mr. Chan introduced Susana Meisenhelder, Program Manager Human Resources, Denise Wooldridge, Senior LMS Representative, and Lee Edenfield, ADP.

Ms. Bell asked, is this your first contract proposal? Ms. Meisenhelder said, yes, that's correct. Ms. Bell asked, how did you hear about us? Ms. Meisenhelder said, we have been looking at the ETP website for a couple of years. This is something that we have put together since February 2015. We are now in a position where we can put together a proposal.

Ms. Bell said, congratulations on your first contract. I see that you have the resources behind you. First contracts can be a little challenging. Please reach out to us if you need additional help, so you can be successful. Ms. Meisenhelder said, yes. Mr. Chan and Mr. Atkinson have been very helpful throughout the whole process. Thank you very much.

Ms. Fernandez asked, do you have the full support of your leadership? If so, please explain. Ms. Meisenhelder said, yes. For this specific initiative, our executive sponsors and the vice president of our human resources, Steve Yamasaki, are fully aware that we are here today. We have a lot of processes in place to make sure that everything goes smoothly.

Ms. Fernandez said, like my colleague Ms. Bell said, we have a great staff and resources within ETP, utilize them, and I wish you good luck.

**ACTION:** Ms. Fernandez moved and Ms. Bell seconded the approval of the proposal for Maxim Integrated, Inc. in the amount of \$731,538.

Motion carried, 6 – 0.

## **Milestone Technologies Inc.**

Willie Atkinson, Manager of the Sacramento Regional Office, presented a Proposal for Milestone Technologies Inc. (Milestone) in the amount of \$444,800. Milestone was founded in 1997 in Fremont and offers strategic information (IT) solution services to businesses worldwide.

The Panel has established a higher reimbursement rate and other incentives for training California veterans. Milestone has committed to hiring five Veterans (Job Number 3). In recent years, Milestone has become the employer of choice for veterans in the local area. Milestone continually receives referrals from community organizations seeking placement for Veterans and hires Veterans on a continual basis.

Mr. Atkinson introduced Shauna Jones, Operations Managers, Sam Roy, Training Manager, and Audrey Taylor, Chabin Concepts.

Ms. Bell asked, are the 251 contact center agents located at a call center? Ms. Jones said, it is a technology support center. Ms. Bell asked, is that open 24 hours, seven days a week? Ms. Jones said, yes, it is open 24 hours a day, seven days a week. Ms. Bell asked, so anytime we call the one of the 251 agents, one of them will answer our call? Ms. Jones said, yes, that is correct.

Ms. Bell asked, is this your first contract? Ms. Jones said, yes this is our first contract. Ms. Bell asked, how did you find out about us? Ms. Jones said, the best way to support that going forward is that we have a floor member training department involved that supports the administrative tasks. I was a former trainer for the ETP grant. Ms. Bell said, so you are familiar with the ETP process based on your past history. This will be Milestone's first contract, be sure to reach out to us because we want you to be successful. Ms. Jones said, absolutely. Thank you.

**ACTION:** Ms. Bell moved and Mr. Rendon seconded the approval of the proposal for Milestone Technologies Inc. in the amount of \$444,800.

Motion carried, 6 – 0.

## **Siemens Industry, Inc.**

Mr. Atkinson presented a Proposal for Siemens Industry, Inc. (Siemens) in the amount of \$599,760. Siemens is a subsidiary of Siemens AG, a global technology powerhouse that has stood for engineering excellence, innovation, quality, and reliability for more than 165 years.

Trainees in Job Number 2 and Job Number 3 come under Panel guidelines for “temporary-to-permanent” employment. Siemens plans to retain these employees through a temporary agency, with the intention of hiring them into full-time, permanent positions after training. These trainees must be determined eligible to participate in ETP-funded training before the start of training, while on payroll with the temporary agency. However, the retention and

post-retention wage requirements cannot be satisfied until after they have been hired by Siemens. Until then, Siemens will not receive progress payments.

Mr. Atkinson introduced Christine Laster, Human Resources Manager, Mark Bennett, Vice President of Operations, and Mike Snead, Consultant, Sierra Consulting.

Mr. Broad asked, please describe the temporary to permanent employment process. Is this your general practice with all employees, and how long are they temporary employees before they become full time permanent employees? Mr. Bennett said, it is our general practice were most all of our labor employees come in as temporary employees. The reason for that is we have demanding quality requirements, specifically in the area of welding and assembly tasks. The product lifecycle for a single vehicle is measured in months, not days, so to get through a couple of cycles of a production process, it takes several months to get that experience for the employee, and understand that they are qualified and fit for long-term employment at Siemens. The typical duration would be 6 to 12 months as a temporary employee, before converted to a full-time permanent position. We strive to convert to full-time employees to the extent that we see our ability to sustain those full-time employees over the long-term. We have a very complex planning cycle. Our sales cycle is measured in years, and we have labor forecasts looking out with good position for 2 to 3 years. Beyond that, we still have additional forecasts, but they are obviously cloudier and there are more variables. We can support the long-term conversion of those employees to full-time permanent.

Mr. Broad asked, when you hire an individual, do you let them know that they are employed temporary and will you notify them when their employment ends? Ms. Laster said, when we work with our agency, which is on staff, the candidates are actually told that their training can take anywhere from 6 to 12 months, depending on the business needs and the location where they are actually going to be working.

Mr. Broad asked, will the training exceed 12 months? This is a sensitive area for us because of the temporary to permanent employment that's going on in the American workplace, which is for employers to figure out a new and ingenious ways not to take responsibility for their own employees. Instead of people getting promoted, if they hang around long enough to get converted to permanent employee of the company, which is where traditionally, in the real world, that's where you begin starting day one. Generally, new employees become permanent within 30 to 60 days, it very quick. This is a long haul. Although I get the reason why.

Mr. Broad asked, what is your turnover rate? What is the percentage of employees that get terminated before 12 months? Ms. Laster said, we have a very low turnover rate at Siemens; it is less than 3%. When we look at the temporary to permanent employment with Siemens, we look at that very seriously because we want to be able to sustain their employment for many years. With that said, we also recognize that we are not eligible for this funding until we actually convert them to full-time permanent position, but we will not convert them to full-time permanent just to get funded. We are going to convert them because we have long-term sustainability for them.

Mr. Broad asked, if the turnover rate is very low, I hate to ask you to be candid. What are you getting out of this? Is it cheaper benefits and lower wage? Mr. Bennett said first of all, it costs us more to have a temporary employee than a permanent employee, and it's by several dollars in our welder classification because of the higher worker's compensation cost, and with the assembly level, it's about a wash, so there is no financial benefit to that. The benefit is, in the long-term, if we bring on the wrong employee and we have to deal with that issue, in the longer term it's more expensive and challenging for us.

Mr. Broad said, so basically it's a bigger challenge for you to terminate someone who is your employee than to terminate someone who is an employee of the temporary agency? Mr. Bennett said, of course it is. Mr. Broad asked, so is that the main reason why you do temporary to permanent employment? Mr. Bennett said, we really want to have that loyalty in our full-time workforce at Siemens. When you are a Siemens employee, we are going to do everything in our power to retain you for the long-term. Mr. Broad asked, what is your average years of employment? Ms. Laster said, we have 10 to 15 years in the shop, they don't leave us.

Ms. Bell asked, do you use multiple staffing agencies or do you only use one staffing agency? Mr. Bennett said, we use one dedicated staffing agency. We actually had to work very hard within Siemens to get that. We have a national program which uses multiple agencies, and we felt that that did not serve our needs to reach into the Sacramento market effectively. We have one dedicated agency for that purpose.

Ms. Bell asked, are you utilizing Superior Group? Mr. Bennett said yes. Mr. Broad asked, when you say they're dedicated, do they exist elsewhere other than at your facility? Mr. Bennett said, yes. Ms. Laster said, we have people dedicated to Siemens facility on site, and they also have a team behind them that is off-site.

Mr. Broad said, since the employee is performing heavy duty manufacturing, there is a significant risk of injury. If they are injured at the workplace, how is the case handled? Ms. Laster said, the employment agency deals with that issue, but we work side-by-side with our environmental protection, health management and safety (EHNS) on-site. The first step is to get them the medical treatment they need, and then we notify the person on site; this is your employee, let's work on this together.

Mr. Broad said, we don't have a policy on this matter. I'm not comfortable with this; but I'm not going to vote against it since we don't have a policy in place. I would really prefer if you were to commit that they would be in a permanent position before they receive the training, but that is not a requirement; we don't have that policy in place. I would like the staff to look at this, and we need to come up with a policy. I think from my point of view, you want the worker to be committed to Siemens, but the worker doesn't exactly feel that Siemens is really committed to them until a certain point. The employee is still disposable. Psychologically, in a way, they know that the temporary position is not the real thing. The real thing is working for Siemens. The employee is hoping for this really good employment. I am also aware, the beneficiary contracts awarded by the taxpayers to build a rolling stock for public agencies, the taxpayers are providing income to the company, and we are paying to train your workers, which is a subsidy to your bottom line. They are receiving this training even though they have already worked for the company for a long time, without a commitment from the



company to them. That is asking the taxpayers to do a lot. It's a lot that we're doing and that's the part I find disturbing, and I think that we need to have a policy in place that deals with this issue. I'm not sure what the answer is, but it seems that there is a moral problem here. I'm not criticizing your company, I wish it was different. I understand your point of view and why you're doing it this way. It may be in your own best interest. I'm not sure if it is in the best interest of these workers, looking at it from their perspective.

Mr. Broad asked, on the average, how long would an employee have worked there at your facility? Mr. Bennett said, the incumbent worker have been there an average of 10 years.

Mr. Broad asked, of the temporary employees, how long have they been at your facility? Mr. Bennett said, most of them have been there a relatively short period of time. As we mentioned earlier, we look at our work load continually. We are actually coming out of a low ebb in our work floor. We are in the project business, and by its nature it has its clear ups and down. We are coming out of a low, heading for a new high rapidly. We are at the lowest ebb of our contract labor force. We have 60 contractors today and we are immediately converting contractors who have critical skills as soon as we are in the uptake. We are converting those contractor employees to full-time employees. We invest heavily in this folks. When we start up a new product line in several areas, the employees with critical skills become the benefactors of the technology transfer. We bring workers, engineers, and welders from Europe, and our lead factory to train these folks. They become the experts. We commit heavily to them

Mr. Broad said, Lockheed and Boeing don't do temporary to permanent employment when they start an F 35 project, and an F 35 is more sophisticated than a piece of rolling stock. Mr. Bennett said, sure it is. Mr. Broad said, they can commit to those people on the first day. We may just have to agree to disagree about this as a tool, and there is a question that we have to answer. We have some policy responsibility here, which is, what is our policy? Do we favor this sort of thing? We clearly don't favor temporary to permanent employment. It's something that we have made an accommodation to, but it's an uncomfortable accommodation, because the whole purpose of our training is to provide secure jobs for people, not insecure jobs. So when you tell me that when they complete your training, there is still a period of time before they would be converted to a permanent position.

Mr. Bennett said, clearly anyone who has completed the training, gets hired as a full-time employee, and complete the retention is eligible for any ETP funding. Mr. Broad said, that is correct, but if they do the training, and they stay for 90 days, you can still be past the 90 days to six months later before they become permanent employees. That doesn't work for me. You should at least commit, if somebody gets this training, and is retained for 90 days, that they are permanent then. Why would they have to wait another six months?

Mr. Bennett said, to our point earlier, it can take that long to become qualified welders, it can take a us a month just to get them through a qualification process before we can even put them on the floor to weld. Mr. Broad asked, after they're done with our training, is there any additional training that needs to take place? Mr. Bennett said, that would be the big part of your training which will not be eligible for reimbursement until after the retention period. Now we enter into a process of the productive laboratory. Then we ask, are they good employees, are they effective, and do we want them as a long-term Siemens employee?

Mr. Broad said, so when an individual gets hired, they start receiving training, but it isn't our training. Is there some training that comes before our training, or is the training we are doing the very first thing they do? Mr. Bennett said that's a very first thing they do. Mr. Broad said, I see. So this is the very first thing they do. Some of them will do well and some others won't. Whoever does well is retained for 90 days, and thereafter, is there an additional training module? How many months do they keep training before they are ready? Does it vary? Mr. Bennett said, in general, it varies. With welders, for example, they get pretested before they even become a contractor. They come to our education center and it can take days or weeks before they complete their certification. Then they would proceed to the floor and productive laboratory for more training. Again, that could take a week or two. Also there are other trainings that come as a matter of course. So right now, if the forklift driver needs to work with a crane, the required training, that goes on throughout the year, for the new skill requires a specific training from time to time. There are other courses of training that would occur.

Mr. Atkinson said, when we develop the curriculum, we don't develop that as to say this is ETP's curriculum and this is the company's curriculum. We build the curriculum based on the training that occupation is going to receive altogether. Then based on how many hours, that's what they are going to look for reimbursement.

Mr. Broad said, in this case, is there a set of separate federal funding? Mr. Bennett said, no there is no federal funding? Mr. Broad said, I thought there's another apprenticeship? Mr. Bennett said, there is no other funding from any other source. Mr. Broad said, I was under the impression that there was. Mr. Bennett said, no sir.

Ms. Fernandez asked, what determines the amount of time an employee spends on training? Is it the individual, or is it the job that they're going to be performing? What determines how long someone is in that timeframe? Six to twelve months is a long period. How do you distinguish, and how do you select people to be in those different categories? Mr. Bennett said, we are implementing a 30, 60, and a 90 day review period for contractors to make sure our managers are paying attention to these employees, and understanding how well they are or are not doing. Because we are going to hiring so many, on your 60 or 90 anniversary date, we anticipate a quarterly review. Everyone who is passed at least 90 days, by that point, would be considered, and it will be based on performance. Ms. Fernandez said, so it's the individual, not the job. Mr. Bennett said, no.

Mr. Broad said I want to apologize. I was getting confused with the \$5M grant that Los Rios Community College District received in which people get that training which is sort of an apprenticeship. But that's even before they are working for the temporary agency. Mr. Bennett said, yes. Our only involvement in that was to support their grant writing activity. We are industry partners to say, if you train qualified welders, we will be happy to hire them.

Mr. Broad said, when you recruit for new employees, specifically employees through the temporary agency, do they respond to an advertisement in the paper to go to work for Siemens, or are these people signing up through, Manpower, or Kelly Services? Ms. Laster said, we actually have been working on this for about a year and a half. We are working with Superior Group, they are our partner. We visit the local community colleges and look at the students that are currently enrolled in classes. We're getting them engaged, and we're telling

them about the long-term jobs at Siemens. We are working with Systems Engineering and Technical Assistance (SETA). They are creating a curriculum to help build the pipeline of welders to come into Siemens, so they're not just answering an advertisement.

Mr. Bennett said, the advertising is branded with the Siemens name. Ms. Laster said, last month, on Highway 50, there's a billboard advertisement recruiting welders for Siemens, so it's not just answering advertising in the newspaper. Superior Groups is our sole-source of recruitment for these positions.

Ms. Bell asked, are there employees that are there for 18 to 24 months? Is there a line that's drawn that you cannot have a temporary worker over two years? What is the maximum that you can be a temporary worker? Ms. Laster said, in some areas of our organization, you can be hired and assigned for a specific project. In Mark Bennett's world, that's different. We are actually working with our management, so if they're not going to be successful after the 12 month period, we will end their assignment.

Ms. Bell asked, what's the maximum that you can be a temporary employee? Mr. Bennett said, our policy is to convert them within 12 months. Ms. Bell asked, so no one will go beyond 12 months? Mr. Bennett said, there's never been anybody over 12 months. Our policy going forward that we hope to strictly enforce is nobody will be a contractor longer than 12 months

Ms. Fernandez asked, during that temporary period, are the employees qualified for benefits, and if so who is paying for that? Ms. Laster said, Superior Group offers benefits to their employees after 60 days on assignment, including six paid holidays.

Mr. Broad asked, does that include health insurance for the employee and family? Ms. Bennett said, the family insurance is paid for by the employee. Mr. Broad asked, the dependent is paid for by the employee, but they pay for the employee? When they convert to permanent employment, do you offer full family healthcare? Ms. Laster said, yes we do, and they are eligible on the first day. Mr. Broad said, it will cost you the same, that's not so good for the worker.

Mr. Bennett said, when I gave you that cost, the same is included in the benefit costs, all up, all in. Mr. Broad said, but now you have to pay Superior Group, and when they become your permanent employee, you no longer have to pay Superior Group anymore, so you get that savings back.

Mr. Rodriguez said, operationally, after 60 days, the employee is eligible to receive benefits from Superior Group. Siemens has a brand, it's an international company. You are leaders, in particular in renewables, and you employ engineers. The employee, in terms of identification, when they are working at a Siemens facility, do they have dual identification? Is it Superior Group and Siemens? Ms. Laster said, the employees are issued a Siemens badge.

Mr. Broad said, I'm looking around for something here that we can get you to agree to. Will you agree to convert the 242 employees to permanent position by nine months? If I can get my way, we will change our policy; we are not going to do this for people beyond 60 days.

You can also understand where we are coming from. You're not a mom-and-pop startup business; you're a large sophisticated company. I would like to move this thing back, can you commit to three months?

Mr. Bennett said, I have a counterproposal. As we look at that 242 number, there is actually one problem with that number, and I think we were misunderstood a bit when we were dealing with this with your staff. That 242 is the total number of contractors to come on board, but the actual conversion is 150 that are planned today. What we would propose is reducing the job funding by 40%. Mr. Broad asked, were the 242 employees going to do the training? Mr. Bennett said, the 242 will be trained, but not under the ETP funding. Mr. Broad said, we are expecting 150 of the 242 to make it. Mr. Bennett said, I expect them to be converted by the end of the contract period. We will still have those other 95 contractors on board, which may have come on board in the last six months or 90 days, or whatever, that may be converted at some time after this contract period.

Mr. Broad said, let's reduce that to 150 employees, I will agree to that. I still would like them to get converted earlier than a year. Can you give me a timeframe? Mr. Bennett said, I honestly don't think we have the authority to make that commitment to you here today. I would love to make that commitment to you, but I don't have the authority.

Mr. Broad said, can you make a commitment that nobody is employed temporary past a year? Mr. Bennett said, yes I would be happy to give you that commitment. Mr. Broad said, I want the staff to review this policy, and I want us to come up with something that deals with the question, what is considered temporary and still qualify for funding. I am not comfortable with this general approach, and I will say that you guys have been very good nature about responding to the questions; you've been fair and candid. It would be nice for us to hear that these employees can get converted to permanent employee by six or seven months

Ms. Bell said, with that said, can you get back to us to see if that's a possibility? Mr. Bennett said we certainly can investigate that.

**ACTION:** Mr. Rodriguez moved and Ms. McBride seconded the approval of the proposal for Siemens Industry, Inc. in the amount of \$599,760.

Motion carried, 6 – 0.

Mr. Broad said, I would like the staff to come back to us and bring back some recommendations, and let's come up with a policy where we don't have an issue.

### **Multiple Employer Proposals**

#### **TriWest Healthcare Alliance Corp.**

Withdrawn

## **Brand Consulting Group, LLC dba Brand College**

Ms. Torres presented a Proposal for Brand Consulting Group, LLC dba Brand College (Brand College) in the amount of \$889,630. This will be the fifth Agreement between ETP and Brand College. Founded in 2004, Brand College is a training agency that provides information technology (IT) courses designed to help IT professionals and businesses succeed in today's technology-driven environment.

Ms. Torres introduced Debbie Ruiz, Director.

Mr. Broad said, the cost of the training indicated here is relatively high; is it because it's advanced technology training? There are a lot of hours on this training. Ms. Ruiz said, that is correct. We offer classroom medical training. Our instructors and all the equipment that we have is the reason why we ask for that higher advance technology rate. They are high-end classes networking with Cisco, Microsoft, LAN and WAN Specialist, and Linux. The pay rate is higher for the people that we are retraining.

Mr. Broad said, in looking at your menu curriculum for your Advanced Technology, Exhibit B is showing 8 to 200 hours. There is a big difference between 8 to 200 hours. Ms. Ruiz said that is correct. Mr. Broad asked, do the hours on the training in bullet points vary? Is there a fixed number of hours for each class; are they strung together?

Ms. Ruiz said, our programs and classes within the programs are modules. We can customize the class to meet each company's needs. So for example, the Certified Multiplatform Network Specialist (CMNS), the training consists of 12 modules. An individual can come in from a company and say that we want to be retained in only eight of those modules. If we have enough people enrolled, then we can customize that for just the specific amount of hours. Some of our classes can go up to 1000 hours. It really is by modules. That is how we try to customize it by company's needs.

Mr. Broad said, I see. That make sense; I understand.

There were no further questions from the Panel.

**ACTION:** Ms. Bell moved and Mr. Rendon seconded the approval of the proposal for Brand Consulting Group, LLC dba Brand College in the amount of \$889,630.

Motion carried, 6 – 0.

## **Kern Community College District**

Ms. Torres presented a Proposal for Kern Community College District (KCCD) in the amount of \$948,372. Headquartered in Bakersfield, KCCD strives to provide outstanding educational programs and services responsive to its diverse students and communities. KCCD includes Bakersfield College, Cerro Coso College, and Porterville College. This will be the tenth Agreement between ETP and KCCD.

Ms. Torres introduced Dave Teasdale, Director.

**ACTION:** Mr. Rodriguez moved and Ms. Bell seconded the approval of the proposal for Kern Community College District in the amount of \$948,372.

Motion carried, 6 – 0.

### **Laborers Training and Retraining Trust Fund For Solution California**

Ms. Torres presented a Proposal for Laborers Training and Retraining Trust Fund For Solution California (SoCal Laborers) in the amount of \$490,565. Founded in 1970, SoCal Laborers funds training for three separate Apprenticeship Programs, two of which will participate in this proposal: 1) Laborer Southern California Joint Apprenticeship Committee (JAC) and 2) Southern California Laborers Landscape and irrigation Fitters Joint Apprenticeship Committee. SoCal Laborers Cement Masons JAC is participating in the active ETP Agreement (ET13-0909); however, is not scheduled for this proposal.

Ms. Torres introduced Martin Delacruz, Executive Assistant, and Jan Borunda, Consultant.

Mr. Rodriguez said, I'm intrigued on this part of the project details. It is showing a particular trend in skills training, I will just read it. "To meet the employer demand, new courses have been added to Southern California Laborers Commercial Skills training to ensure trainees are provided with the latest in technology and new skill sets. Topics added to the curriculum include Laser Transit and Building Level, Plasma Arc and Oxy-Acetylene Cutting, and Treated Wood Waste Awareness." Can you share a little bit about what that is all about?

Mr. Delacruz said, as part of our welding program, some of the Plasma Arc and Oxy-Acetylene Cutting is generally for rebar demolition. To cut a rebar, they would have to use a torch to make sure that it's safe; they have to break the concrete off properly.

Mr. Rodriguez asked, is that project on the public sector or is it private? Mr. Delacruz said, it's mostly public sector. Mr. Rodriguez asked, are these big companies. Mr. Delacruz said, the companies are Flatiron, Skanska, and Granite. They are very big companies that help out the veterans and help the communities that they're working with. They do local hires; they won't just bring in people from Arizona.

Mr. Rendon said, as a Teamster and Labor Representative, I applaud your work and also like the emphasis on the veteran recruitment. I would like to make a motion to approve.

**ACTION:** Mr. Rendon moved and Mr. Rodriguez seconded the approval of the Proposal for Laborers Training and Retraining Trust Fund For Solution California in the amount of \$490,565.

Motion carried, 6 – 0.

### **Lomita Chamber of Commerce**

Ms. Torres presented a Proposal for Lomita Chamber of Commerce (Lomita Chamber) in the amount of \$464,500. Established in 1946, Lomita Chamber is a non-profit voluntary membership organization, serving the local business community, which is predominantly

entrepreneurs and small businesses, with a mix of large corporations such as McDonalds, Taco Bell, Wells Fargo Bank, Albertsons' Supermarket and 99 Cents Store. Lomita Chamber's membership is comprised of approximately 5,000 businesses.

Ms. Torres introduced Veronica Farinet, Presidents, and Cathy Araraki, Executive Director, Deborah Imonti, Consultant, DLI Associates.

ACTION: Ms. Bell moved and Mr. Rendon seconded the approval of the proposal for Lomita Chamber of Commerce in the amount of \$464,500.

Motion carried, 6 0.

### **Los Angeles Community College District**

Ms. Torres presented a Proposal for Los Angeles Community College District (LACCD) in the amount of \$949,240. Founded in 1969, LACCD oversees nine community colleges throughout the Los Angeles region. It is the largest district in the nation, providing administrative support for its colleges in academic enrollment, contract education, community services and workforce and economic development.

Ms. Torres introduced Felicito Cajayon, Vice Chancellor and Debora Imonti, Consultant, DLI Association

ACTION: Mr. Rendon moved and Ms. Fernandez seconded the approval of the proposal for Los Angeles Community College District in the amount of \$949,240.

Motion carried, 6 – 0.

### **Riverside Community College District Office of Economic Development**

Ms. Torres presented a Proposal for Riverside Community College District Office of Economic Development (Riverside CCD) in the amount of \$949,908. This is the third Agreement within the last five years between the ETP and Riverside CCD.

Ms. Torres introduced Robert Grajeda, Director, Customized Training Solutions.

ACTION: Ms. McBride moved and Ms. Fernandez seconded the approval of the proposal for Riverside Community College District Office of Economic Development in the amount of \$949,908.

Motion carried, 6 – 0.

### **Joint Apprenticeship Committee for Operating Engineers for the 46 Northern Counties in California**

Mr. Atkinson presented a Proposal for Joint Apprenticeship Committee for Operating Engineers for the 46 Northern Counties in California in the amount of \$948,210.

Mr. Atkinson introduced Karrie Cutter, Executive Secretary, and Tammy Castillo, Director of Apprenticeship.

Mr. Barry asked are you located here in Northern California? Ms. Castillo said, yes. We are in Sloughouse.

Ms. Fernandez said, I think this is a great proposal and you have a great track record. I would like to make a motion to approve.

**ACTION:** Ms. Fernandez moved and Mr. Rendon seconded the approval of the proposal for Joint Apprenticeship Committee for Operating Engineers for the 46 Northern Counties in California in the amount of \$948,210.

Motion carried, 6 – 0.

## **XI. PUBLIC COMMENTS**

There were no public comments.

## **XII. MEETING ADJOURNMENT**

Mr. Broad adjourned the meeting at 12:38 p.m.



## Single Employer Contractor

A single employer, ranging from a small business to a large publicly-traded corporation, may contract directly with the Panel. Usually, these are retraining projects for current employees.

- Unless funded under Special Employment Training (SET), a single employer must face out-of-state competition.
- A single employer must be subject to the Employment Training Tax.
- The employer must also make an “in kind” contribution toward the cost of training, as follows: 1) 100 or fewer employees, at least 50% of the ETP-funded amount; 2) more than 100 employees, at least 100% of the ETP-funded amount.
- The employer must provide union letters of support for employees who are represented. The employer should also be able to show how the training will enhance job security and improve opportunities for advancement.
- A single employer must establish the need for the particular training curriculum proposed.
- The employer must establish its ongoing commitment to training and represent that ETP funds will not displace existing resources.
- All single employer contracts are capped at \$750,000.

These features apply to core program funding.

## Multiple Employer Contractor

A Multiple Employer Contractor (MEC) may be a group of employers or a training agency, or a Workforce Investment Board.

- Up to 8% of program costs may be approved as additional funding for recruitment, placement and assessment activities. For New Hire training, the MEC may receive up to another 4% (total 12%). These costs must be justified.
- The project may be retraining or new hire training, or a combination of both. Training may take place at the worksite or a training center, or both.
- All MECs are capped at \$950,000. MECs with Small Business are capped at \$1.2M (\$950,000 for any size employer; \$250,000 for Small Business only)

### *Retraining*

- Training hours for retrainees are capped at 200. The Panel may modify this cap for good cause on a case-by-case basis.
- The MEC must provide union letters of support for represented employees.
- The MEC must make an “in kind” contribution toward the cost of training, of at least 50% of the ETP-funded amount. These contributions may consist of:
  - 1) wages/benefits paid during training by participating employers;
  - 2) development, recruitment, placement, and assessment costs; and,
  - 3) facility and material expenses.
- The MEC must provide a list of participating employers to demonstrate actual employer demand for the occupational skills in the curriculum.
- The MEC must have a core group of participating employers for at least 80% of the training plan.
- Participating employers must be subject to the Employment Training Tax.
- Participating employers must demonstrate an ongoing commitment to training, and represent that ETP funds will not displace existing resources.

### *New Hire Training*

- Training hours are capped at 260. The Panel may modify this cap for good cause on a case-by-case basis.
- The MEC must have a plan for recruiting trainees and participating employers. As part of this plan, the MEC must have an advisory board of participating employers qualified to provide guidance on needed occupational skills.
- Training must be for job-related skills that apply to specific occupations in a given industry or to specialized occupations across an industry spectrum.
- For all occupations, the MEC should be able to show a statewide or local shortage of skilled workers.

These features apply to core program funding.

## Delegation Order Process

- The Panel has delegated authority to the Executive Director, without consultation with the Panel Chair, to approve (1) small business (100 or fewer employees) for \$50,000 or less, and (2) single and multiple employer proposals for \$100,000 or less.
- This procedure allows projects to be approved on a flow basis. This process recognizes the need for just-in-time training, and reduces or eliminates the need for a Consent Calendar.
- An ETP130 and Curriculum is prepared for each proposal. They are reviewed and approved after the Executive Director signs off. The effective date will be the date specified by the Field Analyst and if no date is specified, the earliest effective date of contract is the day after the project is approved by the Executive Director.
- A copy of approved Delegation Orders is included in each month's Panel Packet, for projects approved prior to the Panel meeting, as an information item.



**Training Proposal for:  
Anritsu Company**

**Agreement Number: ET16-0268**

**Panel Meeting of:** December 4, 2015

**ETP Regional Office:** San Francisco Bay Area

**Analyst:** L. Lai

**PROJECT PROFILE**

Contract Attributes:	Priority Rate Retrainee	Industry Sector(s):	Manufacturing  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Santa Clara, San Diego	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 534	U.S.: 695	Worldwide: 3,500
<u>Turnover Rate:</u>	11%		
<u>Managers/Supervisors:</u> (% of total trainees)	9%		

**FUNDING DETAIL**

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	<b>Total ETP Funding</b>
\$204,750		\$30,875 15%	\$0		\$173,875

In-Kind Contribution:	100% of Total ETP Funding Required	\$313,279
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Business Skills, Computer Skills, Continuous Impr, Mfg. Skills	325	8-200	0-30	\$535*	\$16.44
				Weighted Avg: 35			

\*Reflects Substantial Contribution

**Minimum Wage by County:** \$16.44 for Santa Clara County and \$15.93 for San Diego County.**Health Benefits:**  Yes  No This is employer share of cost for healthcare premiums – medical, dental, vision.**Used to meet the Post-Retention Wage?:**  Yes  No  Maybe

\$2.29 per hour may be used to meet the Post-Retention Wage.

**Wage Range by Occupation**

Occupation Titles	Wage Range	Estimated # of Trainees
Admin Staff, Business Staff, Finance Staff		25
Production, Assembler		160
Technician, Lead, Machinist		40
Support, Marketing, Sales		15
IT, Engineer, Product Manager		45
Technical Director		10
Supervisor		15
Manager		15

**INTRODUCTION**

Anritsu Company (Anritsu) is the American subsidiary of Anritsu Corporation, a global provider of communications testing and measurement solutions, established 110 years ago. The Company provides products and services for the development, manufacture, and maintenance of a range of communication systems used in mobile phones and the Internet. Anritsu technologies are also incorporated into products in other fields, such as Internet Protocol (IP), inspection of food and pharmaceutical products, and precision measuring instruments.

Anritsu customers include Qualcomm, Sprint, T-Mobile, and many other telecommunications providers. Government entities, including the U.S. Army, also purchase from Anritsu. The Company's headquarters and manufacturing facility is located in Morgan Hill. The Company also has a small sales office in San Diego. The proposal will include both locations.

## **PROJECT DETAILS**

Anritsu is in the process of changing its approach to product development by combining engineering with other global groups to leverage talent, boost product platforms and increase product offerings. The Company's Research & Development and Marketing groups have been restructured to be more customer-focused. The Manufacturing groups have also been restructured using a Supply Chain Organization approach to provide better visibility of end-to-end processes, from order to delivery and support.

To keep its competitive edge, employees must remain knowledgeable in their fields of expertise while mastering new concepts for product innovation and design. Additionally, Anritsu must keep operating costs low through cross-training and managing overhead versus cycles in product demand. Anritsu will continue to improve efficiency by implementing Lean (Kaizen) manufacturing.

### **Training Plan**

This is Anritsu's second proposal within the last five years. Although the training topics may appear similar to the previous curriculum, the technologies and skills have changed, such that trainees will not receive the same coursework as before. Training for this proposal will be delivered via Classroom/Laboratory and Computer-Based Training (CBT):

**Business Skills (10%):** Training will be offered to Marketing, Sales, and Engineers to improve accounting expertise, develop marketing strategies, make professional presentations, and provide superior customer service. Training will help expand sales and allow trainees to manage projects efficiently.

**Computer Skills (15%):** Training will be offered to Engineers, Managers, Supervisors, IT, Marketing, Sales and Support. Topics include Data Processing Software, Cloud Computing, ERP, MRP, Scrum, and Software Programming. Training will enable the trainees to implement and support new systems; utilize various tools and techniques to keep pace with production demands; and, increase output and accuracy of daily tasks.

**Manufacturing Skills (55%):** Training will be offered to Production Staff, Technicians, and Leads. Training will include new manufacturing techniques, procedures and processes to improve workers' technical knowledge, new job functions via cross-training, and taking on lower level engineering duties which will improve the manufacturing process and lower costs. Manufacturing Equipment Certification will be provided to all newly-hired employees plus all production workers who are being cross-trained on new tools or machines. Manufacturing Supervisors and Managers who are supervising the manufacturing floor will also need to know all new product and process in order to ensure quality. Engineers will be trained on new design processes in order to identify new product design and create new manufacturing processes to reduce waste and cost.

**Continuous Improvement (20%):** Training will be offered to all trainees to learn best manufacturing practices and teambuilding, identify ways to improve product quality, identify and resolve production issues, and eliminate waste. Lean Manufacturing and its related components (such as KanBan) will lead to reduced costs, improved efficiency, and increased productivity. Leadership and coaching skills will help Managers and Supervisors take staff in the right direction to improve work flow and collaboration. These skills will create a more agile and effective workforce, allowing trainees to work individually or as a member on a high performance work team.

## **Commitment to Training**

Anritsu budgets about \$150,000 per year for training in California. Training dollars are primarily allocated for ongoing training such as new hire orientation, temporary worker training, compliance training, health & safety, basic computer skills and special training requests. In addition, Anritsu currently funds all training in mandated safety regulations, sexual harassment prevention, and executive development programs.

Anritsu represents that ETP funds will not displace the existing financial commitment to training. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

### ➤ Training Infrastructure

The HR Team, partnering with Managers, will be responsible for developing and deploying training. The HR Administrator with the assistance of an administrative subcontractor will be responsible for internal administration.

## **Substantial Contribution**

Anritsu is a repeat contractor with payment earned in excess of \$250,000 at the Morgan Hill facility within the past five years. For ease of project administration, the Company has agreed to a 15% across-the-board substantial contribution at both locations, in the current proposal. This will allow all trainees to be enrolled in one Job Number. As such, reimbursement for trainees in Job Number 1 will be reduced by 15% to reflect the Company's \$30,875 Substantial Contribution to the cost of training.

## **RECOMMENDATION**

Staff recommends approval of this proposal.

## **PRIOR PROJECTS**

The following table summarizes performance by Anritsu under an ETP Agreement that was completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET12-0218	Morgan Hill, San Diego	12/31/11 – 12/30/13	\$323,920	\$322,031 (99%)

## **DEVELOPMENT SERVICES**

Anritsu retained California Training Administration (CTA) in Rocklin to assist with development of this proposal for a flat fee of \$5,500.

## **ADMINISTRATIVE SERVICES**

Anritsu also retained CTA to perform administrative services in connection with this proposal for a fee not to exceed 13% of payment earned.

## **TRAINING VENDORS**

To Be Determined

**Exhibit B: Menu Curriculum****Class/Lab Hours**

8-200

Trainees may receive any of the following:

**BUSINESS SKILLS**

- Effective Communications
- Effective Meetings
- Finance for Non-Financial
- Anritsu Product Knowledge
- Managing Projects, Products, Customers
- Presentation Skills (Technical/Non-Technical)
- Sales and Negotiations
- Marketing Techniques
- Strategic Planning
- Technical Training Delivery Skills (Train-the-Trainer)

**COMPUTER SKILLS**

- 5G Technology
- Automatic Data Processing Software ADP
- Cloud Computing
- ConCur System
- Database Tools (QAD, SolidWorks)
- Embedded Linux
- ERP Enterprise Resource Tools (SAP/Agile)
- Internet Tools
- Lync 2013 Tools
- Kinaxis
- Manufacturing Information System
- Manufacturing Resource Planning
- Microsoft Access, Project Tools, Dynamics
- Microsoft Tools Excel & Word (Intermediate/Advanced)
- Scrum
- Sharepoint/WorkDay System
- Software Programming
- UtlPro
- Windows 13 Operating Systems

**CONTINUOUS IMPROVEMENT**

- 5S: Sort, Set, Shine, Standardize, Sustain
- ACE Customer Service (Anritsu Customer Excellence)
- Handling Difficult Situations--Conflict Management
- HPWT – High Performance Work Teams
- ISO 14001/ISO 9001
- Leadership/Coaching Skills
- Lean Processes
- Problem Solving
- Product/Process Improvement
- Quality Improvements
- Root Cause Analysis



- Statistical Process Control (SPC)
- Team Updates for Process Improvement

### **MANUFACTURING SKILLS**

- Assembly Procedures
- Change Order Notification
- Document Control
- Drawings for Assembly
- Equipment Maintenance
- ESD (Electric Static Discharge)
- Gap Welding
- Kaizen Principles
- KanBan Principles
- LWI - Local Work Instructions
- Material Handling
- Operating Production Equipment
- PCB (Printed Circuit Board) Techniques
- Product Design/Engineering Tools
- Product Quality Control
- Product Repair/Inspection
- Station, Product, Process Updates
- Synthesizer Techniques
- Troubleshooting/Testing/Reliability
- Vector Network Analyzer
- Warehouse/Inventory Procedures
- Wedge Bonding
- Workflow/Scheduling

### **CBT Hours**

0 - 30

### **MANUFACTURING SKILLS (1 hour each)**

- LWI 001 – Control of Procedures for Test
- LWI 005 – Identifying Work in Process
- LWI 008 – Released Documentation Location
- LWI 010 – Work Stop Business Interruption
- LWI 015 – Production Checklists
- LWI 017 – Environmental Chamber Thermal Screening
- LWI 018 – Check for YIG Module Assembly
- LWI 020 – HI POT Test MIG Synthesizer
- LWI 022 – MG3700X Chamber Procedure
- LWI 024 – Repair Log
- LWI 025 – Amp Bias Adjustment
- LWI 026 – Synthesizer Power Level
- LWI 031 – Customer Service Circuit Boards
- LWI 033 – Demo Stock
- LWI 036 – Parts Issued
- LWI 037 – Specials Directory
- LWI 039 – Testing Instructions
- LWI 041 – Repair History
- LWI 043 – Screw Assembly Process
- LWI 045 – Temperature Chart Maintenance

- LWI 047 – Crystal Filter Test Procedure
- LWI 048 – Crystal Filter Assembly Procedure
- LWI 001/E – Demo Sale Prep Procedure
- LWI 002/J – Document Control
- LWI 004/L – Control of Test Equipment
- LWI 011/M – Process Control
- LWI 012/D – Service Returns
- LWI 013/C – Repair Standards
- LWI 014/E – Calibration Procedures
- LWI 019/D – Static Precautions
- LWI 020/C – Workstation Orderliness
- LWI 021/D – Workmanship Inspection
- LWI 025/A – Allocating Stock
- LWI 026/C – Out of Tolerance Procedure
- LWI 027/D – Connector Care
- LWI 028/G – On Site Calibrations
- LWI 029/A – Inter-Laboratory Comparison
- LWI 030/F – Work Instruction
- LWI 031/C – Part Order instruction
- LWI 033/A – Demo Recall
- LWI 034/B – Service Order Process
- LWI 035/A – Service Agreement Procedure
- WI 14213-002/C – Processing Reports
- WI 14213-010/M – Corrective Action Data Entry
- WI 14213-014/E – Source Inspection
- WI 14213-017/D – Master List Quality Records
- WI 14213-1002/C – Recording Status Changes
- WI 14213-1003/A – Part Revision Procedure
- WI 14213-1005/B – Electronic Document System
- WI 14213-1006/B – Control of Drawings
- WI 14213-1008/D – Change Orders Process
- WI 14213-1009/B – File Naming for Product Document
- WI 14213-1011/B – Document Imaging Process
- WI 14213-1012/E – Master List Quality Records
- WI 14213-1013/A – Access to Product Data File
- WI 14213-1014/A – Storage of Product Documents
- WI 14213-1016/B – Artwork Checkout Procedure
- WI 14720-027/C – OSHA Log
- WI 14720-028/A – HR Database
- WI 14720-034/B – Cycle Count Testing
- WI 14720-035/A – ESD (Electrical Static Discharge)

**CONTINUOUS IMPROVEMENT (1 hour each)**

- LWI 005/C – Customer Service Procurement
- LWI 006/D – Customer Service Policies
- LWI 008/C – Stock Room

<p>Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery. CBT is capped at 50% of total training hours, per trainee.</p>
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**Panel Amendment #2 Proposal for:  
BAE Systems San Diego Ship Repair, Inc.  
Agreement Number: ET16-0102**

**Amendment Effective Date:** July 15, 2015

**Panel Meeting of:** December 4, 2015

**ETP Regional Office:** San Diego      **Analyst:** H. Bernard

**CURRENT PROJECT PROFILE**

Contract Type:	Critical Proposal Job Creation Priority/Retrainee Veterans	Industry Sector(s):	Manufacturing
Counties Served:	San Diego	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Priority Industry:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Current Contract Term:	July 13, 2015 to July 12, 2017	Substantial Contribution:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

**CURRENT FUNDING**

Current Funding
\$834,160

**AMENDMENT FUNDING**

Requested Funding	Total Funding
\$63,800	\$897,960

**AMENDMENT TRAINING PLAN TABLE**

Job No.	Job Description (By Contract Type)	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Priority/Retrainee Job Creation	Mfg Skills, Continuous Impr, Business Skills, Computer Skills, OSHA 10/30, HazMat, HAZWOPER	200	8-200	0	\$2,000	\$13.28
				Weighted Avg: 100			
2	Priority/Retrainee	Mfg Skills, Continuous Impr, Business Skills, Computer Skills, OSHA 10/30, HazMat, HAZWOPER	603	8-200	0	\$720	\$15.93
				Weighted Avg: 40			
3	Priority/Retrainee Job Creation Veterans	Mfg Skills, Continuous Impr, Business Skills, Computer Skills, OSHA 10/30, HazMat, HAZWOPER	29	8-200	0	\$2,200	\$13.28
				Weighted Avg: 100			

**Minimum Wage by County:** Job Number 1 (Job Creation): \$13.28 per hour for San Diego County; Job Number 2: \$15.93 per hour in San Diego County; **Job Number 3 (Veteran): \$13.28 for San Diego County.**

**Health Benefits:**  Yes  No This is employer share of cost for healthcare premiums – medical, dental, vision.

**Used to meet the Post-Retention Wage?:**  Yes  No

Although employer provides health benefits, they are not being used to meet the Post-Retention Wage.

Wage Range by Occupation	
Occupation Title	Wage Range
<b>JOB NUMBER 1 - JOB CREATION RETRAINEES</b>	
Production Worker	
<b>JOB NUMBER 2 - RETRAINEES</b>	
Production Worker	
Administrative/Professional Staff	
Supervisor/Manager	
<b>JOB NUMBER 3 – JOB CREATION VETERANS</b>	
<b>Production Worker</b>	
<b>Administrative/Professional Staff</b>	
<b>Supervisor/Manager</b>	

## **INTRODUCTION**

Located on San Diego Bay, BAE-SDSR repairs and refurbishes marine vessels for government and commercial customers (www.baesystems.com). The majority of shipyard work at BAE-SDSR center on the U.S. Navy fleet, Navy destroyers, Military Sea Lift Command landing platform docks, and dock landing ships. It also has commercial customers including cruise ships, tankers, and barges. BAE-SDSR's ship-repair capabilities include structural and piping modifications, machinery repairs and alterations, combat systems and electronics upgrades, ship conversions, and modernizations. The Company employs 1,600 full-time workers at its shipyard in San Diego, the site of the proposed training.

## **AMENDMENT DETAILS**

This critical proposal agreement was approved at the Panel Meeting on June 26, 2015 and training commenced on July 15, 2015. At the Meeting, Panel members discussed BAE-SDSR's veteran hiring practices with Mr. Robert Koerber, Vice President and General Manager. According to Mr. Koerber, BAE-SDSR heavily recruits Veterans. In response, the Company explained that it has a dedicated team that travels across the country, focusing on the recruitment of veterans and service members and working directly with them to assist with transition to the civilian workforce. The Company uses Military Transfer, a service to assist service members in transferring their military skills to the private sector. Further, the Company has numerous initiatives to support military recruiting efforts such as Camo to Corporate, Veterans Employee Resource Group, and Warrior Integration Program and also provide career-oriented workshops including Transition Assistance Program and Army Career Alumni Program. For the career opportunities and support it offers Veterans, BAE-SDSR was recognized as one of the Top 100 Military Employers in 2013, 2014 and 2015.

Given the Panel's inquiry on the subject of hiring Veterans, staff reached out to BAE-SDSR to add a veteran component to the ETP Agreement. Given this sequence of events, the amendment will be made retroactive to start-of-term.

To support BAE-SDSR's continued need for hiring and training Veterans, this amendment will add additional funding for a Veterans Job Number (Job Number 3) for 29 trainees. This Amendment will add \$63,800, bringing the Agreement total amount to \$897,960. The 29 Veterans will be hired into fulltime employment within the benchmark period set forth in the Retrainee Job Creation Guidelines, on or after March 26, 2015.

## **RECOMMENDATION**

Staff recommends approval of this Amendment.

## **SUMMARY OF PRIOR MODS/AMDS**

- Revision 1 added course topics to the curriculum.

**CURRENT CONTRACT PERFORMANCE**

The following table summarizes performance by BAE-SDSR under the current ETP Agreement:

Agreement No.	Approved Amount	Term	No. Trainees Enrolled	No. Completed Training	No. Retained
ET16-0102	\$834,160	7/13/15 – 7/12/17	322	0	0

Based on ETP Systems, 9,728 reimbursable hours have been tracked for potential earnings of \$190,450 (23% of approved amount) after three months of training.



## RETRAINEE - JOB CREATION

**Training Proposal for:**

**Farmers Group, Inc.**

**Agreement Number: ET16-0280**

**Panel Meeting of:** December 4, 2015

**ETP Regional Office:** North Hollywood

**Analyst:** J. Romero

### PROJECT PROFILE

<b>Contract Attributes:</b>	Retrainee SET HUA Job Creation Initiative	<b>Industry Sector(s):</b>	Insurance Services  Priority Industry: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Counties Served:</b>	Fresno, Kern, San Bernadino, Los Angeles, Alameda, Contra Costa, Santa Clara, San Mateo, Marin, Orange, Sacramento	<b>Repeat Contractor:</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>Union(s):</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
<b>Number of Employees in:</b>	CA: 4,533	U.S.: 22,075	Worldwide: 22,075
<b>Turnover Rate:</b>	5%		
<b>Managers/Supervisors:</b> (% of total trainees)	11%		

### FUNDING DETAIL

<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">Program Costs</td></tr> <tr><td style="text-align: center;">\$180,400</td></tr> </table>	Program Costs	\$180,400	-	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">(Substantial Contribution)</td> <td style="text-align: center;">(High Earner Reduction)</td> </tr> <tr> <td style="text-align: center;">\$0</td> <td style="text-align: center;">\$0</td> </tr> </table>	(Substantial Contribution)	(High Earner Reduction)	\$0	\$0	=	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;"><b>Total ETP Funding</b></td></tr> <tr><td style="text-align: center;">\$186,400</td></tr> </table>	<b>Total ETP Funding</b>	\$186,400
Program Costs												
\$180,400												
(Substantial Contribution)	(High Earner Reduction)											
\$0	\$0											
<b>Total ETP Funding</b>												
\$186,400												

<b>In-Kind Contribution:</b>	100% of Total ETP Funding Required	\$284,000
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee SET	Business Skills, Computer Skills, Commercial Skills	224	8-200	0-20	\$600	\$27.40
				Weighted Avg: 40			
2	Retrainee SET	Business Skills, Computer Skills, Commercial Skills	20	8-200	0-20	\$600	\$20.30
				Weighted Avg: 40			
3	Retrainee SET Job Creation	Business Skills, Computer Skills, Commercial Skills	40	8-200	0-20	\$1,000	\$19.39
				Weighted Avg: 50			

Minimum Wage by County: Job Number 1: ETP SET wage of \$27.40 per hour.

Job Number 2 (SET – HUA): ETP Standard Wage of \$15.07 (Fresno, Kern, San Bernardino), \$15.97 (Los Angeles) counties.

Job Number 3 (SET -JOB CREATION): ETP Standard Wage of \$13.70 (Alameda, Contra Costa, Santa Clara, San Mateo and Marin), \$13.35 (Orange), \$13.13 (Sacramento), \$13.28 (Fresno, Kern) and \$12.33 (San Bernardino) counties.

**Health Benefits:**  Yes  No This is employer share of cost for healthcare premiums – medical, dental, vision.

**Used to meet the Post-Retention Wage?:**  Yes  No  Maybe

Up to \$2.17 per hour may be used to meet the Post-Retention Wage in Job Number 1 only.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
<b>JOB Number 1</b>		
Claims Staff		187
Operations Support Staff		37
<b>TOTAL:</b>		<b>224</b>
<b>JOB Number 2 (HUA)</b>		
Claims Staff		10
Operations Support Staff		10
<b>TOTAL:</b>		<b>20</b>



<b>JOB Number 3</b>		
Claims Staff		30
Operations Support Staff		10
<b>TOTAL</b>		<b>40</b>

## **INTRODUCTION**

Farmers Group, Inc. (Farmers) ([www.farmers.com](http://www.farmers.com)) is one of the country's largest insurers of vehicles, homes, and small businesses providing a wide range of insurance and financial service products. Headquartered in Los Angeles, the Company provides more than 30 million policies across the nation and employs approximately 24,000 employees through exclusive and independent agents.

The Company has 27 locations that will participate under this Agreement. Of the 27 locations, five are located in a High Unemployment Area (HUA). All trainees located in an HUA area will be enrolled in a separate Job Number to differentiate a lower minimum wage requirement. Training will primarily take place at the Farmers University campus located in Agoura Hills.

Farmers is eligible as a single employer under the Special Employment Training (SET) provisions.

## **PROJECT DETAILS**

This is Farmers' second ETP Agreement. In their first Agreement, the initiatives were more general and companywide, focusing on new systems implemented to increase transaction-processing time and reduce the frequency of customer calls. Following the conclusion of the last Agreement, the Company instituted initiatives for a more specific and effective training program. In this proposed training, Farmers has streamlined their training plan, focusing on specific skills that will directly benefit their incumbent and new employees (Job Creation) in their Claims Division which is currently on its expansion phase. The proposed training will develop employee skills necessary for anticipated growth in the Claims Division within the next two years. Training in this proposal will include Business Skills, Commercial Skills and Computer Skills with topics and skills training to help staff effectively function while adapting to change, efficiently perform their jobs, and maintain excellent customer service.

In this second ETP Agreement, employees will receive training in HEART and Xactimate upgrades, software programs initiated in the first ETP Agreement. Trainees will learn the new Electronic Claims Management System planned for launch in mid-2016. The new system will allow Farmers to consolidate its claim handling effort and migrate from multiple, legacy platforms to a centralized program. In addition, the new system is more flexible and will allow Farmers employees to handle claims and adjustments faster, resulting in better customer service and client satisfaction.

### **Training Plan**

In order to fulfill the needs and demands of an expanding customer population while maintaining its reputation of high quality service, Farmers plans to provide training to upgrade employee skills and maintain its niche in the competitive insurance market.

**Business Skills (25%):** This training will be offered to all occupations. Trainees will improve communication, decision-making, strategic and creative thinking skills, giving staff more confidence in processing claims and providing customer service to policyholders.

**Commercial Skills (50%):** This training will be offered to all occupations. to expand employees' service capabilities to handle various claim types from policyholders. The training will be specific to assessing, estimating and evaluation of different kinds of policy claims and coverages. Training will increase employees' technical skills specific to their area of expertise.

**Computer Skills: (25%):** This training will be offered to all occupations. Trainees will receive training updates on Farmers current systems, HEART and Xactimate while they receive concurrent training on the Company's new Electronic Claims Management System.

### **Retrainee - Job Creation**

In support of job creation, the Panel is offering incentives to companies that commit to hiring new employees. Training for newly-hired employees will be reimbursed at a higher rate and trainees will be subject to a lower post-retention wage.

Farmers has committed to hiring 40 new employees (Job Number 3). The date-of-hire for all trainees will be within the three-month period before contract approval or within the term-of-contract. These trainees will be hired into "net new jobs" as a condition of contract.

Farmers' five-year growth plan is expected to significantly impact Claims Operations, creating new positions throughout the claims function. To ensure the same quality of service will be provided to a growing market, the Company will hire and train staff to fill these "net new jobs" within the next two years, preparing them to support and function in the Claims Operation.

### **Special Employment Training**

Under SET, the participating employer is not required to demonstrate out-of-state competition. To qualify under SET, trainees must be earning at least the statewide average hourly wage at the end of the retention period.

### **High Unemployment Area**

The 20 trainees in Job Number 2 work in a High Unemployment Area (HUA). This is a region with unemployment exceeding the state average by 15% under the Panel's standards. The determination of HUA status is based on unemployment data from the Labor Market Information Division of the Employment Development Department. The Company's locations in Fresno, Kern, San Bernardino and Los Angeles counties are in an HUA.

These trainees qualify for the ETP Minimum Wage rather than the Statewide Average Hourly Wage. The Panel may modify the ETP Minimum Wage for these trainees by up to 25% if post-retention wages exceed the start-of-training wages. However, Farmers Group is not asking for wage modification.

### **Commitment to Training**

Farmers invests in its employees through education via Farmers University. The university is geared towards the recruitment and training of insurance agents. Traditional and eLearning training methods are used to create an employee-driven learning environment. Farmers will continue to provide training at its own expense, which includes seminars for executive staff, new hire onboarding, basic industry overview, beginner technical skills and internet navigation, sexual harassment prevention, and compliance and ethics training. The Company expects to spend approximately \$12 million to train its workforce over the next year.

ETP funds will not displace the existing financial commitment to training. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

➤ **Training Infrastructure**

Farmers is ready to start training upon approval of this ETP proposal. The Company will utilize Farmers University staff to provide training to all 27 Farmers locations participating in this ETP Agreement. To ensure the success of this second Agreement, Farmers has assigned a team dedicated to schedule, track and upload training in the ETP Online System using the Company's Learning Management System (LMS).

Staff has reviewed and approved for use, Farmers LMS, in place of traditional paper rosters. The Company's LMS will electronically capture and document all training received by trainees for training, tracking and record purposes of this ETP Agreement. Farmers will input training information into the ETP Online/Tracking System.

**RECOMMENDATION**

Staff recommends approval of this proposal.

**PRIOR PROJECTS**

The following table summarizes performance by Farmers under an ETP Agreement that was completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET13-0201	Agoura Hills	12/31/12- 12/30/14	\$320,000	\$202,633 (63%)

Farmers earned below 70% of this ETP Agreement due to information security clearance issues. Farmers had a third party administrator in their first contract who also developed and administered the project for them but did not secure Farmers security clearance in terms of Farmers releasing employee information to their company (and not directly to ETP) to enroll in the ETP system at the start of the term of this Agreement. The delay took about seven months into the contract because the consultant had to satisfy the data information security requirements with Farmers. In addition, the two initial staff involved during the development and Start-Up meeting left the project (one was reassigned to another area of Farmers and the other one retired) and did not inform their office that there was an ongoing ETP project. This resulted in a number of training hours not being tracked. There is no third party administrator for this second project therefore; security clearance is not an issue. Also, Farmers has dedicated in-house staff members to manage the proposed project and does not anticipate any issues related to turnover and ETP project management.

**DEVELOPMENT SERVICES**

N/A

**ADMINISTRATIVE SERVICES**

N/A

**TRAINING VENDORS**

N/A

**Exhibit B: Menu Curriculum****Class/Lab Hours**

8 - 200

Trainees may receive any of the following:

**BUSINESS SKILLS**

- Customer Engagement
- Customer Expectation
- Negotiation Skills
- Train-the-Trainer Skills
- Connections 3: Emotional Intelligence
- Developing Fundamental Critical Thinking
- Fundamental of Effective Thinking
- Critical Thinking
- Borderless Thinking
- Communication Skills
- Business Performance
- Project Management
- Time Management
- Sales and Marketing
- Product knowledge
- Six Sigma
- Lean Concepts

**COMMERCIAL SKILLS**

- Advanced Adjuster Training
- Advanced Auto-Structural/Non Structural Repairs Claims Handling
- Advanced Claims Handling
- Auto Physical Damage Claims Training
- Building Estimating
- Business Insurance Claims Training
- Catastrophe Claims
- Catastrophe Just-in-Time Claims
- Claims Customer Service Skills
- Claims Evaluation and Negotiation
- Claims Fundamentals Training
- Claims Training Circle of Dependability Shop Work Review
- COD and CEA Training
- Commercial General Liability Coverage
- Commercial Investigations
- Commercial Property Boiler & Machinery Losses
- Commercial Training; Evaluation, Negotiations, Professional Liability, Property
- Contents Estimating
- Coverage Evaluation
- Coverage Concurrent Causation
- Drying Evaluation and Equipment
- Earthquake Policy Coverage
- Electronic Claim Management System
- Estimating Damage from Fire

- Estimating Damage from Hail
- Estimating Damage from Wind
- Farmers Smart Auto Policy
- Field Claims Representative Cross-Training
- Fire and Smoke Damage Restoration
- General Adjuster Technical Training
- Homeowners Coverage – CEA Policy (California Earthquake Authority)
- Insurance Fraud
- Interpreting Medical
- Introduction to CPT Codes in Medical Billing Fraud
- Liability Claims Training
- Litigated File Management
- Loss of Value
- LPR – Large Property
- Manufactured Home Estimating
- Material Identification
- Mid Loss Estimatics Auto Damage Estimating Tool
- Non-Auto Liability OCR
- Personal Lines Coverage Specialist Certification
- Property Claims Training
- Property Service Power – Service Mobility
- Residential Construction Basis
- SERVICEPower
- Special Investigations
- Steep and High Roof Climbing
- Types of Coverage/New Policy Types
- Understanding Commercial Claims/Advanced Commercial Claims
- Understanding Liability Claims
- Understanding Property Claims
- Understanding Sensory Limitations
- Virtual Vehicle Inspection
- Workers Compensation Coverage/Claims
- ZurichLean

#### **COMPUTER SKILLS**

- HEART
- Xactimate Software
- Electronic Claims Management System

**CBT**  
0-20

#### **BUSINESS SKILLS**

- Achieving Meaningful Communication (30 mins)
- Advanced Presentation Skills (3 hours)
- Advancing Service Expertise (4 hours)
- An Introduction to Project Management (2 hours)
- Assessing Customer Behavior (4 hours)
- Available Presentation Resources (4 hours)
- Avoiding Grammatical Errors in Business Writing (4 hours)
- Behavior: Putting Your Best Foot Forward (4 hours)
- Being an Effective Team Member (1 hour)

- Business Writing Basics (1 hour)
- Business Writing: Editing and Proofreading (1 hour)
- Business Writing: How to Write Clearly and Concisely (1 hour)
- Business Writing: Know Your Readers and Your Purpose (1 hour)
- Communicating Better with Your Team (4 hours)
- Communicating for Results (4 hours)
- Communicating to Get Results (2 hours)
- Communicating to Increase Understanding (3 hours)
- Communicating with Power and Confidence (3 hours)
- Communication Skills (4 hours)
- Communication Skills to Fast-Track Your Career (2 hours)
- Communication Tools (2 hours)
- Confronting and Resolving Conflict (2 hours)
- Connecting and Communicating (2 hours)
- Conquering Conflict through Communication (3 hours)
- Contacting Our Customer Course (1 hour)
- Coping with Criticism and Feedback (5 hours)
- Create Your Time and Memory Management Program (2 hours)
- CTCEBW - Effective Business Writing for Insurance People (35 mins)
- CTCNS - Negotiation Skills, (Online) (1.83 hours)
- Customer Service Confrontation and Conflict (1 hour)
- Customers, Confrontation, and Conflict (5 hours)
- Decision Making: Implementation and Evaluation (2 hours)
- Decision Making: Making Tough Decisions (1 hour)
- Decision Making: The Fundamentals (1 hour)
- Decision Making: Tools and Techniques (1 hour)
- Developing Excellent Time Management Habits (4 hours)
- Developing Fundamental Critical Thinking Skills (3 hours)
- Dynamics of Interpersonal Communication (2 hours)
- Effective Communication Skills (3 hours)
- Effective Presentation Delivery (3 hours)
- Effective Team Communication (1 hour)
- Elements of a Cohesive Team (1 hour)
- Eliminate the Time Wasters (3 hours)
- Emotional Intelligence and Teamwork (2 hours)
- Errors and Omissions - Market{ng Advice Form Training (30 mins)
- Evaluating Creative and Innovative Ideas (4 hours)
- Exceeding Customer Expectations (2 hours)
- Generating Creative and Innovative Ideas (4 hours)
- Generating Creative and Innovative Ideas: Enhancing Your Creativity (1 hour)
- Generating Creative and Innovative Ideas: Maximizing Team Creativity (1 hour)
- Generating Creative and Innovative Ideas: Verifying and Building on Ideas (1 hour)
- Implementing Creative and Innovative Ideas (5 hours)
- Initiating and Planning a Project (2 hours)
- Introduction to the ZurichLean Program (1 hour)
- Leading Change from the Front Line (2 hours)
- Lean and Six Sigma (2 hours)
- Lean Concepts (4 hours)

- Lean Logic (4 hours)
- LIF105: Effective Presentation Skills (40 mins)
- Listening, Influencing and Handling Tough Situations (4 hours)
- Making Telephone Calls Count (4 hours)
- Making the Change (2 hours)
- Managing a Project (2 hours)
- Marketing Advice Form Training (25 mins)
- Negotiation Essentials: Avoiding Pitfalls in Negotiations (1 hour)
- Negotiation Essentials: Persuading (1 hour)
- Negotiation Essentials: Planning for Negotiation (1 hour)
- Negotiation Essentials: What is Negotiation? (1 hour)
- Negotiation Skills, 3rd Edition (1 hour)
- Overcoming Difficult Service Situations (4 hours)
- Overview to Effective Business Communication (3 hours)
- Planning an Effective Business Meeting (2 hours)
- Preparing for Change (3 hours)
- Presentation Skills (4 hours)
- Project Management Essentials (1 hour)
- Project Management Fundamentals (2 hours)
- Resolving Conflict with Communication Skills (3 hours)
- Risk Assessment and Prevention (2 hours)
- Sentence Construction (2 hours)
- SkillSoft - Achieving Success: the Help of a Mentor (3 hours)
- SkillSoft - Business Writing: Know Your Readers and Your Purpose (1 hour)
- SkillSoft - Communication Skills for Resolving Conflict (5 hours)
- SkillSoft - Customer Service Confrontation and Conflict (1 hour)
- SkillSoft - Customers, Conflict and Confrontation (6 hours)
- SkillSoft - Defining Emotional Intelligence (2 hours)
- SkillSoft - Defining Emotional Intelligence (2 hours)
- SkillSoft - Lean Value (4 hours)
- SkillSoft - Listening Essentials: The Basics of Listening (1 hour)
- SkillSoft - Making Decisions Dynamically (2 hours)
- SkillSoft - Managing a Project with Your Team (3 hours)
- SkillSoft - Managing Time (2 hours)
- SkillSoft - Negotiation Essentials: Communicating (1 hour)
- SkillSoft - Negotiation Essentials: What Is Negotiation? (1 hour)
- SkillSoft - Professionalism and Business Etiquette Simulation (30 mins)
- SkillSoft - Providing Customer Service Simulation (30 mins)
- SkillSoft - Techniques for Better Time Management (4 hours)
- SkillSoft - Telephone Skills for Business Professionals Simulation (30 mins)
- SkillSoft - Why Customer Driven? (2 hours)
- SkillSoft - Working with Difficult People: Dealing with Micromanagers (1 hour)
- SkillSoft - Excellence in Internal Customer Service (5 hours)
- Team Dynamics (2 hours)
- Techniques for Improved Time Management (2 hours)
- The Foundations of Creativity and Innovation (4 hours)
- The Fundamentals of Effective Thinking (3 hours)
- The Fundamentals of Exceptional Customer Service (3 hours)
- The Many Faces of Communication (3 hours)
- The Role of Critical Thinking in Organizations (3 hours)

- Thinking Strategically (2 hours)
- Transitioning into a Project Management Role (3 hours)
- What is Systems Thinking? (2 hours)
- Writing with Intention (4 hours)
- ZurichLean Yellow Belt Online Training (2.5 hours)

### **COMMERCIAL SKILLS**

- Auxiliary: MCC and CCV Training Course (Mobile Catastrophe Claims) (Catastrophe Claims Vehicle) (2 hours)
- Security Awareness (Exchanges Only) (40 mins)
- Advanced Customization in Excel 2007 (2 hours)
- Advanced Data Analysis in Excel 2003 (3 hours)
- Advanced Data Management in Excel 2007 (2 hours)
- Aerial Diagramming and Measuring (30 mins)
- Analyzing Data in Excel 2007 (4 hours)
- APD101: Acceleration Advanced Refinish (45 mins)
- APD101: Acceleration Auto Materials (45 mins)
- APD101: Acceleration Restraint Systems (45 mins)
- APD101: Acceleration Shop Instructors (45 mins)
- APD101: Acceleration Specialized Units (45 mins)
- APD101: Acceleration Steering and Suspension (45 mins)
- APD101: Acceleration Total Loss Concepts (45 mins)
- APD101: Acceleration Under the Hood (45 mins)
- APD101: Ignition Basic Refinish (45 mins)
- APD101: Ignition Coverage (30 mins)
- APD101: Ignition Customer Contact (45 mins)
- APD101: Ignition Customized Equipment (30 mins)
- APD101: Ignition Dents and Scratches (45 mins)
- APD101: Ignition File Documentation (45 mins)
- APD101: Ignition Heart Basics (30 mins)
- APD101: Ignition Liability (30 mins)
- APD101: Ignition Loss of Use (45 mins)
- APD101: Ignition Part Types (45 mins)
- APD101: Ignition Payments (45 mins)
- APD101: Ignition Photography (45 mins)
- APD101: Ignition Policy Basics (45 mins)
- APD101: Ignition Smart Estimate (45 mins)
- APD101: Ignition VIN Interpretation (45 mins)
- APD108: APD Guidelines - Part Replacement (30 mins)
- APD138: Dell XFR Tablet Training (30 mins)
- APD145: Creating Rental Units (30 mins)
- APD151: Paintless Dent Repair PDR (30 mins)
- APD152: CCC One Compare/Compare Assembly (30 mins)
- APD154: Recycled Part Usage (45 mins)
- APD155: Denial Letter Training (1 hour)
- APD221: Total Loss Critical Thinking - Do the Right Thing (20 mins)
- APD305: APD Re-inspections (30 mins)
- Beyond the Basics Coverage-Concurrent Causation Course (3 hours)
- CA Next Gen 2.0 - Advanced - Service Operations (15 mins)
- CAT Corps: Introduction to CAT Corps Course (Catastrophe) (2hours)



- Claim Investigation (1 hour)
- Claim Statements, 2nd Edition (1.5 hours)
- Claims Process Overview (1.33 hours)
- Collaborative Features in Word 2007 (2 hours)
- Commercial Evaluation {20 mins)
- Commercial General Liability Coverage, h Edition (1 hour)
- Commercial Negotiations (20 mins)
- Commercial Professional Liability (30 mins)
- Commercial Property Boiler & Machinery Losses (4 hours)
- Commercial Property: Non Program Vendors Referral Process (30 mins)
- Commercial: Self Directed Triage (30 mins)
- Creating Basic Presentations using PowerPoint 2003 (3 hours)
- Creating Customized Publications with Publisher 2007 (3 hours)
- Customizing PowerPoint 2003 Presentations (2 hours)
- Drying Evaluation and Equipment (1 hour)
- Excel 2003 Formulas and Functions (3 hours)
- Excel 2007 Charts, Pictures, Themes, and Styles (2 hours)
- Excel 2007 Formulas and Functions (2 hours)
- Finalizing PowerPoint 2003 Presentations (2 hours)
- Fire and Smoke Damage Restoration (1 hour)
- Formatting Data in Excel 2003 (2 hours)
- Getting Started with PowerPoint 2007 (2 hours)
- Handling a Total Loss Assessment-1\_ 1806716 (1 hour)
- HEART - Investigation View and Self Building Clean Webinar (2 hours)
- Homeowners Coverage-CEA Policy (California Earthquake Authority) (1 Hour)
- Interpreting Medical Reports, 3rd Edition (1 hour)
- Introduction to CPT Codes in Medical Billing Fraud (3.5 hours)
- L/AB502: Uninsured/Underinsured Motorists Coverage - (PLRB) (2 hours)
- LIAB101: Liability Evaluation - Injury Codes (25 mins)
- LIAB101: Liability Evaluation - Intro to Evaluation (15 mins)
- LIAB205B: Coverage Letter Writing (45 mins)
- LIAB214: Mediation (45 mins)
- LIAB507: Strategy Expectations Course (30 mins)
- LIAB518: Anatomy - Performance Support (NLC) (15 mins)
- LIAB523: Wrongful Death Course (30 mins)
- Liability Simulated Exercise - Intersection (30 mins)
- Liability Simulated Exercise - Left Turn (30 mins)
- Liability Simulated Exercise - Parking Lot (30 mins)
- Liability Simulated Exercise - Right Turn (1 hour)
- Liability Stackable Credentials (15 mins)
- Material Identification (7 hours)
- Medical Claims Training: Diabetes and Complications (30 mins)
- Multi-line: Mitigation and Storage Fees (20 mins)
- NICTA - Listening for Deception in Claims Interviews (1 hour)
- NICTA : Investigating Vehicle Theft Fraud (45 mins)
- Owner Retained Salvage (ORS) Course (2 hours)
- PC Applications: 5 Database (5 hours)
- Property Claims - Beyond the Basics Building Estimating (15 mins)
- Property Claims - Water Claim Investigation (15 mins)

- Property Claims - Wind/Hail Claim Investigation (15 mins)
- Property Service Power - Service Mobility (1 hour)
- Residential Construction Basis, 3rd Edition (1 hour)
- Scout: MCC and CCV Training Course (Mobile Catastrophe Claims) (Catastrophe Claims Vehicle) (5 hours)
- Securing Personal Information on Mobile and Recordable Devices (30 mins)
- SERVICEPower for Liability (30 mins)
- Setting up a Site and Adding Content in Dreamweaver CS4 (2 hours)
- SIU Catastrophe Fraud Training (20 mins)
- SIU Investigative Legal Issues (30 mins)
- SkillSoft - Adding Graphics to Presentations in PowerPoint 2007
- SkillSoft - Adding Multimedia and Animations to Presentations in PowerPoint 2007
- SkillSoft - Creating Custom Slide Shows in PowerPoint 2007
- SkillSoft - Word 2010, Excel 2010, and the New Office 2010 Interface (1 hour)
- The Knee (Commercial version) (3 hours)
- Total Loss/Salvage Course (1.5 hours)
- Using Visuals in PowerPoint 2003 Presentations (2 hours)
- Western Union Cash Transfer Process Course (2 hours)
- XM FAIR Health Integration for Claim Handlers (1 hour)

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of method of delivery. CBT is capped at 50% of total training hours, per trainee.



**Training Proposal for:  
Greater Oxnard Economic Development Corporation**

**Agreement Number: ET16-0278**

**Panel Meeting of:** December 4, 2015

**ETP Regional Office:** North Hollywood

**Analyst:** M. Reeves

**PROJECT PROFILE**

Contract Attributes:	Retrainee SB <100 Priority Rate	Industry Sector(s):	Manufacturing Services  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Ventura	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Turnover Rate:	≤20%		
Managers/Supervisors: (% of total trainees)	≤20%		

**FUNDING DETAIL**

<b>Program Costs</b>	+	<b>Support Costs</b>	=	<b>Total ETP Funding</b>
\$174,600		\$12,090 8%		\$186,690

In-Kind Contribution:	50% of Total ETP Funding Required	\$121,000
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee SB <100 Priority Rate	Adv. Technology, Business Skills, Computer Skills, Continuous Imp., Mfg. Skills	105	8-200	0	\$1,668	\$15.07
				Weighted Avg: 60			
2	Retrainee Priority Rate	Adv. Technology, Business Skills, Computer Skills, Continuous Imp., Mfg. Skills	10	8-200	0	\$1,155	\$15.07
				Weighted Avg: 60			

**Minimum Wage by County:** \$15.07 per hour for Ventura County.

**Health Benefits:**  Yes  No This is employer share of cost for healthcare premiums – medical, dental, vision.

**Used to meet the Post-Retention Wage?:**  Yes  No  Maybe

Participating employers may use health benefits to meet the Post-Retention Wage.

**Wage Range by Occupation**

Occupation Titles	Wage Range	Estimated # of Trainees
Machinist		15
Manufacturing/Production Staff		20
Administrative Staff		14
Chemist/Technical Staff		5
Quality Control Staff		25
Manager/Supervisor		15
Information Technology Staff		13
Sales Staff		8

**INTRODUCTION**

Greater Oxnard Economic Development Corporation (EDCO) ([www.edco.us](http://www.edco.us)) is a public/private non-profit corporation that serves as a resource to local manufacturers and industrial-related companies. The EDCO provides employers with assistance in the areas of business attraction, expansion, permitting, site selection, staffing and training, and project management.

## **PROJECT DETAILS**

This proposal will serve small and large priority businesses with out-of-state competition. The core group of participating employers represents at least 80% of requested funding. Training is scheduled to commence at the beginning of the New Year and the EDCO anticipates that 100% of the training will be held at employer worksites. Training will be delivered primarily by participating employer subject matter experts, along with the possible use of specialized training vendors identified during the contract term.

The participating employers have identified specific areas for improvement designed to help them procure new business and expand their markets. The proposed training will help these companies improve productivity, attract new customers, and maintain competitive growth.

### **Training Plan**

**Business Skills (20%)** - Training will be offered to all occupations. This training is intended to improve communication, customer service, and project management at all levels of the organization. Sales trainees will also learn sales and business strategies to stimulate growth.

**Computer Skills (20%)** - Training will be offered to Managers/Supervisors, Administration and Sales Staff. Trainees will learn enterprise resource planning skills and how to be more proficient in the use of various business productivity applications.

**Continuous Improvement (25%)** - Training will be offered to all occupations to help workers reach production goals, increase productivity and efficiency, improve product quality, reduce waste, and develop teambuilding strategies to enhance performance and business processes. Trainees will learn to identify and resolve production problems, as well as implement effective process improvements.

**Manufacturing Skills (30%)** - Training will be offered to Machinist, Quality Control and Manufacturing/Production Staff. Trainees will learn current machine and equipment operation, maintenance, and troubleshooting skills.

### **Advanced Technology (5%)**

The Advanced Technology (AT) topics outlined in the Curriculum are specifically designed for higher skilled Information Technology Staff and Machinists who are typically responsible for the most complex programming, engineering, and machine set-up processes. These trainees will study Computer Numeric Control programming. In addition, Chemists/Technical Staff training will focus on agricultural chemistry, which includes the science and technology of soil management and crop production.

The EDCO requests the AT reimbursement rate based on the highly technical and complex nature of the course modules. This training will be limited to advanced level workers in the manufacturing and agri-food industry sectors. The trainer-to-trainee ratio will be capped at 1:10 for AT courses to allow in-depth coverage and personal attention from the instructor.

### **Marketing and Support Costs**

The EDCO promotes its program to new and existing employer contacts through personalized brochures, newsletter postings, business networking, and word-of-mouth publicity. These activities help the EDCO keep its program responsive to the needs of the local employer community.

The EDCO also allocates resources to perform needs assessments, recruitment, and curriculum customization based on employer feedback. The EDCO is requesting support costs to fund marketing and recruitment of additional participating employers. Staff recommends the 8% Support Costs.

### **Tuition Reimbursement**

Students enrolled in the ETP-funded program will not be charged tuition, fees, or any other costs associated with training. The representation will be made a condition of the Agreement.

### **Commitment to Training**

The EDCO represents that ETP funds will not displace the existing financial commitment to training by participating employers. It will be providing training for several small businesses with very limited training resources. ETP funding will allow structured training to occur that would not be possible otherwise due to budget constraints. Current training provided by employers includes new employee orientation and compliance-related topics. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

#### ➤ Training Infrastructure

Two internal staff members will coordinate marketing, recruitment, class scheduling, and rosters to ensure that project administration adheres to ETP requirements.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

### **DEVELOPMENT SERVICES**

N/A

### **ADMINISTRATIVE SERVICES**

N/A

### **TRAINING VENDORS**

To Be Determined

**Exhibit B: Menu Curriculum****Class/Lab Hours**

8–200

Trainees may receive any of the following:

**BUSINESS SKILLS**

- Business Performance
- Communication Skills
- Customer Service
- Sales
- Project Management

**COMPUTER SKILLS**

- ERP Planning
- Data Processing
- Computerized Forecasting
- Material Resource Planning
- Inventory Control

**ADVANCED TECHNOLOGY**

- CNC Programming/Operations
- Agronomy
- Organic Laboratory Skills Training:
  - Gas Chromatographic Injectors
  - Liquid Chromatography Sample Introduction
  - Theory of Chromatography
  - Detectors
  - Mass Spectrometry Theory
  - Quantitative Analysis
  - Analytical Considerations and Trade-Offs

**CONTINUOUS IMPROVEMENT**

- Problem Solving
- Team Building
- Production/Operations/Workflow
- Quality Control
- Leadership Skills

**MANUFACTURING SKILLS**

- Assembly
- Best Practices – Time/Production Management
- Lean Manufacturing
- Parts and Products
- Equipment Maintenance
- Inventory Control
- Cross-Training in Production Equipment/Skills

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery.



**Training Proposal for:**

**Hospital of Barstow, Inc. dba Barstow Community Hospital**

**Agreement Number: ET16-0263**

**Panel Meeting of:** December 4, 2015

**ETP Regional Office:** North Hollywood

**Analyst:** M. Webb

**PROJECT PROFILE**

Contract Attributes:	SET Retrainee Medical Skills Training Priority Rate	Industry Sector(s):	Healthcare  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	San Bernardino	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No California Nurses Association/National Nurses United, SEIU-UHW		
Number of Employees in:	CA: 320	U.S.: 135,000	Worldwide: 135,000
Turnover Rate:	29%	See Project Details	
Managers/Supervisors: (% of total trainees)	20%		

**FUNDING DETAIL**

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	<b>Total ETP Funding</b>
\$243,810		\$0	\$0		\$243,810

In-Kind Contribution:	100% of Total ETP Funding Required	\$483,368
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee SET Medical Skills Training Priority Rate	Computer Skills, MST-Didactoc, MST-Preceptor	129	8-200	0	\$1,890	\$20.55
				Weighted Avg: 105			

**Minimum Wage by County:** \$20.55 per hour for SET Statewide Average Hourly Wage.

**Health Benefits:**  Yes  No This is employer share of cost for healthcare premiums – medical, dental, vision.

**Used to meet the Post-Retention Wage?:**  Yes  No  Maybe

Up to \$2.05 per hour may be used to meet the Post-Retention Wage.

**Wage Range by Occupation**

Occupation Titles	Wage Range	Estimated # of Trainees
<b>JOB NUMBER 1</b>		
Surgical Tech Cert		2
Respiratory Therapist		5
Radiology Technologist II		5
Registered Nurse		106
Registered Nurse (Charge)		11

**INTRODUCTION**

Founded in 1958, Hospital of Barstow, Inc. dba Barstow Community Hospital (BCH) ([www.barstowhospital.com](http://www.barstowhospital.com)), is an affiliate of Community Health Systems. BCH is a 30-bed acute care facility that provides Inpatient/Outpatient services including medical, surgical and emergency care, radiology, laboratory, rehabilitation, orthopedic, and diagnostic imaging. The hospital is accredited by The Joint Commission and has been designated a *Baby-Friendly* hospital by the World Health Organization/UNICEF.

**PROJECT DETAILS**

Over the last 2 years, BCH hired a large number of new graduate nurses to staff their new building that opened October 13, 2012. BCH also has several initiatives and operational plans to improve the business and enhance patient service and experience. Although those newly-hired nurses have received some classroom instruction, it has become apparent that staff lacks

the hands-on experience required to work in a fast-paced environment. As a result, additional training is needed to enhance nursing skills and provide quality healthcare services to BCH patients. Furthermore, a large number of new graduate nurses hired during that time only have experience working in one department of the hospital. It is imperative that BCH cross-train its nursing staff to increase the number of employees who have the skills necessary to work in multiple departments of the hospital as they are needed. Trainees will participate in Medical Skills Training in various units of the hospital, which include Medical/Surgical, Laboratory, Pediatric Services, and the Emergency Room.

BCH has implemented a 30 minute or less Emergency Room (ER) Service Pledge at its facility. BCH ER Nurse Stations have been upgraded with the latest technology including a new nurse call system, patient monitoring, and an electronic medical records system. Nurses will receive medical skills training on these new systems to improve skills and ensure they are able to perform duties required while working in the ER (laboratory, diagnostic imaging, pharmacy, etc.).

The Hospital also has a new Surgery Services Department with two operating rooms, two endoscopy labs, new specialized equipment, and a pre and post-operation surgery center. As a result, BCH must educate and train staff to utilize specialized equipment in this new department and perform a broad array of surgical care that will take place in the unit.

BCH is the first hospital in the High Desert area to receive NICHE designation (Nurses Improving Care for Health system Elders), and there is a significant amount of training needed to support it. Changes related to this designation that are currently being implemented at the facility will benefit patients 65 and over who were recently hospitalized. Medical staff must ensure seniors are aware of and understand all preventive measures that should be taken in the home. In addition, staff must also confirm that the patient is involved in decisions being made about their care. To become more senior friendly, trainees will receive specialty training in areas such as stroke certification, chest pain, and fall prevention.

High demands in the healthcare industry require BCH to recruit and train Registered Nurses that can work in a fast paced work environment. To increase staffing levels, BCH plans to reduce recruitment time and the cost associated with hiring experienced nurses, by instead hiring new graduate RN's. Newly hired nurses will receive extensive mentoring and training to gain knowledge and experience before assuming the responsibility of working one-on-one with patients.

New graduate Nurses will receive up to 16 weeks of training that will include Medical Skills in Didactic and Preceptor training. Preceptor training will take place alongside an experienced BCH Nurse at a 1:1 trainer-to-trainee ratio. Training will increase staff's nursing skills to perform job functions, provide quality care, and fill BCH's significant need for experienced and qualified medical staff. Newly hired nurses will be required to back fill current open positions at BCH.

## **Training Plan**

**Computer Skills (5%):** Training will be offered to all occupations to ensure staff can navigate the Hospital's electronic medical recordkeeping system. Trainees will utilize this system on a daily basis and must understand how to accurately submit and review data entered for BCH patients.

### **Medical Skills Training (95%):**

In an effort to improve medical care, BCH plans to significantly increase the number of nursing staff that have the skills and credentials needed for specialized services offered by the Hospital. To enhance skills, BCH staff will receive training in Medical Skills to ensure the hospital can deliver the high quality care expected of an acute medical care facility for its patients in Barstow and the surrounding areas.

Nurses, Radiology Technologists, and Respiratory Therapists will receive cross training so they are capable of working and performing job functions required in all departments in the hospital.

### **Commitment to Training**

BCH spends approximately \$309,000 annually on training at their single location. Training delivered includes regulatory, compliance, and safety training. A significant amount of training provided for 2014 was the result of new technologies and regulations implemented in the hospital and health care industry. Training provided is both job-specific and company-wide.

ETP funds will not displace the existing financial commitment to training. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

#### ➤ Training Infrastructure

BCH's CFO, CNO, and Human Resources (HR) staff will be responsible for program oversight of this ETP Agreement. The Hospital has hired Economic Incentives Advisory Group (EIAG) as their third party administrator to assist with administrative duties. EIAG will perform administrative duties such as online tracking, enrollment, reporting, invoicing, and meeting with ETP Staff. BCH staff will provide and collect training rosters to instructors, track training hours, and schedule training in support of the implementation process of ETP within the Hospital.

### **Turnover Rate**

BCH's turnover rate for 2014 is 29%. BCH reports that this percentage is the direct result of a highly competitive environment and workforce shortage in the healthcare industry. Hospital turnover rates currently range from 8% to 30% nationwide. Further, in 2012, the greater Barstow area was designated as a low-income Healthcare Professional Shortage Area. The primary factors leading to the hospital's turnover rate are work overload due to a shortage in nursing staff, lack of communication with management, and low job performance. Hospitals require a skilled, reliable, and stable workforce to provide effective and continuous patient care. When staff leaves, workloads increase, patients suffer, and the overall budget decreases. However, according to the California Department of Public Health, some level of staffing turnover may be essential to building a quality workforce. Either way, the financial cost of losing a single nurse is estimated to equal double the nurse's salary. The average hospital loses roughly \$300,000 per year for every percentage increase in annual nursing turnover.

To correct staff turnover, BCH will start with the hiring process by clearly communicating the role of employees, rewarding superior performance, introducing personalized training, offering career development programs, and minimizing the time spent on administration. These are all tools BCH will use to address the primary causes of staff turnover. Further, part of the strategy is training managers to optimize work schedules in the best interests of the employee, engaging

staff in conversations that affect their work, and providing continuous feedback to increase the employee's sense of control.

Competition for nursing staff has also increased since the opening of a new Hospital approximately 30 miles from BCH. The hospital's leadership has developed a strategy to address the turnover issues and increase employee retention. In addition, the proposed training plan will develop the skills and experience of new graduate nurses to properly staff positions and demonstrate to incumbent staff that BCH is investing in their growth in nursing skills.

### **Turnover for each of the prior three calendar years (not an average)**

- 2012 = 22.8%
- 2013 = 20.8%
- 2014 = 29%

### **Most recent turnover since January 1 of the current calendar year**

January 1, 2015 to present = 18.6%, with 4.98% in the last quarter

The ETP program is designed to fund training for stable, secure jobs. Thus, the employer's turnover rate cannot exceed 20% annually for the facility where training is requested. But the Panel may accept a higher turnover rate if the employer provided evidence that the proposed training will significantly decrease the turnover, or if the employer experienced a singular reduction in workforce, or if industry data supports a higher turnover rate. The Panel may, or may choose not to, impose a "turnover penalty" when the company crosses this 20% threshold. ((Title 22, CCR, Section 4417.))

If the Panel chooses to impose a turnover penalty, failure to stay under a maximum rate will trigger forfeiture of 25% of the amount earned for each trainee. The trigger rate is typically 20%, as measured by turnover during the 12-month period preceding termination of the ETP Agreement. (Title 22, CCR, Section 4417(b).)

### **Special Employment Training**

Under SET, the participating employer is not required to demonstrate out-of-state competition. Trainees must earn at least the statewide average hourly wage at the end of the retention period. The Panel may modify the minimum wage requirement for companies in priority industries, such as healthcare up to 25% below the state average hourly wage (\$20.55). The Hospital is requesting this modification for trainees in Job Numbers 1 and 2.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

### **DEVELOPMENT SERVICES**

BCH retained Economic Incentives Advisory Group in Phoenix, AZ to assist with development of this proposal for a flat fee of \$23,047.

### **ADMINISTRATIVE SERVICES**

Economic Incentives Advisory Group will also perform administrative services in connection with this proposal for a fee not to exceed 8% of payment earned.

**TRAINING VENDORS**

N/A

## **Exhibit B: Menu Curriculum**

### **Class/Lab Hours**

8-200

Trainees may receive any of the following:

#### **COMPUTER SKILLS**

- Electronic Medical Recordkeeping System

#### **MEDICAL SKILLS-DIDACTIC**

- Acute Myocardial Infarction
- Advanced Cardiovascular Life Support (ACLS)
- Arterial Blood Gases (ABG)
- Basic Life Support (BLS)
- Body Mechanics
- Breast Feeding & Lactation
- Care of the Cardiac Patient
- Care of the Pediatric Patient
- Care of the Stroke Patient
- Central Lines Management
- Chest Pain Training
- Chest Tube Care & Management
- Code Blue Response & Procedures
- Critical Care Nursing Skills
- Decontamination Procedures
- Diabetes Care & Management
- Dysrhythmia Recognition & Interpretation
- Educating the Patient & Family
- EKG & Cardiac Monitoring
- Electronic Fetal Monitoring
- Emergency Care of the Burn Patient
- Equipment Skills
- Emergency Room Skills (ER)
- Evidence Based Practices
- Gastrointestinal Assessment & Management
- Hemodynamic Monitoring
- Infection Control; IV Insertion & Therapy
- Kinetic Therapy
- Labor, Delivery and Postpartum Nursing Skills
- Laboratory Skills
- Lactation and Advanced Lactation Trainings
- Medical/Surgical Nursing Skills
- Medication Administration & Management
- Moderate Sedation
- NACLS
- Neonatal Nursing Skills
- Neonatal Resuscitation Provider
- New Graduate Nursing Skills
- NIPS
- Nurses Improving Care for Health system Elders (NICHE)

- Occupational Therapy
- Orthopedic Nursing
- Ostomy & Continence Care
- Pain Management
- Pediatric Advanced Life Support (PALS)
- Patient Assessment & Care
- Patient Fall Prevention
- Perioperative Nursing Skills
- PICC Line Insertion
- Pre and Post-Operative Care
- PT Skills
- Radiology Skills
- Rapid Response Skills
- Renal Assessment & Management
- Respiratory Assessment & Care
- Restraints
- Speech Therapy
- Sugar, Temperature, Airway, Blood Pressure, Lab Work, and Emotional Support (STABLE)
- Stroke Training
- Telemetry Nursing Skills
- Total Parenteral Nutrition
- Transfer Techniques
- Trauma Nursing Skills
- Triage Nursing Skills
- Ventilator and Tracheotomy Care
- Wound & Skin Care
- Wound Care Trainings

### **MEDICAL SKILLS-PRECEPTOR**

#### **Emergency Department**

- Care of Pediatric Patients
- ER Nursing Skills
- Infection Control
- OB Trauma
- Pain Management
- Triage Nursing Skills

#### **ICU/CCU**

- CCU Nursing Skills
- Hemodynamic Monitoring
- Infection Control
- Intra-Aortic Balloon Pump (IABP) Therapy
- Pain Management
- Patient Assessment & Care
- Pre and Post-Operative Care
- Ventilator & Tracheotomy Care

#### **Laboratory Services Unit**

- Blood borne Pathogens
- Infection Control

- Laboratory Skills
- Laboratory Testing Procedures
- Venipuncture

**Long Term Care Unit (Sub acute, Skilled Nursing, Transitional Care, and Hospice)**

- Infection Control
- Medical/Surgical Nursing Skills
- Orthopedic Nursing Skills
- Pain Management
- Patient Assessment & Care
- Pre and Post-Operative Care
- Total Parenteral Nutrition (TPN)
- Ventilator & Tracheotomy Care

**Medical/Surgical Unit**

- Equipment Skills
- Infection Control
- Medical/Surgical Nursing Skills
- Medication Administration & Management
- Orthopedic Nursing Skills
- Pain Management
- Patient Assessment & Car
- Pre and Post-Operative Care

**Operating Room & Post-Anesthesia Care Unit (PACU)**

- Equipment Skills; Infection Control
- Malignant Hyperthermia
- Medication Administration & Management
- Patient Assessment & Care
- Pain Management
- Perioperative Nursing Skills
- Pre and Post-Operative Care
- Trauma Nursing Skills

**Pediatric Services Unit**

- Care of Pediatric Patients (Acute Care, Intensive Care)
- Equipment Skills
- Infection Control
- Medication Administration & Management
- Patient Assessment & Care
- Patient Assessment & Care
- Pediatric Advanced Life Support (PALS)
- Pre and Post-Operative Care
- Respiratory Assessment & Care

**Obstetrics Unit**

- Electronic Fetal Monitoring
- Infection Control
- Labor, Delivery and Postpartum Skills
- Neonatal Advanced Life Support (NALS)
- Neonatal Nursing Skills



- Neonatal Resuscitation Provider (NRP)
- Patient Assessment & Care
- Respiratory Assessment & Care
- S.T.A.B.L.E.

#### **Radiology Services Unit**

- CT Skills
- Equipment Skills
- Infection Control
- Patient Assessment & Care
- Patient Fall Prevention
- Radiology Skills
- Ultrasound Skills

#### **Rehabilitation Services Unit**

- Care of Cardiac Patients
- Care of the Stroke Patient
- Equipment Skills
- Infection Control
- Kinetic Therapy
- Occupational Therapy Skills
- Patient Assessment & Care
- Patient Fall Prevention
- Physical Therapy Skills
- Post-Operative Care
- Speech Therapy Skills

#### **Respiratory Services Unit**

- Advanced Cardiac Life Support (ACLS)
- Basic Life Support (BLS)
- Care of Pediatric Patients
- Care of the Cardiac Patient
- Code Blue Response & Procedures
- Equipment Skills
- Infection Control
- Neonatal Resuscitation Provider (NRP)
- Patient Assessment & Care
- Respiratory Assessment & Care
- Ventilator & Tracheotomy Care

#### **Telemetry Unit**

- Care of the Cardiac Patient
- Dysrhythmia Interpretation
- EKG & Cardiac Monitoring
- Equipment Skills
- Infection Control
- Intravenous (IV) Therapy
- Pre and Post-Operative Care
- Telemetry Nursing Skills

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery.



*A Voice for Nurses. A Vision for Healthcare.*



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September 23, 2015

Dear Members of the Panel,

The California Nurses Association (C.N.A.) submits this letter in support of Barstow Community Hospital (BCH)'s ETP Single Employer Application to the State of California Economic Development Unit.

C.N.A. recognizes that health-related education services offered to the community of Barstow is our common concern, and that ETP's program will help fulfill those services and supports the proposed program to increase those services.

Sincerely,

A handwritten signature in black ink, appearing to read "J M".

James Moy  
Organizer  
CNA / NNU



UNITED HEALTHCARE  
WORKERS WEST  
SERVICE EMPLOYEES  
INTERNATIONAL  
UNION, CLC

Dave Regan - President  
Stan Lyles - Vice President

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5480 Ferguson Drive  
Los Angeles, CA 90022  
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FAX 323-721-3538

www.SEIU-UHW.org



August 26, 2015

California Employment Training Panel  
1100 J Street  
Suite 400  
Sacramento, CA 95814

Dear Members of the Panel:

The Service Employees International Union (SEIU) local number 1000 submits this letter in support of Barstow Community Hospital (BCH)'s ETP Single Employer Application to the State of California Economic Development Unit.

SEIU recognizes that the quality of health care and health-related education services offered to the community of Barstow is our common concern and our joint responsibility. SEIU is aware of the training resource challenges, training requirements to keep current with emerging technologies and regulatory changes and the workforce pipeline job-skill gap which faces the industry, specifically for frontline positions. Patients' health, wellness and safety are based on the knowledge, skills and abilities of those who serve them. Thus, SEIU is pleased BCH is seeking resources to support this matter of crucial importance.

The proposed program for the performance-based contract is designed to produce effective results for RNs – together, BCH, SEIU, the worker, and ETP will support the expansion of high-wage, high-skill jobs in Barstow. Should the ETP have any questions, they should not hesitate to contact me.

Sincerely,

Vladimir Dominguez  
Union Representative – Hospital Division  
SEIU United Healthcare Workers-West  
44300 Lowtree Avenue, Suite 110  
Lancaster, California 93534  
Cell: (661) 609-2953  
Office: (661) 726-4192  
Fax: (323) 721-3538  
E-mail: vdominguez@seiu-uhw.org



**Training Proposal for:**

**Lumileds LLC**

**Agreement Number: ET16-0255**

**Panel Meeting of:** December 4, 2015

**ETP Regional Office:** San Francisco Bay Area

**Analyst:** L. Lai

**PROJECT PROFILE**

Contract Attributes:	Priority Rate Retrainee	Industry Sector(s):	Manufacturing  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Santa Clara	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 603	U.S.: 753	Worldwide: 8,500
<u>Turnover Rate:</u>	9%		
<u>Managers/Supervisors:</u> (% of total trainees)	9%		

**FUNDING DETAIL**

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	<b>Total ETP Funding</b>
\$182,160		\$0	\$0		\$182,160

In-Kind Contribution:	100% of Total ETP Funding Required	\$306,360
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Business Skills, Computer Skills, Cont. Imp., HazMat, Mgmt. Skills, Mfg. Skills	220	8 - 200	0	\$828	\$17.98
				Weighted Avg: 46			

**Minimum Wage by County:** \$16.44 for Santa Clara County.

**Health Benefits:**  Yes  No This is employer share of cost for healthcare premiums – medical, dental, vision.

**Used to meet the Post-Retention Wage?:**  Yes  No  Maybe

Although employer provides health benefits, they are not being used to meet Post-Retention Wage.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Operator 1		40
Operator 2		35
Operator 3, Technician		55
Engineer 1		35
Engineer 2		20
Engineer 3		15
Manager		20

**INTRODUCTION**

Headquartered in San Jose, Lumileds LLC (Lumileds) develops, manufactures and distributes LEDs and automotive lighting products. The Company pioneered breakthrough illumination technologies from advanced halogen and xenon lamps to state-of-the-art LED solutions. In addition to San Jose, Lumileds has factories in Michigan, Singapore, Penang, Aachen, Shangha, and Chartres.

**PROJECT DETAILS**

Lumileds is in a highly competitive and specialized market and must provide new leading-edge product applications and respond to current customers in an efficient and cost effective manner. At this time, the Company's focus is on job retention and continued operations in California. The management team has determined that an immediate focus on cost reduction and quality improvement programs are critical.

Foreign and domestic competitors are cutting prices, at times to below cost. Lumileds has to reduce costs to maintain current customers and to gain new accounts. As more and more products are switching to LED-based products, customers are demanding lower prices and faster time to market.

In response, Lumileds must redesign its operational structure with a focus on cost reductions and efficient. The proposed training will allow employees to be more versatile, gain cross-functional knowledge, develop standardized efficient processes, reduce costs, and decrease delivery time to customers. The proposed training will also ensure successful implementation of Lean Manufacturing Principles across the Company and provide tools for employees to address critical process improvement initiatives.

### **Training Plan**

Training will be provided to employees at the San Jose facility. All training will be delivered through instructor-led Class/Lab training method.

**Business Skills (5%):** Training will be offered to Technicians, Engineers and Managers. Topics will include business planning, negotiating skills, materials management and communication skills. Training is intended to improve business strategy management and customer service interface.

**Computer Skills (10%):** Training will be offered to Technicians, Engineers and Managers. Courses include AutoCad, ERP System, and National Instruments. Employees will learn to effectively use the ERP system for scheduling, inventory control, purchasing, and delivery management. Engineers will learn to use AutoCad for design and other software applications to generate advanced data reports and tables.

**Continuous Improvement (40%):** Training will be offered to all occupations. Training will be on quality concepts and tools, cycle time reduction, Lean Manufacturing, process improvement, and root cause analysis. Training is intended to improve product quality, reduce errors, lead time and ultimately costs.

**Hazardous Materials (10%):** Training will be offered to Operators and Engineers. Topics include Hazardous Analysis, Hazwoper, and Hazardous Materials standards. The Company receives, handles, disposes, and ships hazardous materials; therefore, trainees must learn proper and safe ways to handle these materials.

**Management Skills (10%):** Training will be provided to Managers. Topics include coaching, conflict management, developing teams, leadership, and performance management. Most Managers are promoted from the technical engineering field and have not been exposed to the skills necessary to be an effective manager.

**Manufacturing Skills (25%):** Training will be offered to Operators and Technicians. Topics include machine specific training, cellular manufacturing, workmanship, and equipment maintenance. Procedures will be standardized for each piece of equipment and trainees will be cross trained to perform multiple functions and work on multiple machines in a work cell, depending on production demands.

## **Certified Safety Training**

Hazardous Waste Operations and Emergency Response Standard (HAZWOPER): This training is a series of courses specifically designed for workers who handle hazardous substances as first-responders, or clean-up as needed at a hazard disposal or emergency site. It consists of 40 hours of classroom or CBT training, for workers stationed at the hazard site; and 24 hours for workers who visit the site (e.g., engineers). Field training is also required, although not funded by ETP. Completion of the training results in a certificate that expands employment opportunities. Each certification requires an 8-hour annual refresher course. This coursework must be approved by Cal-OSHA, and the instructors must be certified by Cal-OSHA. Lumileds represents that trainees will not receive 40 hours unless they work full time onsite at the clean-up location.

## **Commitment to Training**

Lumileds has an annual training budget of approximately \$10,000 for the San Jose facility. Training includes new-hire orientation, ergonomics, security awareness, and compliance training. ETP funds will not displace the existing financial commitment to training. Safety training is provided in accordance with all pertinent requirements under state and federal law.

### ➤ Training Infrastructure

The HR team will oversee the implementation of the training program and be responsible for project administration. Training schedules will be developed on a monthly basis to allow management to schedule training accordingly.

## **RECOMMENDATION**

Staff recommends approval of this proposal.

## **DEVELOPMENT SERVICES**

Manex in San Ramon assisted with development of this proposal. [Note: Manex is eligible to receive 10% of the approved amount of funding for referrals such as this, under a marketing agreement with ETP, not to exceed \$15,000.] In this proposal, the fee will be \$15,000. This fee does not affect the approved amount of funding.

## **ADMINISTRATIVE SERVICES**

N/A

## **TRAINING VENDORS**

To Be Determined

**Exhibit B: Menu Curriculum****Class/Lab Hours**

8 – 200

Trainees may receive any of the following:

**BUSINESS SKILLS**

- Budget Analysis
- Business Plans
- Customer Service
- Business Strategies
- Communication Skills
- Effective Leadership Skills
- Inventory Control
- Listening Skills
- Materials Management
- New Product Introduction
- MS Project
- Negotiation Skills
- Project Management Techniques/Training
- Team Building
- Wonderware Human Machine Interface Systems

**COMPUTER SKILLS**

- AutoCAD
- Communications Systems
- Database Management
- ERP System
- Intermediate Excel with Pivot Tables
- National Instruments Labview Core 1
- National Instruments Labview Core 2
- Waferfab CNC

**CONTINUOUS IMPROVEMENT**

- 6S Advanced Quality Concepts
- 6S Fundamentals
- 6S/5S Principles
- Basic Quality Tools
- Building Teams
- Business Improvement Principles
- Communication
- Continuous Improvement Skills
- Cost Reduction Programs
- Creative/Innovative Thinking
- Cycle-Time Management Techniques
- Cycle-Time Reduction Techniques
- Decision Making
- Design for Manufacturing Acceptability
- Design of Experiments
- Developing Action Plans



- Developing Solutions
- Effective Teams
- Empowerment Process
- Failure Mode and Effect Analysis
- High Performance Work Teams
- ISO 9001, 13485, 9100, 51000, etc.
- Kaizen Principles
- Kanban Principles
- Key Process Indicators
- Lean Manufacturing Principles
- Lumilink ERP/MRP Systems
- Problem Solving
- Process Capabilities
- Process Improvement
- Root Cause Analysis
- Self-Directed Work Teams
- Statistical Process Control
- Taguchi Methods
- Team Concepts
- Teamwork in an Empowered Workforce
- Train-the-Trainer
- Value Stream Mapping
- Variation/Process Control

#### **HAZARDOUS MATERIALS**

- Hazardous Analysis Critical Control Points
- Hazwoper
- Hazardous Materials - DOT
- Hazardous Materials - IATA

#### **MANAGEMENT SKILLS** (Managers Only)

- Appraisal Skills
- Coaching/Feedback
- Communication Skills
- Conflict Management
- Decision Making
- Developing Teams
- Leadership/Management Development
- Management Skills
- Management Styles
- Managing Change
- Performance Management
- Project Management
- Problem Solving
- Strategic Planning
- Supervisory Skills

**MANUFACTURING SKILLS**

- ACT 8 Maintenance Training
- Allen Bradley Programmable Logic Controllers
- ASML Maintenance Training
- ASML Stepper Design and Support:
  - Lam Alliance Training
  - Lam Concept 2 Training
- Assembly Operations
- Cellular Manufacturing
- Chiller Training
- Computer-Aided Design
- Computer-Aided Engineering
- Computer-Aided Manufacturing
- Computer Numeric Control
- Electrical Controls Training
- Electrical Troubleshooting and Prevention
- Electro Static Discharge
- Electronic Assembly Workmanship
- Equipment Operations
- Equipment/Preventive Maintenance
- Introduction to Hand Tools
- Layout
- Maintenance Mechanic Overview Level 1:
  - Veeco Maintenance and Trouble Shooting
- Maintenance Mechanic Overview Level 2
- Manufacturing Processes
- Pneumatics/Hydraulics
- Programmable Logic Controllers:
  - Studio 5000 Logix
  - Studio 5000 Logix Designer Controls
- Pump Repair and Maintenance
- Set-Up Reduction
- Stepper Motor Training
- Total Productive Manufacturing
- Total Quality Management
- Value Stream Mapping
- Variable Speed AC Drives
- Waferfab Basics

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery.



## Training Proposal for:

**PVH Corp.**

**Agreement Number: ET16-0267**

**Panel Meeting of:** December 4, 2015

**ETP Regional Office:** North Hollywood

**Analyst:** M. Webb

### PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate HUA	Industry Sector(s):	Manufacturing  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Los Angeles	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 2,300	U.S.: 8,000	Worldwide: 12,000
Turnover Rate:	7%		
Managers/Supervisors: (% of total trainees)	18%		

### FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$145,728		\$0	\$0		\$145,728

In-Kind Contribution:	100% of Total ETP Funding Required	\$174,064
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Business Skills, Computer Skills, Cont. Imp., Mfg. Skills	75	8-200	0	\$792	\$15.97
				Weighted Avg: 44			
2	Retrainee HUA Priority Rate	Business Skills, Computer Skills, Cont. Imp., Mfg. Skills	109	8-200	0	\$792	\$11.98
				Weighted Avg: 44			

**Minimum Wage by County:** Job Number 1: \$15.97 per hour in Los Angeles County.

Job Number 2 (HUA): \$11.98 per hour in Los Angeles County.

**Health Benefits:**  Yes  No This is employer share of cost for healthcare premiums – medical, dental, vision.

**Used to meet the Post-Retention Wage?:**  Yes  No  Maybe

Up to \$2.84 per hour may be used to meet the Post-Retention Wage in Job Number 1 and up to \$0.73 per hour in Job Number 2.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
<b>Job Number 1</b>		
Distribution/Materials Staff		5
Customer Service Staff		4
Administration Support Staff		5
Operations Support Staff		7
Production Workers		20
Frontline Supervisors		24
Managers		10
<b>Job Number 2</b>		
Production Workers		44
Distribution/Materials Staff		27
Administration Support Staff		10
Customer Service Staff		13
Operations Support Staff		15

## **INTRODUCTION**

Founded in 1881, PVH Corp. (PVH) is one of the largest apparel/retail companies in the world. Headquartered in New York, PVH licensed brands include among others: Geoffrey Neeme®, BCBG Max Azria®, Kenneth Cole New York®, and Michael Kors®. In January 2007, PVH acquired Superba, Inc., a company that manufactures ties for retail stores in Los Angeles. This location is now a division of PVH, manufacturing ties, handkerchiefs and other accessories. Brands manufactured by this division include Tommy Hilfiger®, Calvin Klein®, Van Heusen®, and IZOD®. This will be the only division to receive training under this Agreement.

## **PROJECT DETAILS**

In order to provide customers with quality products at a competitive price and to keep pace with trends in apparel, PVH is implementing changes to their manufacturing process. The Company has identified specific areas of the production process that require improvement. These areas include customer service and communication training, implementing lean production procedures (Six Sigma), and increasing leadership skills among frontline Supervisors and Managers.

PVH's training plan for the Los Angeles division will focus primarily on the modernization of PVH business systems and procedures, in keeping with the change initiative discussed above. All staff will receive training in Continuous Improvement. Selected staff will receive training in Manufacturing, Computer and Business Skills.

Manufacturing training will be provided to Production Staff and Supervisors to increase productivity and handle inventory levels. As the Company continues to grow, cross-training will be provided to ensure staff is capable of running various machinery and equipment as needed. New Lean manufacturing initiatives will require Production Workers to take on more responsibility. Trainees will learn to resolve problems encountered on the line and apply a resolution to reduce cycle time and meet expected productivity levels.

### **Training Plan**

Training is designed to help PVH attain their goal of becoming a value-focused, customer driven organization. Trainees will learn to operate at higher performance levels, increase efficiencies and improve customer service skills.

**Business Skills** (9%): Training will be offered to Supervisors, Managers, Administrative Support and Customer Service Staff. The ability to present a unified, efficient and customer focused appearance to PVH clients is a critical aspect to the company's success. Trainees will learn new techniques and methods to improve customer service and communication skills.

**Computer Skills** (8%): Training will be offered to Administrative Support Staff, Distribution/Materials Staff, and Supervisors to utilize computer software. Topics in Intermediate/Advanced Microsoft Office and ERP System will be delivered in order to improve execution of daily tasks and collect, review, and submit data that can be used to evaluate facility operation.

**Manufacturing Skills** (22%): Training will be offered to Production Workers, Supervisors and Managers to increase quality and production efficiencies. New methods and procedures will be implemented in the production process that will reduce production times. Topics provided include Maintenance Skills and Equipment Operation.

**Continuous Improvement** (61%): Training will be offered to all occupations to acclimate staff to a high performing workplace. Training in Lean enterprises, team building, and process improvement will a high level of customer service as well as provide clientele with quality

products. Trainees will also learn to identify a problem, analyze, and develop solutions that will resolve issues that come about during the production process.

### **Commitment to Training**

PVH spends approximately \$35,000 annually for training delivered at its Los Angeles manufacturing facility. Training includes new hire orientation and job specific training for incumbent staff. Training methods utilized are class/lab and on the job training.

PVH represents that ETP funds will not displace the existing financial commitment to training. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

#### ➤ Training Infrastructure

PVH has assigned staff members to work alongside the Company's third party administrator, Kirkpatrick Enterprises International, to perform administrative duties. Staff will provide employee information to enroll, track training hours, and schedule training. The Senior Director of Human Resources and Controller will oversee this ETP project.

### **High Unemployment Area**

Trainees in Job Number 2 work in a High Unemployment Area (HUA), with unemployment exceeding the state average by at least 25%. The Panel may modify the ETP Minimum Wage by up to 25% if post retention wages exceed the start of training wages. PVH is asking for a wage modification for trainees in Job Number 2 (from \$15.97 to \$11.98).

### **RECOMMENDATION**

Staff recommends approval of this proposal.

### **DEVELOPMENT SERVICES**

Kirkpatrick Enterprises International (KEI) in Valencia assisted with development at no cost.

### **ADMINISTRATIVE SERVICES**

KEI will perform administrative services for a fee not to exceed 10% of payment earned.

### **TRAINING VENDORS**

KEI will provide training in Continuous Improvement and Computer Skills. Other trainers will be determined.

**Exhibit B: Menu Curriculum****Class/Lab Hours**

8-200

Trainees may receive any of the following:

**BUSINESS SKILLS**

- Business Operations and Procedures
- Business Communication Skills
- Advanced Customer Relationship Skills
- Project Management
- Change Management
- Strategic Planning and Control
- World Class Leadership

**COMPUTER SKILLS**

- DRP/ERP Software and Reporting
- Intermediate/Advanced Microsoft Office

**CONTINUOUS IMPROVEMENT**

- Lean Manufacturing/ Six Sigma
- Leadership Skills for Frontline Workers
- Problem Solving/Root Cause
- Process Analysis

**MANUFACTURING SKILLS**

- Maintenance Skills
- Production Equipment Usage

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery.



## RETRAINEE - JOB CREATION

### Training Proposal for:

## The Cheesecake Factory Bakery Incorporated

**Agreement Number: ET16-0277**

**Panel Meeting of:** December 4, 2015

**ETP Regional Office:** North Hollywood

**Analyst:** M. Paccereilli

### PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate Job Creation Initiative	Industry Sector(s):	Manufacturing  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Los Angeles	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 7,585	U.S.: 37,249	Worldwide: 37,249
<u>Turnover Rate:</u>	17%		
<u>Managers/Supervisors:</u> (% of total trainees)	20%		

### FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	=	(High Earner Reduction)	=	<b>Total ETP Funding</b>
\$244,000		\$0		\$0		\$244,000

<b>In-Kind Contribution:</b>	100% of Total ETP Funding Required	\$216,000
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Business Skills, Continuous Impr., Computer Skills, Mfg. Skills, Literacy Skills, PL-Mfg. Skills	200	8-200	0	\$1,170	\$15.97
				Weighted Avg: 65			
2	Retrainee Priority Rate Job Creation Initiative	Business Skills, Continuous Impr., Computer Skills, Mfg. Skills, Literacy Skills, PL-Mfg. Skills	10	8-200	0	\$1,000	\$13.31
				Weighted Avg: 50			

**Minimum Wage by County:** \$15.97 per hour in Job Number 1 and \$13.31 per hour in Job Number 2 for Los Angeles County

**Health Benefits:**  Yes  No This is employer share of cost for healthcare premiums – medical, dental, vision.

**Used to meet the Post-Retention Wage?:**  Yes  No  Maybe

Up to \$5.97 per hour may be used to meet the Post-Retention Wage in Job Number 1.

Up to \$3.31 per hour may be used to meet the Post-Retention Wage in Job Number 2.

**Job 1 & 2 Wage Range by Occupation**

Occupation Titles	Wage Range	Estimated # of Trainees
Bakery Operations Staff		104
Administrative Staff		52
Maintenance Staff		32
Manager/Supervisor I		12
Manager/Supervisor II		10

**INTRODUCTION**

The Cheesecake Factory Bakery Incorporated (CFB) ([www.cheesecakefactory.com](http://www.cheesecakefactory.com)) started as a family bakery in Detroit in the 1940's, supplying cakes to local restaurants. In 1972, the bakery moved to Los Angeles, and by 1974, over 20 cheesecakes and other dessert assortments were being sold to hundreds of wholesale accounts, expanding CFB's distribution from Santa Barbara to San Diego.

In 1978, the Company opened its first restaurant in Beverly Hills, offering guests a high-scale dining experience. It was an immediate success and today there are over 200 restaurants around the world. The Company opened two baking facilities to serve its restaurants as well as

its national and international retail accounts in the Middle East, China, Canada and Mexico, and the military.

In 2012, as part of its aggressive growth plan, the Company opened its first international restaurants in Kuwait and Dubai. CFB is expecting the bakery operations to grow as the Company continues to open new restaurants in the Middle East, China and Mexico. The training in this proposal will be provided to the CFB's manufacturing plant in Calabasas Hills.

CFB stays competitive with industry leaders by adapting its supply to consumer demands introducing approximately 10 new products per month. As new products are being launched, CFB needs production on a large manufacturing scale, requiring employee skills training in various manufacturing areas. In addition, due to the rising cost of ingredients, commodities, transportation and utilities, CFB has to operate with a tight profit margin. Therefore, lean and efficient operation, with high quality production, is crucial to stay competitive.

In the past year, CFB had invested approximately \$1M in new systems and equipment as listed below. These new systems and equipment will increase efficiency and strengthen the business. The training cost is not included in the purchase price.

- A new Oven System will feature a continuous flow of production conveyor belts to replace the current system that relies on individual racks being moved from separate ovens. This new system will require programming, maintenance, troubleshooting, setup, and will change the entire manufacturing process.
- A Tonelli Cream System eliminates the need for production staff to make smaller batches of whipped cream and fillings, and then transport them from freezer mixing areas to various areas of the plant. Now, staff can digitally mix batches and have them stored and pumped into areas as needed.
- Steam Kettles which are used to heat ingredients evenly and to mix two or more ingredients that must be heated at a controlled temperature (e.g. caramel, chocolate, etc.) in order to add them to the product mix or to decorate the cakes. Production staff must be trained to regulate the temperature, control the steam valves, fill, mix and drain the ingredients in the steam kettle, as well as check the proper functions and troubleshooting. Training is necessary in order to control and supervise the installation, assembling, and cleaning of the different parts of the machine.
- New Mettler Toledo Checkweigher & Metal Detector combo has the function of weighing the final products before they are sent to packaging. The machine must be programmed with the target weight of the product that is sent to the scale and ensures the actual weight is within the pre-established weight standards. If a product is too heavy or too light, the checkweigher will detect the problem and reject the product. This checkweigher has a built-in metal detector that scans the product for metal debris and rejects the products that test positive.
- New Cooling System will replace its current Freon cooling system which will dramatically change its freezer processes.

Training on the proper and safe operation of new equipment and production of new products, including cross-training, will enable trainees to be more versatile and knowledgeable in CFB's manufacturing processes.

## **Retrainee - Job Creation**

In an effort to keep up with bakery demands as it continues to open new restaurants worldwide and obtain retail accounts, CFB is expanding its business capacity by adding 10 new employees to its bakery operations.

Trainees must be hired within the three-month period prior to Panel approval or during the term of contract. Newly-hired employees will be reimbursed at a higher rate and trainees will be subject to a lower post-retention wage. Trainees will be hired into "net new jobs" as a condition of contract.

## **Temporary to Permanent**

The Company is requesting to include five temporary-to-permanent trainees in Job Number 2. It is CFB's hiring practice to retain the Bakery Operations' Quality Assurance and Sanitation Staff and some Administrative Staff through a temporary agency with the intention of hiring them into full-time, permanent positions after training.

Once the Company determines that the temporary workers are familiar with specific skill sets, they will be hired into full-time, permanent positions. As such, they are eligible to participate in ETP-funded training before the start of training, while on payroll with the temporary agency under the Panel's temporary-to-permanent model. The Company understands that the retention and post-retention wage requirements cannot be satisfied until after they have been hired by CFB. Until then, the Company will not receive progress payments.

## **PROJECT DETAILS**

### **Training Plan**

In its first ETP project, CFB submitted a conservative training plan for \$76k. As a first-time ETP contractor, this was to ensure that they were able to manage and implement the project on their own. In this proposal, CFB is expanding its training plan to include more course modules and more trainees who had minimal or no training in the first contract which covered the bakery's operations and processes. To stay competitive, support new product and process implementation and equipment, CFB requires a highly trained workforce.

The Company must bolster its training and development infrastructure to meet demand. To work in a lean environment, training in multiple skills and competencies are needed for all occupations.

**Continuous Improvement (20%)** – This training will be offered to all occupations in order to improve bakery processes and help the Company remain competitive. Running the operation effectively and reducing waste are crucial parts of performance success.

**Business Skills (5%)** – This training will be offered to all occupations to improve communication, team building and leadership skills.

**Computer Skills (5%)** – This training will be offered to all occupations which will focus on Ross, the Company's Enterprise Resource Planning system, used by all department involved in process flow. Ross users need to learn how to use and maximize the latest upgrade in the system. CFB also deals with a variety of systems that new and existing staff need to learn. In addition, Administrative Staff and Manager/Supervisors will also learn advanced and intermediate training on Microsoft Office.

**Literacy Skills (5%)** – This training will be offered to all occupations who must overcome language barriers in the workforce to improve employee teamwork and productivity.

**Manufacturing Skills (65%)** – This training will be offered to the Bakery Operations Staff, Managers and Supervisors on how to execute new processes on the floor. Trainees need to learn the new skills and techniques required to produce new cakes such as depositing, topping, setup, and finishing areas.

### **Productive Laboratory (PL)**

The Panel adopted regulations to authorize reimbursement for training delivered in a Productive Laboratory (PL) setting. PL trainees may produce goods for profit as part of the training in the courses identified under the Curriculum.

It has been challenging for CFB to train its workers in manufacturing processes and equipment operations. This training would be too expensive to replicate in a simulated setting. As the bakery rolls out its new product lines, the Bakery Operations staff needs to learn the new system and equipment as well as techniques required to make the new products. The trainees need to acquire new skills and perform them at the required line speed. Initial training will be provided for the basic skills, followed by training in a simulated environment. In order to get to the required skill level, however, trainees need to practice in a productive setting and encounter real world troubleshooting issues.

Trainees will first learn the new techniques, and then practice on the product while the lines are either running slowly or staffed with more employees. Designated trainers will show trainees the new techniques, then coach and evaluate them on the process, and follow with an internal certification test to verify trainees' knowledge and skills. Proficiency will be determined when staff is able to function efficiently on the line and cakes being produced to the required standard. A list of PL Task and Competencies was provided to ETP staff.

Instruction in a classroom or simulated setting is not an adequate means of training delivery because trainees must learn how to operate large machinery like cake slicers that are connected to air pressure tanks, butter cutters also connected to tanks, large batter depositors, commercial size steam kettles and mixers, etc. In most cases, the equipment will not fit in a classroom or be too costly to provide in a simulated lab setting. For example, the "Salty Caramel Cheesecake" has a different decoration and setup compared to the "S'mores Cake" with an entirely different crumb setup, production and slicing cakes of varying sizes and combinations. These cakes require skills training in every area from mixing, depositing, topping, setup, finishing, labeling, and packaging areas.

During PL, trainees will operate various equipment such as are cake slicers that are connected to air pressure tanks, butter cutters also connected to air tanks, large batter depositors, commercial size steam kettles and mixers, crumb blenders, packaging machines, and forklifts. Each task will consist of learning and practicing the procedures to become efficient, proficient and error-free in specific skills, learning new depositing, decoration, and topping techniques, quality assurance requirements, new shipping, receiving, sanitation, and cleaning procedures

PL training will be provided at a 1:1 trainer-to-trainee ratio. CFB will deliver up to 40 hours of PL training per trainee. Each PL event is structured and has specific skills trainees must learn and demonstrate proficiency in before the trainer signs off. Trainees are evaluated on knowledge, skill, and productivity.

Upon completion of the PL training, an additional 40 hours of on-the-job training will be provided at the Company's expense. The trainers are in-house subject matter experts exclusively dedicated to instruction for the entire reported training time. As a result, additional training may be needed. CFB expects lower production turnout for the first several shifts until the PL trainee's skills meet the speed and quality requirements.

### **Commitment to Training**

ETP funds will not displace the existing financial commitment to training. In support of continuous employee development, The Company's current training budget is approximately \$100,000 and covers New Hire Orientation, OSHA-mandated training, Sexual Harassment Prevention, Cyber security, Trainer Skills and Facilitation Skills.

Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

### **PRIOR PROJECTS**

The following table summarizes performance by CBF under an ETP Agreement that was completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET13-0347	Calabasas Hills	04/05/13 – 04/04/15	\$76,500	\$76,500 (100%)

### **DEVELOPMENT SERVICES**

N/A

### **ADMINISTRATIVE SERVICES**

N/A

### **TRAINING VENDORS**

To Be Determined

## **Exhibit B: Menu Curriculum**

### **Class/Lab Hours**

8-200

Trainees may receive any of the following:

#### **BUSINESS SKILLS**

- ✚ 7 Habits
- ✚ Accounting
- ✚ Communication
- ✚ Motivation
- ✚ Team Building
- ✚ Supervisory Skills
- ✚ Time Management
- ✚ Coaching
- ✚ Leadership

#### **CONTINUOUS IMPROVEMENT**

- ✚ 5S (Sort, Set in Order, Shine, Standardize, and Sustain)
- ✚ Fundamental 5
- ✚ Process Improvement
- ✚ Leadership
- ✚ Auditor Training
- ✚ Root Cause Analysis
- ✚ Designated Trainer Certification

#### **COMPUTER SKILLS**

- ✚ Business Objects
- ✚ MS Office (Intermediate and Advanced)
  - Excel
  - Outlook
  - Access
  - PowerPoint
  - Publisher
  - Visio
- ✚ Ross
- ✚ Technical Services
- ✚ Kronos
- ✚ Taleo
- ✚ Cognos

#### **MANUFACTURING SKILLS**

- ✚ Equipment Operation
- ✚ Maintenance Skills
- ✚ Quality Assurance (Lab and Floor)
- ✚ Food Safety
- ✚ Good Manufacturing Practices
- ✚ Baker's Math











#### **LITERACY SKILLS**

- ✚ Vocational English as a Second Language (VESL)

**Productive Lab**

0-40

**PL – MANUFACTURING SKILLS (1:1 RATIO)**

-  Cake Decoration
-  Crumb Blending
-  Depositing
-  Equipment Operation
-  Finishing
-  Freezer Operation
-  Labeling
-  Maintenance
-  Mixing
-  Oven Operation
-  Packaging
-  Pre-Scaling
-  Programming
-  Quality Assurance
-  Ready to Eat Food (Cream, Mousses, Icing)
-  Receiving
-  Sanitation
-  Set-up
-  Shipping
-  Topping
-  Troubleshooting
-  Test Runs
-  Quality Reviews
-  Product Quality Guidelines (PQGs)

Literacy Training cannot exceed 45% of total training hours per-trainee  
Safety Training cannot exceed 10% of total training hours per-trainee

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery. PL is capped at 40 hours per-trainee.



## RETRAINEE - JOB CREATION

### Training Proposal for:

## Unison Comfort Technologies, LLC, a Division of Greenheck Fan Corporation

**Agreement Number: ET16-0285**

**Panel Meeting of:** December 4, 2015

**ETP Regional Office:** Sacramento

**Analyst:** L. Fraizer

### PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate Job Creation Initiative	Industry Sector(s):	Manufacturing  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Sacramento	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Sheet Metal Workers International Association Local Union No. 104		
Number of Employees in:	CA: 141	U.S.:3,021	Worldwide: 3,114
<u>Turnover Rate:</u>	16%		
<u>Managers/Supervisors:</u> (% of total trainees)	1%		

### FUNDING DETAIL

<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">Program Costs</td></tr> <tr><td style="text-align: center;">\$161,100</td></tr> </table>	Program Costs	\$161,100	-	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">(Substantial Contribution)</td> <td style="text-align: center;">(High Earner Reduction)</td> </tr> <tr> <td style="text-align: center;">\$0</td> <td style="text-align: center;">\$0</td> </tr> </table>	(Substantial Contribution)	(High Earner Reduction)	\$0	\$0	=	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;"><b>Total ETP Funding</b></td></tr> <tr><td style="text-align: center;">\$161,100</td></tr> </table>	<b>Total ETP Funding</b>	\$161,100
Program Costs												
\$161,100												
(Substantial Contribution)	(High Earner Reduction)											
\$0	\$0											
<b>Total ETP Funding</b>												
\$161,100												

<b>In-Kind Contribution:</b>	100% of Total ETP Funding Required	\$161,100
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Buisness Skills, Computer Skills, Continuous Impr, Mfg Skills, OSHA 10/30, PL-Mfg Skills	43	8-200	0	\$2,700	\$15.75
				Weighted Avg: 150			
2	Job Creation Initiative Priority Rate	Buisness Skills, Computer Skills, Continuous Impr, Mfg Skills, OSHA 10/30, PL-Mfg Skills	15	8-200	0	\$3,000	\$13.13
				Weighted Avg: 150			

**Minimum Wage by County:** Job Number 1: \$15.75 per hour for Sacramento County; Job Number 2: \$13.13 per hour for Sacramento County.

**Health Benefits:**  Yes  No This is employer share of cost for healthcare premiums – medical, dental, vision.

**Used to meet the Post-Retention Wage?:**  Yes  No  Maybe

Up to \$3.99 per hour may be used to meet the Post-Retention Wage for Job Number 1 and up to \$1.37 per hour may be used to meet the Post-Retention Wage for Job Number 2.

**Wage Range by Occupation**

Occupation Titles	Wage Range	Estimated # of Trainees
Job Number 1		
Grade Shop Worker 3		10
Grade Shop Worker 2		11
Grade Shop Worker 1		16
Supervisor		6
<b>Job Number 2</b>		
Grade Shop Worker 3		15

**INTRODUCTION**

Established in 2010, Unison Comfort Technologies, LLC a division of Greenheck Fan Corporation (Unison), is an independent company that manufactures and supports commercial HVAC products. Unison has an annual revenue of \$90M from three business units: Innovent, Valent, and Precision Coils. Each business unit manufactures air control and movement equipment such as custom commercial/industrial HVAC equipment and high-performance rooftop units.

The Company's custom-made equipment provides a wide variety of options including heat pump, refrigeration, energy recovery, and dehumidification. Unison's primary brands include Innovent® custom air handlers, Valent® value-added packaged rooftops, and Precision Coils®.

Unison's parent company, Greenheck Group, is a worldwide manufacturer of air-movement and control equipment. Its ventilation products are typically installed in hospitals, office buildings, hotels, shopping malls, restaurants, schools, industrial plants and other commercial buildings. The Greenheck Group is a multi-brand corporation with a number of affiliated entities offering architectural louvers and sunshades; specialized air-handling systems; heating and cooling coils; and related accessories or services.

## **PROJECT DETAILS**

This is the third agreement between Unison and ETP in the last five years. The previous agreements focused on Lean Manufacturing and machine proficiency. The Company is impressed with the level of skills of its workforce through ETP-funded training.

Unison's California workforce has been identified as the highest skilled group in the division. The Company considered re-locating, but the availability of ETP funds for training solidified its decision to stay in the state.

Although the Curriculum is similar to training provided under the previous contracts, trainees will not repeat coursework. The current proposal focuses on cross-training employees for higher skill sets, implementing effective leadership and coaching skills, and improving work efficiency through upgraded software.

## **Union Support**

The Sheet Metal Workers Local 104 District 2 has submitted a letter of support for this proposal.

## **Retrainee - Job Creation**

The Panel is offering incentives to companies that commit to hiring new employees. Training for newly-hired employees will be reimbursed at a higher rate and trainees will be subject to a lower post-retention wage.

Unison is expanding its current business capacity due to a steady increase in sales. In order to meet the increased demand, Unison has committed to hiring 15 new employees (Job Number 2). Unison represents that the date-of-hire for all trainees in the Job Creation program will be within the three-month period before contract approval or within the term-of-contract. These trainees will be hired into "net new jobs" as a condition of contract.

## **Training Plan**

**Business Skills (5%):** Training will be offered to all occupations to improve communication skills, time management, critical thinking, problem solving, conflict management, and leadership. Training topics will include Strategic Planning, Effective Communications, Conflict Resolution and Leadership Development.

**Computer Skills (5%):** Training will be offered to all occupations and will focus on the education of staff members on the upgraded software. Training topics will include Systems Applications and Products (SAP) Enterprise Software, Manufacturing Integration and Intelligence (MII) Software, AutoCAD Software and Inventor Software. Unison's SAP and MII Software will allow staff to streamline inventory controls and stay current on updated standard operating

procedures. This technology will allow more mobility for product design while minimizing production cost.

**Continuous Improvement (40%):** Training will be offered to all occupations and will focus on the need to produce a quality product more efficiently with less material waste. Training topics will include Quality Products/Management, Value Stream Mapping, Project Management, Business Process, Materials Inventory Flow, Lean 101, and Lean 102 to document, analyze and improve the flow of information and materials for a smooth and efficient production process.

**Manufacturing Skills (40%):** Job specific training will be offered to all Grade Shop Workers to expand their knowledge in production assembly, insulation and equipment operation. Training will also enable employees to move to the next level, including some of the skilled trade levels. Training topics will include Advanced HVAC Systems, Water Cycle/Refrigeration Systems, Full Press Brake Refresher, Variable Air Volume (VAV) Systems, Electronic Components, Water Source Heat Pump Systems, Brazing, Air to Air Energy Recovery and Re-humidification Systems.

### **Certified Safety Training (5%)**

OSHA 10/30. This training is a series of courses “bundled” by industry sector and occupation. It consists of 10 hours of classroom or CBT training for Grade Shop Workers and 30 hours for frontline supervisors. The coursework is geared towards construction work and also manufacturing. Completion of the training results in a certificate that expands employment opportunities. The coursework must be approved by Cal-OSHA, and the instructors must be certified by Cal-OSHA.

### **Productive Laboratory – Manufacturing Skills (5%)**

Productive Laboratory (PL) trainees may produce goods for profit as part of the training in the courses identified under the Curriculum. The instructor must be dedicated to training delivery during all hours of training.

Unison’s will require PL training for approximately six Grade Shop Workers to supplement classroom training. Trainees will receive PL training on Press Brake, Brazing, Water Cycle/Refrigeration Systems, Skill Welding, and Electronic Components. PL training will teach trainees the proper way to operate equipment, make needed adjustments and measurements, check tolerances and perform basic troubleshooting. Certain functions can only be performed in a live setting as they are not available in a simulated lab environment. The trainers are in-house subject matter experts, proficient in the subjects to be taught. All trainees will receive up to 40 hours of PL training delivered at a trainer-to trainee ratio of 1:1.

Production is expected to be reduced during PL training. Trainers will assess trainees’ skills during training. The trainer will observe trainees, performing quality control checks and product tests for tolerances. At the end of training, trainers will test for competency and determine whether trainees will require more training.

### **Commitment to Training**

Unison has an annual training budget of \$5,000-\$10,000. Mandatory training includes company orientation, basic safety training and regulatory training. ETP funds will not displace the existing financial commitment to training. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

➤ **Training Infrastructure**

The Company has a detailed training plan focused on continuous improvement and Lean Manufacturing processes. Upper management supports the planned training and will be involved in the implementation process. The Human Resources Coordinator and Plant Manager will be responsible for the contract administration.

**Temporary to Permanent Hiring**

The trainees in Job Number 2 come under Panel guidelines for “temporary-to-permanent” employment. Unison has retained these employees through a temporary agency, with the intention of hiring them into full-time, permanent positions after training. It is Unison’s practice to hire employees in these positions through temporary agencies and train them in specific skill sets. Trainees who are on-boarded into a temporary-to-permanent role will be transitioned to a full-time permanent position within 4 – 6 months from their start date.

These trainees must be determined eligible to participate in ETP-funded training before the start of training, while on payroll with the temporary agency. However, the retention and post-retention wage requirements cannot be satisfied until after they have been hired by Unison. Until then, Unison will not receive progress payments for these trainees.

**RECOMMENDATION**

Staff recommends approval of this proposal.

**PRIOR PROJECTS**

The following tables summarize performance by Unison under ETP Agreements that were completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET14-0301	McClellan	01/27/2014– 01/26/2016	\$132,620	\$98,704 (74%)
ET13-0258	Rocklin	12/19/2012– 12/18/2014	\$32,400	\$31,338 (97%)

**DEVELOPMENT SERVICES**

N/A

**ADMINISTRATIVE SERVICES**

N/A

**TRAINING VENDORS**

N/A

**Exhibit B: Menu Curriculum****Class/Lab Hours**

8-200

Trainees may receive any of the following:

**BUSINESS SKILLS**

- Strategic Planning
- Effective Communications
- Conflict Resolution
- Leadership Development

**COMPUTER SKILLS**

- Systems Applications and Products (SAP) Enterprise Software
- Manufacturing Integration and Intelligence (MII) Software
- AutoCAD Software
- Inventor Software

**CONTINUOUS IMPROVEMENT**

- Quality Products/Management
- Value Stream Mapping
- Project Management
- Safety Training
- Business Processes
- Materials Inventory Flow
- Lean 101
- Lean 102

**MANUFACTURING SKILLS**

- Production Equipment Safe Operation and Maintenance
- Crane Operations
- Extrusion Saw
- Tool Sharper
- Brazing
- Spot Welding
- Skill Welding
- Fundamentals of HVAC Systems
- Advanced HVAC Systems
- Variable Air Volume (VAV) Systems
- Water Source Heat Pump Systems
- Full Press Brake Refresher
- Punch Machine
- Electronic Components
- Water Cycle/Refrigeration Systems
- Heat Pressure/Vacuum Systems
- Air to Air Energy Recovery
- Re-humidification Systems

- Air Resistance Force
  - Tension
  - Friction
  - Spring
  - Pressure
- Energy Types
  - Mechanical
  - Thermal
  - Chemical
  - Electrical
  - Radiant

**OSHA 10/30** (OSHA CERTIFIED INSTRUCTOR)

- OSHA 10 (requires completion of 10 hours)
- OSHA 30 (requires completion of 30 hours)

**PL Hours**

0–40

**MANUFACTURING SKILLS (1:1 trainer-to-trainee ratio)**

- Press Brake Programming
- Reading Bend Prints
- Identifying Bend Order for Max Productivity
- Picking the Right Tooling
- Press Brake Set Up/Calibration
- Press Brake Run Process
- Press Brake Clean and Shutdown Process
- Brazing
- Water Cycle/Refrigeration Systems
- Skill Welding
- Electronic Components

Safety training will be limited to 10% of total training hours, per trainee excluding OSHA 10/30 training.

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery. PL is capped at 40 hours per-trainee.

INTERNATIONAL ASSOCIATION OF SHEET METAL, AIR, RAIL AND TRANSPORTATION WORKERS  
**SHEET METAL WORKERS' LOCAL UNION No. 104**  
AMADOR, BUTTE, COLUSA, EL DORADO, GLENN, LASSEN, MODOC, NEVADA,  
PLACER PLUMAS, SACRAMENTO, SHASTA, SIERRA, SISKIYOU, SUTTER, TEHAMA,  
YOLO AND YUBA COUNTIES DISPATCH OFFICE

August 19, 2015

Executive Director  
Employment Training Panel  
1100 J Street 4<sup>th</sup> Floor  
Sacramento, CA 95814

Dear Panel Members:

This is to confirm that Sheet Metal Workers' Local Union No. 104 District 2 supports the ETP Training Program for Unison Comfort Technologies, a division of the Greenheck Group. We represent the members employed in McClellan, California. The program will provide our members with skills needed to meet operational demands which in turn will provide a more secure work environment.

If you have any further questions, please do not hesitate to contact me.

Sincerely,



Armando Guerrero  
Business Representative

AG: sb opeiu: 29/afl-cio



**Training Proposal for:**  
**University Rx Specialists dba University Compounding  
 Pharmacy**

**Agreement Number: ET16-0274**

**Panel Meeting of:** December 4, 2015

**ETP Regional Office:** San Diego

**Analyst:** J. Davey

**PROJECT PROFILE**

Contract Attributes:	Retrainee	Industry Sector(s):	Healthcare Services  Priority Industry: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Counties Served:	San Diego	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Number of Employees in:	CA: 142	U.S.: 142	Worldwide: 142	
<u>Turnover Rate:</u>	10%			
<u>Managers/Supervisors:</u> (% of total trainees)	3%			

**FUNDING DETAIL**

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	<b>Total ETP Funding</b>
\$174,150		\$0	\$0		\$174,150

<b>In-Kind Contribution:</b>	<b>100% of Total ETP Funding Required</b>	<b>\$238,178</b>
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee	Business Skills, Commercial Skills, Computer Skills, Cont. Imp., HazMat, PL-Comm. Skills, PL-Comp. Skills	129	8-200	0	\$1,350	\$15.93
				Weighted Avg: 90			

**Minimum Wage by County:** San Diego County: Job Number 1 - \$15.93 per hour;

**Health Benefits:**  Yes  No This is employer share of cost for healthcare premiums – medical, dental, vision.

**Used to meet the Post-Retention Wage?:**  Yes  No  Maybe

Up to \$2.00 per hour may be used to meet the Post-Retention Wage for Job Number 1.

**Wage Range by Occupation**

Occupation Titles	Wage Range	Estimated # of Trainees
<b>Job Number 1</b>		
Administrative Staff		2
Customer Service Staff		64
Manager/Supervisor		5
Pharmacist		19
Shipping/Receiving		2
Technicians		37

**INTRODUCTION**

Founded in 1993 and located in San Diego, University Rx Specialists dba University Compounding Pharmacy (UCP) ([www.ucprx.com](http://www.ucprx.com)) specializes in the formulation of medical and nutritional treatments that are not commercially available and often made to the specific needs of a patient. From topical creams and lozenges, to veterinary and other medications prepared in state-of-the-art clean rooms, prescriptions are prepared individually by experienced Compounding Pharmacists. This is the second proposal from UCP; the first was approved at the November 2013 Panel meeting.

Training in the first project was targeted to give incumbent workers and newly-hired retrainees (Job Creation) the skills to meet UCP's expanding product line; training in new equipment to compound a new subcutaneous, slow-release pellet medicine delivery; and knowledge of state and federal regulations. As in the first project, training will be conducted at UCP's 2 pharmacies in San Diego.

The Company reports that some of the training in this project will continue from the previous one; however, due to customer demands and new regulations, UCP needs to provide updated training to adapt to these changes and stay in business. UCP undergoes annual inspections from the state and accredited agencies, so it needs to train its staff to ensure it is providing precise formulations under these guidelines and meets customer satisfaction.

The Company reports that compounding pharmacy regulations undergo constant revision. In the near future UCP will need to transition from Good Compounding Practices to Good Manufacturing Practices (GMP). GMP will require UCP to change many of its current practices in order to comply with FDA guidelines and California State Laws.

UCP is also in the process of creating promotional opportunities for each department. This will allow employees to promote into higher levels of responsibility and increases in income. Certain advancement criteria are required for each level, so employees will need to meet minimum skill levels in order to advance. However, this new program will create multiple opportunities for people to move into new departments and learn completely new skills.

These changes all require UCP to train its staff in the skills to make it more efficient and compliant with all federally and state mandated requirements.

## **PROJECT DETAILS**

### **Training Plan**

UCP will provide the following training:

**Business Skills (20%):** Training will be offered to Administrative Staff, Pharmacists, Technicians, Customer Service Staff and Supervisors/Managers. Training will be provided in Coaching, Intercommunication, Customer Experience, Advanced Leadership and other skills that will help each of these occupations perform more effectively.

**Commercial Skills (20%):** Training will be offered to Pharmacists, Technicians, Customer Service Staff and Supervisors/Managers. Training will be provided in the most up-to-date compounding skills for allergy medications, bio-identical hormones, pain, veterinarian, lozenges, capsules, and other medicines and supplements. These skills will be related to the proper procedures required to meet all relevant government and industry standards and regulations.

**Computer Skills (20%):** Training will be offered to Administrative Staff, Pharmacists, Technicians, Customer Service Staff and Supervisors/Managers. Training will be targeted to each occupation based on their needs in software training including prescription-tracking software, compounding software, Shipping/Receiving software.

**Continuous Improvement (15%):** Training will be offered to Pharmacists, Technicians, Customer Service Staff and Supervisors/Managers. Training consists of teamwork, production improvement, standard operating practices and other skills designed to improve product quality and efficiency.

### **Certified Safety Training**

**Hazardous Materials (HAZMAT) (5%):** Training is a series of courses, specific to industry sectors involved in the transport of hazardous materials. The coursework varies in length depending on the industry and the occupational title, as organized in five levels ranging from "first responder" to "incident commander." It is generally a minimum of 24 hours with an 8-hour annual refresher, and may be delivered by classroom or CBT.

However, in this proposal, none of the training will lead to an industry certification. Instead, Pharmacists, Technicians, and Supervisors/Managers will receive training that will consist of safe handling of cytotoxins and toxic bio-materials. Training will instruct trainees' proper procedures for handling hazardous materials and what to do in case of an accident when these types of material are involved.

### **Productive Laboratory (20%)**

The Panel has adopted regulations to authorize reimbursement for training delivered in a Productive Laboratory (PL) setting. Under these guidelines, PL trainees may produce goods for profit as part of the training, in the courses identified under the Curriculum. Incumbent worker trainees (Job 1) will receive as much as 24 hours of PL training. The instructor will be dedicated exclusively to training delivery during all hours of training.

Qualified in-house trainers will provide training at a trainer-to-trainee ratio not to exceed 1:1. The trainer will review, observe, coach, demonstrate, as well as document PL training. The most effective way to train employees on how to use this type of equipment is in a structured, on-the-job training environment.

**PL-Commercial Skills:** Training will be offered to those Job Number 1 trainees targeted for advancement into new occupations in the skills to operate new and existing equipment, including softgel encapsulation machines, tablet pressing, powder filling line, blenders, milling, syringes, lozenge equipment and inspection equipment. PL training includes equipment operations, compounding processes, and prescription processing.

**PL-Computer Skills:** Training will be offered to those Job 1 trainees targeted for advancement into new occupations in the skills to use prescription processing software called PK Software, LifeFile, and Pharm-assist. PL training includes prescription ordering equipment and processing software.

### **Commitment to Training**

UCP spends approximately \$100,000 per year on training at its two San Diego facilities. Past training has been provided on an as-needed basis, on-the-job and unstructured. UCP has provided new-hire orientation, safety, labor laws, first aid and sexual harassment prevention training.

Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

#### ➤ Training Infrastructure

The Operations Manager as well as Managers and Supervisors will be responsible for conducting administrative duties and maintaining training schedules. UCP will also enlist the services of Training Funding Source to assist them in project administration.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

## **ACTIVE PROJECTS**

The following table summarizes performance by UCP under an active ETP Agreement:

<b>Agreement No.</b>	<b>Approved Amount</b>	<b>Term</b>	<b>No. Trainees (Estimated)</b>	<b>No. Completed Training</b>	<b>No. Retained</b>
ET14-0214	\$159,175	11/25/2013 – 11/24/2015	163	94	18

Based on ETP Tracking System, 9,757 reimbursable hours have been tracked for potential earnings of \$159,175 (100% of approved amount). The Contractor projects final earnings of 100%. To date, UCP has earned \$40,773 for 18 of the 94 trainees who completed both training and retention. The remaining 76 trainees will complete retention by the end term date of the Agreement.

## **DEVELOPMENT SERVICES**

Training Funding Source in Seal Beach assisted with development of this proposal for a flat fee of \$9,000.

## **ADMINISTRATIVE SERVICES**

Training Funding Source will also perform administrative services for a fee not to exceed 13% of payment earned.

## **TRAINING VENDORS**

To Be Determined

## **Exhibit B: Menu Curriculum**

### **Class/Lab Hours**

8-200

Trainees may receive any of the following:

#### **BUSINESS SKILLS**

- Coaching
- Intercommunication
- Customer Experience
- Advanced Leadership
- Increase Business
- Product Knowledge
- Improve Efficiencies
- Prescription Consultations

#### **COMMERCIAL SKILLS**

- Pellets
- Topical Creams/Gels
- Capsules
- Tablets
- Injections
- Suppositories
- Suspensions and Solutions
- Sublingual
- Syringes
- Bio-Identical Hormones
- Processing Prescriptions
- Compounding Equipment
- Medication Formulations
- Lab
- Verification

#### **COMPUTER SKILLS**

- Tracking and Processing Prescriptions Software
- Compounding Software
- Shipping Software

#### **CONTINUOUS IMPROVEMENT**

- Increase Teamwork
- Improve Accuracy
- Increase Production
- Standard Operating Practices (SOPs)
- Policy and Procedure

#### **HAZARDOUS MATERIALS**

- Operational Procedures for Handling of Hazardous Medications

Safety Training is capped at 10% of a trainee's total training hours

**PL Hours**

0 – 40

**PRODUCTIVE LAB (PL) (limited ratio 1:1)**

**COMMERCIAL SKILLS**

- Pellets
- Topical Creams/Gels
- Capsules
- Tablets
- Injections
- Suppositories
- Suspensions and Solutions
- Sublingual
- Syringes
- Bio-Identical Hormones
- Processing Prescriptions
- Compounding Equipment
- Medication Formulations
- Lab
- Verification

**COMPUTER SKILLS**

- Tracking and Processing Prescriptions Software
- Compounding Software
- Shipping Software

Note: Reimbursement for all retrainees is capped at 200 total training hours per trainee, regardless of training delivery method.



## RETRAINEE - JOB CREATION

**Training Proposal for:**

**Weber Metals, Inc.**

**Agreement Number: ET16-0276**

**Panel Meeting of:** December 4, 2015

**ETP Regional Office:** North Hollywood

**Analyst:** E. Fuzesi

### PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate HUA Job Creation Initiative	Industry Sector(s):	Manufacturing Aerospace and Defense Services  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Los Angeles	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 505	U.S.:509	Worldwide: 8,600
<u>Turnover Rate:</u>	11%		
<u>Managers/Supervisors:</u> (% of total trainees)	13%		

### FUNDING DETAIL

<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">Program Costs</td></tr> <tr><td style="text-align: center;">\$196,220</td></tr> </table>	Program Costs	\$196,220	-	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">(Substantial Contribution)</td> <td style="text-align: center;">(High Earner Reduction)</td> </tr> <tr> <td style="text-align: center;">\$0</td> <td style="text-align: center;">\$0</td> </tr> </table>	(Substantial Contribution)	(High Earner Reduction)	\$0	\$0	=	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;"><b>Total ETP Funding</b></td></tr> <tr><td style="text-align: center;">\$196,220</td></tr> </table>	<b>Total ETP Funding</b>	\$196,220
Program Costs												
\$196,220												
(Substantial Contribution)	(High Earner Reduction)											
\$0	\$0											
<b>Total ETP Funding</b>												
\$196,220												

In-Kind Contribution:	100% of Total ETP Funding Required	\$209,567
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Business Skills, Continuous Impr., HazMat, HAZWOPER, OSHA10/30, Mgmt. Skills, Literacy Skills	130	8-200	0	\$900	\$15.97
				Weighted Avg: 50			
2	Retrainee Priority Rate HUA	Business Skills, Continuous Impr., HazMat, HAZWOPER, OSHA10/30, Mgmt. Skills, Literacy Skills	95	8-200	0	\$576	\$11.98
				Weighted Avg: 32			
3	Retrainee Job Creation Initiative Priority Rate	Advanced Tech, Business Skills, Continuous Impr., HazMat, HAZWOPER, OSHA10/30, Mgmt. Skills, Literacy Skills	25	8-200	0	\$500	\$13.31
				Weighted Avg: 25			
4	Retrainee Job Creation Initiative Priority Rate HUA	Business Skills, Continuous Impr., HazMat, HAZWOPER, OSHA10, Mgmt. Skills, Literacy Skills,	25	8-200	0	\$480	\$10.00*
				Weighted Avg: 24			

\*It will be made a condition of contract that the trainees in this Job Number will never be paid less than the statewide minimum wage rate as in effect at the end of retention regardless of the wage expressed in this table.

**Minimum Wage by County:** Job Number 1, Standard Retrainee: \$15.97 for Los Angeles County. Job Number 2, HUA Retrainee: \$11.98 for Los Angeles County. Job Number 3, Retrainee-Job Creation: \$13.31 for Los Angeles County. Job Number 4, Retrainee-Job Creation: \$10.00 for Los Angeles County.

**Health Benefits:**  Yes  No This is employer share of cost for healthcare premiums – medical, dental, vision.

**Used to meet the Post-Retention Wage?:**  Yes  No  Maybe

Up to \$5.97 per hour may be used to meet the Post-Retention Wage.

**Other Compensation:** All occupations receive bonuses that are a normal, recurring part of Weber’s employee compensation. Bonuses have ranged from \$2.47 to \$27.76 per hour over the past 12 months (the average amount was \$15.01 per hour). Bonuses are not included in the Wage Range by Occupation table below.



<b>Wage Range by Occupation</b>		
Occupation Titles	Wage Range	Estimated # of Trainees
<b>Job Number 1:</b>		
Administration Staff		35
Engineer		15
Maintenance Staff		10
Production Staff		30
Manager/Supervisor		35
Senior Manager		5
<b>Job Number 2:</b>		
Maintenance Staff		75
Production Staff		20
<b>Job Number 3:</b>		
Engineer		5
Production Staff		20
<b>Job Number 4:</b>		
Production Staff		25

## **INTRODUCTION**

Founded in 1945, Weber Metals, Inc. (Weber) ([www.webermetals.com](http://www.webermetals.com)) is a metal-forging company serving the commercial and military aircraft manufacturing industries worldwide. Weber has two U.S. facilities in Paramount and Compton, both of whom will be participating in this Agreement. Between the two facilities, the Company has nine open and closed die presses, housed in 15 buildings on over 22 acres.

Weber's products include die-forged metal parts used primarily for fixed aircraft structures such as frames, fittings, beams, the cockpit, and landing systems. Weber is a subsidiary of Otto Fuchs KG, headquartered in Germany. The Company has been serving the aluminum forging needs of the growing West Coast aerospace industry since the 1950s, when aircraft builders moved from primarily military programs to commercial programs.

## **PROJECT DETAILS**

Recently, Weber's two largest clients, Boeing and Airbus, released their individual 20-year projections on demand for aircraft. This amounts to approximately 68,000 new commercial airplanes. In modern aircraft manufacturing, the construction of such aircraft requires large forges with over 40,000-ton pressure range in order to press titanium and titanium alloys. These light metals have increased strength for improved safety and performance.

Client demand is exceeding Weber's capacity, even when operations are running 24/7. The Company's solution is to move shipping functionality to its Compton location, allowing space for expansion at the Paramount location. The Company will be expanding its capabilities by installing a new 60,000-ton forging press in a new building on the existing property. This will

enable production of larger components for aerospace applications. As a result of this initiative, Weber will need to provide a significant amount of training to new and incumbent workers.

### **Retrainee - Job Creation**

In support of job creation, the Panel is offering incentives to companies that commit to hiring new employees. Under the Retrainee-Job Creation program, training for newly-hired employees will be reimbursed at a higher rate and trainees will be subject to a lower post-retention wage.

Weber's plan to expand its Paramount facility centers on the construction of a 115,000 square foot building to house and equip the new 60,000-ton hydraulic-forging press, several furnaces, and other machinery used in the forging process. (Large forging presses are extremely large pieces of equipment that seldom, if ever, move from their original installation location, and have long term life cycles.) This will be the largest privately financed forge press in the world, enabling the production of experimental and super-alloys to produce larger components for aerospace applications. The Company will also need to expand the Compton facility to house the shipping.

For these reasons, Weber has committed to hiring 50 new employees (Job Numbers 3 and 4). The Company represents that the date-of-hire for all trainees in the Job Creation program will be within the three-month period before contract approval or within the term-of-contract. The Company also represents that these trainees will be hired into "net new jobs" as a condition of contract.

### **Training Plan**

**Advanced Technology (3%)** – Training will be offered to newly-hired Engineers (Job Number 3). In the production process, the design engineering department creates plans for the individual die (mold) that will be used to create the customer's product. They will train in Catia and Deform which are highly technical software packages. Due to the high cost of this training (\$2,000-3,000 per trainee) and the expense of the software, Weber requests enhanced AT reimbursement. The trainer-to-trainee ratio is 1:10 for AT, to allow in-depth coverage and personal attention from the instructor.

**Business Skills (9%)** – Training will be offered to all staff to improve staff's communication skills which includes overcoming cultural differences and obstacles in a productive work environment. This training will help trainees and supervisors communicate with each other.

**Continuous Improvement (13%)** – Training will be offered to all staff focusing on eliminating waste and damage to property. Trainees will learn the root cause of errors, the metallurgical science behind the forging process, the Theory of Constraints, and the relationship between Sales, Inventory, Operations and Production. Additionally, training will focus on Project Management to ensure proper completion of plans and tasks.

**Literacy Skills (35%)** – Training will be offered to Production and Maintenance Staff in order to improve their English literacy—writing, reading and speaking. The manufacturing process requires attention to detail provided in written work instructions in English. Thus, Literacy Skills is extremely important to the safety of the final product due to the high quality required for manufacturing.

**Management Skills (34%)** – Training will be offered to Supervisors, Managers, and Senior Managers focusing on Leadership and Team Building. These skills will train the management team to empower and develop their employees and build teamwork throughout.

## **Certified Safety Training**

**OSHA 10/30 (2%)** – Training will be provided to Maintenance Staff, Production Staff, and Managers/Supervisors. This training is a series of courses “bundled” by industry sector and occupation. It consists of 10 hours of classroom training for frontline workers and 30 hours for frontline supervisors. Completion of the training results in a certificate that expands employment opportunities. The coursework must be approved by Cal-OSHA, and the instructors must be certified by Cal-OSHA.

**Hazardous Materials (HAZMAT) (2%)** – Training will provide Production Staff, Maintenance Staff, Managers/Supervisors with the skills needed to safely handle and dispose of hazardous materials on the jobsite. This training is also a series of courses, specific to industry sectors involved in the transport of hazardous materials. The coursework varies in length depending on the occupational title, as organized in five levels ranging from “first responder” to “incident commander”. It is generally a minimum of 24 hours with an 8-hour annual refresher, and will be delivered by classroom training. Completion of the training results in a certificate that expands employment opportunities. Due to the possibility of injury on the production floor, select trainees will also receive 8 hours of training in the approach and handling of blood and control of blood borne pathogens.

**Hazardous Waste Operations and Emergency Response Standard (HAZWOPER) (2%)** – Training will be provided to Engineers, Maintenance Staff, Production Staff, and Managers/Supervisors. This training is also a series of courses specifically designed for workers who handle hazardous substances as first-responders, or clean-up as needed at a hazard disposal or emergency site. 8 hours of training will be supplied for trainees previously certified; 24 hours of training will be supplied for trainees not previously certified. This coursework must be approved by Cal-OSHA, and the instructors must be certified by Cal-OSHA.

## **Commitment to Training**

Weber’s annual training budget is \$61,000 per year per facility. This includes mainly Class/Lab and some Computer-Based Training in Business Skills such as Inventory Control, Product Knowledge, Strategic Planning, Negotiating, Customer Relations, Resolving Customer Complaints; Computer Skills such as Computer-Aided Design and Manufacturing Resource Planning; Continuous Improvement such as ISO, Teambuilding, Just-In-Time; and Manufacturing Skills such as Equipment Operation and Manufacturing Procedures.

Funding will allow Weber to initiate a formal training program, with a plan in place for every employee, and provide multi-faceted training year-round. The proposed ETP-funded training is Weber’s first step in creating a robust training plan to develop each employee, enhancing abilities and continuous development of skills. Weber represents that ETP funds will not displace the existing financial commitment to training. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

### ➤ Training Infrastructure

A dedicated Training Specialist will be hired to administer the program with assistance from four to five Human Resources staff members as needed. The new Training Specialist will schedule training sessions, track hours and meet with ETP staff.

## **High Unemployment Area**

All trainees work in a High Unemployment Area (HUA) with unemployment exceeding the state average by at least 25%. The Company's locations in Paramount and Compton in Los Angeles County qualify for HUA status under these standards.

### ➤ Wage Modification

For these trainees, the Panel may modify the ETP Minimum Wage by up to 25% if post-retention wages exceed the start-of-training wages. Weber is requesting this wage modification to \$11.98 for Job Number 2 and to \$10.00 in Job Number 4 (Job Creation). In Job Number 2, post-retention wages will have to exceed the start-of-training wages.

## **Impact/Outcome**

This training program will quickly train new and existing employees in order to prepare the workforce for the expansion that will be completed in 2017. Classes will include a final test to ensure the employee has learned and understood the material. HAZWOPER, OSHA 10/30, and HAZMAT trainees will be certified in these areas.

## **Temporary to Permanent Hiring**

Five trainees in Job Numbers 3 and 4 come under Panel guidelines for "temporary to permanent" employment. Weber has retained these employees through a temporary agency, with the intention of hiring them into full-time, permanent positions after training which can take up to 6 months. When a permanent position opens, these workers will be encouraged to apply. If hired, their 90-day probationary period will be grandfathered in, and their health benefits start immediately as Weber employees.

These trainees must be determined eligible to participate in ETP-funded training before the start of training, while on payroll with the temporary agency. However, the retention and post-retention wage requirements cannot be satisfied until after they have been hired by the Weber. Until then, Weber will not receive progress payments.

## **RECOMMENDATION**

Staff recommends approval of this proposal.

## **DEVELOPMENT SERVICES**

N/A

## **ADMINISTRATIVE SERVICES**

N/A

## **TRAINING VENDORS**

To Be Determined

**Exhibit B: Menu Curriculum****Class/Lab Hours**

8-200

Trainees may receive any of the following:

**BUSINESS SKILLS**

- Cultural Awareness and Communication Between Cultures

**CONTINUOUS IMPROVEMENT**

- 6S
- Aluminum 101
- Blueprint Reading
- Foreign Object Damage/Debris
- Project Management
- Root Cause Analysis
- Sales, Inventory, Operations, Production
- Theory of Constraints

**LITERACY SKILLS**

- English for Non-Native Speakers (Vocational English As A Second Language)

Literacy Skills is limited to 45% of the total training hours per trainee

**HAZARDOUS MATERIALS**

- Blood Borne Pathogens
- Hazardous Material Handling

**HAZWOPER (Certified Instructor)**

- HAZWOPER

**MANAGEMENT SKILLS**

- Leadership
- Team Building

**OSHA 10/30 (Certified Instructor)**

- OSHA 10 (Requires Completion of 10 hours)
- OSHA 30 (Requires Completion of 30 hours)

**AT Hours**

0-24

**ADVANCED TECHNOLOGY**

- Catia Software (Design Engineering for Metallurgy)
- Deform Software (Design Engineering for Metallurgy)

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery.



## RETRAINEE - JOB CREATION

### Training Proposal for:

## Alta Hospitals System, LLC

**Agreement Number: ET16-0290**

**Panel Meeting of:** December 4, 2015

**ETP Regional Office:** North Hollywood

**Analyst:** J. Romero

### PROJECT PROFILE

Contract Attributes:	Medical Skills Training Priority Rate Retrainee Job Creation Initiative SET	Industry Sector(s):	Healthcare  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Counties Served:	Los Angeles	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Number of Employees in:	CA: 2,700	U.S.: 3,900	Worldwide: 3,900	
<u>Turnover Rate:</u>	10%			
<u>Managers/Supervisors:</u> (% of total trainees)	N/A			

### FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	=	(High Earner Reduction)	<b>Total ETP Funding</b>
\$749,760		\$84,680 (15% Job 1)		\$0	\$665,080

<b>In-Kind Contribution:</b>	<b>100% of Total ETP Funding Required</b>	<b>\$886,500</b>
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Medical Skills Training Priority Rate SET	MS-Didactic, MS-Clinical w/Preceptor, Computer Skills, Cont. Imp.	580	8-200	0	*\$826	\$20.55
				Weighted Avg: 54			
2	Job Creation Initiative Medical Skills Training Priority Rate SET	MS-Didactic, MS-Clinical w/Preceptor, Computer Skills, Cont. Imp.	50	8 -200	0	\$3,720	\$13.31
				Weighted Avg: 186			

\*Reflects Substantial Contribution

**Minimum Wage by County:** Job Number 1 (SET/Priority Industry): \$20.55 per hour

Job Number 2 (Job Creation): \$13.31 per hour for Los Angeles County.

**Health Benefits:**  Yes  No This is employer share of cost for healthcare premiums – medical, dental, vision.**Used to meet the Post-Retention Wage?:**  Yes  No  Maybe

Up to \$2.50 per hour may be used to meet the Post-Retention Wage.

**Wage Range by Occupation**

Occupation Titles	Wage Range	Estimated # of Trainees
<b>Job Number 1</b>		
Registered Nurse		450
Licensed Vocational Nurse		49
Case Manager		10
Physical Therapist		5
Respiratory Therapist		18
Pharmacist		4
Pharmacist Technician		12
Laboratory Technician		15
Social Worker		9
IT Clinical Specialist		8
<b>Job Number 2</b>		
Registered Nurse		26
Licensed Vocational Nurse		11
Certified Mental Health Worker		13

## **INTRODUCTION**

Alta Hospitals System, LLC (Alta) ([www.altacorp.com](http://www.altacorp.com)), founded in 1998 and headquartered in Santa Monica. Alta is a division of Prospect Medical Holdings, Inc. that also operates Prospect Medical Systems in Santa Ana; ProMed Health Care Administrators in Ontario; and the Nix Hospitals System, LLC in San Antonio, Texas. The Hospital operates a network of facilities in Los Angeles, Hollywood, Van Nuys, Norwalk, Culver City, Tustin and its recent acquisition in Bellflower.

These acute care hospitals provide short-term inpatient and outpatient care for brief illnesses and quasi-residential cares for sub-acute patients on ventilators that are unable to transition to nursing homes or long-term care facilities. The hospitals also offer pediatric care, gynecology, general surgery, orthopedic surgery, neurosurgery, skilled nursing, ambulatory urgent care, emergency services, intensive care, cardiology, rehabilitation and detoxification services, and acute psychiatric services. Alta hospitals serve ethnically diverse communities; patients are 95% Medicare/Medi-Cal, with a large number of patients being underinsured and uninsured.

Five Alta hospitals will participate in this training proposal (Los Angeles, Van Nuys, Hollywood, Norwalk and Bellflower); the majority of the training will take place in the Los Angeles and Bellflower facilities.

Alta is continually undergoing a variety of internal changes, as well as responding to outside events such as regulatory requirements, all designed to remain compliant, improve the business, and provide the best medical care possible. This requires continuous training for all workers.

Alta also plans to expand, by opening 80 beds for a Med/Surgical unit and 92 beds for the psychiatric unit over the next two years, at the new location in Bellflower. Alta is also introducing multiple new services and specialty surgical programs, in all its hospitals. This will require substantial nurse education, some of which includes: gender confirmation surgery, provide acute and long-term care for patients with psychiatric conditions, expansion of vascular surgery program, and peritoneal dialysis treatment.

## **PROJECT DETAILS**

Alta plans to hire and train 50 workers at its new Bellflower location. As well, at this and the other four locations, Alta will train a diverse range of nursing staff and allied health employees, for a combined training population of 580 employees.

This proposal will facilitate successful transition of the newly hired staff in the fast-paced acute care environment; and will prepare nurses with standardized skill sets as required by the Affordable Care Act.

Training will also focus on preventive hospital readmissions and “never should have happen events”. As compiled by National Quality Forum, this includes 27 preventable mistakes. Training rollout coincides with ongoing upgrades in ICD-10 coding and a \$12M investment in new hospital equipment.

### **Training Plan**

This is Alta’s second ETP Agreement. However, due to delays and program reforms, such as conversion to ICD-10 coding, some of the prior training goals were only partially met. The proposed plan targets Medical (Didactic and Clinical Preceptor), Computer and Continuous Improvement Skills training, as outline below:



**MS Didactic (35%):** Training will be offered to Registered Nurses (RNs) and Licensed Vocational Nurses (LVNs) in a classroom setting. New Graduate Nurses will receive extended classroom series specific to caring for patients utilizing the new menu of patient services. Other course topics include Prevention of Hospital Acquired Infections, Advanced Cardiac Life Support, Acute Myocardial Infarction, Basic Life Support, Code Blue Response & Procedures, Dysrhythmia Recognition & Interpretation, Wound Care, Medical/Surgical Nursing, Patient Assessment & Care, and Pediatric Advanced Life Support.

**MS Clinical with Preceptor (35%):** Training will be offered to New Graduate RNs and LVNs in an extended preceptorship in the unit of their employment prior to being authorized to work independently. Newly hired RN's and LVN's will also receive training with a preceptor to validate skills and demonstrate the level of care that Alta requires of all patient care staff.

**Computer Skills (10%):** Training will be offered to all occupations. Trainees will receive EMR skills training, some of which are updates while new employees will be introduced to the system. Trainees may also receive instruction in the navigation of the Computerized Physician Order Entry System and ICD-10.

**Continuous Improvement (20%):** Training will be offered to all occupations and include performance and quality improvement, 27 "never events", and training to prevent hospital readmissions.

### **Medical Skills Training**

The Panel has established a "blended" reimbursement rate for nurse upgrade training, recognizing the higher cost of delivery for the Clinical Preceptor model. For this project, approximately 476 RNs and 60 LVNs, and a group of allied medical workers, will participate in clinical skills training classes. Recognizing a higher cost of delivery for clinical skills training, the \$22 per hour rate, will apply to both Didactic and Preceptor modes of delivery.

Alta estimates that a group of approximately 16 non-medical occupations may participate in this training, namely Social Worker and IT Clinical Specialist. The standard class/lab rate for priority industries, \$18 per hour, will apply to Computer and Continuous Improvement Skills for these employees.

### **Retrainee - Job Creation**

The Panel offers incentives to companies that commit to hiring new employees. Training for newly-hired employees will be reimbursed at a higher rate and trainees will be subject to a lower post-retention wage.

In this proposal, Alta has committed to hiring 50 new employees (Job Number 2). Alta represents that the date-of-hire for all trainees in the Job Creation program will be within the three-month period before contract approval or within the term-of-contract. Trainees will be hired into "net new jobs" as a condition of contract. As a feature of this program, the Substantial Contribution requirement will be waived for Job Number 2.

Alta will recruit, hire, and train 26 New RNs, 11 LVNs and 13 Certified Mental Health Workers to staff the Bellflower Facility. Although not included here in the new hire Job Number 2, over the next two years, Alta projects to hire and train an additional 100 new nurses for the four other hospitals participating in this Agreement to fill available positions. The training from this proposal will help newly hired nurses transition into the acute care environment, which is very expensive for the hospital to deliver on its own. The expense to recruit, hire and train each new nurse is estimated to exceed \$50,000 and ETP funding will provide invaluable support at a time when the regulatory climate demands are costly.

## **SET/Wage Modification**

Under Special Employment Training (SET), employers such as healthcare providers are not required to demonstrate out-of-state competition. To qualify under SET, trainees must be earning at least the statewide average hourly wage of \$27.40 at the end of retention.

Trainees employed in a priority industry (healthcare) qualify for a SET wage modification up to 25% below the statewide average hourly wage. Alta requests this wage modification of \$20.55 for trainees in allied medical occupations.

## **Substantial Contribution**

Alta is a repeat contractor with payment earned in excess of \$250,000 at four locations within the past five years. (See Active Project Table.) Alta's Culver City location will not participate in this project because training at that location is still ongoing under a separate ETP Agreement (ET15-0188). Accordingly, reimbursement for trainees in Job Number 1 will be reduced by 15% to reflect the Company's \$84,680 Substantial Contribution to the cost of training.

## **Commitment to Training**

Alta's annual training budget is approximately \$200,000 for all five California locations. Training includes employee orientation, campus protocol and mandatory compliance topics. In addition, fire code, sexual harassment prevention, charge nurse and in-service training is also provided on a regular basis.

ETP funds will not displace the existing financial commitment to training and anticipates that the opportunity for enhanced training made possible by ETP funds will encourage an ongoing financial commitment in this area. Safety training is provided in accordance with all pertinent requirements under state and federal law.

### ➤ Training Infrastructure

Alta is ready to start training upon approval. The Hospital has qualified trainers and a training plan in place. Since this is Alta's second ETP Agreement, the Hospital has developed internal administrative procedures to capture training using rosters completed according to ETP guidelines, which help maximize earnings and performance. Alta has contracted with National Training Systems, Inc. to provide administrative support and recordkeeping throughout the term of this ETP Agreement.

## **RECOMMENDATION**

Staff recommends approval of this proposal.

## **ACTIVE PROJECTS**

The following table summarizes performance by Alta under an active ETP Agreement:

Agreement No.	Approved Amount	Term	No. Trainees (Estimated)	No. Completed Training	No. Retained
ET14-0231	\$679,080	12/23/13 – 12/22/15	1,115	248	248

Based on ETP Systems, 25,784 reimbursable hours have been tracked for potential earnings of \$481,100 (71% of approved amount). The Contractor projects final earnings of 85% based on training currently committed to by employers and in progress through Month and Year of final training.

### **DEVELOPMENT SERVICES**

National Training Systems, Inc. (NTS) in Ladera Ranch assisted with development for a flat fee of \$20,000.

### **ADMINISTRATIVE SERVICES**

NTS will also perform administrative services for a fee not to exceed 13% of payment earned.

### **TRAINING VENDORS**

N/A

**Exhibit B: Menu Curriculum****Class/Lab Hours**

8-200

Trainees may receive any of the following:

**CONTINUOUS IMPROVEMENT**

- Charge Nursing Training
- Communication Skills
- CORE Measures
- Crisis Prevention Intervention
- Critical Thinking Skills
- Culturally Appropriate Care
- Customer Service Skills
- Documentation Skills
- Frontline Leadership Skills
- Improving Observation and Reporting Skills
- Management of Assaultive behavior
- Preventing Hospital Readmissions
- Performance & Quality Improvement
- Preceptor Skills
- Relationship Building

**COMPUTER SKILLS**

- Electronic Medical Records Application Skills
- ICD-10
- Microsoft Office Skills (Intermediate & Advanced)
  - Excel (Intermediate & Advanced)

**MEDICAL SKILLS TRAINING – DIDACTIC**

- Acute Myocardial Infarction
- Activities of Daily Living
- Advanced Cardiac Life Support
- Ambulating a Patient with Ambulatory Device
- Arterial Blood Gas Interpretation
- Arterial Lines
- Aspects of Aging
- Assessment
- Basic Life Support
- Bladder and Bowel Management
- Body Mechanics
- Care Planning
- Care of the Bariatric Patient
- Care of the Cardiac Patient
- Care of the Geriatric Patient
- Care of the Neurosurgical Patient
- Care of Pediatric Patients (Acute Care, Intensive Care)
- Care of the Stroke Patient
- Care of the Transplant Patient

- Central Lines Management
- Chest Tube Care & Management
- Code Blue Response & Procedures
- Critical Care Nursing Skills
- Decontamination Procedures
- Dementia and Alzheimer's Disease
- Diabetes Care & Management
- Dysrhythmia Recognition & Interpretation
- Educating the Patient & Family
- EKG & Cardiac Monitoring
- Elder Abuse/Prevention and Reporting
- Emergency Room Nursing Skills
- End of Life
- Equipment Skills (IV Pumps, Cardiac Telemetry, Vital Signs, Pulseoximeter, Ventilators, Specialty Beds and Mattresses, etc.)
- Gastrointestinal Assessment & Management
- Hemodynamic Monitoring
- Hoyer Lift and Sally Slide Use
- Infection Control
- Informed Consent
- Intra-Aortic Balloon Pump Therapy
- Intra-Cranial Pressure Monitoring & Ventriculostomy
- Intravenous Insertion & Therapy
- Intubation
- Isolation and precautions
- Management of Nephrostomy Tubes
- Medical/Surgical Nursing Skills
- Medication Administration & Management
- Moderate Sedation
- Never Events
- Newborn Assessment
- New Graduate Nursing Skills
- Nursing Care of the Vegetative Patient
- Nurse Sensitive Indicators
- Nutrition
- Oral Care
- Outpatient Cardiac Rehabilitation
- Orthopedic Nursing Skills
- Oxygenation
- Pacemaker and AICD
- Pain Management (Acute & Chronic)
- Palliative Care
- Paracentesis Patient Care and Drainage
- Parantoneal Dialysis
- Patient Assessment & Care
- Patient Fall Prevention
- Parenteral feeding
- Pediatric Advanced Life Support
- Pharmacology; Critical Care drips

- PICC Line Insertion
- Positioning the Patient
- Pre and Post-Operative Care
- Pressure Ulcers
- Rapid Response Skills
- Renal Assessment & Management
- Respiratory Assessment & Care
- Restraints/Restraint Free Environment
- Sepsis; Recognition and Treatment
- Sheath Pull
- Surgical Nursing Skills
- Telemetry Nursing Skills
- Thoracentesis Patient Care
- Transfer Techniques
- Transurethral Resection of the Prostate
- Triage Nursing Skills
- Trauma Nursing Skills
- Ventilator & Tracheotomy Care
- Wound & Skin Care

#### **MEDICAL SKILLS TRAINING – CLINICAL PRECEPTOR**

- **Emergency Department Training**
  - Emergency Room Nursing Skills
  - Intravenous Therapy
  - Triage Nursing Skills
  - Care of Pediatric patients
- **Intensive Care Unit/Critical Care Unit Training**
  - Critical Care Nursing Skills
  - Patient Assessment & Care
  - Intravenous Therapy
  - Hemodynamic Monitoring
  - Orthopedic Nursing Skills
  - Pre and Post-Operative Care
  - Care of Trauma Patient
- **Medical/Surgical Unit Training**
  - Patient Assessment & Care
  - Medical/Surgical Nursing Skills
  - Intravenous Therapy
  - Pre and Post-Operative Care
  - Orthopedic Nursing Skills
  - Management of the Renal Transplant Surgical Patient
- **Operating Room and Post-Anesthesia Care Unit Training**
  - Patient Assessment & Care
  - Trauma Nursing Skills
  - Cath Lab Nursing
  - Dialysis
  - Intravenous Therapy
  - Orthopedic Nursing Skills

- Peri-Operative Nursing Skills
- Pre and Post-Operative Care
- **Special Care Unit Training**
  - Patient Assessment & Care
  - Critical Care Nursing Skills
  - Intravenous Therapy
  - Orthopedic Nursing Skills
  - Ventilator and Tracheotomy Care
  - Hemodynamic Monitoring
  - Total Parenteral Nutrition
  - 
  - **Telemetry Unit Training**
  - Care of the Cardiac Patient
  - EKG & Cardiac Monitoring
  - Dysrhythmia Interpretation
  - Telemetry Nursing Skills
  - Intravenous Therapy
  - Oncology Nursing Skills

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery.



**Training Proposal for:**  
**Applied Technologies Associates, Inc.**

**Agreement Number: ET16-0279**

**Panel Meeting of:** December 4, 2015

**ETP Regional Office:** North Hollywood

**Analyst:** M. Reeves

**PROJECT PROFILE**

Contract Attributes:	Retrainee Priority Rate	Industry Sector(s):	Manufacturing  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	San Luis Obispo	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 389	U.S.: 1,144	Worldwide: 1,700
<u>Turnover Rate:</u>	13%		
<u>Managers/Supervisors:</u> (% of total trainees)	12%		

**FUNDING DETAIL**

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	<b>Total ETP Funding</b>
\$296,298		\$0	\$0		\$296,298

In-Kind Contribution:	100% of Total ETP Funding Required	\$353,000
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Business Skills, Computer Skills, Continuous Impr, Mfg Skills	279	8-200	0	\$1,062	\$15.07
				Weighted Avg: 59			

**Minimum Wage by County:** \$15.07 per hour for San Luis Obispo County

**Health Benefits:**  Yes  No This is employer share of cost for healthcare premiums – medical, dental, vision.

**Used to meet the Post-Retention Wage?:**  Yes  No  Maybe

Up to \$3.57 per hour may be used to meet the Post-Retention Wage.

**Wage Range by Occupation**

Occupation Titles	Wage Range	Estimated # of Trainees
Accounting Staff		3
Administrative Staff		6
Courier		2
Designer		6
Clerk		2
Quality Staff		8
Drafter/Planner		2
Engineering Staff		80
Technician		32
Information Technology Staff		7
Inspector		4
Assembler		64
Specialist		2
Machinist		6
Maintenance Staff		8
Production Staff		13
Manager		34

## **INTRODUCTION**

Applied Technologies Associates, Inc. (ATA) designs and manufactures oil industry technology products. The Company was founded in 1986 and is located in Paso Robles. The Company's products primarily include borehole surveying instruments (both gyroscopic and magnetic), MWD (measurement while drilling) systems, and production logging systems.

## **PROJECT DETAILS**

ATA is implementing process improvements and system upgrades throughout the plant at a combined investment of more than \$3 million. These upgrades include the recently completed construction of a new clean room at the facility as well as the addition of a new Enterprise Resource Planning (ERP) system. Now the Company must increase workforce skills in equipment operation; inventory control; planning, project and resource management; and problem solving. ATA will also train its workforce to improve manufacturing and reliability processes, introduce new technology, and implement process improvements

### **Training Plan**

The Company's management team is committed to this project and has assessed the Company's production schedules to support the training outlined in the Curriculum.

**Business Skills (15%)** – Training will be offered to Administrative and Accounting Staff, Managers, Technicians, Machinists, and Engineers. Training will teach employees how to establish short and long range objectives, implement new processes, and maintain effective customer relations and environmental controls. Emphasis will be placed on project management, operational planning, and maintaining a safe work environment.

**Computer Skills (15%)** – Training will be offered to all occupations. Training will help all workers become proficient in the use of specialized software solutions to improve information management and operational efficiency. Training on the new ERP system will help the Company integrate all aspects of the business into a data sharing network that can manage financials, purchasing, inventory, scheduling, and production. Maintenance staff will also learn how to manage equipment and machine maintenance more effectively.

**Continuous Improvement (30%)** – Training will be offered to all occupations. Workers will learn problem solving and process improvement methodologies (Lean, Six Sigma, Kaizen) that promote effective leadership and team building. Lean training will help the Company optimize its capacity, efficiency, and quality. These modules are designed to equip all employees with the requisite skills to adapt and implement changes that are responsive to industry and customer demands.

**Manufacturing Skills (40%)** – Training will be offered to the majority of occupations, including Production Staff, Engineers, Maintenance Staff, Machinist, Quality Staff, Designers, Inspectors, Drafters/Planners, and Assemblers. Trainees will gain the skills and knowledge to operate and maintain equipment, ensure product quality, and implement best practices in the areas of product manufacturing, equipment operation, inventory control, preventive maintenance, and warehousing.

### **Commitment to Training**

ATA represents that ETP funds will not displace the existing financial commitment to training. The Company currently provides new employee orientation, basic computer skills training, management skills, health and environmental training, and on-the-job training related to specific

job functions. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

➤ Training Infrastructure

An internal project coordinator will oversee class scheduling and training documentation. In addition, the Company has retained an outside administrative consultant to ensure that all training records adhere to ETP requirements.

## **RECOMMENDATION**

Staff recommends approval of this proposal.

## **DEVELOPMENT SERVICES**

ATA retained Training Grants Intelligence, Inc. (TGII) in Suwanee, GA to assist with development of this proposal at no charge.

## **ADMINISTRATIVE SERVICES**

ATA also retained TGII to perform administrative services for a fee not to exceed 13% of payment earned.

## **TRAINING VENDORS**

To Be Determined



## RETRAINEE - JOB CREATION

**Training Proposal for:**

**Big 5 Sporting Goods Corporation**

**Agreement Number: ET16-0292**

**Panel Meeting of:** December 4, 2015

**ETP Regional Office:** North Hollywood

**Analyst:** J. Romero

### PROJECT PROFILE

Contract Attributes:	Retrainee Job Creation Initiative	Industry Sector(s):	Retail  Priority Industry: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Counties Served:	Statewide	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 1,900	U.S.:4,000	Worldwide: 4,000
<u>Turnover Rate:</u>	12%		
<u>Managers/Supervisors:</u> (% of total trainees)	19%		

### FUNDING DETAIL

<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">Program Costs</td></tr> <tr><td style="text-align: center;">\$358,440</td></tr> </table>	Program Costs	\$358,440	-	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">(Substantial Contribution)</td> <td style="text-align: center;">(High Earner Reduction)</td> </tr> <tr> <td style="text-align: center;">\$0</td> <td style="text-align: center;">\$0</td> </tr> </table>	(Substantial Contribution)	(High Earner Reduction)	\$0	\$0	=	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;"><b>Total ETP Funding</b></td></tr> <tr><td style="text-align: center;">\$358,440</td></tr> </table>	<b>Total ETP Funding</b>	\$358,440
Program Costs												
\$358,440												
(Substantial Contribution)	(High Earner Reduction)											
\$0	\$0											
<b>Total ETP Funding</b>												
\$358,440												

In-Kind Contribution:	100% of Total ETP Funding Required	\$399,432
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee	Business Skills; Computer Skills; Commercial Skills; Mgmt Skills; Continuous Impr; HazMat	929	8-200	0-12	\$360	\$15.97
				Weighted Avg: 24			
2	Job Creation Initiative	Business Skills; Computer Skills; Commercial Skills; Mgmt Skills; Continuous Impr; HazMat	50	8-200	0-12	\$480	\$13.31
				Weighted Avg: 24			

**Minimum Wage by County:** Job Number 1: \$15.97 for Los Angeles, \$16.02 Orange, \$15.93 San Diego, \$15.75 Sacramento, \$15.07 (Riverside, San Bernardino, San Luis Obispo, Kern and Fresno) and \$16.44 (San Francisco, San Mateo, Santa Clara, Alameda, Contra Costa and Marin) Counties; Job Number 2 (Job Creation): \$13.31 Los Angeles and \$12.33 Riverside Counties.

**Health Benefits:**  Yes  No This is employer share of cost for healthcare premiums – medical, dental, vision.

**Used to meet the Post-Retention Wage?:**  Yes  No  Maybe

Up to \$4.96 per hour may be used to meet the Post-Retention Wage for Job Numbers 1 and 2.

**Wage Range by Occupation**

Occupation Titles	Wage Range	Estimated # of Trainees
<b>JOB NUMBER 1:</b>		
Accounting Staff		10
IT		15
HR Administrative Staff		12
Operations Staff		35
Store Managers		185
First Assistant		224
Second Assistant		224
Store Trainees		224
<b>TOTAL:</b>		<b>929</b>
<b>JOB NUMBER 2:</b>		
IT		5
HR Administrative Staff		3
Operations Staff		2
Management Trainee		40
<b>TOTAL:</b>		<b>50</b>

## **INTRODUCTION**

Big 5 Sporting Goods Corporation (Big 5), ([www.big5sportinggoods.com](http://www.big5sportinggoods.com)), founded in 1955 and headquartered in El Segundo, is a sporting goods and outdoor retailer with 438 locations spread throughout 11 western states. The Company provides full-line product offerings in a traditional sporting goods store format that averages approximately 11,000 square feet. Big 5's products includes a broad selection of outdoor and athletic equipment for team sports, fitness, camping, hunting, fishing, tennis, golf, snowboarding and in-line skating. Big 5 is eligible for retraining under the out-of-state competition provision as a company that serves customers located both inside and outside of California.

## **PROJECT DETAILS**

To remain competitive, Big 5 recognizes that retailers need to maintain and develop a strong e-commerce presence by providing access to products online. Recently, Big 5 launched its e-commerce site which made its products more accessible to consumers online. With this new capability, the Company anticipates business growth and additional revenue. In addition, Big 5 invested in a \$2M Point of Sale (POS) software and hardware system that is expected to go live in 2016. This system will increase efficiency in work processes and increase sales. To support these new initiatives, employees will require significant training.

Big 5 performed a needs assessment in connection with the launching of the e-commerce platform and the new POS software. Training will focus on the proper utilization of the new systems and platforms. All occupations will also be trained in new processes related to merchandise and distribution, both of which are significantly impacted by the implementation of automation improvement. The Company has multiple locations in California participating in this ETP Agreement but most of the training will be provided at the Company's locations in El Segundo and Riverside.

### **Training Plan**

**Business Skills (25%):** This training will be offered to all occupations. Trainees will receive extensive training the POS system, in preparation for its launch in 2016. Trainees will also receive training in communication skills, sales techniques, customer service, conflict resolution, cash handling, payroll and product knowledge. The training will provide employees with necessary skills and confidence in performing their jobs.

**Management Skills (15%):** This training will be offered to Managers only. Trainees will receive training to take on more complex multi-functional responsibilities.

**Computer Skills (25%):** This training will be offered to all occupations, particularly IT employees who will benefit from computer programming training, networking, designing, and application development (such as adobe and photo-shop). All other trainees will sharpen their skills in computer software and equipment necessary for job performance.

**Continuous Improvement (28%):** This training will be offered to all occupations. Training in process improvement and other topics in the curriculum will allow trainees to be more efficient and competent, resulting in better quality.

**Hazardous Materials (5%):** This training will be offered to Managers. Trainees will learn how to handle, store and transport hazardous materials.

**Commercial Skills (2%):** This training will be offered to all occupations based on job function. Training will cover industry-specific topics related to a trainee's' specific line of work and job duties. Commercial Skills will only be offered as Computer-Based Training.

## **Retrainee - Job Creation**

The Panel is offering incentives to companies that commit to hiring new employees. Training for newly-hired employees will be reimbursed at a higher rate and trainees will be subject to a lower post-retention wage.

Big 5 has committed to hiring 50 new employees at its two facilities in El Segundo and Riverside (Job Number 2). Big 5 represents that the date-of-hire for these trainees will be within the three-month period before contract approval or within the term-of-contract. The Company also represents that these trainees will be hired into "net new jobs" as a condition of contract.

Big 5 will recruit, hire and train five IT, three HR Administrative Staff, two Operations Staff and 40 management trainees to fill positions in new stores that have opened in 2015 and those that are scheduled to open later this year or in 2016. These new positions are driven by organizational growth, the e-commerce site, and the POS system.

## **Commitment to Training**

Big 5 represents that ETP funds will not displace the existing financial commitment to training. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law. The Company spends about \$2M a year on training.

### ➤ Training Infrastructure

Big 5 is ready to start training upon approval of this proposal, with qualified trainers in place. Big 5 contracted with Judith's Training Services (JTS) to provide administrative support and recordkeeping throughout the term of this ETP agreement.

## **LMS**

Staff has reviewed and approved for use, Big 5 Learning Center (LMS) developed by and delivered through Cornerstone on Demand, in place of traditional paper rosters. The Company's LMS will capture and document all training received by trainees electronically for training, tracking and recordkeeping. Big 5 will input training information into the ETP Online/Tracking System with the assistance of JTS. The technology for handling the uploading of data is compatible with ETP's Online/Tracking System.

## **RECOMMENDATION**

Staff recommends approval of this proposal.

## **DEVELOPMENT SERVICES**

Big 5 retained Judith's Training Services in Los Angeles to assist with development of this proposal for a flat fee of \$9,000.

## **ADMINISTRATIVE SERVICES**

Big 5 also retained Judith's Training Services to perform administrative services in connection with this proposal for a fee not to exceed 13% of payment earned.

## **TRAINING VENDORS**

N/A

**Exhibit B: Menu Curriculum****Class/Lab Hours**

8–200

Trainees may receive any of the following:

**BUSINESS SKILLS**

- Sales Training
  - Point of Sales (Terminal Policies, Process & Procedure)
  - Transactions, Refunds and Exchanges
  - Product Knowledge
- Business Performance
  - Accounting/Cash Handling
  - Payroll
  - Audit, Inventory Management
- Project Management Methodology
  - Evaluations
  - Monitoring/Scheduling
  - Guidelines
  - Performance
- Communications
- Customer Service

**COMPUTER SKILLS**

- Computer Programming
  - Networking
  - Design
  - Application Development
- Manufacturing Resource Planning
  - Computerized Scheduling
  - Sales Forecasting
  - Inventory Control
  - Purchase Order Tracking
  - Accounting
  - Document Control
  - Payroll
- Advance Excel
- Powerpoint
- Advance Word/Outlook
- POS Software
- Cornerstone

**MANAGEMENT SKILLS (Limited to Managers only)**

- Leadership
  - Decision Making
  - Motivation
  - Team building
  - Coaching
- Management Responsibilities
  - Market share
  - Liability
  - Customer Retention



- Merchandise Evaluation/Transportation
- Inventory & Product Promotion
- Supplies and Fixture Acquisition

### **CONTINUOUS IMPROVEMENT**

- Production Operations –
  - Assignment
  - Scheduling
  - Work Flow
- Process Improvement
- Merchandise (Process and Procedure)
- Statistical Process Control (SPC)
- Time/Risk Management
- Supply Acquisition
- Cost Control
- Record Keeping
- Compliance/Distribution
- Loss Prevention
- Equipment Operation Inventory Control
- Pick, Pack and Ship
- Warehousing
- Production Operations,

### **HAZARDOUS MATERIALS**

- Hazardous Materials Handling

### **CBT Hours**

0–12

### **BUSINESS SKILLS**

- Orders (4 min)
- Introduction to IP V3.2 (1 hr 51 min)
- IP V3.2 Purchasing Training - Part 1 of 2 (1 hr 39 min)
- IP V3.2 Purchasing Training - Part 2 of 2 (48 min)
- WinDSS Sales Slip History (5 of 19) (5 min)
- WinDSS Price Activation (6 of 19) (4 min)
- TellerMate Training for Big 5 Cashiers (15 min)

### **COMPUTER SKILLS**

- Holiday Product 2014 Beanie Boos (4 min)
- Track-It! 8 - Creating Templates advanced (3 min)
- Track-It! 8 - Search Feature Advanced (2 min)
- Office 2007 Excel – Advanced (If and Or Combined Formula: 8 min; The Formula: 3 min; The And Formula: 5 min; The If Formula: 5 min; Count Formulas: 6 min; Sorting: 5 min; Removing Duplicates: 4 min; VLOOKUP: 8 min; The View Ribbon: 6 min; TRIM: 5 min; Concatenation: 6 min; Column Charts: 9 min; The Clipboard Group: 16 min; Alignment: 6 min; Text to Columns: 3 min)
- Office 2007 Outlook – Advanced (Rules: 11 min; Tasks: 9 min; Voting: 4 min; Creating Signatures: 5 min; Creating

Mail Merge Labels: 6 min; Customizing Your Inbox: 6 min; Categories: 6 min)

- Office 2007 Word – Advanced (Footers: 7 min; Headers: 7 min; Creating Forms: 12 min; Document Inspector: 7 min; Table of Contents: 9 min; Macros: 4 min)
- Windows XP – Advanced Adding A Printer: (3 min)
- WinDSS Start Of Day (1 of 19) (6 min)
- WinDSS End Of Day (2 of 19) (10 min)
- WinDSS Cash Out (3 of 19) (19 min)
- WinDSS Customers (7 of 19) (11 min)
- WinDSS Associate Maintenance (8 of 19) (13 min)
- WinDSS Change Password (9 of 19) (2 min)
- WinDSS PO's (10 of 19) (16 min)
- WinDSS Vendor Receiving (11 of 19) (12 min)
- WinDSS Store Orders (13 of 19) (14 min)
- WinDSS Transfers In (14 of 19) (12 min)
- WinDSS CLR (16 of 19) (22 min)
- WinDSS Transfers Out (15 of 19) (18 min)
- WinDSS Inventory Adjustments (17 of 19) (6 min)
- WinDSS Inventory Lookup (18 of 19) (10 min)
- WinDSS Reports (19 of 19) (6 min)
- WinDSS Test (20 min)
- Weather Widget Demo (2 min)
- Daily Schedule Coverage Widget Demo (2 min)
- Service Desk Support Guide for Big 5 Learning Center (Getting Started in the Big 5 Learning Center: 9 min)
- IP User Processes For Purchasing (Purchase Training Part 1: 1 hr 39 min; Purchase Training Part 2: 48 min)
- The Big 5 Sporting Goods Learning Center Policy (2 min)
- Getting Started In The Big 5 Learning Center (9 min)
- Quick Time Stamp Demo (0 duration)

### **CONTINUOUS IMPROVEMENT**

- Kronos Manual Forecast Planner (2 hrs)
- Kronos Schedule Planner (2hrs)
- Kronos Graphs (2 hrs)
- Review ADP (1.5 hrs)
- Kronos Special California Requirements (1 hrs)
- Operations – The Beginning (15 min – 1.06 hrs)
- Don't Lie For The Other Guy V2012 (19 min)
- Kronos Links - Common Functions Part 1 Demo (Kronos WFC For All Managers 1 of 5: 22 min)
- Daily Schedule Coverage Simulation (2 min)
- Big 5 Sporting Goods Form 4473 Training (59 min 59 sec)
- Information Security Training 2015 v1.0 (15 min)
- Cherwell – Service Request and Incident Submission (15 min)
- Don't Lie 2012 TEST (20 min)
- Edifice (20 min)
- Product Knowledge Quiz – Soccer Shin Guards (5 min)

- Tellermate Training for Big 5 Store Employees (15 min)
- Track-It! 8 - Using Track-It! (6 min)
- For Testing FULL AICC ELT 2011 SH (2 hr)
- NearPoint (15 min)

### **COMMERCIAL SKILLS**

- Shock Doctor: Introduction (2 min)
- Shock Doctor: Final Review (2 min)
- Shock Doctor; Cleat Insoles (5 min)
- Shock Doctor: Court Insoles (5 min)
- Shock Doctor: Performance Insoles (5 min)
- Shock Doctor: Insole Technology (5 min)
- Choosing the Right Shoe – ( 15 min )
- Holiday Product 2014 Remote Control Toys (3 min)
- 3 - The Birthday Present – (30 min)
- 4 - Dick and Jane at Big Five – (30 min)
- 5 – Weight, What? – (30 min)
- LMS Course 2 - Billy's Big Catch – (30 min)
- Complete LMS – PRG Modules - Choosing the Right Product (15 min)
- Product Knowledge Quiz- Exercise Bike (15 min)
- Product Knowledge Quiz – Lacrosse (15 min)
- Product Knowledge Quiz – Soccer Ball (5 min)
- The Eye – Basic (2 hr 14 min)
- The Eye – Advanced (1 hr 52 min)
- Weather Widget Simulation (5 min)
- Metrics Widget Demo (2 min)
- Phishing Training (5 min)

### **MANAGEMENT SKILLS (Limited to Managers only)**

- MIS Service Management Course/Test (59 min)
- So you Want To Be An Intranet Content Manager (5 min)
- Update Vacancy Management (2 min)
- Reviewing Applications (2 min 30 sec)
- Kronos For All Managers 1 of 5 (The Basics) (7 min)
- Kronos DC Managers 3 of 5 (Schedule Editor) (24 min)
- Kronos MIS Managers 3 of 5 (Schedule Editor) (36 min)
- Kronos all Managers 5 out of 5 (Search and View) (7 min)
- MIS Service Management Training (59 min)
- MIS Infosec Policies eBook Course (45 min)
- Kronos For Corporate Managers 3 of 5 (Schedule Editor) (26 min)
- Module 12 Virtual Edge: Requisition Vacancy Management (2 min)

<p>Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery. CBT is capped at 50% of total training hours.</p>
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## Retrainee – Job Creation

### Training Proposal for:

## L-3 Communications Electron Technologies, Inc.

**Agreement Number: ET16-0275**

**Panel Meeting of:** December 4, 2015

**ETP Regional Office:** North Hollywood

**Analyst:** M. Webb

### PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate Job Creation Initiative	Industry Sector(s):	Manufacturing  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Counties Served:	Los Angeles	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Union(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Electronic and Space Technicians, Local 1553			
Number of Employees in:	CA: 5,000	U.S.: 36,000	Worldwide: 45,000	
<u>Turnover Rate:</u>	11%			
<u>Managers/Supervisors:</u> (% of total trainees)	9%			

### FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	=	Total ETP Funding
\$741,000		\$0		\$741,000
		(High Earner Reduction)		
		\$0		

<b>In-Kind Contribution:</b>	100% of Total ETP Funding Required	\$1,365,000
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Business Skills, Computer Skills, Cont. Imp., Mfg. Skills, Advanced Tech.	375	8-200	0	\$1,656	\$18.00
				Weighted Avg: 92			
2	Retrainee Job Creation Initiative Priority Rate	Business Skills, Computer Skills, Cont. Imp., Mfg. Skills, Advanced Tech.	50	8-200	0	\$2,400	\$18.00
				Weighted Avg: 120			

**Minimum Wage by County:** Job Number 1: \$15.97 per hour for Los Angeles County.

Job Number 2 (Job Creation): \$13.31 per hour for Los Angeles County.

**Health Benefits:**  Yes  No This is employer share of cost for healthcare premiums – medical, dental, vision.

**Used to meet the Post-Retention Wage?:**  Yes  No  Maybe

Although employer provides health benefits, they are not being used to meet Post-Retention Wage.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
<b>Job Number 1</b>		
Production Staff		200
Administration Staff		29
Engineer I		70
Engineer II		30
Manager/Supervisor		40
IT Staff		6
<b>Job Number 2 (Job Creation)</b>		
Production Staff		35
Engineer		10
Administration Staff		5

**INTRODUCTION**

L-3 Communications Electron Technologies, Inc. (ETI or the Company) designs, manufactures and tests electronic products used in communication satellites. ETI is best known for its top

performing traveling wave tubes (TWTs), electronic power conditioners, and fully integrated traveling wave tube amplifiers (TWTA). Its parent company, L-3 Communications Corporation, is headquartered in New York and has 22 California locations. This will be the first ETP Agreement for L-3 Communications ETI's Torrance facility. The prior project was for training at the Narda West division in Folsom. [Note: 428 employees work in Torrance as compared to 160 in Folsom.]

With its traditional product lines, ETI has delivered more than 4,700 space TWTs and 2,100 TWAs to customers worldwide. The Company's space-qualified products range from L-band to V-band with output powers from .5 to more than 250 watts. In non-space markets, ETI has delivered over 20,000 TWTs and is recognized as the leader in supplying high power coupled cavity TWTs over the frequency range from C-band to Q-band, and millimeter-wave helix TWTs for SATCOM radar and instrumentation applications. All modern designs incorporate this unparalleled experience ensuring high reliability, and optimized performance in harsh environments.

In the space market, ETI serves both government and commercial segments. For other markets, ETI provides products critical to the airborne and surface radar, military and commercial communications and instrumentation segments. More recently, ETI has extended its industry-leading capabilities into the electric propulsion arena by being the exclusive supplier of xenon ion thrusters and power supplies for all Boeing 702 spacecraft and a major player in NASA's Deep Space programs including Deep Space One.

For more than 45 years, ETI has been considered a leading supplier to the space and defense industry (government and commercial). Products manufactured for other industries include high power TWTs of various frequency bands, and millimeter-wave helix TWTS that are used for SATCOM radar and instrumentation applications.

### **Retrainee - Job Creation**

The Panel offers incentives to companies that commit to hiring new employees. Newly-hired employees will be reimbursed at a higher rate and trainees will be subject to a lower post-retention wage.

ETI has committed to hiring 50 new employees (Job Number 2). The date-of-hire for trainees in the Job Creation program will be within the three-month period before contract approval or within the term-of-contract. These trainees will be hired into "net new jobs" as a condition of contract.

To remain competitive, ETI continues to explore opportunities of expansion through acquisitions, consolidations, and other internal partnerships. In preparation, ETI plans to add two product lines. This will require additional staffing. Those newly hired will require training to introduce them to L-3 products, processes and operational standards.

### **PROJECT DETAILS**

In the past, communication satellites were mostly used in defense technology. Currently, 85% of the satellite market is comprised of commercial sales, with an increasing number of international customers. Unfortunately, the number of ETI satellites launched in 2015 decreased due to competitors based outside the US. ETI's training plan will increase competitiveness through diversification, continuous improvement and changes to the business model. ETI will invest in its staff to improve employee skill sets, increase production efficiencies, reduce cycle times, and introduce staff to advanced technologies.

Curriculum topics focus on improving customer relationships and employee capabilities to problem solve, and implement leaner manufacturing processes. Staff will learn new processes (Equipment Operation) to reduce turn around times, without impacting product quality. Training in Negotiation and Problem Solving Skills will be offered for new techniques and methods in marketing. Trainees will learn to communicate effectively with a larger customer base. Other topics provided include Product Knowledge, Process Improvements, Export Controls, Rework Instructions and Sourcing Strategies.

ETI has purchased a \$3 million dollar ERP/MRP System (Infor LN) that will be installed January 2016. Trainees will receive computer training on modules to ensure staff can utilize new computer systems and software programs to execute job duties efficiently. Advanced Technology training will also be delivered to ETI Engineers to learn new updates to 3-D software programs. All courses included in this project will increase ETI competitiveness and efficiency, as well as improve staff capabilities to develop, manufacture and deliver products to its customers.

### **Training Plan**

Class/lab training will be delivered by in-house experts in the following:

**Business Skills** (10%): Training will be offered to all occupations to improve employee negotiation and development skills. Training delivered will prepare staff to increase sales overseas and overall skill set.

**Computer Skills** (10%): Training will be offered to Managers/Supervisors, Administration Staff, Engineers and Production Staff. Trainees will receive training in Intermediate/Advanced Microsoft Office to increase employee skill sets and effectiveness when utilizing computer software programs.

**Manufacturing Skills** (20%): Training will be offered to Production Staff to improve quality production and increase customer satisfaction. Training to be delivered will increase employee knowledge in welding, coatings, and assembly.

**Continuous Improvement** (50%): Training will be offered to all occupations to provide employees problem solving skills. Process improvement skills such as Lean Manufacturing, Six Sigma, and ISO 9001 (2015) are essential to gain new clientele.

**Advanced Technology** (10%): A total of 60 Engineers and IT Staff will receive approximately 90 hours of training on specialized computer systems (Advanced Technology). Training courses to be provided will include the following: Introduction to Pro/Engineer Creo, Confluence/Jira, Altium 3D PWBs, WindChill PDMLink, 3D-Printer Hardware/Software, Thruster Physics, XPC Design Fundamental and TWTA Fundamentals.

To increase competitiveness, it is imperative that Engineers/IT Staff improve job skills to improve ETI research and development efforts and sustain engineering and system advancements.

The trainer-to-trainee ratio is 1:10 for AT, to allow in-depth coverage and personal attention from the instructor.

### **Commitment to Training**

ETI spends approximately \$728,000 annually in training at their Torrance facility. Training includes leadership development, quality training, human resources, ethics and operational training. Training is company-wide and job specific.

ETP funds will not displace the existing financial commitment to training. Safety training is, and will continue to be provided in accordance with all pertinent requirements under state and federal law.

#### ➤ Training Infrastructure

ETI has dedicated HR staff members to oversee the daily collection of ETP training rosters. Managers/Supervisors will receive training to ensure they are aware of ETP record keeping requirements. The Company has also hired a third party administrator, California Training Coalition (CalTraining) to assist with administration of this ETP project. CalTraining will perform all data entry and provide daily consulting on all aspects of ETP program administration. Training under this Agreement will be delivered by in-house instructors.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

### **PRIOR PROJECTS**

The following table summarizes performance by L-3 Communications (Folsom) under an ETP Agreement that was completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET12-0345	Folsom	03/26/12- 03/25/14	\$349,848	\$208,140 (59%)

The primary reason the L-3 Division in Folsom was unable to achieve its full funding amount was due to an unexpected and significant change in leadership at that location during the ETP contract period. This created a delay in training delivery.

### **DEVELOPMENT SERVICES**

CalTraining in Upland assisted with development of this proposal for a flat fee of \$21,500.

### **ADMINISTRATIVE SERVICES**

CalTraining will also perform administrative services for a fee not to exceed 13% of payment earned.

### **TRAINING VENDORS**

N/A



## Exhibit B: Menu Curriculum

### Class/Lab Hours

8-200

Trainees may receive any of the following:

### BUSINESS SKILLS

- ETI Business Acumen & Processes:
  - Protecting Proprietary Information
  - Basic & Advanced Blueprint Reading
  - Technical Writing
  - Documentation Development
  - Organic Growth
  - Business Capture
  - Doing Business Overseas
  - Strategic Seller Seminar
  - Key Account Management/CRM
  - FAR training
  - Business Acumen
  - Solution Selling
  - Product Substitution
  - Anti-Corruption
  - Conflicts of Interest
  - Export Controls (ITAR)
  - Material Review Activities
  - PM Boot Camp
  - Project Management
  - Purchase Order Management
  - Proposal Management
  - Planning and Organizing
  - ETI Product Knowledge
  - Price Analysis Training
  - Requests for Quote
  - Rework Instructions
  - Router/Rework Router Inputs & Review
  - Single/Sole Source Justification
  - Sourcing Strategies
  - Terms & Conditions/Flow Downs
  - Understanding Bills of Materials
  - Understanding Capacity Requirements Planning
  - Engineering Print Reading
  - Geometric Dimensional Tolerancing
  - Dimensional Tolerancing for Tooling
  - Introduction of Electric Propulsion
  - Paperless Manufacturing
  - Design Center Request system
  - FAR Basics
  - Forecasting
  - Fundamentals of Purchasing
  - Intro to Categorizing Purchase and Supplies
  - Intro to Value Added Opportunities in the Sourcing Process
  - Managing and Improving Supplier Performance

- Master Scheduling Foundations
- Program Management College
- Earned Value Management
- Production Planning

### **COMPUTER SKILLS**

- **ETI Software:**
  - Propricer
  - Contract Insight Design Training
  - Altium/Meridian Software
- **ETI Enterprise Resource Planning Software:**
  - Infor LN
  - Oracle
  - Infor/Bahn
  - Managing with MRP
- **MS Office (Intermediate/Advanced):**
  - Project
  - Publisher
  - Visio
  - Advanced Word/Excel

### **CONTINUOUS IMPROVEMENT**

- **ETI Leadership Skills:**
  - Performance and Talent Management
  - Financial Acumen
  - Supervisory, Leadership and Influence Skills
  - Negotiation
- **ETI Operational Excellence:**
  - Root Cause and Corrective Action
  - Root Cause Analysis & FRBs
  - Problem Solving - 5 Whys
  - Corrective Action Review Board
  - Preventative Corrective Actions
  - Process Improvements
  - Lean Manufacturing Improvements
  - Six Sigma Training
  - ISO 9001 Revision 2015
  - Internal Auditing
  - Quality Management Review
  - Statistical Process Control
  - Cathode Committee
  - Quality Summit Projects
  - BD Summit Projects
  - Engineering Summit Projects
  - EDD Harmonization
  - Program Reviews

- Focus Meeting
- Project 300
- Material Review Board Cert.
- Product Knowledge
- CMM Operations

### **MANUFACTURING SKILLS**

- **ETI Safety:**
  - FOD Control
  - Electrical Safety
- **ETI Test Skills:**
  - Test Readiness Review
  - Prohibited Material Testing
  - Equipment Calibration
  - 1st RF/Age
  - 2nd RF/Mid-Test
  - 60Kv CPE Modulators
  - Bench Thermal/H-C Screen
  - Burn-In
  - Collector Supply, DC Console
  - DC Console
  - EMI/EMC Testing
  - EPC Thermal Test
  - Fill Out and Maintain ROL's
  - Final Functional Bench Testing
  - Fowler/Ion Argon
  - Glassman Supply
  - HAC Modulators
  - Heater Testing
  - Hi Potter
  - HVM Test
  - Integration Test
  - Old Burn In
  - Orifice Testing
  - Participate in TRI process
  - Pre Age
  - Quick Turn-On Test
  - Repair Old Equipment
  - RS/RE
  - Run ATE Tests
  - Schematic/Test Expertise
  - Select In Test
  - Solenoid Supply, Patriot
  - Thermal Vacuum Chamber Set-Up
  - Thermal Vacuum Data Monitoring
  - Thermal Vacuum Unit Install
  - Thermal Vacuum Testing
  - Thruster Integration Testing
  - Troubleshoot Test Problems
  - TWTA ATE Station Set-Up

- TWTA ATE Testing
- Vibration Set-Up
- Vibration Unit Install
- Vibration Testing
- Thruster ATP Test
- XPC Module Test
- XPC Control Unit Test
- XPC Integration Test
- LabView Training
- Automated Test Equipment Training
- ETI Manufacturing Processes:
  - AutoCAD: Tooling/Drawing Expertise
  - Operator and Tester Training
  - Potting Molds, Chambers & Technique
  - Electrical Static Discharge
  - Space Crimp
  - Resistance Spot Welding
  - Laser Welding
  - GTAW Welding
  - Controlled Work Area
  - Electronic Assembly Solder Certification
  - Coating Certification per MPI/MPS 6-47
  - Compressed Gases
  - Connector Mate/De-Mate
  - 01327 Material Review Activity
  - 01523 Personal Protective Equipment Training
  - 01794 Gen Elec Solder Inspection Cert
  - 01803 Space Crimp Certification
  - 01833 Resistance Spot Welding Cert
  - 01867 Laser Welding Cert
  - 01868 GTAW Welding Cert
  - 02023 Borescope Training
  - 02217 Chromate Conversion Coating
  - 01847 RF Conn./Waveguide Mate/De-Mate Training
  - Aggregate Operations Planning
  - APICS Basics of Supply Chain Management
  - APICS Certified Supply Chain Professional
  - APICS Detailed Scheduling and Planning
  - APICS Master Planning of Resources
  - APICS Strategic Management of Operations
  - Basics of Material Requirements Planning
  - Best Value Determination
  - Capacity Planning and Management
  - Change Board Knowledge
  - CPSM: EX 1 - Review Course Foundation of Supply Mgmt
  - Demand Management
  - Documentation Requirements
  - EMI
  - MES User
  - Assemble High Complex Modules
  - Assemble High Complex PWB Assys
  - Assembly of High Voltage Module

- Barrel Assembly
- Basing - Conduction
- Basing - Radiation
- Black Epoxy
- Black Silicone Adhesive
- Bonding 6-38
- Bonding 6-58
- Chemical Use
- Circuit Bundle
- Circuit Extraction
- Circuit Shrink Assembly
- Circuit Window Assembly
- Clean Prior to Ship
- Collector Assembly
- Connector Installation
- Copper Removal Process
- Crimping
- Degrease
- Endcap
- EPC Assembly
- EPC Cover
- EPC Foldup
- Fabrication of New Equipment
- Fasteners
- Fin Installation
- Final Circuit Assembly
- Final Gridded Gun Assembly
- Final Gun Assembly
- Final Vacuum Assembly
- Furnace MPI ALL
- Gray Overcoat
- Grids ALL
- Grit Blast
- GTAW
- Gun Body Assembly
- Heater Assembly
- Helix Assembly
- High Resistance and Inspection
- Hi-Vac
- Impregnation and Chem Etch Process
- Inner Gridded Gun Assembly
- Inner Gun Assembly
- Install Covers
- Laser Weld
- Lead Prep
- Lead Soldering
- Leak Check
- Lower Level Sub-Assemblies
- Magnet Stack
- Magnetics Breakout Process
- Magnetics Core and Bracketing
- Magnetics Endwall Encapsulation
- Magnetics Heat Strap Bonding

- Magnetics Scotchcast Potting
- M-Coat Process
- Measurement Tools
- Mo-Ni Process
- Mo-Ru Braze Process
- Mo-Ru-N Braze Process
- Operations II A/T
- Packing and Potting Process
- Painting
- Part Cleaning Process
- Pinch Off
- Potting
- Pre and Post Cover Cleaning
- Pre-Cover Inspection
- Power Curve Operation
- R.F. Braze
- Radiators
- Red Stake
- Resistance and Inspection
- Resistance Spot Weld
- Rod Assembly
- SEM Photo
- Silver Epoxy
- SMT Assembly
- Sputter Coat
- Standard Repairs
- Straighten 1792H TWT
- Subassembly
- Thruster Assembly
- Thruster Install
- Thruster Removal
- Tube Prep
- TWT Integrate
- TWT Prep
- Vacuum Subs
- Waveguide - Subassemblies
- Waveguide Installation Ku, K
- Waveguide Installation X
- Welding Process
- Wet Lab Chemical Mix, Etch, Clean
- Wetstack
- Windows, Subs & Finals
- Window Sub Assembly

### **AT Hours**

8-200

### **Advanced Technology (ratio 1:10)**

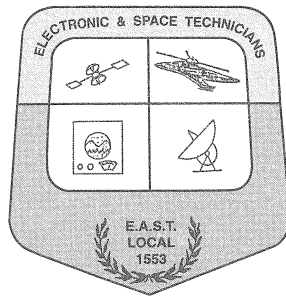
- Creo (Pro-E)
- Introduction to Pro/E
- Confluence/Jira
- LabView/CCATE
- Altium 3D PWBs

- WindChill PDMLink
- 3D Printer Hardware/Software
- Power Conversion Fundamentals
- Digital Circuits and Devices
- Circuit Modeling & Worst-Case Analysis
- High Density Circuit Board Technology
- Product Design & Development
- Thruster Physics
- XPC Design Fundamental
- TWTA Fundamentals
- Modeling Workshops
- AI/OIB/Router Construction
- M&P MPS/MPI Expertise
- Production/Process Design Expertise

Safety Training is capped at 10% of a trainee's total training hours

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery.

# ELECTRONIC AND SPACE TECHNICIANS



**LOCAL 1553**

*Affiliated with U.B. of C. and J. of A.*  
GENERAL OFFICE  
13144 Prairie Avenue  
Hawthorne, California 90250-5399  
(310) 219-3800  
FAX (310) 219-3818



June 29, 2015

Employment Training Panel Members  
1100 J Street, 4<sup>th</sup> Floor  
Sacramento, CA 95814

Subject: L-3 Communication proposal

Dear Panel Members,

Electronic and Space Technicians local 1553 represents all production, maintenance, and shop clerical employees at the L-3 Communications Electron Technologies, INC. facility in Torrance, California.

It is our understanding that L-3 Communications is applying for ETP training reimbursement funds in order to improve the efficiency, skills, and competitiveness of the organization and it's employees, including the bargaining unit employees we represent. Please be advised that we support the application. We view this training program as a step towards ensuring the continued viability and competitiveness of the L-3 ETI facility, as well as improving the marketability of our members.

Sincerely,

Kevin Dodd  
Senior Business Representative  
EAST local 1553





## RETRAINEE - JOB CREATION

Training Proposal for:

**Michael Kors (USA), Inc.**

**Agreement Number: ET16-0291**

**Panel Meeting of:** December 4, 2015

**ETP Regional Office:** North Hollywood

**Analyst:** E. Wadzinski

### PROJECT PROFILE

Contract Attributes:	Retrainee Job Creation Initiative Priority Rate	Industry Sector(s):	Manufacturing Wholesale Trade Transportation/Logistics  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Los Angeles	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 1,910	U.S.: 5,378	Worldwide: 7,528
<u>Turnover Rate:</u>	4%		
<u>Managers/Supervisors:</u> (% of total trainees)	10%		

### FUNDING DETAIL

<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">Program Costs</td></tr> <tr><td style="text-align: center;">\$503,520</td></tr> </table>	Program Costs	\$503,520	-	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">(Substantial Contribution)</td> <td style="text-align: center;">(High Earner Reduction)</td> </tr> <tr> <td style="text-align: center;">\$0</td> <td style="text-align: center;">\$0</td> </tr> </table>	(Substantial Contribution)	(High Earner Reduction)	\$0	\$0	=	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;"><b>Total ETP Funding</b></td></tr> <tr><td style="text-align: center;">\$503,520</td></tr> </table>	<b>Total ETP Funding</b>	\$503,520
Program Costs												
\$503,520												
(Substantial Contribution)	(High Earner Reduction)											
\$0	\$0											
<b>Total ETP Funding</b>												
\$503,520												

In-Kind Contribution:	100% of Total ETP Funding Required	\$579,048
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Business Skills, Comm. Skills, Computer Skills, Cont. Imp., Literacy Skills, OSHA 10/30	370	8-200	0	\$576	\$15.97
				Weighted Avg: 32			
2	Retrainee Job Creation Initiative Priority Rate	Business Skills, Comm. Skills, Computer Skills, Cont. Imp., Literacy Skills, OSHA 10/30	363	8-200	0	\$800	*\$13.31
				Weighted Avg: 40			

\*It will be made a condition of contract that the trainees in this Job Number will never be paid less than the statewide minimum wage rate as in effect at the end of retention (Final Payment) regardless of the wage expressed in this table.

**Minimum Wage by County:** Job Number 1: \$15.97 per hour for Los Angeles County.

Job Number 2: \$13.31 per hour for Los Angeles County (Job Creation).

**Health Benefits:**  Yes  No This is employer share of cost for healthcare premiums – medical, dental, vision.

**Used to meet the Post-Retention Wage?:**  Yes  No  Maybe

Up to \$3.97 per hour may be used to meet the Post-Retention Wage for Job Number 1 and up to \$3.31 per hour for Job Number 2.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
<b>Job Number 1</b>		
Maintenance Mechanic		11
Cycle Counter		12
Clerk		55
Equipment Operators		108
General Labor		40
Lead		49
Professionals		35
Supervisor		24
Operations Supervisor		27
Operations Manager		9

<b>Job Number 2- Job Creation</b>		
Maintenance Mechanic		6
Cycle Counter		3
Clerk		85
Equipment Operator		162
General Labor		60
Lead		16
Supervisor		11
Operations Supervisor		18
Operations Manager		2

## **INTRODUCTION**

Michael Kors (USA), Inc. (MKors) ([www.michaelkors.com](http://www.michaelkors.com)), established in 1981 produces a range of products by or under the signature of designer Michael Kors. The Company manufactures and sells Michael Kors labels that include the Michael Kors Collection and MICHAEL. These products include accessories, footwear, watches, jewelry, men's and women's ready-to-wear, eyewear and a full line of fragrance products. The Company operates their business in three segments (retail, wholesale and licensing) and has a controlled global distribution network focused on company-operated retail stores, leading department stores, specialty stores and select licensing partners.

MKors has added 133 company stores over the last three quarters. This expansion played a key role in driving the Company's record results in the third quarter of 2015. The primary driver behind MKors' strong performance was the 27.8% increase in comparable-store sales, a metric that measures customer traffic generated by its stores. This increase has led to growth and need for expansion of the Company's primary distribution and fulfillment center located in Whittier.

## **PROJECT DETAILS**

MKors is increasing market share and experiencing significant growth. ETP funds will be used to train workers at MKors' primary distribution and fulfillment center. To accommodate growing product demand, the Company has invested an estimated \$3 million in expanding MKors' primary distribution and fulfillment facility. The expansion includes additional equipment and an increase in space by approximately 260,912 square feet at this facility. The new equipment and additional space is required to accommodate the Company's existing business growth, driving the need to add more jobs for existing job functions.

There is also a need to hire new employees for new functions, as MKors relocated their E-commerce functions from Columbus, Ohio to Whittier in October 2015. Managing E-commerce is a new function for MKors, as this part of the business was previously handled and operated by a third party logistics company in Ohio. This move will create 120 new positions in Whittier where training will take place.

### **Retrainee - Job Creation**

The Panel offers incentives to companies that commit to hiring new employees. Training for newly-hired employees will be reimbursed at a higher rate and trainees will be subject to a lower post-retention wage.

MKors is investing an estimated \$3 million to expand its Whittier distribution and fulfillment facility. This investment will include increasing facility capacity to meet current and future production requirements. In addition, the Company has already begun repurposing some of its non-production space to accommodate anticipated manufacturing growth.

In this proposal, MKors has committed to hiring 363 new employees over the next two years (in Job 2) for both its new E-commerce business and expansion of its primary distribution center. MKors represents that the date-of-hire for trainees in the Job Creation program will be within the three-month period before contract approval or within the term-of-contract. The Company also represents that these trainees will be hired into "net new jobs" as a condition of contract.

## Training Plan

Training is needed to develop workers; however, the bulk of the training will be for newly created and transferred positions due to the relocation of MKors E-Commerce functions from Ohio to California. Employees will train on updated warehouse management applications and material handling equipment, which includes forklifts, electric pallet jacks, turrets, stand-up reach trucks and sit down propane reach forklifts. Training will also provide new skills to associates in receiving, order picking, packing, auditing and shipping. ETP funding will assist MKors achieve its training plan.

**Business Skills (15%):** Training will be provided to all occupations. Skills acquired will allow trainees to support all customers. Training in effective communication skills and customer service techniques will also provide skills to help improve communication, reduce order rework and increase customer satisfaction.

**Commercial Skills (40%):** Training will be provided to all occupations. New employees will receive training on warehouse processes, procedures, order selection, forklift operations, electric pallet jack operation and WMS Labeling Systems. Current employees will receive training on new equipment and upgraded systems.

**Computer Skills (10%):** Training will be provided to all occupations. Topics will include Warehouse Management Systems, Labor Management Systems, Inventory tracking, Data Analysis and MKors proprietary applications. New computer technology will provide employees with skills to respond to business needs more efficiently and effectively

**Continuous Improvement (20%):** Training will be provided to all occupations. Training will include High Performance Teams, Lean Thinking, Resolving Customer Problems and Team Communication. Training will focus on internal business systems and functionality by providing skills to create a more efficient business environment, improve quality and delivery times, and accurately meet customer orders and requests.

**Literacy Skills (10%)** - Training will be provided to Maintenance Mechanics, Cycle Counter, Clerks, Equipment Operators, General Labor and Leads. This training will enable employees with limited English skills to increase their speaking, listening, and comprehension skills in the workplace.

**OSHA 10/30 (5%)** - OSHA 10/30 is a series of courses "bundled" by industry sector and occupation. OSHA 10 will be provided to frontline Leads, General Labor, Maintenance Mechanics and Equipment Operators. OSHA 30 training will be provided to Operations Managers and Supervisors to ensure a safe work environment.

## **Temporary to Permanent**

Based on production demand, MKors may hire temporary employees to fill production and administrative positions. Approximately 240 trainees from Job Numbers 1 & 2 qualify under Panel guidelines for “temporary to permanent” employment. MKors will retain these employees through a temporary agency, with the intention of hiring them into full-time, permanent positions after training.

These trainees must be determined eligible to participate in ETP-funded training before the start of training, while on payroll with the temporary agency. However, the retention and post-retention wage requirements cannot be satisfied until after MKors has hired them. Until then, the Company will not receive progress payments.

## **Commitment to Training**

MKors Company representative states it invests \$500,000 a year for training at the Whittier California facility. Currently the Company provides new hire orientation, sexual harassment prevention, basic computer and on-the-job training.

ETP funds will not displace the existing financial commitment to training. Safety training is provided in accordance with all pertinent requirements under state and federal law.

### ➤ Training Infrastructure

MKors Process Engineering Training Specialist will oversee project administration and the implementation of their training plan. In addition, the Company is currently in the process of retaining an outside administrative consultant to ensure that training documentation adheres to ETP requirements. Training will be delivered by in-house experts and outside vendors if needed.

The Company has a detailed training plan focused on process control and distribution processes. Upper management supports the planned training and is involved in the implementation process.

## **RECOMMENDATION**

Staff recommends approval of this proposal.

## **DEVELOPMENT SERVICES**

N/A

## **ADMINISTRATIVE SERVICES**

To Be Determined

## **TRAINING VENDORS**

To Be Determined

**Exhibit B: Menu Curriculum****Class/Lab Hours**

8-200

Trainees may receive any of the following:

**BUSINESS SKILLS**

- Communications and Active Listening
- Project Management
- Time Management
- Team Building
- Dealing with Conflict
- Customer Service
- Documentation and Reporting Forms
- Decision Making
- Setting Goals
- Product Knowledge

**CONTINUOUS IMPROVEMENT**

- High Performance Teams
- Inspection Procedures
- Process Improvement
- Project Management
- Leadership Skills
- Six Sigma

**COMPUTER SKILLS**

- Exception Orders
- Warehouse Management Systems
- Internal Proprietary Software
- Business Transformation
- Network Management
- File Maintenance
- Windows/Excel/Outlook (Intermediate/Advanced)

**COMMERCIAL SKILLS**

- Best Practices
- Barcoding
- Handheld Barcode Scanner Computerized Glove
- Order Processing
- Equipment Operation, Maintenance and Troubleshooting
- Tool Maintenance
- Building Customer Orders
- Operating Forklifts
- Operating Electric Pallet Jacks
- Order Selection Procedures
- Palletizing Products
- Product Handling
- Preferred Work Methods
- Labeling Systems

**OSHA 10/30 (Certified OSHA Instructor)**

- OSHA 10 (Requires Completion of 10 Hours)
- OSHA 30 (Requires Completion of 30 Hours)

**LITERACY SKILLS\***

- Vocational English as a Second Language
- Basic Workplace Terminology
- Introduction of Process Terminology
- Written Communications
- Understanding Manuals and Reports
- Basic Math
- Locating Information on Charts and Graphs

\*Literacy Training cannot exceed 45% of total training hours per-trainee  
Safety Training cannot exceed 10% of total training hours per-trainee (Safety Training cap does not apply to OSHA 10/30 or HAZWOPER)

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery.



## RETRAINEE - JOB CREATION

### Training Proposal for:

## PennyMac Financial Services, Inc.

**Agreement Number: ET16-0286**

**Panel Meeting of:** December 4, 2015

**ETP Regional Office:** North Hollywood

**Analyst:** M. Reeves

### PROJECT PROFILE

Contract Attributes:	Retrainee Job Creation Initiative	Industry Sector(s):	Financial Services  Priority Industry: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Counties Served:	Los Angeles, Orange, Ventura Sacramento	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Number of Employees in:	CA: 1,580	U.S.: 2,404	Worldwide: 2,404	
<u>Turnover Rate:</u>	14%			
<u>Managers/Supervisors:</u> (% of total trainees)	14%			

### FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	=	(High Earner Reduction)	=	<b>Total ETP Funding</b>
\$331,000		\$0		\$0		\$331,000

<b>In-Kind Contribution:</b>	100% of Total ETP Funding Required	\$655,000
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee	Business Skills, Computer Skills, Continuous Imp., Mgmt. Skills	285	8-200	0-40	\$600	\$15.07
				Weighted Avg: 40			
2	Retrainee Job Creation Initiative	Business Skills, Computer Skills, Continuous Imp., Mgmt. Skills	200	8-200	0-40	\$800	\$14.42
				Weighted Avg: 40			

**Minimum Wage by County:** Job Number 1: \$16.02 per hour for Orange County; \$15.97 per hour for Los Angeles County; \$15.75 per hour for Sacramento County; and \$15.07 per hour for Ventura County.

Job Number 2 (Job Creation): \$13.35 per hour for Orange County; \$13.31 per hour for Los Angeles County; \$13.13 per hour for Sacramento County; and \$12.33 per hour for Ventura County.

**Health Benefits:**  Yes  No This is employer share of cost for healthcare premiums – medical, dental, vision.

**Used to meet the Post-Retention Wage?:**  Yes  No  Maybe

Up to \$1.60 per hour may be used to meet the Post-Retention Wage in Job Number 1.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Administration Staff		100
Call Center/Servicing/Modifications Staff		125
Manager/Supervisor		70
Compliance/Risk Management Staff		58
Underwriter		31
Loan Processor		31
Account Executive		30
Customer Service Staff		20
Sales Staff		20

## **INTRODUCTION**

Founded in 2008, PennyMac Financial Services, Inc. (PennyMac) is a mortgage lender and servicer headquartered in Moorpark. The Company's goal is to provide clients with innovative mortgage solutions that make it easier to purchase and/or refinance a home. PennyMac is a full-service lender with a wide selection of loan options for a variety of clients, from first-time buyers to those seeking jumbo, FHA, or VA loans.

PennyMac has also been a leading provider of assistance to "underwater" homeowners. The Company is a major participant in the Home Affordable Refinance Program (HARP), the federal government program created in 2009 to assist homeowners in refinancing their mortgages. In addition, PennyMac purchases loans from banks and other lenders, and then uses its expertise to help borrowers restructure their mortgages to allow them to stay in their homes. Training will take place at four locations in California (Moorpark (2), Pasadena and Sacramento).

As a relatively new company, PennyMac continues to experience rapid growth and needs to keep new and incumbent workers well trained in policies, procedures and systems. By continuing to improve operational efficiencies and worker productivity, PennyMac expects to increase the size of its California workforce by 50-60% over the next two years. The Company recently expanded its Sacramento facility into a new 26,384 square-foot building.

### **Retrainee - Job Creation**

The Panel offers incentives to companies that commit to hiring new employees. Training for newly-hired employees will be reimbursed at a higher rate and trainees will be subject to a lower post-retention wage.

In this proposal, PennyMac has committed to hiring 200 new employees (Job Number 2). The Company recently opened an office in Irvine to support a new line of Commercial Real Estate business. The Company will also open a new headquarters facility in January 2016 to accommodate the growth of its Servicing functions at the Moorpark location. In addition to the new facilities, the Company continues to expand its business capacity by adding new workers and improving existing functions at its established locations. The proposed training will equip new employees with the knowledge and understanding of products and services, operating procedures, and the influences of industry regulation. The Company is projecting more than 600 new hires in California during the term of this Agreement.

PennyMac represents that the date-of-hire for all trainees in the Job Creation program will be within the three-month period before contract approval or within the term-of-contract. The Company also represents that these trainees will be hired into "net new jobs" as a condition of contract.

### **Prior Performance**

This will be PennyMac's second ETP Agreement within the past five years. The first ETP project was driven by rapid growth and expansion at the Company's locations in Pasadena and Sacramento. At the time, PennyMac was executing an aggressive plan to double its nationwide employee count to approximately 2,400. The proposed training Agreement is designed to support PennyMac's continued expansion efforts and ability to respond to growing challenges and opportunities in the mortgage lending and financial services industry.

Several curriculum topics are repeated from the prior Agreement; however, the Company has confirmed that course material has been updated and/or changed to ensure there will be no duplication of training. In addition, a large percentage of the proposed training will be provided

to newly-hired Job Creation employees (Job Number 2) who have not received any ETP training in the past.

## **PROJECT DETAILS**

### **Training Plan**

The proposed training is scheduled to begin during the first week of January 2016, and will take place at the Company's locations in Moorpark, Pasadena, Irvine and Sacramento. Training will be delivered by both in-house subject matter experts and outside vendors to be identified during the contract term.

**Business Skills (35%)** - Training will be offered to all occupations. Training will focus on the design, development, production, commercialization, and sale of loan products. Trainees will develop a set of mortgage industry skills that are critical in a competitive environment. This training is designed to improve efficiency and productivity by enabling employees to implement and manage processes throughout loan development and underwriting.

**Computer Skills (15%)** - Training will be offered to all occupations. This training will help workers become more proficient in the use of business software solutions in the areas of loan administration, refinancing and mortgage servicing.

**Continuous Improvement (30%)** - Training will be offered to all occupations. Training emphasis will be on the fundamentals of problem solving, prioritizing, planning, and decision making. Trainees will acquire skills in understanding their strengths and weaknesses as individuals while recognizing each individual is an integral part of a team.

**Management Skills (20%)** - Training will be offered to Managers and Supervisors only. Training will provide PennyMac's management team with the leadership, motivation, project management, and communication skills to become more effective leaders.

### **Commitment to Training**

The Company spends approximately \$249,000 annually, per facility in California. Current training consists of new hire orientation, sexual harassment prevention, diversity, computer basics, and on-the-job training. ETP funds will not displace the existing financial commitment to training.

#### ➤ Training Infrastructure

PennyMac will assign internal staff to oversee class scheduling and training documentation. In addition, the Company has retained an outside administrative consultant to ensure that all training records adhere to ETP requirements.

## **RECOMMENDATION**

Staff recommends approval of this proposal.

**PRIOR PROJECTS**

The following table summarizes performance by PennyMac under an ETP Agreement that was completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET14-0147	Moorpark, Pasadena, Sacramento	9/03/13 – 9/02/15	\$1,486,200	\$318,814 (21%)

The Company states that it did not have the necessary infrastructure in place at the time to administer a training project on this scale. Based on lessons learned, the Company has made a concerted effort to ensure that managers and supervisors throughout the organization are committed to the training and their respective project-reporting responsibilities.

The Company has agreed to pare down the scope of its second training proposal in an effort to put forth a more achievable project. The proposed Agreement has been right-sized to \$305,330, consistent with the earned level earned in the prior project.

**DEVELOPMENT SERVICES**

California Training Coalition (CalTraining) in Upland assisted with development for a flat fee of \$5,000.

**ADMINISTRATIVE SERVICES**

CalTraining will also perform administrative services for a fee not to exceed 13% of payment earned.

**TRAINING VENDORS**

To Be Determined

**Exhibit B: Menu Curriculum****Class/Lab Hours**

8 – 200

Trainees may receive any of the following:

**BUSINESS SKILLS**

- **PennyMac Processes, Compliance**
  - ❖ Auditing Loans
  - ❖ Base File
  - ❖ Calculating Income/Liabilities
  - ❖ Collateral
  - ❖ Collections and Loss Mitigation – RFD, Probing Questions
  - ❖ Completing the 1003 Form
  - ❖ Contractor Orientation
  - ❖ Document Custodian Management
  - ❖ Effective Call Handling
  - ❖ eFolders for Encompass
  - ❖ Escrow Administration
  - ❖ DISC – Extended Behavioral System
  - ❖ FHA Streamline Reduction Calculation Workshop
  - ❖ Funding
  - ❖ Insider Trading
  - ❖ Introduction to Underwriting
  - ❖ Making the Underwriting Decision
  - ❖ Modifications
  - ❖ Mortgage Banking Basics/Loan Servicing Overview
  - ❖ Mortgage Insurance
  - ❖ Navigating Retail Policies and Procedures Database
  - ❖ Net Tangible Benefit Workshop
  - ❖ Optimal Blue Pricing
  - ❖ Ordering Credit
  - ❖ Origination Compliance (Credco)
  - ❖ PennyMac Academy Knowledge Sharing
  - ❖ PennyMac Credit Guidelines
  - ❖ PennyMac Compliance
  - ❖ PennyMac Processes
  - ❖ PennyPeople Training
  - ❖ Post Funding
  - ❖ Precision Testing - Wage
  - ❖ Premium Pricing - HUD1 Preparation
  - ❖ Processing Income and Assets Workshop
  - ❖ Property Resolution - Short Sale and Deed-in-Lieu/BK, FCL, DIL
  - ❖ Purchase Audit Review
  - ❖ Rate Lock
  - ❖ Reading and Interpreting the Credit Report
  - ❖ Reading the Appraisal
  - ❖ Reviewing Assets, Funds Required to Close and Reserves
  - ❖ Shared Services/Cash Management
  - ❖ Title, Hazard Insurance, and Disclosures
  - ❖ Trailing Docs
  - ❖ Understanding the Loan Application
  - ❖ Underwriting Level 1: Fraud and Red Flags/Case Study Workshop
  - ❖ VLOOK Up (Excel)

**COMPUTER SKILLS**

- Encompass
- Fasttrieve
- FIVE9 Telephony
- Loan Administration Follow-Up Application
- Loan Administration Management Portal
- Mortgage Servicing Platform
- Quandis
- Refi Plus - DU Eligibility and FMP Tool
- PennyPeople Training

**CONTINUOUS IMPROVEMENT**

- Problem Solving: The Fundamentals
- Talent Management: Basics
- Time Management: Analyzing Planning

**MANAGEMENT SKILLS** (Managers and Supervisors only)

- Providing Feedback
- Change Management
- Communicating for Results
- Conflict Management
- Excellence in Management
- Extended Leadership DISC
- Management Basics
- Managerial Role
- Motivation and Rewards
- Performance Management
- First Time Manager: Understanding a Manager's Role
- Leadership Essentials: Building Your Influence as a Leader/Motivating Employees

**CBT Hours**

0 – 40

**BUSINESS SKILLS**

- Analyzing the Fair Credit Reporting Act (1 Hour)
- Anti-Money Laundering Rules of the BSA (1 Hour)
- Appraisal Procedures (1 Hour)
- Clarifying Conventional Mortgage Lending (1 Hour)
- Completing the Good Faith Estimate (1 Hour)
- Completing the HUD- 1 (1 Hour)
- Complying with the Mortgage Disclosure Improvement Act (1 Hour)
- Discovering FHA Programs (1 Hour)
- Elements of Title Insurance (1 Hour)
- Essentials of Mortgage Lending (1 Hour)
- Ethical Practices in Mortgage Lending (1 Hour)
- Evaluating ECOA (1 Hour)
- Examining Insider Lending (1 Hour)
- Examining the USA Patriot Act (1 Hour)
- Explaining Loan Modifications (1 Hour)

- FACT Act - Getting to Know the Red Flags Rule (1 Hour)
- Fair Lending - Consumer Protection Laws (1 Hour)
- Fair Lending - Lender Responsibilities (1 Hour)
- Fair Lending - The Essentials (1 Hour)
- Fulfilling RESPA Requirements (1 Hour)
- Gathering the Facts on Mortgage Fraud (1 Hour)
- Getting to Know the Truth in Lending Act (1 Hour)
- Homeowners Protection Act (1 Hour)
- Privacy in Mortgage Lending (1 Hour)
- Processing Income and Assets (1 Hour)
- Regulatory Compliance for Closers (1 Hour)
- Regulatory Compliance for Mortgage Lender (1 Hour)
- Regulatory Compliance for Processors (1 Hour)
- Reviewing Debt Collection Practices (1 Hour)
- Service members Civil Relief Act (1 Hour)
- VLOOK Up (Excel) (30 Minutes)
- Insider Trading (30 Minutes)
- Basic Accounting Principles and Framework (1 Hour)
- Being an Effective Team Member (1 Hour)
- Business Coaching: Conducting Coaching Sessions (1 Hour)
- Code of Conduct Awareness (1 Hour)
- Communicating Across Cultures (1 Hour)
- Customer Service Confrontation and Conflict (1 Hour)
- Customer Service Fundamentals: Building Rapport in Customer Relationships (1 Hour)
- Decision Making: The Fundamentals (1 Hour)
- Essential Skills for Professional Telephone Calls (1 Hour)
- Generating Creative and Innovative Ideas: Maximizing Team Creativity (1 Hour)
- HIPAA Privacy Essentials (1 Hour)
- Interpersonal Communication: Communicating with Confidence (1 Hour)
- Interpersonal Communication: Listening Essentials (1 Hour)
- Introduction to Project Management using Project 2010 (1 Hour)
- Privacy and Information Security (1 Hour)

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery. CBT is capped at 50% of total training hours, per trainee.



**Training Proposal for:  
The Proctor & Gamble Paper  
Products Company**

**Agreement Number: ET16-0242**

**Panel Meeting of:** December 4, 2015

**ETP Regional Office:** North Hollywood

**Analyst:** J. Romero

**PROJECT PROFILE**

Contract Attributes:	Retrainee Priority Rate	Industry Sector(s):	Manufacturing  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Kern	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 871	U.S.: 35,000	Worldwide: 110,000
<u>Turnover Rate:</u>	2%		
<u>Managers/Supervisors:</u> (% of total trainees)	10%		

**FUNDING DETAIL**

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	<b>Total ETP Funding</b>
\$493,020		\$0	\$0		\$493,020

In-Kind Contribution:	100% of Total ETP Funding Required	\$729,776
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Business Skills, Cont. Imp., HazMat, Mgmt. Skills, Mfg. Skills, Computer Skills	330	8 - 200	0	\$1,494	\$17.11
				Weighted Avg: 83			

**Minimum Wage by County:** \$15.07 per hour for Kern County

**Health Benefits:**  Yes  No This is employer share of cost for healthcare premiums – medical, dental, vision.

**Used to meet the Post-Retention Wage?:**  Yes  No  Maybe

Although employer provides health benefits, they are not being used to meet Post-Retention Wage.

**Wage Range by Occupation**

Occupation Titles	Wage Range	Estimated # of Trainees
Technicians		296
Managers		34

**INTRODUCTION**

The Proctor & Gamble Paper Products Company (P&G - Paper) ([www.pg.com](http://www.pg.com)), is a division of The Proctor & Gamble Company in Cincinnati, Ohio. This multi-national corporation operates two facilities in California (Oxnard and Sacramento). However, training will take place at the 144-acre manufacturing plant and distribution center in Oxnard. The Oxnard plant manufactures paper goods such as Charmin®, Bounty®, Luvs®, Pampers® and Puffs®. The Company serves 4.8 billion consumers worldwide including Target, Walmart, Sam's Club and Costco. It currently operates on two paper machines, six converting lines and two cogeneration units on a 24-hour, 7-days a week schedule and are in the process of adding a new converting line.

**PROJECT DETAILS**

P&G-Paper has over 50 leadership brands in the market and aims to maintain its competitive advantage and position in the market and industry. To achieve this goal, the Company invests and provides job-specific employee training and development. Recently, P&G-Paper conducted a company-wide needs assessment, which identified specific needs in each department, including upgrades in work processes and employee skills to achieve an efficient manufacturing process. As a result, the Company developed new Standard Operating Procedures (SOP).

The proposed training will provide Oxnard-based employees task-oriented skills in keeping with the new SOPs. The training will include Business and Management Skills, as well as Continuous Improvement topics such as Strategic Planning, Product Knowledge and Quality Concepts. The Company will also provide Oxnard employees manufacturing-related skills such as Inventory Control, Equipment Maintenance and Repair and Mechanical Skills. These topics are outlined in more detail below.

## Training Plan

P&G-Paper is requesting the Panel's assistance to provide classroom/laboratory training hours to Technicians and Managers in the following areas:

**Business Skills (3%):** Training will be offered to all occupations. Training will include accounting programs, specifically SAP and P2P (Purchase to Payment), currently used to plan and schedule production and warehouse inventory.

**Management Skills (15%):** Training will be offered to Managers only and include topics such as Conflict Resolution, Time Management, Strategic Planning, Interpersonal Skills, Project Management, Critical Path Management and other topics that create strong leaders.

**Manufacturing Skills (40%):** Training will be offered to all occupations and include operation, preventive maintenance and repair of specialized machinery used in the manufacturing process. Trainees will acquire better understanding of the entire manufacturing process and will develop skills on quality review of products from a customer's perspective.

**Computer Skills (10%):** Training will be provided to Technicians who will gain additional skills in understanding and operating Rockwell Control Logix 5000 and Factory Talk View SE Studio Technology. These are the main software used in production and in business operation of the Company.

**Continuous Improvement (40%):** Training will be offered to all occupations. P&G-Paper continuously improves and creates new products. Trainees will learn new processes, systems, and new programming and equipment. This training will provide employees with improved skills in manufacturing process and in the operation and maintenance of equipment.

**Hazardous Materials (2%):** Training will be offered to all occupations. These skills will ensure that hazardous materials are handled in the safest manner possible for the employee, the Company, the customer and the environment.

## Commitment to Training

P&G-Paper spends approximately \$900,000 annually for its Oxnard location, training its workforce, which includes basic new employee orientation, sexual harassment prevention; OSHA mandated training and basic workplace safety and other job-specific training; most of which will not be part of this proposal and will be funded at the Company's expense.

The Company represents that ETP funds will not displace the existing financial commitment to training. Safety training is provided in accordance with all pertinent requirements under state and federal law.

### ➤ Training Infrastructure

P&G-Oxnard has qualified in-house trainers and a set training plan in place. The Company is ready to start training upon the approval of this proposal. P&G-Oxnard has assigned a team of

six people who are part of its Education and Training Pillar team to coordinate training, enroll, track and upload hours in the ETP Online System.

**RECOMMENDATION**

Staff recommends approval of this proposal.

**DEVELOPMENT SERVICES**

N/A

**ADMINISTRATIVE SERVICES**

N/A

**TRAINING VENDORS**

N/A

**Exhibit B: Menu Curriculum****Class/Lab Hours**

8 - 200

Trainees may receive any of the following:

**BUSINESS SKILLS**

- + Inventory Control
- + Accounting

**CONTINUOUS IMPROVEMENT**

- + Strategic Planning
- + Product Knowledge
- + Quality Concepts
- + Electrical Programming
- + Basic Electrical Training

**COMPUTER SKILLS**

- + Understanding of Rockwell Control Logix 5000
- + Factory Talk View SE Studio Technology

**HAZARDOUS MATERIALS**

- + Material Handling of Hazardous Materials

**MANAGEMENT SKILLS (Managers only)**

- + Conflict Management
- + Interpersonal Skills

**MANUFACTURING SKILLS**

- + Inventory Control
- + Mechanical Skills
- + Equipment Maintenance and Repair
- + Equipment Operation

Safety Training cannot exceed 10% of total training hours per-trainee

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery.



**Training Proposal for:**  
**WWF Operating Company**  
**Agreement Number: ET16-0281**

**Panel Meeting of:** December 4, 2015

**ETP Regional Office:** North Hollywood

**Analyst:** L. Vuong

**PROJECT PROFILE**

Contract Attributes:	Retrainee Priority Rate	Industry Sector(s):	Manufacturing  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Los Angeles	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Teamsters Local Union 630		
Number of Employees in:	CA: 1,553	U.S.: 3,600	Worldwide: 4,500
Turnover Rate:	4%		
Managers/Supervisors: (% of total trainees)	11%		

**FUNDING DETAIL**

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$506,880		\$76,160 15%	\$0		\$430,720

In-Kind Contribution:	100% of Total ETP Funding Required	\$1,115,200
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Business Skills, Computer Skills, Cont. Imp., HazMat., Mgmt Skills, Mfg. Skills	320	8-200	0	*\$1,346	\$17.00
				Weighted Avg: 88			

\*Reflects Substantial Contribution

**Minimum Wage by County:** \$15.97 per hour for Los Angeles County.**Health Benefits:**  Yes  No This is employer share of cost for healthcare premiums – medical, dental, vision.**Used to meet the Post-Retention Wage?:**  Yes  No  Maybe**Wage Range by Occupation**

Occupation Titles	Wage Range	Estimated # of Trainees
Machine Operator		160
Maintenance Mechanic		38
Palletizer		9
Quality Assurance Technician		14
Warehouse Worker		38
Administrative Staff		27
Supervisor		22
Manager		12

**INTRODUCTION**

WWF Operating Company (WhiteWave) ([www.whitewave.com](http://www.whitewave.com)) is a consumer packaged food and beverage company that manufactures, markets, distributes and sells branded plant-based (almond, soy bean, coconut and cashew) foods and beverages, coffee creamers, frozen desserts, premium dairy and organic products. Headquartered in Broomfield, Colorado, WhiteWave has manufacturing facilities located in Texas, Virginia, New Jersey, Oregon, Idaho, Europe, China and one facility in California, City of Industry, where all training will take place.

WhiteWave produces natural and organic beverages, which include Horizon®, the leading national organic dairy brand; and Silk®, the national category leader in natural and organic plant-based beverages including Silk®, Soymilk Silk®, PureAlmond, Cashew Silk®, and Silk® PureCoconut. WhiteWave also makes International Delight®, Earthbound Farms® organic produce, Vega One®, So-Delicious® frozen desserts, Wallaby Yogurt® and Land O'Lakes® liquid dairy products. Customers include retail and drug stores, super markets and wholesale food distributors.

Over the past two years, WhiteWave has experienced substantial growth in sales with a 500% increase in its workforce from 315 employees to 1,553 employees. The Company needs to support this growth with employee training. In addition, the Company recently hired a new Learning and Development Specialist, added a new product line (cashew milk) and purchased new computer software to improve overall business functions, maintain pace with technological changes and to support continued growth. With this new product line and business upgrades, WhiteWave anticipates additional growth and plans to hire 20 new employees over the next two years.

This will be the third Agreement between ETP and WhiteWave. Training under the prior ETP Agreement focused on its half-gallon sized production lines. Training under this contract will concentrate on additional and new products, new operating equipment, advance computer software and new skill sets for workers in all departments.

### **Union Support**

ETP has received letter of support from Teamsters Local Union 630 for Machine Operator, Maintenance Mechanic, Palletizer, Quality Assurance Technician and Warehouse Worker.

### **PROJECT DETAILS**

WhiteWave is continuously striving to meet customers' expectations and demands. For this proposal, the Company intends to implement manufacturing practices to enhance productivity and quality, eliminate waste, integrate new product line, adapt to new technologies and systems, design a quick turn-around delivery system and improve customer service. Employees will be cross-trained which will increase productivity and improve production layout. Workers in all departments must learn to work in teams, redesign processes and workflow, become more efficient and reduce costs.

### **Training Plan**

WhiteWave has developed a company-wide training program to modernize business practices and procedures. Training will allow the Company to upgrade worker job skills, promote growth and improve efficiencies throughout the facility. None of the training from the prior ETP Agreement will be repeated except for newly hired trainees.

Classroom/Laboratory and Videoconference training will be provided as follows:

**Business Skills (10%):** Training will be offered to all occupations in communication, planning, time management, productivity and problem solving. Training will provide workers the necessary skills to increase knowledge and perform their jobs more effectively.

**Computer Skills (10%):** Training will be offered to all occupations to effectively utilize the Company's new and existing automated systems, to support projects and manage overall business operations.

**Continuous Improvement (10%):** Training will be offered to all occupations and focus on team building skills, process improvement and developing training skills.

**Hazardous Material (5%):** Training will be offered to all occupations. Trainees will learn proper techniques and knowledge for handling chemical, water and waste cleaning as well as the environmental impact of hazardous materials.

**Management Skills (5%):** Training will be offered to Managers and Supervisors and will focus on supervisor training, leadership skills, coaching skills and how to provide constructive feedback to their employees to improve performance.

**Manufacturing Skills (60%):** Training will be offered to Machine Operators, Maintenance Mechanics, Palletizers, Quality Assurance Technicians and Warehouse Workers. Training will provide upgraded job skills with a focus on good manufacturing practices, equipment operations and overall production operations to meet growing customer demand.

### **Commitment to Training**

WhiteWave has a current annual training budget of approximately \$650,000. The Company's current training consists of mandatory safety training, machine operating, process improvement, quality assurance, leadership and basic computer skills. Most training is delivered via class/lab and on-the-job training.

ETP funds will support WhiteWave's ongoing financial commitment in training. After the completion of the ETP training, WhiteWave will continue to focus on developing and upgrading employee abilities and ensuring that employees possess the skills sets needed to be successful. The Company will continue to provide ongoing training throughout the term of the proposed ETP Agreement and beyond, at its own expense.

ETP funds will not displace the existing financial commitment to training. Safety training is provided in accordance with all pertinent requirements under state and federal law.

### **➤ Training Infrastructure**

Training is scheduled to begin upon Panel approval and will be delivered on-site by in-house staff and outside training vendor if needed. WhiteWave has designated a team (Learning and Development Specialist, Continuous Improvement Staff, Plant Managers, Supervisors and Line Lead Staff) responsible for all administrative responsibilities, including enrollment, recording, tracking and scheduling training, securing rosters, verify training and retention completion and ensure compliance with all ETP requirements.

### **Green/Clean Operations**

WhiteWave is committed to company growth, while also implementing Green/Clean processes. The Company provides consumers with healthy choices and uses less water and fewer greenhouse gases to produce products. Several of the Company's brands have partnered to support consumer efforts to properly recycle their packaging.

As a packaged goods company, WhiteWave adjusts portion control packaging in an effort to eliminate millions of pounds of waste. The Company achieved a 30% reduction in greenhouse gas emissions by improving creamer bottles and having more efficient transportation.

### **Substantial Contribution**

WhiteWave is a repeat contractor with payment earned in excess of \$250,000 at the City of Industry facility within the past five years. (See Prior Project Table.) Accordingly, reimbursement for trainees will be reduced by 15% to reflect the Company's \$76,160 Substantial Contribution to the cost of training.

### **RECOMMENDATION**

Staff recommends approval of this proposal.



**PRIOR PROJECTS**

The following table summarizes performance by WhiteWave under an ETP Agreement that was completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET13-0422	City of Industry	6/30/13 – 6/29/15	\$543,348	\$401,289 (74%)
ET12-0402	City of Industry	5/25/12 – 5/24/14	\$117,720	\$117,720 (100%)

**DEVELOPMENT SERVICES**

N/A

**ADMINISTRATIVE SERVICES**

N/A

**TRAINING VENDORS**

To Be Determined

**Exhibit B: Menu Curriculum****Class/Lab Hours**

8-200 Trainees may receive any of the following:

**BUSINESS SKILLS**

- ✚ Planning
- ✚ Productivity
- ✚ Communication Skills
- ✚ Time Management
- ✚ Problem Solving Skills

**COMPUTER SKILLS**

- ✚ Cornerstone Application
- ✚ System Application & Product
- ✚ Microsoft Office (Intermediate & Advanced)
- ✚ Train-the-Trainer (Writing Training Documents)

**CONTINUOUS IMPROVEMENT**

- ✚ Team Building Skills
- ✚ Making System Process Improvements
- ✚ Train-the-Trainer

**HAZARDOUS MATERIALS**

- ✚ SDS Training (Chemical Training)
- ✚ Chemical, Water and Waste Environmental Impact Training

**MANAGEMENT SKILLS** (Managers/Supervisors only)

- ✚ Leadership Skills
- ✚ Providing Constructive Feedback
- ✚ Supervisor Training
- ✚ Coaching Skills

**MANUFACTURING SKILLS**

- ✚ Integrated Work System Training
- ✚ Lead Operator Training
- ✚ Allergen Testing
- ✚ Package Integrity Training
- ✚ Finished Product Micro Testing
- ✚ Pathogen Training
- ✚ Micro Plating Training
- ✚ Quality Assurance Training
- ✚ Dairy Blending Training
- ✚ Universal Blend Room Training
- ✚ EH1 Line Operation – Half Gallon Filler
- ✚ EH2 Line Operation – Half gallon Filler
- ✚ Downstream Operation
- ✚ Extraction Training
- ✚ Break Relief Training
- ✚ Bag and Box Line Operation
- ✚ Douglas Packer Training
- ✚ DIMAC Training – Half Gallon Packaging

- ✚ Sidel Training – Quart Filler and Packaging
- ✚ Logistics Training
- ✚ Milk Receiving Training
- ✚ Milk Separation Training
- ✚ Processing Operator Training
- ✚ Blendor Operator Training
- ✚ Prisma Operator Training
- ✚ Filler Operator Training
- ✚ Palletizer Training
- ✚ Forklift Operator Training
- ✚ Batch/Mixing
- ✚ Bosch Operation
- ✚ Warehouse Training
- ✚ Maintenance Training
- ✚ Fuji Sleever Machine Operation
- ✚ Arol Capper Machine Operation
- ✚ Schneider Machine Operation
- ✚ Troubleshooting Machine Operations

Safety Training cannot exceed 10% of total training hours per-trainee

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery.



FOOD, INDUSTRIAL AND BEVERAGE WAREHOUSE, DRIVERS  
AND CLERICAL EMPLOYEES UNION – LOS ANGELES AND VICINITY

(213) 627-2178  
FAX (213) 627-0846

# TEAMSTERS LOCAL UNION NO. 630

750 S. STANFORD AVENUE / LOS ANGELES, CALIFORNIA 90021-1416

September 18, 2015

David Voorhees  
White Wave Foods  
18275 Arenth Ave.  
City of Industry Ca. 91748

## **Re: ETP Training Panel**

Mr. Voorhees

We understand that the members represented by Teamsters Local 630 at White Wave Foods in the City of Industry will receive training through ETP and we support equal opportunity training. The union is always in favor of our members gaining experience and knowledge through training and education. The union would like to express their appreciation for the opportunity presented to our members at White Wave Foods.

Respectfully

*Lou Villalvazo*

Lou Villalvazo  
Business Representative  
Teamsters Union Local 630

Cc: Ernie Lopez, Secretary Treasurer



**Training Proposal for:**  
**Esterline Technologies Corporation**  
**Agreement Number: ET16-0272**

**Panel Meeting of:** December 4, 2015

**ETP Regional Office:** San Diego

**Analyst:** K. Campion

**PROJECT PROFILE**

Contract Attributes:	Priority Rate Retrainee	Industry Sector(s):	Manufacturing  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Orange, San Luis Obispo	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No IAMAW District Lodge 947		
Number of Employees in:	CA: 1,695	U.S.: 4,576	Worldwide: 13,000
Turnover Rate:	10%		
Managers/Supervisors: (% of total trainees)	17%		

**FUNDING DETAIL**

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	<b>Total ETP Funding</b>
\$440,226		\$0	\$0		\$440,226

In-Kind Contribution:	100% of Total ETP Funding Required	\$733,710
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Business Skills, Computer Skills, Continuous Impr., Mftg. Skills	661	8 - 200	0 - 20	\$666	\$16.02
				Weighted Avg: 37			

**Minimum Wage by County:** \$16.02 per hour for Orange County; \$15.07 for San Louis Obispo County

**Health Benefits:**  Yes  No This is employer share of cost for healthcare premiums – medical, dental, vision.

**Used to meet the Post-Retention Wage?:**  Yes  No  Maybe

Although employer provides health benefits, they are not being used to meet Post-Retention Wage.

**Wage Range by Occupation**

Occupation Titles	Wage Range	Estimated # of Trainees
Administrative Staff		103
Production Staff (Union workers)		34
Production Staff (non-Union workers)		265
Professional Staff I (Engineers, Buyers, Analysts)		123
Professional Staff II (Engineers, Recruiters, Specialists, Program Managers)		26
Supervisor		58
Manager		52

**INTRODUCTION**

Headquartered in Bellevue, WA., Esterline Technologies Corporation (Esterline) [www.esterline.com](http://www.esterline.com) is a global manufacturer principally serving aerospace and defense markets. The Company owns several manufacturing plants in Southern California which will participate in this proposal: Leach International Corporation in Buena Park, Kirkhill-TA Company in Brea, and Joslyn Sunbank Company, LLC in Paso Robles.

Additionally, Esterline is currently in the process of re-locating two of its small manufacturing plants (Auxitrol/Advanced Sensors and Norwich Aero Products, Inc.) from New York to California, to be co-located with Leach International in Buena Park.

All of the aforementioned companies are wholly-owned subsidiaries of Esterline Technologies Corporation. Esterline has designated Leach International to act as the lead employer for this training project, as the majority of the training will be conducted at the Buena Park manufacturing facility. Therefore, Leach International will coordinate the implementation and administration of all the proposed training. This will be the first ETP Agreement within the last five years between Esterline Technologies Corporation and ETP.

Leach International designs and manufactures high-reliable power switching and control components and equipment for aerospace, rail and high-end industrial applications. Kirkhill manufactures engineered, organic and in-organic elastomer based products, and also produces silicone seals for commercial and military aircraft, rocket and missile liner insulation materials. Joslyn Sunbank Company manufactures connection solutions products. Auxitrol and Norwich design and manufacture high-precision temperature and pressure sensors, liquid level and various other measuring devices.

## **PROJECT DETAILS**

Esterline reports that in order to maintain its global competitiveness, increase capacity, and improve on-time delivery and quality scores, the Company is undergoing a comprehensive Lean Transformation across the entire organization, the *Esterline Operating System* (EOS). The EOS is made up of three key areas: Values & Principles, People Philosophy, and Esterline Enterprise Excellence (E3). Significant training is required to imbed E3 culture and Leadership principles into the organization. This is the first time in Esterline's history that the Company has invested a significant amount of resources to develop and deploy the Esterline Operating System. The successful implementation of EOS will enable Esterline to reduce waste at all of its companies, streamline the production areas, and ultimately remain globally competitive.

Additionally, Esterline's Product Lifetime Management (PLM) software system manages the data and key processes involved with developing new products. All of the Company's Computer-Aided-Design designs, product design data, documentation, and Bills of Materials are managed within PLM. Training in new computer modules and systems is critical to successfully implement PLM.

## **Training Plan**

Esterline has developed a comprehensive training plan for its California workers to jumpstart its Lean transformation and PLM training. The majority of the training will be conducted via class/lab; however, to supplement the class/lab training, a small percentage of training will be conducted via computer-based-training (CBT). Training will be delivered by a qualified in-house instructor and training vendors.

**Business Skills** (10%) – This training will be provided to Administrative Staff, Professional Staff, Supervisor, and Managers in order to strengthen product knowledge, improve customer relations and optimize inventory control techniques.

**Computer Skills** (20%) – This training will be provided to Administrative Staff, Professional Staff, Supervisors, and Managers in order to ensure trainees can navigate through all operation systems and Integrated Material Management and accounting systems, including the Company's new PLM system. Trainees will learn how to optimize system usage to increase efficiency.

**Continuous Improvement** (50%) – This training will be provided to all occupations. Trainees will learn techniques to eliminate waste and streamline operation areas through training in EOS. Leadership skills and Quality training will also be provided to help develop leaders and to provide them with skills for change management. Esterline projects that an effective lean

transformation will result in an increase in capacity which provides the ability to add new business with minimal cost. It will support increased customer satisfaction through continuous improvements which will result in higher on-time-delivery & quality scores.

**Manufacturing Skills (20%)** – This training will be provided to Production Staff. Trainees will learn Production and Equipment Operation Skills, and manufacturing practices to develop a continuous improvement culture in which employees drive improvements that create a competitive edge for the business.

### **Union Support**

The International Association of Machinists and Aerospace Workers, Distract Lodge 947, has submitted a letter of support for training its Production Staff workers at Leach International.

### **Commitment to Training**

ETP funds will not displace the existing financial commitment to training. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law. The Company spends an estimated \$300,000 annually on training at its California facilities in training topics such as new-hire orientation, sexual harassment prevention, mission, vision, and values training, ethics training, basic computer skills, on-the-job training, basic supervisory skills, regulatory training, and general job-specific training required to meet quality and customer requirements. Esterline reports that ETP funds will allow the Company to train more people in a more expedient manner than it would have been capable of without it.

#### ➤ Training Infrastructure

The VP of Human Resources and the Sensors & Systems Human Resources Director at Leach International will take responsibility for oversight of this project. Additionally, the Company will have dedicated internal Training Coordinators at each facility responsible for scheduling, tracking training, and providing monthly reports to Senior Management at each facility. Further, there will be an ETP Contract Administrator that will collaborate with the business unit training coordinators to consolidate ETP documentation. A subcontractor will perform specific ETP project administration including enrolling and tracking trainees in ETP systems.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

### **DEVELOPMENT SERVICES**

Esterline retained CalTraining, Inc. in Upland to assist with development of this proposal for a flat fee of \$5,000.

### **ADMINISTRATIVE SERVICES**

CalTraining, Inc. will also perform administrative services in connection with this proposal for an amount not to exceed 13% of payment earned.

### **TRAINING VENDORS**

To Be Determined





## **IAMAW** DISTRICT LODGE 947

535 W. Willow St. • Long Beach, CA 90806 • (562) 427-8900 • Fax (562) 427-1122

September 25, 2015

Executive Director  
Employment Training Panel  
1100 "J" Street, 4<sup>th</sup> Floor  
Sacramento, CA 95814

RE: ETP Training Program

The International Association of Machinist and Aerospace Workers District 947 supports Leach International/ Kirkhill in pursuing the proposed ETP training program in California, which will provide our members with the skills needed to meet customer requirements, which in turn will provide a gainful work for our members.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Daniella Ferioli', is written over a faint, larger version of the signature.

Daniella Ferioli  
Business Representative  
IAMAW District 947  
(619) 453-1851



## RETRAINEE - JOB CREATION

### Training Proposal for:

**Illumina, Inc.**

**Agreement Number: ET16-0254**

**Panel Meeting of:** December 4, 2015

**ETP Regional Office:** San Diego

**Analyst:** S. Godin

### PROJECT PROFILE

Contract Attributes:	Job Creation Initiative Priority Rate Retrainee	Industry Sector(s):	Biotechnology/Life Sciences Engineering Manufacturing  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Alameda, San Diego, Santa Clara, San Mateo, San Francisco	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 2,588	U.S.: 2,943	Worldwide: 4,237
<u>Turnover Rate:</u>	8%		
<u>Managers/Supervisors:</u> (% of total trainees)	11%		

### FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	<b>Total ETP Funding</b>
\$748,000		\$173,000 30%	\$0		\$575,000

In-Kind Contribution:	100% of Total ETP Funding Required	\$1,281,034
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Business Skills, Commercial Skills, Computer Skills, Continuous Improvement, Manufacturing Skills	1,000	8-200	0	*\$403	\$15.93
				Weighted Avg: 32			
2	Job Creation Initiative Retrainee	Business Skills, Commercial Skills, Computer Skills, Continuous, Improvement, Manufacturing Skills	200	8-200	0	\$860	\$13.28
				Weighted Avg: 43			

\* Reflects Substantial Contribution

**Minimum Wage by County:** Alameda, San Francisco, San Mateo, Santa Clara \$16.44 (Retrainee), \$13.70 (Job Creation); San Diego: \$15.93 (Retrainee) \$13.28 (Job Creation);  
**Health Benefits:**  Yes  No This is employer share of cost for healthcare premiums – medical, dental, vision.  
**Used to meet the Post-Retention Wage?:**  Yes  No  Maybe  
 Although employer provides health benefits, they are not being used to meet Post-Retention Wage.

Job 1 Wage Range by Occupation (Incumbent Worker)		
Occupation Titles	Wage Range	Estimated # of Trainees
Sales/Marketing Staff		120
Administration Support Staff		75
Production/Distribution Staff		475
IT Staff		55
Manager/Supervisor		120
Customer Support Staff		40
Engineering Staff		20
Technical Staff		15
Field Service Support Staff		80

<b>Job Number 2 Wage Range by Occupation (Job Creation)</b>		
Occupation Titles	Wage Range	Estimated # of Trainees
Sales/Marketing Staff		10
Administrative Support Staff		12
Production/Distribution Staff		135
IT Staff		5
Manager/Supervisor		15
Customer Support		5
Engineering Staff		2
Technical Staff		1
Field Service Support Staff		15

## **INTRODUCTION**

Founded in 1998 and headquartered in San Diego, Illumina, Inc. (Illumina) ([www.illumina.com](http://www.illumina.com)) develops and manufactures equipment and instruments for genetic analysis, sequencing, genotyping, gene expression, and protein analysis. These products are widely used in the pharmaceutical, biotechnology, academic, and government fields.

Illumina meets out-of-state competition standards as an industrially classified company (primarily in the physical, engineering and life sciences) and is eligible for priority industry reimbursement. This proposal will be administered in San Diego at Illumina's headquarters and is designed to train workers from six Illumina facilities located in San Diego (2), San Francisco, Santa Clara, Hayward and Redwood City.

## **PROJECT DETAILS**

This will be Illumina's fourth project, the third in the last five years. ET11-0106 provided extensive training in product development and manufacturing processes needed to produce the BeadXpress and VeraCode medical devices. ET13-0274 delivered training to improve quality and efficiency, leadership development, and building high performance teams.

Training in the proposed project is driven by the implementation of a companywide Enterprise Resource Planning System (ERP) and the need to train on processes and procedures for the manufacture of new medical devices.

The new ERP system (SAP) will improve the Company's overall productivity and link operations across all departments. This ERP program focuses on defining, simplifying, and implementing core business processes and replaces three older legacy systems. Illumina has invested in excess of \$50 million on this software. The program went live during the third quarter of 2015. Training for frontline workers is expected to commence during the 4<sup>th</sup> quarter of 2015 and 1<sup>st</sup> quarter of 2016.

In addition, Illumina continues to need extensive training in new product development, continuous improvement, and manufacturing processes to produce its medical devices. Training will include newly developed courses on Gene Sequencing Kits and Reagents that were not included in previous projects. Proposed training will build upon skill sets delivered in previous projects. Trainees from prior projects will not receive duplicate training.

## Retrainee - Job Creation

Illumina projects that it will hire at least 500 net new employees during the term of this agreement, of which 200 are included in the proposed Agreement, to support its market and business expansion of new products and services as well as those currently under development. A 295,000 square foot facility adjacent to San Diego headquarters is currently under construction to support its expansion goals. These new employees will be hired across all occupations and will require extensive training to develop the requisite skills needed to support the Company's expansion plans.

The date-of-hire for all Job Creation trainees (Job Number 2) will be within the three-month period before contract approval or within the term-of-contract. These trainees will be hired into "net new jobs" as a condition of contract. The Substantial Contribution requirement will be waived for these trainees.

## Training Plan

The proposed Agreement will offer training topics to new and incumbent employees and expanded learning opportunities for those who participated in previous projects. The proposed training plan will allow Illumina to continue to manufacture and distribute FDA-approved medical devices while improving performance standards.

**Business Skills (5%):** Trainees in all occupations will receive skill sets needed to manage internal and external customer relationships and speak to the Illumina products with acumen. Project management skills will enable employees to manage higher workloads and a variety of customer accounts. Training will also include topics such as active listening skills, advanced sales techniques, communication and customer service skills, and facilitator training. These skill sets will improve operational efficiency.

**Commercial Skills (10%):** Training will be delivered to trainees in all occupations. Training will focus on newly developed courses in Sequencing and Microarray Kits and Reagents. Training will also concentrate on standardizing, analyzing, measuring, and improving processes.

**Computer Skills (70%):** Training will be delivered to all occupations in the new SAP ERP system. Training will include: Reconciling Reports, End-to-End Business Management, Finance, Product Planning and Materials Management, Manufacturing and Service Delivery, Marketing and Sales, Inventory Management, Quality, and Shipping and Payment.

**Continuous Improvement (10%):** Training will be delivered to all newly-hired employees as well as employees who did not receive this training in the last agreement. This training will consist of quality control, change management, decision making skills, problem solving, and process improvement skills.

**Manufacturing Skills (5%)** Training will be delivered to Production and Distribution Staff, Field Support Staff, and selected Managers/Supervisors. Training will provide the skill sets needed to better understand Illumina's new product technology and improve company manufacturing operations, practices and techniques. Chemical Management Skills and On-Time Delivery Techniques courses will reduce unnecessary ingredient waste, improve on-time delivery, and help trainees to fulfill customer orders within a shorter time frame.

## Substantial Contribution

Illumina is a repeat contractor with payment earned in excess of \$250,000 and a former Substantial Contribution at the 15% level at the San Diego and Hayward facilities within the past five years (See Prior Project Table). Illumina has elected to take a 30% across-the-board

substantial contribution for all participating facilities in this proposal. This is for administrator ease, allowing incumbent trainees to be enrolled in one job number, rather than two. As such, reimbursement for trainees in Job Number 1 will be reduced by 30% to reflect the Company's \$173,000 Substantial Contribution to the cost of training.

### **Commitment to Training**

Illumina reports that it spends in excess of \$2M on training annually at its California facilities. The Company provides the following training: quality systems software updates, safety and environmental awareness training, sexual harassment and violence in the workplace prevention; and professional development skills training. The Company also provides commercial skills training to its Field Service Engineers, Field Application Scientists and Technical Support Staff coordinating new installations, inspections, instrument calibration and validation and troubleshooting systems.

ETP funds will not displace the existing financial commitment to training. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

### **Electronic Recordkeeping**

Illumina has requested, and staff has approved, its request to utilize their Learning Management System.

### **Training Infrastructure**

Illumina's training department will work directly with Spectra Consulting, LLC to administer the ETP-funded Agreement. The Company expects to start training within 10 days of Panel approval. The ETP Agreement will be managed out of Illumina's company headquarters in San Diego by the Illumina staff that has handled prior ETP Contracts.

### **Impact/Outcome**

Training goals include the implementation of the Company's new ERP system, development of new technologies and products and the skill sets necessary to successfully manage company growth while providing long term career opportunities for employees.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

### **PRIOR PROJECTS**

The following table summarizes performance by Illumina under an ETP Agreement that was completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET13-0274	Statewide	2/04/13 – 2/03/15	\$320,770	\$269,176 (84%)
ET11-0106	Statewide	12/31/10 – 12/30/12	\$248,400	\$222,820 (90%)

## **DEVELOPMENT SERVICES**

Illumina has retained Spectra Consulting, LLC in Sierra Madre to assist with development of this proposal for a flat fee of \$3,500.00.

## **ADMINISTRATIVE SERVICES**

Spectra Consulting, LLC will also perform administrative services in connection with this proposal for a fee not to exceed 13% of payment earned.

## **TRAINING VENDORS**

To Be Determined



## RETRAINEE - JOB CREATION

**Critical Proposal for:**

**Karma Automotive, LLC**

**Agreement Number: ET16-0287**

**Panel Meeting of:** December 4, 2015

**ETP Regional Office:** San Diego

**Analyst:** R. Swier

### PROJECT PROFILE

Contract Attributes:	Critical Proposal Job Creation Initiative Priority Rate Retrainee	Industry Sector(s):	Manufacturing  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Orange, Riverside	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 242	U.S.:248	Worldwide: 262
<u>Turnover Rate:</u>	1%		
<u>Managers/Supervisors:</u> (% of total trainees)	9%		

### FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	<b>Total ETP Funding</b>
\$835,218		\$0	\$0		\$835,218

<b>In-Kind Contribution:</b>	100% of Total ETP Funding Required	\$1,700,000
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Continuous Impr, Computer Skills. HazMat, Mfg Skills, Advanced Tech, PL-Mfg Skills	242	8-200	0-200	\$1,404	\$15.07
				Weighted Avg: 78			
2	Job Creation Priority Rate	Continuous Impr, Computer Skills. HazMat, Mfg Skills, Advanced Tech, PL-Mfg Skills	167	8-200	0-200	\$2,700	\$13.00
				Weighted Avg: 135			
3	Retrainee Priority Rate Veterans	Continuous Impr, Computer Skills. HazMat, Mfg Skills, Advanced Tech, PL-Mfg Skills	15	8-200	0-200	\$2,970	\$13.00
				Weighted Avg: 135			

**Minimum Wage by County:** Job Number 1: \$16.02 per hour for Orange County; \$15.07 per hour for Riverside County (standard wage). Job Number 2: \$13.35 per hour for Orange County; \$12.33 per hour for Riverside County (Job Creation).

**Health Benefits:**  Yes  No This is employer share of cost for healthcare premiums – medical, dental, vision.

**Used to meet the Post-Retention Wage?:**  Yes  No  Maybe

Up to \$0.95 per hour for Job Number 1 and up to \$0.35 per hour for Job Number 2 may be used to meet the Post-Retention Wage.

**Wage Range by Occupation**

Occupation Titles	Wage Range	Estimated # of Trainees
<b>Job Number 1</b>		
Operations		42
Sr. Operations		17
Information Technology/Engineering/Research and Development		102
Sr. Information Technology/Engineering/Research and Development		20
Quality		25
Production/Technicians		18
Supervisor/Manager/Director		12
Sr. Supervisor/Manager/Director		6

<b>Job Creation – Job Number 2</b>		
Operations		14
Information Technology/Engineering/Research and Development		38
Quality		17
Production/Technicians		104
Supervisor/Manager/Director		10
<b>Veterans Job Number 3</b>		
Operations		8
Information Technology/Engineering/Research and Development		2
Quality		2
Production/Technicians		2
Supervisor/Manager/Director		1

### **Critical Proposal**

This project has been designated as a Critical Proposal by the Governor’s Office of Business and Economic Development (Go-Biz) based on Karma’s planned business expansion and commitment to adding new jobs in California.

### **INTRODUCTION**

Karma Automotive, LLC Karma Auto, formerly Fisker Automotive and Technology Group, LLC, is rebuilding the Fisker and Karma brands. The Company has a new headquarters facility in Costa Mesa and will be expanding into larger facility in that city, shortly. The Company has also started work on a new 556,000 square-foot production and assembly facility in Moreno Valley, expected to be fully operational at the end of 2016.

The former company (Fisker) developed and sold the Karma® sports sedan, a gas-electric, plug-in electric “hybrid” which debuted in 2008. Under this ownership it encountered a series of problems, including issues with lithium-ion rechargeable batteries made by its supplier. Producing only about 2,000 hybrid vehicles, Fisker ceased production in 2012 and filed for bankruptcy in 2013.

In February 2014, Fisker was purchased by Chinese auto parts manufacturer Wanxiang America Corp. (Wanxiang), the same company that purchased the Fisker battery supplier. Wanxiang America is the U.S. arm of China Wanxiang Group, a large automotive parts supplier. On September 30, 2015, Wanxiang announced a new name and logo change to Karma Automotive, LLC (Karma) for the newly acquired Company in order to communicate the change in ownership while retaining the Karma® brand.

Under its new ownership Karma plans to begin producing its new plug-in, electric hybrid automobiles as early as mid-2016. Karma opened its headquarters facility in 2014, moving the remaining 20 employees (primarily original Karma model designers) from Anaheim to Costa Mesa. As noted earlier, the headquarter staff is also located in Costa Mesa.

Karma's decision to design, engineer, and produce its vehicles in California is based on several factors including its belief that it is faster, easier and less expensive to solve problems when the engineering and manufacturing teams are close together. In addition, Karma believes the trend-setting technologies and environmental focus in California are aligned with its re-launch. As a California-born company, location is an important factor to the markets that Karma is targeting.

## **Nanotechnology**

The new Karma® plug-in hybrid vehicle will use A123's new battery, which uses Nanotechnology to deliver high power energy in a more lightweight and compact package. In addition, with over 40 microcomputers included in the vehicle design, Nanotechnology plays a key role in the overall vehicle design and manufacture.

## **PROJECT DETAILS**

Karma expects rapid expansion as a newly emerged developer and manufacturer of electric hybrid automobiles in California. As noted earlier, the Company has already acquired another facility in Costa Mesa to house future employees. By the end of the first quarter of 2017, Karma expects to have a total of 661 employees between the two Costa Mesa facilities. (as compared to the current 242).

The production and assembly facility in Moreno Valley was built to produce the Company's hybrid vehicles and is projected to have 195 employees by first quarter 2017 (as compared to the current 39). Karma is currently preparing the Moreno Valley plant for prototype production in early 2016, with the start of actual production later that year. This provides the opportunity to utilize ETP funding for training before production begins.

## **Retrainee - Job Creation**

The Panel is offering incentives to companies that commit to hiring new employees. Training for newly-hired employees will be reimbursed at a higher rate and trainees will be subject to a lower post-retention wage.

The Company will focus on training Job Creation trainees in high level job skills to start manufacturing of vehicles by the end of 2016. Karma is planning to invest \$38 million in equipment and infrastructure in Moreno Valley and the Company opened an additional support facility in Costa Mesa to support its aforementioned business growth and expansion.

Karma proposes to hire 183 under the Job Creation initiatives (Job Number 2). Karma represents that the date-of-hire for all trainees in the Job Creation program will be within the three-month period before contract approval or within the term-of-contract. The Company also represents that these trainees will be hired into "net new jobs" as a condition of contract.

## **Training Plan**

Karma has significant training needs as it moves quickly to manufacture cars in California. The Company has developed its training plan to bring employees up to competency and full productivity levels. The Company is determining the fundamentals and the best/most current designs and considering the vehicles' footprint, fuel economy, weight, energy usage and flows within the vehicle. This involves extensive training to be able to put new technology and processes into place quickly and efficiently while maintaining very stringent quality standards.

The Company also plans to cross-train employees on all jobs within their department/function to allow them to fill in for other functions when necessary. Karma plans to remain as a niche, luxury automobile manufacturer running on a unique production line, at a smaller, more concentrated size than the typical auto manufacturer. With a flexible staff, the Company will be able to adjust to production needs.

**Computer Skills (5%):** Training will be offered to all occupations on systems and computer applications that are applicable to their job role and responsibilities.

**Manufacturing Skills (50%):** Training will be offered to Production Staff/ Technicians, Information Technology/Engineering/Research and Development, Supervisor/Manager/Director, and Quality. Hybrid Vehicle Manufacturing Skills will include topics such as: Hybrid Vehicle Manufacturing and Assembly Processes, Hybrid Vehicle Power Electronics, Electromechanical/Maintenance Skills, and Lean Manufacturing. These skills will ensure new and existing employees are brought up to speed with the latest developments in the manufacture and assembly of emerging technologies to ensure efficiency and quality during production.

**Continuous Improvement (10%):** Training will be offered to all occupations. Continuous Improvement Skills/Manufacturing Operations will provide an overview of Fisker's unique operations model, as well as the skills and proficiency necessary for high-level efficiency, quality, and customer service. Training will include topics such as Product Quality Planning, Change Management, Materials Selection/Product Optimization, Critical Thinking Skills, and Plant Specific Operations.

**Hazardous Materials Skills (5%):** Training will be offered to Production Staff /Technicians, Supervisor/Manager/Director, Quality Staff. Karma will provide supplemental hazardous materials skills in topics such as Hazardous Materials training (e.g. adhesives, solvents, chemicals, paint, etc.) and High-Voltage Battery and Systems Awareness.

### **Advanced Technology**

The proposed Advanced Technology (AT) training is designed exclusively for Information Technology/Engineering/ Research and Development professionals with an emphasis on innovation and new product development to further Karma's design and engineering goals. Courses will be taught by a combination of external vendors and highly skilled in-house Engineers and subject matter experts. Training will be offered to IT/Engineering/Research and Development, Supervisor/Manager/Director.

The trainer-to-trainee will be limited to 1:10 to allow in-depth coverage and personal attention from the instructor. Depending on the types of systems involved and the specific expertise required, the course will range from \$75 to \$200 per hour, per trainee.

Training of this nature is intensive and requires a large amount of time, dedicated largely to the acquisition of advanced skills including Hybrid Vehicle Engineering/Design Skills, Programming Skills, Web Development, Net Security, Information Security, Cisco Skills, and Citrix Skills included in the curriculum.

### **Computer-Based Training (CBT)**

Normally, CBT hours are capped at 50% of total training hours per trainee. However, under this proposal, Karma is requesting reimbursement of up to 100% CBT. If approved, it will allow Karma the flexibility to provide training via the appropriate training modality based on the stages of development and production throughout the two year term of the agreement.

With the current and rapid advances in technology, CBT is becoming an integral part of a larger system of practices and policies designed to prepare and support a high skilled workforce. This self-paced CBT delivery method will allow Karma's frontline worker's to participate in training during the work day when it best suits their job schedule or demand.

CBT is typically used to supplement/complement planned instructor-led learning in an effort to ensure a solid understanding of the concepts presented. However, a small number of trainees may receive all of their ETP training via CBT delivery. The majority of the training in the proposal is Manufacturing Skills targeted for Production Staff/Technicians, Information Technology/Engineering/Research and Development, and Supervisors/Managers.

CBT was developed by Tooling U-SME. The curriculum is customized for the manufacturing industry and targets the training needs of the auto industry. Tooling U-SME is constantly developing new content for their CBT library of classes, based on the requests and needs of the manufacturing community.

### **Productive Laboratory**

The Panel recently adopted regulations to authorize reimbursement for training delivered in a Productive Laboratory (PL) setting. PL trainees may produce goods for profit as part of the training in the courses identified under the Curriculum. The instructor must be dedicated to training delivery during all hours of training.

Karma's business requires many skills that need to be learned via observation and hands-on experience. The use of PL would allow for practical, "hands-on" experience that cannot be duplicated in a classroom setting. Additionally, Karma has some equipment that is in limited supply and requires special power connections and therefore can only be used on the production line.

The trainees will be under supervision by the instructor at all times. Training assignments will be task-oriented and specific to the manufacturing or software/hardware equipment. The trainer to trainee ratio for Productive Lab training in Karma's environment is 1:1 and to be conducted at the Company's Moreno Valley location for Production, Technicians, and Quality. Karma anticipates up to 150 trainees participating in PL. The Company has identified over 100 hours of PL training courses and is requesting up to 60 hours per-trainee to be funded by ETP.

### **Commitment to Training**

Karma represents that ETP funds will not displace the existing financial commitment to training. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

Karma currently provides training that includes new employee orientation, basic OSHA Training, basic Microsoft Office, and anti-harassment. Additionally, Karma allows employees to attend key industry conferences that provide training break-out sessions and seminars on industry topics and trends. This training will be provided at Karma's expense during the term of the proposed agreement and beyond.

### **Green/Clean Operations**

Karma is committed to the use of Green/Clean Technology. The Company will be manufacturing a plug-in hybrid vehicle. The vehicle will have a solar panel on the roof which will charge the high voltage battery. Subsequently, the battery will run the invertors, A/C, radio, ancillary

information and entertainment systems. Additionally the Company is also looking into installing solar panels on the roof of its facilities in Costa Mesa and Moreno Valley.

### **Veterans Program**

Karma appreciates qualities and skills that veterans gain from their military service. The Company is passionate about hiring veterans and feels they will bring a unique set of skills and abilities to the Company. As such, the Company is including a separate Veteran Job Number for training 15 newly hired Veterans. The Panel has established a higher reimbursement rate and other incentives for training California veterans, as will be reflected in the contract.

### **Individuals with Disabilities**

The No More Barriers program, recently adopted by the Panel, is designed to encourage California employers in their effort to “recruit, hire, train and retain” workers with disabilities. ETP funding will be available to train these workers, along with other staff who support the effort. Employers that hold federal contracts are particularly likely to train these workers, due to requirements under Section 503 of the Rehabilitation Act of 1973.

Although Karma does not have Section 503 compliance needs, it has an existing program for outreach and training workers with disabilities. These workers and supporting staff will receive training in special courses for “Individuals with Disabilities” (See Exhibit B). Trainees in multiple occupational titles may receive this coursework, under both Job Numbers 1 and 2.

The Company expects to train approximately 8 workers with disabilities; the actual trainee count will be reported to ETP at or before fiscal close-out. The Company is not asking for Job Creation incentives unless these workers are also newly-hired, in which case they will be enrolled under Job Number 2.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

### **DEVELOPMENT SERVICES**

Karma retained Training Funding Partners in Tustin to assist with development of this proposal for a flat fee of \$33,500.

### **ADMINISTRATIVE SERVICES**

Karma also retained Training Funding Partners to perform administrative services in connection with this proposal for amount not to exceed 13% of payment earned.

### **TRAINING VENDORS**

To Be Determined

## **Exhibit B: Menu Curriculum**

### **Class/Lab Hours**

8-200

Trainees may receive any of the following:

#### **CONTINUOUS IMPROVEMENT**

- Business Acumen
- Change Management
- Communication Skills
- Critical Thinking Skills
- Data Collection and Recordkeeping
- Effective Business/Technical Writing
- ISO Skills
- Leadership Skills
- Lean/Six Sigma
- Manufacturing Overview/ Plant Specific Operations
- Materials Selection/Product Optimization
- New and Revised SOP (Standard Operating Procedures)
- Presentation Skills
- Problem Solving/Troubleshooting
- Process Improvement Skills
- Product Quality Planning/ Product Liability
- Project Management
- Team Building
- Time Management
- Troubleshooting/Root Cause Analysis
- Understanding Work Instructions
  
- **Individuals with Disabilities**
  - Accessibility
  - Disability Culture: Sensitivity, Awareness, and Hiring Practices

#### **BUSINESS SKILLS**

- Individuals with Disabilities
  - Skills Development for People with Disabilities

#### **COMPUTER SKILLS**

- Computer Programming and Software Maintenance
- Fisker Proprietary Systems Skills
- Information Security
- Intermediate/Advanced MS Office Skills
- Microsoft Project
- SAP System Skills
- SharePoint
- Visio

#### **HAZARDOUS MATERIALS**

- Hazardous Materials Training (e.g. adhesives, solvents, chemicals, paint etc.)
- High-Voltage Battery and Systems Awareness

**MANUFACTURING SKILLS**

- Automotive/Electrical Safety
- Body Shop Equipment Operation/Maintenance
- Electro Mechanical/ Maintenance Skills
- Forklift Training
- Fuel Efficiency Best Practices
- High Performance Driving (Bondurant)
- Hybrid Vehicle Manufacturing and Assembly Processes
- Hybrid Vehicle Power Electronics
- Lean Manufacturing
- Line Balancing
- Hybrid Vehicle Manufacturing Equipment Skills/ Maintenance
- Hybrid Vehicle Manufacturing Fit and Finish/Quality
- Hybrid Vehicle Manufacturing Quality Control
- Paint Equipment Operation
- Paint Quality, Defects, Prevention, Repair
- Paint Types and Application Techniques
- Programmable Logic Control
- Welding Skills

**AT Hours**

0-200

**ADVANCED TECHNOLOGY**

- Catia (Computer-Aided Three-Dimensional Interactive Application)
- Cisco Skills
- Citrix Skills
- CompTIA
- Computer-Aided Engineering
- Concurrent Engineering Skills
- Design for Manufacturing
- Design of Experiments (DOE)
- Electric Vehicle Battery Applications
- Electrical Architecture-Controller Area Network (CAN) Networks, Flexray, Ethernet, etc.
- Equipment Troubleshooting, Diagnostics, and Repair
- Failure Mode and Effects Analysis (FMEA)
- Geometric Dimensioning and Tolerancing (GD&T)
- High-voltage Electronics Design and Management
- HVAC and Phase Change Thermodynamics
- Hybrid Vehicle Engineering/Design Skills
- Industrial Engineering
- Internal Combustion Engine Operation & Fuel Systems
- Java Skills
- Manufacturing Automation and Robotics
- Microsoft Server
- N Code
- Nastran
- Power Electronics
- Programming Skills
- Red Hat/Linux
- SQL



- Value Analysis and Value Engineering (VA/VE)
- Vehicle Dynamics
- VMWare
- Web Development-.Net Security
- Windows 8 and 10 Network Management

### **Productive Lab Hours**

0-60

#### **MANUFACTURING SKILLS** (limited to 1:1 trainer-to-trainee ratio)

- Body Shop Equipment Operation/Maintenance
- Paint Shop Equipment Operation/Maintenance
- Hybrid Vehicle Manufacturing and Assembly Processes
- Hybrid Vehicle Power Electronics
- Manufacturing Equipment Skills/ Maintenance
- Manufacturing Fit and Finish/Quality

### **CBT Hours**

0-200

#### **BUSINESS SKILLS**

- Basics of Manufacturing Costs 140 (1.5 hours)
- Conflict Resolution for Different Groups 155 (1.5 hours)
- Conflict Resolution Principles 150 (1.5 hours)
- Essentials of Communication 120 (1.5 hours)
- Intro to Managerial Accounting 145 (1.5 hours)

#### **CONTINUOUS IMPROVEMENT**

- Essentials of Leadership 110 (1.5 hours)
- Managing Performance: Best Practices 130 (1.5 hours)
- Managing Performance: Corrective Actions 135 (1.5 hours)
- Team Leadership 160 (1.5 hours)

#### **MANUFACTURING SKILLS**

##### Adhesives

- Basics of the Bonding Process 120 (1.5 hours)
- Intro to Adhesive Bonding 110 (1.5 hours)
- Intro to Adhesive Properties 130 (1.5 hours)
- Steps for Adhesive Application 220 (1.5 hours)
- Surface Preparation 210 (1.5 hours)
- Types of Adhesives 140 (1.5 hours)

##### Coatings

- Coating Defects 150 (1.5 hours)
- Intro to Coating Composition 110 (1.5 hours)
- Processes for Applying Coatings 140 (1.5 hours)
- Surface Preparation for Coatings 120 (1.5 hours)
- Troubleshooting Coating Defects 170 (1.5 hours)

##### Composites

- Advanced Materials for Composites 135 (1.5 hours)
- Advanced Thermoset Resins for (1.5 hours)
- Bagging 230 (1.5 hours)
- Composite Inspection and Defect (1.5 hours)

- Composites 130 (1.5 hours)
  - Intro to Composites 110 (1.5 hours)
  - Intro to Compression Molding 170 (1.5 hours)
  - Intro to Lay-up and Spray-up Molding 140 (1.5 hours)
  - Overview of Composite Processes 120 (1.5 hours)
  - Prevention 240 (1.5 hours)
  - Repair Methods for Composites 250 (1.5 hours)
  - Safety for Composite Processing 115 (1.5 hours)
  - Surface Finishing Composites 190 (1.5 hours)
  - Traditional Composites 125 (1.5 hours)
  - Vacuum Bagging Technique: Single-Sided (1.5 hours)
- Computer Numerical Control
- Basics of the CNC Machining Center 130 (1.5 hours)
  - Basics of the CNC Swiss-Type Lathe 135 (1.5 hours)
  - Basics of the CNC Turning Center 120 (1.5 hours)
  - CAD/CAM Overview 160 (1.5 hours)
  - Canned Cycles 310 (1.5 hours)
  - CNC Coordinates 140 (1.5 hours)
  - CNC Manual Operations 200 (1.5 hours)
  - CNC Offsets 210 (1.5 hours)
  - CNC Specs for the Lathe 225 (1.5 hours)
  - CNC Specs for the Mill 220 (1.5 hours)
  - Creating a Mazatrol Program for the Lathe 289 (1.5 hours)
  - Creating a Mazatrol Program for the Mill 288 (1.5 hours)
  - Creating a Milling Program 290 (1.5 hours)
  - Creating a Turning Program 280 (1.5 hours)
  - Creating an EIA/ISO Program for the Mazak (1.5 hours)
  - Creating an EIA/ISO Program for the Mazak (1.5 hours)
  - GE Fanuc Lathe: Control Panel Overview 255 (1.5 hours)
  - GE Fanuc Lathe: Entering Offsets 265 (1.5 hours)
  - GE Fanuc Lathe: First Part Runs 325 (1.5 hours)
  - GE Fanuc Lathe: Locating Program Zero 275 (1.5 hours)
  - GE Fanuc Lathe: Program Execution 285 (1.5 hours)
  - GE Fanuc Lathe: Program Storage 315 (1.5 hours)
  - GE Fanuc Mill: Control Panel Overview 250 (1.5 hours)
  - GE Fanuc Mill: Entering Offsets 260 (1.5 hours)
  - GE Fanuc Mill: First Part Runs 320 (1.5 hours)
  - GE Fanuc Mill: Locating Program Zero 270 (1.5 hours)
  - GE Fanuc Mill: Program Execution 280 (1.5 hours)
  - GE Fanuc Mill: Program Storage 310 (1.5 hours)
  - Haas Lathe: Control Panel Overview 255 (1.5 hours)
  - Haas Lathe: Entering Offsets 265 (1.5 hours)
  - Haas Lathe: First Part Runs 325 (1.5 hours)
  - Haas Lathe: Locating Program Zero 275 (1.5 hours)
  - Haas Lathe: Program Execution 285 (1.5 hours)
  - Haas Lathe: Program Storage 315 (1.5 hours)
  - Haas Mill: Control Panel Overview 250 (1.5 hours)
  - Haas Mill: Entering Offsets 260 (1.5 hours)
  - Haas Mill: First Part Runs 320 (1.5 hours)
  - Haas Mill: Locating Program Zero 270 (1.5 hours)

- Haas Mill: Program Execution 280 (1.5 hours)
- Haas Mill: Program Storage 310 (1.5 hours)
- History and Definition of CNC 100 (1.5 hours)
- Lathe 287 (1.5 hours)
- Mazak Lathe: Control Panel Overview 255 (1.5 hours)
- Mazak Lathe: Entering Offsets 285 (1.5 hours)
- Mazak Lathe: First Part Runs 325 (1.5 hours)
- Mazak Lathe: Locating Program Zero 275 (1.5 hours)
- Mazak Lathe: Program Execution 295 (1.5 hours)
- Mazak Lathe: Program Storage 315 (1.5 hours)
- Mazak Lathe: Safety for the Lathe 265 (1.5 hours)
- Mazak Mill: Control Panel Overview 250 (1.5 hours)
- Mazak Mill: Entering Offsets 280 (1.5 hours)
- Mazak Mill: First Part Runs 320 (1.5 hours)
- Mazak Mill: Locating Program Zero 270 (1.5 hours)
- Mazak Mill: Program Execution 290 (1.5 hours)
- Mazak Mill: Program Storage 310 (1.5 hours)
- Mazak Mill: Safety for the Mill 260 (1.5 hours)
- Mechanics of CNC 110 (1.5 hours)
- Mill 286 (1.5 hours)
- Milling Calculations 295 (1.5 hours)
- Part Program 150 (1.5 hours)
- Turning Calculations 285 (1.5 hours)

#### Electrical Power

- AC Fundamentals 210 (1.5 hours)
- AC Power Sources 235 (1.5 hours)
- Battery Selection 250 (1.5 hours)
- Conductor Selection 240 (1.5 hours)
- DC Circuit Components 140 (1.5 hours)
- DC Power Sources 230 (1.5 hours)
- Electrical Instruments 220 (1.5 hours)
- Electrical Print Reading 225 (1.5 hours)
- Electrical Units 110 (1.5 hours)
- Intro to Circuits 120 (1.5 hours)
- Intro to Magnetism 130 (1.5 hours)
- NEC Overview 150 (1.5 hours)
- Parallel Circuit Calculations 205 (1.5 hours)
- Safety for Electric Work 115 (1.5 hours)
- Series Circuit Calculations 200 (1.5 hours)

#### Fasteners

- Intro to Assembly 100 (1.5 hours)
- Intro to Fastener Ergonomics 130 (1.5 hours)
- Intro to Fastener Threads 110 (1.5 hours)
- Overview of Non-Threaded Fasteners 125 (1.5 hours)
- Overview of Threaded Fasteners 117 (1.5 hours)
- Properties for Fasteners 200 (1.5 hours)
- Safety for Assembly 105 (1.5 hours)
- Threaded Fastener Selection 215 (1.5 hours)
- Tools for Threaded Fasteners 120 (1.5 hours)
- Understanding Torque 210 (1.5 hours)

### Hydraulics and Pneumatics

- Actuator Applications 240 (1.5 hours)
- Basic Hydraulic Circuit Design 310 (1.5 hours)
- Basic Pneumatic Circuit Design 315 (1.5 hours)
- Contamination and Filter Selection 330 (1.5 hours)
- Fittings for Fluid Systems 135 (1.5 hours)
- Fluid System Print Reading 220 (1.5 hours)
- Hydraulic Control Valves 230 (1.5 hours)
- Hydraulic Fluid Selection 320 (1.5 hours)
- Hydraulic Power Sources 210 (1.5 hours)
- Hydraulic Power Variables 200 (1.5 hours)
- Hydraulic Principles and System Design 340 (1.5 hours)
- Intro to Fluid Conductors 130 (1.5 hours)
- Intro to Fluid Systems 100 (1.5 hours)
- Intro to Hydraulic Components 120 (1.5 hours)
- Intro to Pneumatic Components 125 (1.5 hours)
- Pneumatic Control Valves 235 (1.5 hours)
- Pneumatic Power Sources 215 (1.5 hours)
- Pneumatic Power Variables 205 (1.5 hours)
- Preventive Maintenance for Fluid Systems 140 (1.5 hours)
- Safety for Hydraulics and Pneumatics 105 (1.5 hours)
- The Forces of Fluid Power 110 (1.5 hours)

### Inspection Skills

- Basic Measurement 110 (1.5 hours)
- Basics of the CMM 120 (1.5 hours)
- Basics of the Optical Comparator 130 (1.5 hours)
- Calibration Fundamentals 210 (1.5 hours)
- Hardness Testing 260 (1.5 hours)
- Hole Inspection 240 (1.5 hours)
- Inspecting with CMMs 220 (1.5 hours)
- Inspecting with Optical Comparators 230 (1.5 hours)
- Interpreting GD&T 310 (1.5 hours)
- Intro to GD&T 200 (1.5 hours)
- Linear Instrument Characteristics 115 (1.5 hours)
- Measuring System Analysis 300 (1.5 hours)
- Overview of Threads 150 (1.5 hours)
- Surface Measurement 140 (1.5 hours)
- Thread Inspection 250 (1.5 hours)

### Manufacturing Process Skills

- Basics of the Engine Lathe 115 (1.5 hours)
- Basics of the Manual Mill 110 (1.5 hours)
- Basics of Tolerance 120 (1.5 hours)
- Benchwork and Layout Operations 210 (1.5 hours)
- Blueprint Reading 130 (1.5 hours)
- Centerless Grinder Operation 260 (1.5 hours)
- Concepts of Calculus 310 (1.5 hours)
- Cylindrical Grinder Operation 250 (1.5 hours)
- Dressing and Truing 230 (1.5 hours)
- Engine Lathe Operation 225 (1.5 hours)
- Geometry: Circles and Polygons 185 (1.5 hours)
- Geometry: Lines and Angles 155 (1.5 hours)

- Geometry: Triangles 165 (1.5 hours)
- Grinding Processes 120 (1.5 hours)
- Grinding Variables 200 (1.5 hours)
- Grinding Wheel Geometry 220 (1.5 hours)
- Grinding Wheel Materials 210 (1.5 hours)
- Holmaking on the Mill 230 (1.5 hours)
- Interpreting Blueprints 230 (1.5 hours)
- Intro to Abrasives 100 (1.5 hours)
- Manual Mill Operation 220 (1.5 hours)
- Math: Fractions and Decimals 105 (1.5 hours)
- Math: Fundamentals 100 (1.5 hours)
- Math: Units of Measurement 115 (1.5 hours)
- Overview of Engine Lathe Setup 205 (1.5 hours)
- Overview of Manual Mill Setup 200 (1.5 hours)
- Setup for Centerless Grinders 320 (1.5 hours)
- Shop Algebra Overview 200 (1.5 hours)
- Shop Geometry Overview 170 (1.5 hours)
- Shop Trig Overview 210 (1.5 hours)
- Statistics 220 (1.5 hours)
- Surface Grinder Operation 240 (1.5 hours)
- Taper Turning on the Engine Lathe 240 (1.5 hours)
- Threading on the Engine Lathe 235 (1.5 hours)
- Trig: Pythagorean Theorem 205 (1.5 hours)
- Trig: Sine Bar Applications 225 (1.5 hours)
- Trig: Sine, Cosine, and Tangent 215 (1.5 hours)
- What Is Grinding? 110 (1.5 hours)

#### Materials Processing

- Ceramics 250 (1.5 hours)
- Ferrous Metals and Alloys 210 (1.5 hours)
- Heat Treatment of Steel 230 (1.5 hours)
- Intro to Materials 100 (1.5 hours)
- Mechanical Properties of Metals 120 (1.5 hours)
- Metal Classification 150 (1.5 hours)
- Metal Manufacturing 140 (1.5 hours)
- Nonferrous Metals and Alloys 220 (1.5 hours)
- Overview of Plastic Materials 115 (1.5 hours)
- Overview of Plastic Processes 145 (1.5 hours)
- Overview of Properties for Plastics 135 (1.5 hours)
- Physical Properties of Metals 130 (1.5 hours)
- Plastics 240 (1.5 hours)
- Principles of Injection Molding 255 (1.5 hours)
- Principles of Thermoforming 265 (1.5 hours)
- Structure of Metals 110 (1.5 hours)

#### Mechanical Systems

- Bearing Applications 210 (1.5 hours)
- Belt Drive Applications 230 (1.5 hours)
- Clutch and Brake Applications 250 (1.5 hours)
- Forces of Machines 110 (1.5 hours)
- Gear Applications 245 (1.5 hours)
- Gear Geometry 240 (1.5 hours)
- Intro to Mechanical Systems 100 (1.5 hours)

- Lubricant Fundamentals 130 (1.5 hours)
- Mechanical Power Variables 200 (1.5 hours)
- Power Transmission Components 120 (1.5 hours)
- Safety for Mechanical Work 105 (1.5 hours)
- Spring Applications 220 (1.5 hours)

#### Metal Stamping Press/Metalworking

- ANSI Insert Selection 250 (1.5 hours)
- Band Saw Blade Selection 215 (1.5 hours)
- Carbide Grade Selection 230 (1.5 hours)
- Chucks, Collets, and Vises 110 (1.5 hours)
- Clamping Basics 108 (1.5 hours)
- Cutting Fluids 210 (1.5 hours)
- Cutting Processes 140 (1.5 hours)
- Cutting Tool Materials 220 (1.5 hours)
- Cutting Variables 200 (1.5 hours)
- Drill Bushing Selection 230 (1.5 hours)
- Drill Geometry 247 (1.5 hours)
- Fixture Body Construction 200 (1.5 hours)
- Fixture Design Basics 210 (1.5 hours)
- Hard Turning 315 (1.5 hours)
- High-Speed Machining 310 (1.5 hours)
- Intro to Screw Machining 160 (1.5 hours)
- Intro to Workholding 104 (1.5 hours)
- Locating Devices 107 (1.5 hours)
- Machines for Metal Cutting 130 (1.5 hours)
- Machining Titanium Alloys 325 (1.5 hours)
- Metal Removal Processes 110 (1.5 hours)
- Milling Geometry 245 (1.5 hours)
- Optimizing Insert Life 305 (1.5 hours)
- Safety for Metal Cutting 115 (1.5 hours)
- Sawing Fundamentals 155 (1.5 hours)
- Speed and Feed Selection 300 (1.5 hours)
- Supporting and Locating Principles 106 (1.5 hours)
- Tool Geometry 240 (1.5 hours)
- Toolholders for Turning 260 (1.5 hours)
- What Is Cutting? 120 (1.5 hours)

#### Motor Controls

- AC Motor Applications 240 (1.5 hours)
- Acceleration Methods 385 (1.5 hours)
- Contactors and Motor Starters 250 (1.5 hours)
- Control Devices 260 (1.5 hours)
- DC Motor Applications 230 (1.5 hours)
- Deceleration Methods 380 (1.5 hours)
- Distribution Systems 320 (1.5 hours)
- Electronic Semiconductor Devices 350 (1.5 hours)
- Intro to Electric Motors 200 (1.5 hours)
- Limit Switches and Proximity Sensors 360 (1.5 hours)
- Logic and Line Diagrams 220 (1.5 hours)
- Photoelectric and Ultrasonic Devices 365 (1.5 hours)
- Photonic Semiconductor Devices 355 (1.5 hours)
- Reduced Voltage Starting 370 (1.5 hours)

- Reversing Motor Circuits 310 (1.5 hours)
- Solenoids 235 (1.5 hours)
- Solid-State Relays and Starters 375 (1.5 hours)
- Specs for Servomotors 330 (1.5 hours)
- Symbols and Diagrams for Motors 210 (1.5 hours)
- Timers and Counters 340 (1.5 hours)

#### Press Brakes

- Bending Fundamentals 120 (1.5 hours)
- Die Bending Operations 130 (1.5 hours)
- Operating the Press Brake 200 (1.5 hours)
- Press Brake Components 110 (1.5 hours)
- Press Brake Safety 100 (1.5 hours)
- Press Brake Specifications 220 (1.5 hours)

#### Programmable Logic Controllers

- Basic Programming 250 (1.5 hours)
- Basics of Ladder Logic 220 (1.5 hours)
- Data Manipulation 360 (1.5 hours)
- Hand-Held Programmers of PLCs 280 (1.5 hours)
- Hardware for PLCs 210 (1.5 hours)
- Intro to PLCs 200 (1.5 hours)
- Math for PLCs 320 (1.5 hours)
- Networking for PLCs 270 (1.5 hours)
- Numbering Systems and Codes 230 (1.5 hours)
- Overview of PLC Registers 305 (1.5 hours)
- PID for PLCs 350 (1.5 hours)
- PLC Diagrams and Programs 300 (1.5 hours)
- PLC Inputs and Outputs 240 (1.5 hours)
- PLC Installation Practices 340 (1.5 hours)
- PLC Program Control Instructions 310 (1.5 hours)
- PLC Timers and Counters 260 (1.5 hours)
- Sequencer Instructions for PLCs 330 (1.5 hours)
- Shift Registers 370 (1.5 hours)

#### Quality and Testing

- 5S Overview 155 (1.5 hours)
- Approaches to Maintenance 120 (1.5 hours)
- Approaches to Quality Management 255 (1.5 hours)
- Cell Design and Pull Systems 160 (1.5 hours)
- Conducting an Internal Audit 200 (1.5 hours)
- Conducting Kaizen Events 260 (1.5 hours)
- Effects 182 (1.5 hours)
- Intro to Machine Rigging 110 (1.5 hours)
- Intro to Six Sigma 170 (1.5 hours)
- Intro to Supply Chain Management 140 (1.5 hours)
- ISO 9000 Overview 110 (1.5 hours)
- Lean Manufacturing Overview 130 (1.5 hours)
- Lifting and Moving Equipment 130 (1.5 hours)
- Managing Practices for Total Quality 320 (1.5 hours)
- Metrics for Lean 230 (1.5 hours)
- Process Flow Charting 240 (1.5 hours)
- Quality Overview 100 (1.5 hours)
- Rigging Equipment 120 (1.5 hours)

- Rigging Inspection and Safety 210 (1.5 hours)
- Rigging Mechanics 220 (1.5 hours)
- Six Sigma Goals and Tools 310 (1.5 hours)
- SPC Overview 210 (1.5 hours)
- Strategies for Setup Reduction 250 (1.5 hours)
- Total Productive Maintenance Overview 150 (1.5 hours)
- Troubleshooting: Identifying Problems 180 (1.5 hours)
- Troubleshooting: Taking Corrective Actions 184 (1.5 hours)
- Troubleshooting: Understanding Causes and (1.5 hours)
- TS 16949:2002 Overview 220 (1.5 hours)
- Value Stream Mapping: The Future State 305 (1.5 hours)
- Value Stream Mapping: The Present State 300 (1.5 hours)

#### Robotics

- Applications for Robots 130 (1.5 hours)
- Concepts of Robot Programming 210 (1.5 hours)
- End Effectors 125 (1.5 hours)
- Industrial Network Integration 260 (1.5 hours)
- Intro to Robotics 110 (1.5 hours)
- Robot Axes 140 (1.5 hours)
- Robot Components 120 (1.5 hours)
- Robot Installations 230 (1.5 hours)
- Robot Maintenance 170 (1.5 hours)
- Robot Safety 115 (1.5 hours)
- Robot Sensors 150 (1.5 hours)
- Robot Troubleshooting 160 (1.5 hours)
- Robotic Control Systems 240 (1.5 hours)
- Robotic Drives, Hardware, and Components 220 (1.5 hours)
- Vision Systems 250 (1.5 hours)

#### Soldering/Welding

- Arc Welding Aluminum Alloys 310 (1.5 hours)
- Arc Welding Power Sources 260 (1.5 hours)
- Arc Welding Processes 120 (1.5 hours)
- Arc Welding Safety 115 (1.5 hours)
- Arc Welding Symbols and Codes 250 (1.5 hours)
- Coil Handling Equipment 140 (1.5 hours)
- Coil Loading Procedures 250 (1.5 hours)
- Die Components 130 (1.5 hours)
- Die Cutting Variables 200 (1.5 hours)
- Die Setting Procedures 300 (1.5 hours)
- Electrical Power for Arc Welding 140 (1.5 hours)
- Electrode Selection 270 (1.5 hours)
- FCAW Applications 230 (1.5 hours)
- Ferrous Metals for Welding 200 (1.5 hours)
- GMAW Applications 220 (1.5 hours)
- GTAW Applications 240 (1.5 hours)
- Guiding System Components 230 (1.5 hours)
- Intro to Submerged Arc Welding 160 (1.5 hours)
- Lead-Free Soldering 230 (1.5 hours)
- Monitoring Press Operations 220 (1.5 hours)
- Nonferrous Metals for Welding 205 (1.5 hours)
- Overview of Weld Types 130 (1.5 hours)



- Oxyfuel Welding Applications 207 (1.5 hours)
- Oxyfuel Welding Safety 105 (1.5 hours)
- Plasma Cutting 265 (1.5 hours)
- Press Basics 110 (1.5 hours)
- Punch and Die Operations 120 (1.5 hours)
- Safety for Soldering 115 (1.5 hours)
- SAW Applications 255 (1.5 hours)
- SMAW Applications 210 (1.5 hours)
- Solder and Flux Selection 210 (1.5 hours)
- Soldering Applications 200 (1.5 hours)
- Soldering Equipment 130 (1.5 hours)
- Soldering PCBs 220 (1.5 hours)
- Stamping Safety 115 (1.5 hours)
- Stripper System Components 235 (1.5 hours)
- Visual Inspection of Welds 280 (1.5 hours)
- What Is Arc Welding? 110 (1.5 hours)
- What Is Oxyfuel Welding? 100 (1.5 hours)
- What Is Soldering? 110 (1.5 hours)

#### **HAZARDOUS MATERIALS**

- Environmental Safety Hazards 150 (1.5 hours)
- Flammable/Combustible Liquids 155 (1.5 hours)

Safety Training will be limited to 10% of total training hours per-trainee

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery. PL is capped at 60hours per-trainee.



**RETRAINEE - JOB CREATION  
Training Proposal for:**

**International Business Machines Corporation  
Agreement Number: ET16-0273**

**Panel Meeting of:** December 4, 2015

**ETP Regional Office:** San Francisco Bay Area      **Analyst:** D. Woodside

**PROJECT PROFILE**

Contract Attributes:	Retrainee Job Creation Initiative Veterans Priority Rate	Industry Sector(s):	Technology/IT Manufacturing  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Contra Costa, Sacramento, San Mateo, Santa Clara, San Francisco, Los Angeles, Orange, San Diego	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 8,884	U.S.: 75,000	Worldwide: 300,000
<u>Turnover Rate:</u>	7%		
<u>Managers/Supervisors:</u> (% of total trainees)	10%		

**FUNDING DETAIL**

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	<b>Total ETP Funding</b>
\$388,378		\$0	\$0		\$388,378

<b>In-Kind Contribution:</b>	<b>100% of Total ETP Funding Required</b>	<b>\$1,329,000</b>
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Cont. Imp., Business Skills, Computer Skills, Mgmt. Skills	715	8-200	0-200	\$414	\$29.00
				Weighted Avg: 23			
2	Retrainee Job Creation Initiative Priority Rate	Cont. Imp., Business Skills, Computer Skills, Mgmt. Skills	192	8-200	0-200	\$460	\$29.00
				Weighted Avg: 23			
3	Retrainee Job Creation Initiative Veterans Priority Rate	Cont. Imp., Business Skills, Computer Skills, Mgmt. Skills	8	8-200	0-200	\$506	\$29.00
				Weighted Avg: 23			

**Minimum Hourly Wage by County: Job Number 1:** \$16.44 in Contra Costa, San Mateo, Santa Clara, San Francisco; \$16.02 in Orange; \$15.97 in Los Angeles; \$15.75 in Sacramento; \$15.93 in San Diego. **Job Numbers 2 & 3 (Job Creation and Veterans):** \$13.70 in Contra Costa, San Mateo, Santa Clara, San Francisco; \$13.35 in Orange; \$13.31 in Los Angeles; \$13.13 in Sacramento; and \$13.28 in San Diego.

**Health Benefits:**  Yes  No This is employer share of cost for healthcare premiums – medical, dental, vision.

**Used to meet the Post-Retention Wage?:**  Yes  No  Maybe

Although employer provides health benefits, they are not being used to meet the Post-Retention Wage.

**Wage Range by Occupation (For all Job Numbers)**

Occupation Titles	Wage Range	Estimated # of Trainees
IT Architect I		50
IT Architect II		100
IT Specialist I		75
IT Specialist II		125
Manager/Supervisor I		25
Manager/Supervisor II		68
Project Manager I		90
Project Manager II		93
Software Engineer I		100
Software Engineer II		50
Software Engineer III		39
Technician I		50
Technician II		50

## **INTRODUCTION**

Founded in 1911, International Business Machines Corporation (IBM) ([www.ibm.com](http://www.ibm.com)) provides Information Technology (IT) products and services worldwide. It creates, designs, markets, manufactures and sells advanced technologies including computer systems, software, networking systems, storage devices, cloud computing, data analysis, data warehousing and Web content delivery to a global customer base in a myriad of industries.

The Company reports that 90% of the world's largest banks, 9 of the top 10 oil and gas companies, 40 of the 50 major retailers, and 92 of the top 100 healthcare organizations use IBM systems. IBM's mainframes alone process 75% of the world's business data.

Training under this proposal will be for employees of IBM's Global Business Services Division. This Division provides more than systems hardware and equipment. It assists customers solve complex business and technical issues by providing consulting, process design, systems integration, and software application design and management to commercial and public sector organizations worldwide.

IBM maintains a strong presence in California, particularly in the San Francisco Bay Area. IBM looks to its Northern California research and development locations for highly sophisticated, industry-leading research and product development work. Most of this activity now occurs at IBM's two primary San Jose locations: the Silicon Valley Laboratory and the Almaden Research Center. IBM's research explores the boundaries of science and technology from nanotechnology to data analytics, secure clouds, and future systems such as IBM Watson, a "cognitive" learning system. Watson represents an entirely new model of computing: it understands all types of data, it isn't programmed, it learns.

IBM has the world's largest mathematics department of any public company, enabling IBM to create unique analytic solutions and actively engage with clients on their toughest challenges. In addition to its research facilities, IBM also has a number of field offices throughout California. Employees from all IBM locations in San Jose, Burlingame, Cupertino, Sacramento, San Francisco, Los Angeles, San Diego, Irvine, Costa Mesa, Glendale, and San Ramon will be trained under this proposal.

### **Retrainee - Job Creation**

The Panel offers incentives to companies that commit to hiring new employees. Training for newly-hired employees will be reimbursed at a higher rate and trainees will be subject to a lower post-retention wage. However, IBM is not asking for a reduced wage, as wages for all trainees in this proposal exceed the standard ETP Minimum Wage.

In September of 2015, IBM announced the creation of a new Watson location in San Francisco where the Company plans to hire over 200 new employees. IBM has signed a 10-year lease for 84,000 square feet of space with a long-term capacity for 500 employees in San Francisco.

In this proposal, IBMC has committed to hiring a total of 200 new employees over the next two years. This growth includes the hiring of eight Veterans (Job Number 3). The date-of-hire for all trainees will be within the three-month period before contract approval or within the term-of-contract.

## **Veterans**

The Panel has established a higher reimbursement rate (\$22 per hour) and other incentives for training California veterans. IBM has a robust outreach program, including recruitment and mentoring, for Veterans and disabled Veterans. To assist its efforts, IBM partners with a non-profit organization specializing in Veterans recruitment. In this proposal, IBM has committed to hiring and training 8 Veterans in Job Number 3.

## **Nanotechnology**

In addition to cognitive computing, the IBM's SyNAPSE chip, introduced on August 7, 2014, has the potential to spur innovation around an entirely new class of applications with sensory capabilities at incredibly low power levels. This is enabled by a new technology design inspired by the human brain. IBM built a new chip with a brain-inspired computer architecture powered by one million neurons and 256 million synapses. It is the largest chip IBM has ever built at 5.4 billion transistors. Yet, it consumes significantly less energy than traditional chips. As part of a complete cognitive hardware and software ecosystem, this technology opens new computing frontiers for distributed sensor and supercomputing applications.

Training identified in this proposal will focus on new IBM employees working in California and the retraining of California employees impacted by the new technologies described above and throughout this proposal. ETP funding will allow workers to improve their skills sets and learn the newest technologies related to the cloud, analytics, mobile applications, Social and Security software, and the Internet of Things. The Internet of Things represents an evolution in which objects are capable of interacting with other objects. The Internet of Things helps enable proactive data access from any connected device.

## **PROJECT DETAILS**

IBM is requesting the Panel's assistance to provide classroom/laboratory, E-learning, and computer-based training (CBT) training hours to all occupations. IBM will use Virtual or E-learning class/lab training as a primary training methodology. IBM uses its synchronous real-time technology to host training sessions over the internet with live instruction. These classes allow trainees to gain skills on an as-needed basis without traveling. This training is identical to classroom training in every manner except that the class is not physically located in a traditional classroom.

Note that each "Type of Training" section in Exhibit B Curriculum reflects generic course titles under an IBM title called a "Portfolio" such as "Employee Development" or "Job Family Skills Development" which may contain hundreds of course titles. Staff has reviewed the spreadsheets of courses by Portfolio provided to date and will continue to monitor throughout the Agreement the courses provided, whether through traditional class/lab, E-Learning, or CBT, to ensure that each specific course is eligible for ETP funding.

**Business Skills (28%):** Training will be provided to all occupations and will be customized to each occupation and employee. Software Engineers will receive courses in product and process excellence to design and develop software systems. IT Architects will take courses in enterprise initiatives to develop new applications for clients. Managers and Supervisors will learn about new products and branding. Project Managers will receive business courses to track an array of activities, including initializing and planning projects, developing project cost structure, tracking and reporting project deliverables, managing risk, managing contracts and/or deliverables associated with a contract, and applying project management processes and tools.

**Computer Skills (50%):** Trainees in all occupations will receive training tailored to their job assignments. A major focus of this training will be Cloud, Analytics, Mobile, Social, Security Technologies and Internet of Things. These are IT technologies embedded in infrastructure, cloud computing, data, networks, communication, and software across all industries. The Internet of Things deals with the connectivity and communication between devices through the Internet. For example, new household appliances have features that allow communication within that household so functions can be turned on/off; a status provided; and maintenance issues communicated. In order for IoT to work, employees must be skilled in related Internet, network, software, security, and mobile applications development to make this technology function. So, if you extrapolate this one example to an infinite array of functions, you can imagine the size and scope of this retraining effort.

Software Engineers need to design and develop products, processes, software systems, and/or scientific applications, which require the use of broad software engineering knowledge and experience to develop solutions for complex systems. Software Engineers will focus their training on learning new software technology such as Cloud Computing applications and Watson Technologies. Project Managers not only need project management training but also specific technology training in the IBM business unit where they work. If the project manager works in a business unit that is integrating newly acquired technology, then he or she will receive training to understand the technology in courses from Global Sales Learning and Service Offerings/Specialty Specific Portfolios. IT Specialists will receive training to identify project requirements and develop solution delivery strategies. Since such solutions may include vendors and subcontractors, employees may receive coursework in the Independent Hardware/Software Vendor and Industry Solutions Portfolio of courses.

**Continuous Improvement Skills (19%):** Trainees from all occupations will take courses in Delivery Excellence in order to ensure quality control and best in class delivery systems. Courses include: effective practices for quality analysis, measuring software quality, team leadership skills for testers, problem-solving, decision-making and change management.

**Management Skills (3%):** Managers and Supervisors will take courses from the Leadership portfolio of courses. A major focus of this training is on how to organize and facilitate teams to meet the critical needs of customers globally and across industries.

### **Computer-Based Training**

The majority of the training provided under this Agreement is technical skills training in high level programming languages; implementing and integrating newly acquired technologies; and training in developing solutions for clients. IBM offers and delivers over 5,000 CBT courses of instruction through its LMS system. IBM develops all its CBT courses internally. Factors such as learning objectives, instructional and assessment activities to measure content, knowledge and skills, as well as beta testing (a high level computer software testing method to ensure accuracy) are all used to determine the “average hours” of a CBT course, which is documented in IBM’s LMS system. On average, IBM estimates that trainees will receive 25% of training hours via CBT. However, IBM requests to provide up to 100% of its ETP training via CBT per – trainee, instead of the standard 50% cap. IBM anticipates the higher cap will be needed for some trainees across all occupations. (See CBT course hours at Exhibit B).

Each CBT course is evaluated during the course of instruction through a series of assessments that may include questions, tests, and knowledge reviews. Upon completion, a certificate is issued to the trainee and confirms skills competency in the area covered by the training.

## **Out-of-State Training**

IBM reports that approximately 95 trainees will require 24-40 specialized classroom/lab training which will be provided at IBM facilities out-of-state, not to exceed a maximum of 10% of the total planned training hours for the entire project. All out-of-state training will be delivered at IBM facilities by IBM employees to trainees across all occupations in highly technical training courses. IBM must satisfy ETP requirements for attendance and documentation of training. All training must be in compliance with the ETP 1:20 trainer-to-trainee ratio.

## **Commitment to Training**

The Company's statewide training expenditures in California are in excess of \$8,000,000 annually. IBM currently funds all training in OSHA and FDA-mandated safety regulations; new hire orientation and rudimentary job skills; sexual harassment prevention; desktop training in Microsoft Word, Excel, and PowerPoint; basic software training; and IBM values and executive development training.

ETP funds will not displace IBM's existing financial commitment to training. Safety training is provided in accordance with all pertinent requirements under state and federal law.

## **Recordkeeping**

Staff has reviewed and approved the use of a Learning Management System for recordkeeping.

## **Substantial Contribution**

Because IBM has not earned more than \$250,000 at any one location in the previous five years, there is no substantial contribution being applied to this project. For information purposes, note that IBM only earned a total of \$378,944 in Panel funds statewide either through direct ETP contracts or under a MEC contract across multiple locations during the previous five years.

## **RECOMMENDATION**

Staff recommends approval of this proposal including the funding of out-of-state training and the increase in the percentage of CBT from 50% to 100%.

## **PRIOR PROJECTS**

The following table summarizes performance by IBM under an ETP Agreement completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET12-0183	Statewide	11/28/11– 11/27/13	\$424,575	\$142,900 (34%)
ET10-0166	Statewide	10/05/09- 10/04/11	\$235,125	\$235,125 (100%)

**ET12-0183:** The low performance under IBM's most recent Agreement was an anomaly since under the two prior Agreements, IBM earned 100% (ET10-0166) and 83% (ET07-0188). Under ET12-0183, IBM did not include its San Jose site which is the work location of over 3,000 IBM employees. The facility in San Jose was not included in order to focus training at the regional sites in California that received only a small portion of training under previous ETP contracts. IBM believed that it would be good to step back

from the San Jose site and not accept ETP training funds due to previous funding requests. During the calendar year 2012, IBM reports that over 4,000 hours of training were actually completed at the San Jose site at a cost of over \$300,000. Had the San Jose site been included in the ET12-0183 Agreement, IBM would have met all the training and financial objectives under ET12-0183.

For its new proposal, IBM is including all sites in California including San Jose. The workforce currently numbers over 8,000 employees statewide and continues to grow. Because of IBM's past success in meeting its training objectives under previous ETP Agreements, the inclusion of all training technologies including E-learning and CBT, the inclusion of all training sites, the expansion of its facilities and new employees to be hired in San Francisco, and the cutting edge technology being developed by and impacting its California workers, staff recommends funding at a higher amount (\$388,378) than the previous earnings of \$142,900.

### **DEVELOPMENT SERVICES**

California Manufacturers & Technology Association (CMTA) of Sacramento provided application development services for a flat fee of \$7,500.

### **ADMINISTRATIVE SERVICES**

CMTA will perform administrative services for an amount not to exceed 12% of payment earned.

### **TRAINING VENDORS**

To Be Determined



## Exhibit B: Menu Curriculum

### Class/Lab/E-Learning Hours

8-200

Trainees may receive any of the following:

#### BUSINESS SKILLS

- ✦ Product/Brand Specific Training
- ✦ Employee Development
- ✦ Enterprise Initiatives/Strategies/Tools
- ✦ Product and Process Excellence

#### COMPUTER SKILLS

- ✦ Cloud, Analytics, Mobile, Social, Security Technologies
- ✦ Internet of Things

#### CONTINUOUS IMPROVEMENT

- ✦ Job Family Skills Development
- ✦ Delivery Excellence

#### MANAGEMENT SKILLS (MANAGERS/SUPERVISORS ONLY)

- ✦ Leadership

### Computer-Based Training

0 - 200

#### COMPUTER SKILLS

- ✦ Advanced WebSphere (10 – 40 hours)
- ✦ Custom Software Development (20-40 hours)
- ✦ Database and Transaction Systems (8-40 hours)
- ✦ End User (24 hours)
- ✦ Linux (25-40 hours)
- ✦ Storage Systems (8-40)

#### CONTINUOUS IMPROVEMENT

- ✦ Managing Teams (24 hours)
- ✦ Executing and Controlling the Project (36 hours)
- ✦ Cost Estimating (16 hours)

An Excel spreadsheet will be provided to ETP with a breakdown of each topic listed above and all class/lab/E-learning and CBT courses submitted for ETP funding prior to upload into the Panel's Tracking System. The CBT list shall include standard times per module.

Note: Reimbursement for all retrainees is capped at 200 total training hours per trainee, regardless of training delivery method. CBT will be capped at 100% of total training hours per-trainee.

**WITHDRAWN**

Foster Poultry Farms

ET16-0284



## RETRAINEE - JOB CREATION

### Training Proposal for:

## TriWest Healthcare Alliance Corp.

**Agreement Number: ET16-0247**

**Panel Meeting of:** December 4, 2015

**ETP Regional Office:** Sacramento

**Analyst:** M. Mazzone

### PROJECT PROFILE

Contract Attributes:	Retrainee Job Creation Initiative Veterans	Industry Sector(s):	Services  Priority Industry: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Counties Served:	Sacramento and San Diego	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 12	U.S.:1,610	Worldwide: 1,610
<u>Turnover Rate:</u>	0%		
<u>Managers/Supervisors:</u> (% of total trainees)	7%		

### FUNDING DETAIL

<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">Program Costs</td></tr> <tr><td style="text-align: center;">\$391,200</td></tr> </table>	Program Costs	\$391,200	-	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">(Substantial Contribution)</td> <td style="text-align: center;">(High Earner Reduction)</td> </tr> <tr> <td style="text-align: center;">\$0</td> <td style="text-align: center;">\$0</td> </tr> </table>	(Substantial Contribution)	(High Earner Reduction)	\$0	\$0	=	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;"><b>Total ETP Funding</b></td></tr> <tr><td style="text-align: center;">\$391,200</td></tr> </table>	<b>Total ETP Funding</b>	\$391,200
Program Costs												
\$391,200												
(Substantial Contribution)	(High Earner Reduction)											
\$0	\$0											
<b>Total ETP Funding</b>												
\$391,200												

In-Kind Contribution:	100% of Total ETP Funding Required	\$507,000
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Job Creation Initiative	Business Skills, Computer Skills, Commercial Skills	390	8-200	0-11	\$800	\$13.18
				Weighted Avg: 40			
2	Retrainee Job Creation Initiative Veteran	Business Skills, Computer Skills Commercial Skills	90	8-200	0-11	\$800	\$13.18
				Weighted Avg: 40			

**Minimum Wage by County: Job Numbers 1 and 2:** \$13.13 per hour for Sacramento County and \$13.28 per hour for San Diego County.

**Health Benefits:**  Yes  No This is employer share of cost for healthcare premiums – medical, dental, vision.

**Used to meet the Post-Retention Wage?:**  Yes  No  Maybe

Up to \$0.10 per hour may be added to a trainee's base wage to meet the Post-Retention wage for Job Numbers 1 and 2.

**Wage Range by Occupation**

Occupation Titles	Wage Range	Estimated # of Trainees
Medical Clerk		13
Patient Services Representative		284
Complex Authorization Specialist		94
Quality Assurance Analyst		7
Trainer		10
Supervisor		30
Manager		8
Registered Nurse		14
Licensed Practical Nurse		11
Registered Nurse – Team Lead		3
Technical Support Analyst		2
Senior Human Capital Generalist		2
Operations Administrator		2

**INTRODUCTION**

TriWest Healthcare Alliance Corp. (TriWest), founded in 1996 and headquartered in Phoenix, Arizona, manages health benefits. The Company is currently contracted by the U.S. Department of Veteran Affairs (VA) to manage and administer the Patient-Centered Community Care (PC3) Program and Veterans Choice Programs. TriWest services eligible PC3 and Veterans Choice Program (VCP) veterans in 28 U.S. states and 3 U.S. territories.

The PC3 program is utilized by Veterans in instances where primary or specialty care is not available through a VA healthcare facility. The VA will determine if the care needed by the Veteran is available within the VA. If the VA cannot service the Veteran timely, the VA will send authorization to TriWest to purchase the needed care from an outside healthcare provider. After authorization is received, TriWest will work with its comprehensive network of healthcare providers and the impacted Veteran to schedule the medical appointment. Eligible Veterans are allowed access to primary care, inpatient/outpatient specialty care, mental health care, limited emergency care, and limited newborn care for enrolled female Veterans following the birth of a child through non-VA healthcare providers. TriWest is also responsible for the transmission of medical data between the VA and the non-VA healthcare provider.

The VCP was enacted under the Veterans Access, Choice, and Accountability Act (VACAA) of 2014 and is an extension of the PC3 program. Under the VACAA, veterans may use the VCP to receive health care in their own communities rather than travel to or wait for a VA medical facility.

Triwest is eligible for training under the out-of-state competition provisions as a telephone call center located serving clients inside and outside of California. This proposal is a GoBiz referral and will include TriWest's Rancho Cordova and San Diego locations.

## **PROJECT DETAILS**

TriWest recently expanded their operations into California (to have a local presence) to service eligible Veterans who reside in this state. These locations also service Hawaii, parts of Nevada, Guam, America Samoa and the Northern Mariana Islands. On August 24, TriWest opened its first location in San Diego for Southern California. TriWest opened a second location in Rancho Cordova on October 19 for Northern California.

Staff will receive training in the specific duties of their position, focused on customer service training, VA Program knowledge, and the skills necessary to properly navigate and operate medical management software.

### **Retrainee - Job Creation**

In support of Job Creation, the Panel is offering incentives to companies that commit to hiring new employees. Training for newly-hired employees will be reimbursed at a higher rate, and trainees will be subject to a lower post-retention wage.

TriWest has committed to hiring 390 employees (Job Number 1) and 90 Veterans (Job Number 2). The date-of-hire for these trainees will be within the three-month period before contract approval or within the term-of-contract. The Company represents that these trainees will be hired into "net new jobs" as a condition of contract. TriWest is aware that only the training delivered after the beginning of the contract is eligible for reimbursement.

Thus far, the San Diego location has brought in a total of 213 workers, of which 23 are full-time permanent employees and 190 are temporary-to-permanent. On November 24, TriWest plans to convert 111 temporary employees to permanent and the remaining temporary staff will be converted on or before February 9, 2016.

For the Rancho Cordova location, TriWest has a total of 225 workers, of which 16 are currently full-time permanent employees and 209 are working in a temporary-to-permanent status. TriWest is anticipating that 151 of the temporary-to-permanent staff members will be converted to full-time permanent staff on January 19, 2016 and the remaining temporary staff will be converted on or before February 9, 2016.

## Temporary to Permanent Hiring

Trainees in Job Number 1 and Job Number 2 come under Panel guidelines for “temporary-to-permanent” employment. TriWest has retained these employees through a temporary agency, with the intention of hiring them into full-time, permanent positions after training.

These trainees must be determined eligible to participate in ETP-funded training before the start of training, while on payroll with the temporary agency. However, the retention and post-retention wage requirements cannot be satisfied until after they have been hired by TriWest. Until then, TriWest will not receive progress payments.

For the duration of TriWest’s hiring phase, all temporary-to-permanent workers (to be placed in positions at TriWest) will be placed by the staffing company Aerotek. Aerotek has committed resources, which includes recruiting and senior recruiting staff, assigned to the recruitment of staff for TriWest. The recruitment staff has been holding job fairs to enhance recruitment and will be responsible for conducting interviews, processing background checks, and ensuring drug screening tests have been completed. Aerotek recruiters will also notify temp-to-perm staff of when their employment begins and where to report on the first day.

## Veterans Program

The Panel has established a higher reimbursement rate and other incentives for training California veterans.

TriWest conservatively plans to hire 90 Veterans (Job Number 2), who have served on active full-time duty in the Armed Forces, over the next two years. Leadership at TriWest expects Veterans to represent 16-25% of the total net new hire population. Veteran trainees in Job Number 2 will receive a higher reimbursement rate of \$22 per hour.

To reach the Veteran hiring goals, TriWest’s Veterans’ recruitment program consists of:

- Specialized recruitment sites, such as Military.com, Corporate Career Network, Indeed.com, and LinkedIn
- Banner ads on job boards in targeted locations
- Active participation in the local job fairs such as: Veteran’s CONNECT; Hiring For Heroes, DREAM
- An external consultant who is assisting in outreach efforts to nearby military community leaders.

## Training Plan

TriWest’s will use a needs assessment created by its Human Capital staff. This assessment which was used to create the training plan for new employees in other expansion locations. New employees will receive 70 hours of classroom training and 10.5 hours of CBT.

Operations went live at the San Diego office on September 7, 2015 and the Rancho Cordova office is projected to go live on November 2, 2015. Initial training took place from August 24, 2015 through September 4, 2015 at the San Diego office. Training will start on October 19, 2015 and conclude on October 30, 2015 in Rancho Cordova. However, only training that occurs within the term of the contract will be eligible for ETP reimbursement.

**Business Skills (25%)** – Training will be delivered to all occupations. Training will focus on Customer Service Skills. TriWest has an unwavering commitment to do “Whatever It Takes!” to

meet Veterans' health care and customer service needs. Training will stress the importance of continuing to provide the best customer service in the industry. Course topics will include CLASS (Connecting, Listening, Assessing, Solving, and Saluting), How to Handle Irate Customers, Customer Service, Navigating Tough Calls and Dealing with Sensitive Diagnosis.

**Commercial Skills (65%)** – Training will be offered to all occupations to ensure staff can effectively administer TriWest's Veteran focused programs. Training in medical management, medical terminology, care authorization requests, and military culture will enable employees to coordinate healthcare for Veterans.

**Computer Skills (10%)** – All staff will receive job specific computer skills training. Training will focus on the operation of necessary software programs. To provide a high level of customer service to Veterans staff will need to be proficient at various software programs. Training topics will include CareRadius, BizFlow, XMedius, VMWare Visual Cactus, Crystal Reports, and Intermediate and Advanced Microsoft Office.

### **Computer-Based Training (CBT)**

All occupations will receive Commercial Skills and Business Skills CBT to support lessons taught in classroom training. Trainees will receive up to 11 hours of CBT. CBT is reimbursed at \$8 per hour and cannot exceed 50% of total training hours per trainee.

### **Commitment to Training**

TriWest represents that ETP funds will not displace the existing financial commitment to training. Safety training will be provided in accordance with the law. TriWest has estimated an initial training budget for the two new California offices of \$850,000 (\$425,000 per office) to be utilized within the first 6 months of starting operations in California. Training provided includes on-the-job training, safety, new hire orientation, and anti-harassment which are not eligible for ETP reimbursement.

### Training Infrastructure

- The Company's Human Capital Staff (Human Resources) are responsible for scheduling and tracking all training of the temp-to-perm staff. They are also responsible for obtaining all rosters and for the entry of trainees' training hours.

## **RECOMMENDATION**

Staff recommends approval of this proposal.

## **DEVELOPMENT SERVICES**

N/A

## **ADMINISTRATIVE SERVICES**

N/A

## **TRAINING VENDORS**

To Be Determined

**Exhibit B: Menu Curriculum****Class/Lab Hours**

8-200

Trainees may receive any of the following:

**BUSINESS SKILLS**

- Customer Service Skills
- CLASS
  - Connecting
  - Listening
  - Assessing
  - Solving
  - Saluting
- How to Handle an Irate Customer
- Dealing with Sensitive Diagnosis
- Navigating Tough Calls
- Essential Elements of Internal Customer Service

**COMMERCIAL SKILLS**

- Care Authorization Requests
- Authorization Audits
- Medical Necessity Review
- Prospective and Retrospective Reviews
- Medical Terminology
- Medical Coding
- ICD-10

**COMPUTER SKILLS**

- Medical Management Software (CareRadius)
- BizFlow
- XMedius
- VMWare Visual Cactus
- Intermediate and Advanced Microsoft Office
- Crystal Reports

**CBT Hours**

0–11 hours

**BUSINESS SKILLS**

- TriWest Customer Service Model (0.50)
- Telephone Doctor Customer Service Training (1.00)

**COMMERCIAL SKILLS**

- Military and Veteran Culture (0.50)
- Medical Terminology (6.50)



- Sensitive Diagnosis Confidentiality (0.50)
- Choice 101 Product Training (0.25)
- CareRadius Software Overview (0.50)
- VA Portal Tour (0.75)

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery. CBT is capped at 50% of total training hours, per trainee.



**Training Proposal for:**  
**Northern California Plasterers' Joint Apprenticeship and  
 Training Trust Fund**

**Agreement Number: ET16-0917**

**Panel Meeting of:** December 4, 2015

**ETP Regional Office:** San Francisco Bay Area      **Analyst:** D. Woodside

**PROJECT PROFILE**

Contract Attributes:	Retrainee Apprenticeship Priority Rate	Industry Sector(s):	Construction Green Technology  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Statewide	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Plasterers & Cement Masons Local 300 and Plasterers and Sphophands Local 66		
Turnover Rate:	≤20%		
Managers/Supervisors: (% of total trainees)	N/A		

**FUNDING DETAIL:**

<b>Program Costs</b>	+	<b>Support Costs</b>	=	<b>Total ETP Funding</b>
\$158,840		\$10,980 8%		\$169,820

<b>In-Kind Contribution:</b>	50% of Total ETP Funding Required	Inherent
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Journeyman Priority Rate	Commercial Skills, OSHA 10/30	30	8-200	0	\$564	\$29.45
				Weighted Avg: 24			
2	Retrainee Apprentice	Commercial Skills, OSHA 10	55	8-210	0	\$2,780	\$20.55
				Weighted Avg: 200			

**Minimum Wage by County:** SET/Priority Industry: \$20.55 per hour

**Health Benefits:**  Yes  No This is employer share of cost for healthcare premiums – medical, dental, vision.

**Used to meet the Post-Retention Wage?:**  Yes  No  Maybe

Up to \$3.58 per hour may be added to a trainee's wage to meet the post-retention wage for Job Number 2.

**Wage Range by Occupation**

Occupation Titles	Wage Range	Estimated # of Trainees
Journeyman Plasterer and Fireproofing Plasterer		30
Apprentice Plasterer and Fireproofing Plasterer		55

**INTRODUCTION**

The Northern California Plasterers' Joint Apprenticeship and Training Trust Fund (NorCal Plasterers JATTF) (<http://www.pl66.org/northern-california-plasterers-jatc>) was created in 2014 as the result of a trust merger between the Bay Area Plastering Industry JATC and the Northern California Plasterers JATC.

The newly created JATTF now covers all 46 Northern California Counties and has four training facilities located in West Sacramento, Fremont, Fresno, and South San Francisco. NorCal Plasterers JATTF is governed by a Board of Trustees comprised of twelve members: six labor (three from the Operatives Plasterers' and Cement Masons' International Association Local 300 and three from Plasterers Local 66) and six management representatives represented by the Wall and Ceiling Alliance.

ETP funding will be used to train an estimated 55 Apprentices and 30 Journeymen. More than 40 employers are signatory to the collective bargaining agreements. Of these, approximately 90% are small businesses. This is a single apprenticeship program for both occupational titles, as sponsored by NorCal Plasterer's JATTF. The program runs 30 months for Fireproofing Apprentices and 48 months for Plasterer Apprentices.

This is NorCal Plasterers JATTF's first direct Agreement with ETP. However, the JATTF has participated under the ETP umbrella projects of the California Labor Federation and the State

Building & Construction Trades Council. Thus, the JATTF is familiar with ETP requirements and project administration.

## **PROJECT DETAILS**

### **Employer Demand for Training**

The plastering industry in Northern California is training workers to be skilled in: (1) new green construction practices and materials, (2) energy efficiency as outlined by LEED and other energy efficiency standards, (3) the ability to adapt quickly and competently to new technologies, and (4) safety competency, as opposed to just safety awareness. The JATTF also needs to train workers to replace retiring workers.

The training outlined in this proposal and attached curriculum will focus on these skills for both journeymen and apprentices who may be working on the following construction projects in Northern California including the Trans Bay Terminal, the War Memorial Building, San Francisco Airport facilities, Facebook offices in San Mateo, the Apple campus in Santa Clara, the Kings Arena in Sacramento, and high speed rail in Fresno.

Additionally, the JATTF will be providing state-of-the-art fireproofing classes. Plasterers fireproof structures by using certain materials and processes to increase resistance to fire. Such requirements vary by type of construction. For instance, steel structures need to stay below 540 degrees and electrical circuits below 140 degrees. When fire reaches a certain temperature, the fireproofing material expands around the steel and protects it from the heat. Thus, with advanced fireproofing materials and techniques, these structures can stay operational even during a fire. NorCal Plasterers JATTF's fireproofing training is the only State-approved fireproofing training available. The International Union's Training Department is in the process of reviewing the fireproofing program to possibly adopt it nationwide.

### **Green Technology**

The requested ETP funding will help to prepare Journeymen for transitioning into the Green Economy by providing skills training in a Green Interior Plaster wall finish made by American Clay Enterprises, Inc. This product can contribute up to 7 LEED credits on a construction project. The new product has no volatile organic chemicals (VOC's) or off-gassing of chemicals and is just one example of the changes impacting this trade. To stay employable, Plasterers and Fireproofing Plasterers need to work with new materials and comply with the latest energy efficiency standards. Employers expect workers to have a wider array of skill sets than ever before and to be able to perform tasks with various green materials and new technologies in an efficient and timely manner while maintaining safe working conditions.

### **Apprenticeship Program**

The Panel is authorized to fund Apprentice training that does not displace any other source of government funds, or replace an existing apprenticeship program approved by the Division of Apprenticeship Standards (DAS). The Panel adopted the Apprenticeship Training Program as a pilot in March 2012. It is designed to supplement cost of delivery for the Related and Supplemental Instruction (RSI) portion of DAS-approved apprenticeship training.

RSI is delivered as class/lab, and ETP does not reimburse CBT delivery for apprenticeship training. The curriculum is developed with input from DAS and designated Local Educational Agencies (LEA) (in this case, the City College of San Francisco, the San Joaquin Office of

Education, and the Central Unified School District). The Apprenticeship Program allows reimbursement for up to 200 hours of RSI plus OSHA10.

For the building trades, it is not customary for workers to be employed for a standard retention period of 90 consecutive days with one employer. In that instance, the Panel may substitute non-consecutive hours worked for retention. This modified retention period must be no less than 500 hours within 272 days with more than one employer. Both the standard and modified retention periods will apply to this proposal.

To ensure ETP does not displace Montoya Funds, Apprenticeship reimbursement is reduced by \$5, reducing the priority industry rate from \$18 to \$13 per hour. The post-retention wage for Apprentices cannot be less than \$20.55 per hour. This is the Special Employment Training Statewide for 2015 as modified for priority industries, which is used for ease of administration. However, the actual wages paid are shown in the Training Plan Table and contract when they exceed \$20.55.

### **DAS Completion Rates**

The 5-year average completion rate for this DAS-approved program for the periods from 2009 to 2013 is 27.762% and exceeds the industry completion percentage of 26.99%. This meets Panel standards.

### **Training Plan**

All training to be funded by ETP will be center-based classroom/laboratory training with extensive opportunities for hands-on lab training.

### **Journeyman Training**

**Commercial Skills (95%):** Green training will be the focus of Journeymen training due to the increasing demand for energy efficient construction methods and technologies. Because plasterers construct, maintain, and repair interior and exterior surfaces, they must gain up-to-date skills in green materials such as American Clay, Exterior Insulation and Finish applications, and knowledge of fireproofing materials.

### **Apprenticeship Training**

**Commercial Skills (95%):** The Plasterers apprenticeship is a 4-year program; the fireproofing plasterer's program is 30 months in length. Apprentices will learn how to apply plaster and cement products to walls and ceilings in various applications including decorative and molding work and achieve various textures, colors, and finishes on final applications. Plasterers must select, mix, and apply gypsum, concrete or acrylic mixtures to exterior and interior walls and ceilings to produce plain or decorative surfaces that are fire, weather or sound resistant.

Fireproofing Plasterers will receive state-of-the-art fireproofing classes. The JATTF is in the process of purchasing materials and equipment to train both apprentices and journeymen in intumescent fireproofing, which is a skill needed by plasterers on major new commercial construction that utilizes a finish coating on girders, beams, and columns.

Apprentices learn to apply materials on interior and exterior walls, ceilings and other surfaces of buildings, homes, and other structures. The work of Plasterers is physically demanding and safe working practices are emphasized in all apprenticeship skills training.

## **Certified Safety Training**

**OSHA 10/30 (5%):** OSHA 10/30 training is typically delivered to workers in the building trades. This training is not required as a condition of doing business in California. However, the coursework must be approved by, and the instructors must be certified by Cal-OSHA. The vendor must also have a certified instructor present to confirm attendance.

Completion of the training results in a certificate that expands employment opportunities. To ensure that each trainee receives certification, ETP will only consider payment earned upon completion of the full 10 or 30-hour course. OSHA 10/30 is not included in the 10% limitation on safety training. Apprentices will receive the 10-hour course and Journeymen can receive either the 10-hour or the 30-hour course.

This training provides an overview of occupational safety and health so that apprentices are more knowledgeable about workplace hazards and stringent safety standards in the plastering industry.

## **Curriculum Development**

NorCal Plasterers JATTF, with input from both labor and management representatives, developed and customized the Operative Plasterers' and Cement Masons International Association (OPCMIA) curriculum to address local needs. The national program was developed to maximize productivity, quality, safety, and opportunity in the plaster and concrete industry. NorCal Plasterers JATTF and the OPCMIA work directly with equipment manufacturers and technology developers of a variety of tools, equipment and supplies, searching for the most up-to-date information available. Once a new training need has been identified, both organizations will create or refine a training course, train instructors, and distribute new training materials to keep the curriculum up-to-date.

## **Commitment to Training**

Signatory employers will continue to contribute to the training trust for every hour worked by Apprentices and Journeymen. General safety training is provided by participating employers in accordance with all pertinent requirements under state and federal law.

### ➤ **Trainer Qualifications**

The JATC has nine full and part-time trainers assisting with the training. The trainers are former or current members of the trade and considered experts in their specific subject areas. These trainers are constantly upgrading their skills in order to provide trainees with the most advanced skills training. For example, the JATTF notes that six of its instructors recently took the Scaffold & Access Industry Association (SAIA) Scaffold User Hazard Awareness train-the-trainer class. This class will allow the apprenticeship program to be recognized as an Accredited Training Institute (ATI) by SAIA. As an ATI, the JATTF will have access to all SAIA resources i.e. training updates, OSHA changes, and or clarifications.

## **Marketing and Support Costs**

The JATTF will assign two staff members to assist with ETP marketing, trainee recruitment, and employer needs assessments. The JATTF is also committed to working with such groups as the Helmets to Hardhat program to recruit more veterans into its programs. In addition, information will be disseminated throughout the year to all apprentices and journeymen through direct mailings, informational flyers, personal contacts, telephone calls, public service announcements,

emails, and various websites. Application announcements for the program are sent to local, state and federal agencies; local high schools and community colleges; and community-based organizations.

NorCal Plasterers JATTF is requesting 8% support costs to fund recruiting and qualifying participating employers for this program. The JATTF reports that projected budget costs for personnel alone will exceed the ETP support cost funding. The JATTF will cover these additional costs. Staff recommends the 8% support costs.

### **Tuition Reimbursement**

In accordance with Title 22, CCR, Section 4412.1, NorCal Plasterers JATTF represents that students enrolled in the ETP-funded program will not be charged tuition, fees, or any other costs associated with training. The representation will be made a condition of the Agreement.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

### **DEVELOPMENT SERVICES**

NorCal Plasterers JATTF retained California Labor Federation in Sacramento and Strategy Workplace in Oakland to assist with development of this proposal at no cost.

### **ADMINISTRATIVE SERVICES**

NorCal Plasterers JATTF also retained Strategy Workplace to perform administrative services in connection with this proposal for a fee not to exceed 13% of payment earned.

### **TRAINING VENDORS**

N/A

**Exhibit B: Menu Curriculum**

**Class/Lab Hours**

8-200 (Job Number 1)

**JOURNEYMAN**

**COMMERCIAL SKILLS**

- Plaster Finishes
- Blueprint Reading
- Boom/Scissor Lift (Certification)
- Cementitious, Mineral Fiber and Intumescent Fireproofing
- Estimating
- Exterior Insulation Finish System
- Fireproofing
- Green Building Standards
- Inspect Lath & Plaster Bases
- Mask and Protect Adjacent Surfaces
- Mix and Apply Inspect Lathing and Bases for Portland Cement Scratch Coat
- Mix and Apply Portland Cement Scratch Brown and Finish Coats
- Mix and Apply Scratch Coat, Brown Coat, Finish Coat and Veneer
- Ornamental and Earth Plasters
- Scaffold User Hazard Awareness (Certification)
- Small Engine Operation and Maintenance
- Workplace Safety and Health

**OSHA 10/30** (OSHA CERTIFIED INSTRUCTOR)

- OSHA 10 (requires completion of 10 hours)
- OSHA 30 (requires completion of 30 hours)

**APPRENTICESHIP**

**Class/Lab Hours**

8-210 (Job Number 2)

Trainees may receive any of the following:

**COMMERCIAL SKILLS**

- Plaster Finishes
- Blueprint Reading
- Boom/Scissor Lift (Certification)
- Cementitious, Mineral Fiber and Intumescent Fireproofing
- Common Tools and Plastering Tools and Materials
- Estimating
- Exterior Insulation Finish System
- First Aid/CPR (Certification)



- Fireproofing
- Fundamental Math
- Green Building Standards
- Inspect Lath and Plaster Bases
- Mask and Protect Adjacent Surfaces
- Measuring
- Mix and Apply Inspect Lathing and Bases for Portland Cement Scratch Coat
- Mix and Apply Portland Cement Scratch Brown and Finish Coats
- Mix and Apply Scratch Coat, Brown Coat, Finish Coat and
- Veneer
- Ornamental and Earth Plasters
- Scaffold User Hazard Awareness (Certification)
- Small Engine Operation and Maintenance
- Workplace Safety and Health

**OSHA 10** (OSHA CERTIFIED INSTRUCTOR)

- OSHA 10 (requires completion of 10 hours)

Safety training is limited to 10% of total training hours per trainee. This 10% safety training cap does not apply to OSHA 10/30 training.

Note: Reimbursement for Job Number 1 Journeymen retraining is capped at 200 total training hours per trainee regardless of the method of training delivery. Reimbursement for Job Number 2 Apprenticeship training is capped at 200 total training hours per trainee in Commercial Skills and 10 hours of OSHA10 for a total of 210 hours, regardless of the method of training delivery.



**Training Proposal for:  
360 DG OCLA, LLC dba 360 Destination Group**

**Small Business ≤ \$50,000**

**ET16-0221**

**Approval Date:** October 30, 2015

**ETP Regional Office:** San Diego

**Analyst:** K. Campion

**CONTRACTOR**

- Type of Industry: Services
- Priority Industry:  Yes  No
- Number of Full-Time Employees
  - California: 21
  - Worldwide: 61
  - Number to be trained: 21
- Owner  Yes  No
- Customers Outside CA
- Out-of-State Competition:
- Special Employment Training (SET):  Yes  No
- High Unemployment Area (HUA):  Yes  No
- Turnover Rate: 0%
- Repeat Contractor:  Yes  No

**FUNDING**

- Requested Amount: \$14,784
- In-Kind Contribution: \$23,990

**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee SB <100	Business Skills, Commercial Skills, Computer Skills, Continuous, Improvement	21	8 - 60	0	\$704	\$16.25
				Weighted Avg: 32			

- Reimbursement Rate: Job #1: \$22 SB Non-Priority
- County(ies): San Diego, Orange, Los Angeles
- Occupations to be Trained: Admin. Staff, Operations Staff, Sales Staff, Supervisor/Manager, Owner
- Union Representation:  Yes  
 No
- Health Benefits: N/A

**SUBCONTRACTORS**

- Development Services: Training Funding Source (TFS) in Seal Beach assisted with development at no charge.
- Administrative Services: TFS will also provide project administration services for an amount not to exceed 13% of earned funds.
- Training Vendors: To Be Determined.

**OVERVIEW**

Founded in 1978, 360 DG OCLA, LLC dba 360 Destination Group (360 DG) ([www.360dg.com](http://www.360dg.com)) is a full-service management company that provides everything from transportation to décor to entertainment for destination events across the United States. The Company’s core services include: customized design and development of unique décor and theme concepts; arranging activities, hospitality and registration; providing shuttle services; and providing professional speakers and VIP services. The customer base is highly diverse, reaching any business or group that needs event planning services. The Company has three California locations: San Diego, Irvine and Los Angeles. All three locations will participate in the proposed training.

In its first ETP Agreement, (ET15-0235), 360 DG needed to upgrade workers’ skills in sales and operations, customer service and negotiation skills, and increase all employees’ computer efficiencies and knowledge. ETP training was a catalyst for adding structure and discipline to training at the Company.

According to the Company, the destination management industry has consolidated, and the Company is now competing against much larger competitors. This necessitates additional training in order to maintain and gain new market share.

360 DG's goal is to expand revenue by 25%, especially through a stronger market presence in the Santa Barbara area. To accomplish this, the Company recently created new sales training programs and has rolled out new accounting, payroll and network computer systems. Therefore, 360 DG requests ETP funding to train 21 full-time workers in the new skills needed for this initiative.

## **Training Plan**

The majority of training will be delivered via class/lab; however, to ensure that training is provided consistently across its three California facilities, a small percentage of training may be delivered via "virtual classroom" e-learning. Training will improve job skills, ultimately making staff more productive and efficient, which will help the Company to be more competitive and grow its business.

**Business Skills** – This training will be provided to all occupations. Trainees will learn how to improve relationships with clients and vendors to maximize opportunities for increased business. Topics include Business Development/Sales/Marketing skills, Client Relationship Skills, Vendor Management Skills, and Client Proposal Skills.

**Commercial Skills** – This training will be provided to Sales Staff, Supervisor/Managers, and Owners who must learn how to stay current in travel industry trends, new Creative Events trends, and how to explore new client opportunities in Destination Management.

**Computer Skills** – This training will be provided to all occupations relevant to job duties. Some trainees will be trained in the Company's new Payroll and Accounting Software, and MS Access. All trainees need to keep current in new CRM software skills, which are used for all customer proposals and contracts.

**Continuous Improvement** – This training will be provided to all occupations to help improve teamwork, leadership and project/process management skills.

## **RECOMMENDATION**

Staff recommends approval of this proposal.

## **PRIOR PROJECTS**

The following table summarizes performance by 360 DG under an ETP Agreement that was completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET15-0235	Irvine, San Diego, Los Angeles, Palm Springs, San Francisco	8/04/14 – 8/03/15	\$30,976	\$22,148 (72%)

**DELEGATION ORDER**



**Training Proposal for:**

**Annie's, Inc.**

**Agreement Number: ET16-0224**

**Approval Date:** October 23, 2015

**ETP Regional Office:** San Francisco Bay Area

**Analyst:** L. Lai

**PROJECT PROFILE**

Contract Attributes:	Priority Rate Retrainee	Industry Sector(s):	Manufacturing  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Alameda	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 608	U.S.: 16,047	Worldwide: 30,371
<u>Turnover Rate:</u>	20%		
<u>Managers/Supervisors:</u> (% of total trainees)	14%		

**FUNDING DETAIL**

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	<b>Total ETP Funding</b>
\$65,520		\$0	\$0		\$65,520

<b>In-Kind Contribution:</b>	<b>100% of Total ETP Funding Required</b>	<b>\$106,894</b>
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Business Skills, Commercial Skills, Computer Skills, Continuous Improvement,	70	8-200	0-24	\$936	\$19.58
				Weighted Avg: 52			

**Minimum Wage by County:** \$16.44 for Alameda County.

**Health Benefits:**  Yes  No This is employer share of cost for healthcare premiums – medical, dental, vision.

**Used to meet the Post-Retention Wage?:**  Yes  No  Maybe

Although employer provides health benefits, they are not being used to meet Post-Retention Wage.

**Wage Range by Occupation**

Occupation Titles	Wage Range	Estimated # of Trainees
Administration (Receptionist/Admin. Assistant, HR Associates, Payroll & Benefits)		4
Customer Service		2
Finance		9
IT		7
Marketing I		11
Marketing II		1
Operations (Purchasing Coordinator, Inventory Analyst, Supply Planner, Materials Planner, Sourcing Associate)		12
R&D I		7
R&D II		1
Sales		6
Manager		10

**INTRODUCTION**

Founded in 1989 and headquartered in Berkeley, Annie's, Inc. (Annie's) is a natural and organic food company offering over 145 products including entrees/meals, fruit snacks, condiments, chips, snack bars, crackers, and frozen entrees. Its products are sold in over 35,000 retail locations in the United States and Canada. Annie's manufacture's its products throughout the U.S. but primarily in the Midwest.

In October 2014, Annie's became a wholly-owned subsidiary of General Mills. As such, Annie's hopes to expand its retail footprint and deepen distribution in many retail outlets.

This is Annie's first ETP Agreement and will only include the headquarters facility in Berkeley.

## **PROJECT DETAILS**

General Mills is an international corporation with over 16,000 U.S. employees whereas Annie's has 234. The two organizations have different operational structures and employee skillsets. Becoming a wholly-owned subsidiary of General Mills requires Annie's employees to adopt General Mills' processes, standard of operating procedures, SAP implementation, and learn various systems and software to address changes in business functions. The training herein will assist the Company in its transition.

### **Training Plan**

**Business Skills (74%):** This training will be offered to all occupations focusing on brand marketing, change management, communication, leadership, presentation, project management, and strategic planning. The goal is to improve leadership skills, communication skills, understand department spending, measure return on investment, and recognize emerging trends.

**Commercial Skills (1%)** – Training will be offered to Research & Development Staff focusing on food sensory. Trainees will learn to understand discrimination test methods and perceived differences between samples, different types of consumer test panel, how to monitor a panelists performance, how to validate panel data, and understand flavor profiles.

**Computer Skills (16%):** Training will be offered to all occupations focusing on Adobe, intermediate/advanced MS PowerPoint, Access, and Excel. Trainees will learn advanced formulae and tables to build databases and presentations. Some Computer Skills courses will be delivered via Computer-Based-Training (CBT). CBT hours are capped at 50% of total training hours per-trainee.

**Continuous Improvement (9%):** Training will be offered to all occupations to learn problem solving techniques, process improvement, and quality assurance. The goal is for employees to understand the concept and processes of continuous improvement to increase market share and product quality.

### **Commitment to Training**

Annie's has an annual training budget of \$55,000 for the California location used for basic computer skills, demand planning, ZAP designer, Concur software, effective writing, Excel, and compliance training, etc. ETP funds will not displace the existing financial commitment to training. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

#### ➤ Training Infrastructure

The Senior Manager of Talent Acquisition and Development will oversee the implementation of the training project. In addition, The IM Group will assist with project administration.

## **RECOMMENDATION**

Staff recommends approval of this proposal.

**DEVELOPMENT SERVICES**

Annie's retained in The IM Group in Fairfield, CT to assist with development of this proposal for a flat fee of \$5,000.

**ADMINISTRATIVE SERVICES**

The IM Group will perform administrative services in connection with this proposal for a fee not to exceed 13% of payment earned.

**TRAINING VENDORS**

To Be Determined



## Exhibit B: Menu Curriculum

### Class/Lab Hours

8 - 200

Trainees may receive any of the following:

#### BUSINESS SKILLS

- Brand Marketing
- Business Analytics
- Business Writing
- Change Management
- Conflict Management
- Decision Making
- Effective Communication
- Finance Acumen
- Leadership Skills
- Management Skills
- Marcom (Marketing Communications)
- Marketing & Product Development
- Meeting Facilitation
- Presentation Skills
- Project Management
- Strategic Planning

#### COMPUTER SKILLS

- Adobe Software
- Intermediate & Advanced MS PowerPoint
- Intermediate & Advanced MS Access
- Intermediate & Advanced MS Excel
- SAP Software

#### COMMERICAL SKILLS

- Food Sensory

#### CONTINUOUS IMPROVEMENT

- Problem Solving
- Process Improvement
- Quality Assurance

### CBT Hours

0 – 24

#### COMPUTER SKILLS

- Adobe Illustrator, custom modules 1-6 (1 hr. per module)
- Adobe Photoshop, custom modules 1-6 (1 hr. per module)
- Intermediate MS PowerPoint (2 hrs.)
- Advanced MS PowerPoint (2 hrs.)
- Intermediate MS Access (2 hrs.)
- Advanced MS Access (2 hrs.)
- Intermediate MS Excel (2 hrs.)
- Advanced MS Excel (2 hrs.)

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery. CBT is capped at 50% of total training hours, per trainee.



**Training Proposal for:  
ATS Workholding, Inc. dba ATS Systems, Inc.**

**Small Business**

**ET16-0294**

**Approval Date:** November 16, 2015

**ETP Regional Office:** San Diego

**Analyst:** K. Campion

**CONTRACTOR**

- Type of Industry: Manufacturing
- Priority Industry:  Yes  No
- Number of Full-Time Employees
  - California: 54
  - Worldwide: 66
  - Number to be trained: 54
- Owner  Yes  No
- NAICS Code Eligible
- Out-of-State Competition:  Yes  No
- Special Employment Training (SET):  Yes  No
- High Unemployment Area (HUA):  Yes  No
- Turnover Rate: 3%
- Repeat Contractor:  Yes  No

**FUNDING**

- Requested Amount: \$49,140
- In-Kind Contribution: \$66,899

**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate SB <100	Business Skills, Mfg. Skills, Computer Skills, Cont. Imp., OSHA 10/30	54	8 - 60	0	\$910	\$16.02
				Weighted Avg: 35			

- Reimbursement Rate: \$26 SB Priority
- County(ies): Orange
- Occupations to be Trained: Administrative Staff, Engineering Staff, Production Worker, Technical/Service/Sales Staff, Supervisor, Manager
- Union Representation:  Yes  
 No
- Health Benefits: \$2.97 per hour

**SUBCONTRACTORS**

- Development Services: Training Funding Source (TFS) in Seal Beach assisted with development for a flat fee of \$2,900.
- Administrative Services: TFS will also provide project administration services for an amount not to exceed 13% of earned funds.
- Training Vendors: To Be Determined

**OVERVIEW**

Located in Rancho Santa Margarita, ATS Workholding, Inc. dba ATS Systems, Inc. (ATS) is a CNC machining workholding and high pressure coolant manufacturer. The Company provides a wide range of workholding and automation accessories that make metal-cutting machine tools most productive. It also manufactures high pressure pumping and coolant systems. ATS' products are used by other manufacturers who use cutting machines, and automation and workholding products to make their products.

To remain competitive in the metal machine tools industry, ATS needs to improve the overall efficiency of its business and increase production output, thereby yielding higher results. To meet this goal, the Company must upgrade the skills of its workers. Therefore, the Company has recently adopted a new Lean Manufacturing initiative to lean out waste and identify redundancy in its workflow and internal processes. This requires training for all staff.

Additionally, ATS is expanding its market by targeting sales to new customers and projects to double the number of workers over the next three years. To manage its projected growth and implement its Lean manufacturing philosophies, ATS will provide an extensive retraining effort

across the organization. With the help of ETP-funded training, the expected outcome of this training plan is to have a knowledgeable and highly-skilled efficient workforce that will allow the Company to remain viable in the marketplace.

## **Training Plan**

Training is scheduled to start immediately upon project approval. All training will be conducted via class/lab in the following:

**Business Skills** – Training will be provided to all occupations based on job functions. Management Staff will learn Coaching and Leadership Skills. Others will learn Sales and Marketing Skills, Strategy Deployment Processes and Finance/Accounting skills. All trainees will learn new work processes/procedures skills to improve work flow.

**Manufacturing Skills** – Training will be provided to Production, Technical/Service/Sales and Engineering Staff to enhance technical skills. Trainees will learn how to conduct quality inspections, learn troubleshooting techniques, learn to execute operational strategy processes such as understanding, preparing and communicating the Daily status packages, and the maintenance and technical operations of machinery and equipment.

**Computer Skills** – Training will be provided to Administrative, Engineering, Technical/Service/Sales and Management Staff to utilize software tools, and learn how to navigate the Company's MRP System. Trainees will be trained in software systems critical in understanding workflow and ensuring that production, logistics and financials tie together. Engineering Staff will also learn design software skills and project management software skills.

**Continuous Improvement** – Training will be provided to all occupations to create an effective company culture of Lean Manufacturing and Process Improvement. Trainees will learn how to utilize 5S tools and will participate in Kaizen events. Quality Improvement Management training is critical to the success of the Company's business as it allows ATS to control, ensure and improve the overall quality of its products.

**OSHA 10/30** – Training is a series of courses "bundled" by industry sector and occupation. It consists of 10 hours of training for frontline Production Staff and 30 hours for Supervisors. Completion of the training results in a certificate that expands employment opportunities. To ensure that each trainee receives certification, ETP will only consider payment earned upon completion of the full 10-hour or 30-hour course.

## **RECOMMENDATION**

Staff recommends approval of this proposal.



**Retrainee - Job Creation  
Training Proposal for:**

**CallCatchers Inc. dba FreedomVoice Systems**

**Small Business**

**ET16-0264**

**Approval Date:** November 3, 2015

**ETP Regional Office:** San Diego

**Analyst:** S. Godin

**CONTRACTOR**

- Type of Industry: Services  
Communication  
Technology/IT  
Priority Industry:  Yes  No
- Number of Full-Time Employees  
California: 59  
Worldwide: 65  
Number to be trained: 60  
Owner  Yes  No
- Out-of-State Competition: Competitors Outside CA
- Special Employment Training (SET):  Yes  No
- High Unemployment Area (HUA):  Yes  No
- Turnover Rate: 10%
- Repeat Contractor:  Yes  No

**FUNDING**

- Requested Amount: \$49,500
- In-Kind Contribution: \$100,000

**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee SB <100	Business Skills, Computer Skills, Continuous Improvement	54	8-100	0-50	\$770	\$15.93
				Weighted Avg: 35			
2	Job Creation Initiative SB<100	Business Skills, Computer Skills, Continuous Improvement	6	8-100	0-50	\$1,320	\$13.28
				Weighted Avg: 60			

- Reimbursement Rate: Job #'s 1 & 2: \$22 SB Non-Priority
- County(ies): San Diego
- Occupations to be Trained: Administrative Support, Customer Care Rep, R&D Staff, Software Engineer, Operations Staff, Sales Staff, Marketing/Product Development Staff, Manager, Owner
- Union Representation:  Yes  
 No
- Health Benefits: Job #1: \$1.93 per hour

**SUBCONTRACTORS**

- Development Services: N/A
- Administrative Services: N/A
- Training Vendors: To Be Determined

**OVERVIEW**

Formed in 1996, CallCatchers Inc. dba FreedomVoice Systems (CallCatchers) ([www.freedomvoice.com](http://www.freedomvoice.com)) is a telecommunications company providing architecture, design, delivery and technical support of VoIP telephony (Voice over Internet Protocol) VoIP is a cloud-based communication service provided by the Company to over 35,000 small/medium businesses and individual entrepreneurs throughout the U.S. CallCatchers is headquartered in Encinitas with one-person satellite offices located in Georgia, Florida, Ohio, North Carolina, Arizona and Nevada.

**PROJECT DETAILS**

CallCatchers was an early provider of toll-free virtual telephony service for U.S. businesses and currently offers three product lines:

- CloudNumber which provides a virtual phone number in any area code or toll free number with an auto attendant, call forwarding and voicemail;
- CloudPhone, a small office phone service designed for 1-4 users with unlimited calling, auto attendant, call forwarding, and voicemail; and
- CloudPBX, a scalable, cloud-based enterprise phone system for medium sized businesses.

Technology in this industry changes rapidly. IT/Engineering and R&D staff must stay up-to-date on the platforms, technologies and solution offerings that support Company growth. Customer Support Staff must be able to provide value-added service 24/7, troubleshoot VoIP issues, and speak with acumen to the Company's products.

CallCatchers states that its personalized customer care service gives an advantage over its competitors. Wherein most VoIP telephony service companies subcontract customer care service to off-shore providers, CallCatchers does not. All customer support is provided by full-time CallCatchers company employees.

### **Retrainee - Job Creation**

CallCatchers has experienced 10% annual growth the last several years and expects this trend to continue during the term of the proposed Agreement. CallCatchers projects that it will hire at least 10 new employees during the term of this Agreement, of which six are included in this proposed training (3 Customer Care Representatives and 3 IT/Engineering/R&D Staff). These new employees will require extensive training to develop the requisite skills needed to support the Company's growth plans.

CallCatchers represents that the date-of-hire for all Job Creation trainees (Job Number 2) will be within the three month period before contract approval or within the term-of-contract. The Company also represents that these trainees will be hired into "net new jobs" as a condition of contract.

### **Training Plan**

The proposed Agreement will offer training topics to employees to increase efficiencies and expand market shares.

**Business Skills** - Training will be offered to all occupations and focus on customer relationship building, project management, communication, sales/marketing skills, advanced product knowledge, conflict management, negotiation skills and financial strategies. Topics will improve the ability of the workforce to provide exemplary service to both internal and external customers and better manage the overall business process.

**Computer Skills** - Training will be offered to all occupations based on individual need and job function. Training will focus on computer networking/programming skills, software development, new web technologies and various software applications used in telecommunications design and delivery. Training will provide the skills necessary to manage the systems and software included in ETP curriculum.

**Continuous Improvement** – All occupations will receive training in a variety of topics designed to improve processes and efficiencies throughout the organization. Training topics include leadership skills, change/project management, problem solving/troubleshooting skills, process improvement and quality concepts. These skills will provide the competencies necessary to manage projects and implement new working processes, thereby increasing the overall efficiency of CallCatchers.

**Computer-Based Training (CBT)**

CallCatchers will offer up to 50 hours of CBT in Computer Skills topics to its IT/Operations, Engineering and R&D Staff. CBT training will provide a method to reinforce the training taught through the class/lab methodologies. CBT hours are capped at 50% of total training hours per individual trainee.

**Range of Hours Waiver**

Although small business proposals are capped at 60 hours per trainee, CallCatchers has requested a modification to increase the maximum to 100 hours per trainee. However, the weighted average number of hours for incumbent employees will be 35 and the weighted average for Job Creation will be 60. The higher maximum is needed for approximately 15 trainees involved with software development, architecture and web technologies. This modification is consistent with the maximum number of CBT hours (50) some trainees will complete.

**RECOMMENDATION**

Staff recommends approval of this proposal.





**Training Proposal for:  
Classic Litho & Design, Inc.**

<b>Small Business</b>
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**ET16-0262**

**Approval Date:** November 4, 2015

**ETP Regional Office:** North Hollywood      **Analyst:** J. Romero

**CONTRACTOR**

- Type of Industry: Manufacturing
- Priority Industry:  Yes  No
- Number of Full-Time Employees
  - California: 35
  - Worldwide: 35
  - Number to be trained: 35
  - Owner  Yes  No
- Out-of-State Competition: Competitors Outside CA
- Special Employment Training (SET):  Yes  No
- High Unemployment Area (HUA):  Yes  No
- Turnover Rate: 17%
- Repeat Contractor:  Yes  No

**FUNDING**

- Requested Amount: \$49,140
- In-Kind Contribution: \$58,922

**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate SB <100	Business skills, Computer Skills, Continuous Improvement, Hazardous Materials, Management Skills, Manufacturing Skills	35	8-60	0	\$1,404	\$15.97
				Weighted Avg: 54			

- Reimbursement Rate: Job #1: \$26 SB Priority
- County(ies): Los Angeles County
- Occupations to be Trained: Project Coordinator, Bindery and Fulfillment, Management, Prepress, Sales, Administrative Staff, Shipping/Logistics Staff, Press Operators, Owner
- Union Representation:  Yes  
 No
- Health Benefits: Job #1: \$1.51 per hour

**SUBCONTRACTORS**

- Development Services: N/A
- Administrative Services: N/A
- Training Vendors: To Be Determined.

**OVERVIEW**

Founded in 1988, Classic Litho & Design, Inc. (classiclitho.com), (Classic Litho) is a woman-owned commercial printing company. It has grown from a single color press shop, to one that now includes six and eight color presses for multi-color printing with digital and wide-format presses. Classic Litho provides full printing from prepress and proofing, to finishing and binding. Some of their products include: Catalogs, Brochures, Booklets, Posters, Signs; and Point-of-Purchase on Point-of-Sale items such as Shelf Talkers, Stanchions and Header Cards. These products can be printed on either paper or plastic. The Company is also capable of providing digital short-run printing and variable data printing for marketing and supermarket companies as well as large-format printing for indoor and outdoor signage.

The Company takes pride in providing high-quality jobs, quick turnarounds and superior customer service. With the technological changes in the printing industry over the last few

years, Classic Litho decided to modify and update its current business practice. The goal was to be more competitive and expand its product niche. As such, it has added special lines that include grand format printing, online ordering, and packaging. It has also invested in a more modern press and additional printing equipment.

For this proposal, the Company plans to establish Lean Manufacturing practices that will eliminate waste and support more efficient processes.

## **Training Plan**

As a result the changing demands in technology within the printing industry, Classic Litho conducted a needs assessment in all departments. The proposed training, based on this assessment, will include Lean Operation, 5S Best Practices, Kaizen and Six Sigma, Business and Computer Skills. Training will be provided to the following occupations: Project Coordinator, Bindery and Fulfillment, Management, Prepress, Sales, Administrative Staff, Shipping/Logistics Staff, Press Operator and Owner.

Training will be provided at Classic Litho's facility in Torrance by a combination of in-house staff and outside vendors, upon the approval of this proposal.

**Business Skills:** This training will be offered to all occupations. Courses will include Project Management, Performance Metrics, Strategic Planning and Product Knowledge. Trainees will also learn skills to communicate more effectively, solve problems as a team, and meet deadlines in a timely manner.

**Hazardous Materials:** This training will be offered to all occupations. This training will equip employees with skills on the proper techniques and procedures to efficiently transport, store and dispose of hazardous materials.

**Management Skills:** This training will be offered to Managers only. Trainees will receive training in performance leadership, goal setting and coaching procedures to improve employee motivation and help with LEAN implementation.

**Computer Skills:** This training will be offered to Project Coordinators, Managers, Sales and Administrative Staff. Trainees will acquire understanding and confidence in using and navigating computer programs and software used by the Company.

**Manufacturing Skills:** This training will be offered to all occupations. This training is designed to enhance specific manufacturing processes such as 5S, equipment operation and maintenance, process flow efficiency and production maintenance. The training will upgrade employee competency and efficiency in meeting product quality standards.

**Continuous Improvement:** This training will be offered to all occupations and will teach them to apply a team-oriented approach in their job performance and improving overall service quality. This training will allow Classic Litho to implement process improvements using lean operations, Kaizen and Six Sigma.

## **RECOMMENDATION**

Staff recommends approval of this proposal.

**Exhibit B: Menu Curriculum****Class/Lab Hours**

8 – 60

Trainees may receive any of the following:

**BUSINESS SKILLS**

- Project Management
- Performance Metrics
- Strategic Planning
- Product Knowledge
- Sales Training
- Team Building

**COMPUTER SKILLS**

- Microsoft Office (Excel, Word)
- Microsoft Project
- Google Analytics

**CONTINUOUS IMPROVEMENT**

- Adapting to Change
- Kaizen
- Lean Operations
- Six Sigma
- Problem Solving
- Process Improvement
- Quality Improvement

**HAZARDOUS MATERIALS**

- Material Handling

**MANAGEMENT SKILLS (Managers only)**

- Performance Leadership
- Goal Setting
- Coaching Procedures

**MANUFACTURING SKILLS**

- 5S Best Practices
- Equipment Operation and Maintenance
- Quality Measurement
- Production Maintenance
- Process Flow Efficiency

Safety Training is capped at 10% of a trainee's total training hours

Note: Reimbursement for retraining is capped at 60 total hours per-trainee, regardless of method of delivery.



**DELEGATION ORDER**

**RETRAINEE - JOB CREATION**

**Training Proposal for:**

**CohnReznick LLP**

**Agreement Number: ET16-0257**

**Approval Date:** November 3, 2015

**ETP Regional Office:** North Hollywood

**Analyst:** E. Wadzinski

**PROJECT PROFILE**

Contract Attributes:	SET Retrainee Job Creation Initiative	Industry Sector(s):	Services  Priority Industry: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Counties Served:	Los Angeles, Sacramento, San Diego	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 233	U.S.: 2,490	Worldwide: 2,506
<u>Turnover Rate:</u>	6%		
<u>Managers/Supervisors:</u> (% of total trainees)	N/A		

**FUNDING DETAIL**

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	<b>Total ETP Funding</b>
\$99,180		\$0	\$0		\$99,180

In-Kind Contribution:	100% of Total ETP Funding Required	\$249,458
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee SET	Business Skills, Computer Skills, Cont. Imp.	108	8-200	0	\$735	\$27.40
				Weighted Avg: 49			
2	Retrainee SET Job Creation Initiative	Business Skills, Computer Skills, Cont. Imp.	18	8-200	0	\$1,100	\$26.67
				Weighted Avg: 55			

**Minimum Wage by County:** Job Number 1 (SET Statewide): \$27.40 per hour

Job Number 2 (Job Creation): \$13.31 per hour for Los Angeles County; \$13.28 per hour for San Diego County; and \$13.13 per hour for Sacramento County.

**Health Benefits:**  Yes  No This is employer share of cost for healthcare premiums – medical, dental, vision.

**Used to meet the Post-Retention Wage?:**  Yes  No  Maybe

Up to \$3.30 per hour may be used to meet the Post-Retention Wage for Job Number 1.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
<b>Job Number 1</b>		
Entry Level Associate		3
Associate 1		23
Associate 2		9
Senior		44
Manager 1		14
Manager 2		15
<b>Job Number 2 – Job Creation</b>		
Entry Level Associate		18

## **INTRODUCTION**

Founded in 1919, CohnReznick LLP (CohnReznick) ([www.cohnreznick.com](http://www.cohnreznick.com)) is a professional services firm that provides accounting and assurance, tax and advisory services to both public and private companies across numerous industries. CohnReznick brings clients forward-thinking solutions and industry specific expertise that goes beyond standard accounting, tax and advisory services. The Company has a team of professionals with expertise in various industries including Affordable Housing, Commercial Real Estate, Construction, Financial Services, Healthcare, Hospitality, Manufacturing, Education, Technology, Non-Profit organizations and many more.

CohnReznick is headquartered New York, with 28 other locations in the US as well as two international locations. Training for this Agreement will be focused on their four California locations in Los Angeles, Woodland Hills, San Diego and Sacramento.

### **Retrainee - Job Creation**

For each of the past two years, CohnReznick has experienced approximately 3% revenue growth in the four locations where training will take place. The Company expects this growth to continue, requiring the need to add 18 new Entry Level Associate positions (8 jobs in Los Angeles, 3 in Woodland Hills, 4 in Sacramento and 3 in San Diego). New clients drive the demand in the commercial real estate and not-for-profit sector growth.

In summary, CohnReznick has committed to hiring approximately 18 new employees within the next two years (Job Number 2). The date-of-hire for trainees will be within the three-month period before contract approval or within the term-of-contract. These trainees will be hired into “net new jobs” as a condition of contract.

## **PROJECT DETAILS**

CohnReznick serves clients in all phases of the business cycle ranging from start-up to exit strategies. In order to grow and remain competitive, it is critical that the employees are up-to-date on the latest rulings, laws and legislation that impact the business, to provide the best service.

### **Training Plan**

Training will provide employees with the skills and knowledge needed to ensure they are current in accounting and taxation rules, and how to apply those rules.

**Business Skills (65%)** – Training will be offered to all occupations. This training will cover industry specific topics relating to accounting and audits, tax updates, defining financial goals and associated strategies. Training will equip employees with the knowledge to skillfully guide clients through regulatory issues and new business opportunities. Training will also focus on communication, networking, teambuilding and business professionalism. Trainees will learn how to achieve desired results and interact more effectively with all customers.

**Computer Skills (10%)** – Training will be offered to all occupations. This training will help staff become proficient in specialized software packages designed to improve information management and efficiency.

**Continuous Improvement (25%)** – All occupations will receive training in Decision Making, although the majority of the training will be undertaken by the Senior and Manager occupations. This training will cover topics related to the responsibility for planning and directing an audit or other client engagement. Leadership and coaching skills will equip employees with the

knowledge to guide co-workers and clients through regulatory issues and new business opportunities; as well as with skills on how to teach less experienced members of the “team” to ensure audit services are complete and to aid in overall learning and professional growth.

## **E-Learning**

E-Learning may be used as a training delivery method to accommodate training sessions for trainees located at more than one of the four employer locations. E-Learning is defined as instruction delivered by a live trainer through a web-based system, conducted in a virtual environment utilizing web meeting/webinar. The trainer to trainee ratio for this training is one to 20, the same as for class/lab training.

## **Frontline Worker**

CohnReznick uses job classifications with Manager and Senior in the title. However, the Company has confirmed that most of these employees actively manage teams and projects and spend more than 75% of their time performing frontline work. They may function in a supervisory or lead capacity; however, they do not hire, fire, or make company policy. Therefore, based on the nature and scope of their job duties, these trainees meet the Panel’s definition of frontline workers. As frontline workers, these trainees qualify for SET funding and are not included in the percentage of managers and supervisors identified on Page 1 of this proposal.

## **Commitment to Training**

CohnReznick spends approximately \$205,950 for training at its four locations in California. Training includes new employee orientation, continuing education courses, and industry conferences. ETP funds will not displace the existing financial commitment to training. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

### ➤ Training Infrastructure

The Company’s National Director of Learning and Development located in Roseland, New Jersey will oversee the project. In addition, the HR Manager in the Los Angeles office will have day to day management of the project. The Company has retained an outside administrative consultant to ensure that all training records adhere to ETP requirements.

## **RECOMMENDATION**

Staff recommends approval of this proposal.

## **DEVELOPMENT SERVICES**

Tax Credit Co. located in Los Angeles assisted with development for a flat fee of \$8,900.

## **ADMINISTRATIVE SERVICES**

Tax Credit Co. will also perform administrative services for a fee not to exceed 9% of payment earned.

## **TRAINING VENDORS**

To Be Determined





**Training Proposal for:  
Curtin Maritime Corp.**

**Small Business**

**ET16-0251**

**Approval Date:** October 22, 2015

**ETP Regional Office:** North Hollywood      **Analyst:** L. Vuong

**CONTRACTOR**

- Type of Industry: Construction  
   Transportation/Logistics  
   Priority Industry:  Yes  No
  
- Number of Full-Time Employees  
   California: 43  
   Worldwide: 43  
   Number to be trained: 43  
   Owner  Yes  No
  
- Out-of-State Competition: No OSC
- Special Employment Training (SET):  Yes  No
- High Unemployment Area (HUA):  Yes  No
- Turnover Rate: 7%
- Repeat Contractor:  Yes  No

**FUNDING**

- Requested Amount: \$49,192
- In-Kind Contribution: \$65,895

**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee SB <100 Priority Rate SET HUA	Business Skills, Commercial Skills, Computer Skills, Cont. Impr., HazMat., OSHA 10/30	33	8-60	0	\$1,144	\$15.97
				Weighted Avg: 44			
2	Retrainee SB<100 Priority Rate SET HUA	Business Skills, Commercial Skills, Computer Skills, Cont. Impr., HazMat., OSHA 10	10	8-60	0	\$1,144	*\$11.98
				Weighted Avg: 44			

\*It will be made a condition of contract that the trainees in this Job Number will never be paid less than the statewide minimum wage rate as in effect at the end of retention (Final Payment) regardless of the wage expressed in this table.

- Reimbursement Rate: Job #'s 1 & 2: \$26 SB Priority
- County(ies): Los Angeles
- Occupations to be Trained: Welder, Deckhands/Vessel Staff, Leverman/Equipment Staff, Operator, Engineer, Captain, Administrative Staff, Manager/Supervisor, Owner, Laborer
- Union Representation:  Yes  
 No
- Health Benefits: Job #'s 1 & 2: \$1.85 per hour

**SUBCONTRACTORS**

- Development Services: Training Funding Source (TFS) in Seal Beach assisted with development for a flat fee of \$2,900.
- Administrative Services: TFS will also provide administrative services for an amount not to exceed 13% of payment earned.
- Training Vendors: To Be Determined

## **OVERVIEW**

Founded in 1997 and located in Long Beach, Curtin Maritime Corp. (CMC) is a full-service, heavy marine construction company. In addition to marine construction, the Company provides harbor towing, ocean towing, dredging, heavy lift, project cargo, oil & gas support and salvage services. CMC serves private and commercial ship operators, military, general cargo shipping, offshore oil ships and the cruise line industry. Major customers include US Army Corp of Engineers, Chevron, US Navy, Port of Long Beach, Beta Exxon, Venoco, Global Diving and salvage companies. This will be CMC's first ETP Agreement.

Since 2012, the Company has increased its business by 75% and its workforce from 12 to 43 employees. In addition, CMC has a constant business need to keep pace with industry requirements, government regulations, customer demand and technological changes. These business needs and increase in staffing require employee training to be successful and remain competitive. CMC is in the process of developing an internal training program to improve business functions and to support continued growth.

The proposed training in Continuous Improvement, Business, Commercial and Computer Skills will assist CMC in strengthening its organization and workforce.

### **Training Plan**

ETP funds will help the Company deliver formalized training to its workforce for the first time. The proposed training will help CMC to upgrade worker skills, expand business, increase customer services and become efficient in processes and new technology.

Classroom/Lab and Videoconference training will be delivered as follows:

**Business Skills** – Training will be offered to Administrative Staff, Managers/Supervisors and Owners. Training will provide trainees with a greater understanding of company policies, procedures and operations, customer service, cost reduction and sales.

**Commercial Skills** – Training will be offered to all occupations and focus on comprehension, terminology, marine design and construction and technical proficiency.

**Computer Skills** – Training will be offered to all occupations in the Company's automated systems.

**Continuous Improvement** – Training will be offered to all occupations and focus on quality process improvement, teambuilding and problem solving.

**Hazardous Material** – Training will be offered to all occupations in proper techniques, skills and knowledge for handling hazardous materials and waste.

### **Certified Safety Training**

**OSHA 10/30** – OSHA 10 training will be provided to Welders, Deckhands/Vessel Staff, Leverman/Equipment Staff, Operators, Captains, Owners and Laborers. OSHA 30 training will be provided to Managers and Supervisors to ensure a safe work environment.

1. OSHA 10/30. This training is a series of courses "bundled" by industry sector and occupation. It consists of 10 hours of classroom or CBT training for journey-level

workers and 30 hours for frontline supervisors. The coursework is geared to construction work, and also manufacturing. Completion of the training results in a certificate that expands employment opportunities. The coursework must be approved by Cal-OSHA, and the instructors must be certified by Cal-OSHA.

### **High Unemployment Area**

All trainees work in a high unemployment area, with unemployment exceeding the state average by 15%. These trainees qualify for the ETP Minimum Wage rather than the Statewide Average Hourly Wage (from \$27.40 to \$15.97). CMC requests this wage for Job Number 1.

#### ➤ SET Wage Modification

The Panel may also modify the ETP Minimum Wage for these trainees by up to 25% if post retention wages exceed the start-of-training wages (from \$15.97 to \$11.98). CMC is requesting this wage modification for Job Number 2.

### **RECOMMENDATION**

Staff recommends approval of this proposal.



**Retrainee - Job Creation  
Training Proposal for:  
Denmac Industries, Inc.**

**Small Business**

**ET16-0261**

**Approval Date:** November 5, 2015

**ETP Regional Office:** North Hollywood

**Analyst:** E. Fuzesi

**CONTRACTOR**

- Type of Industry: Manufacturing  
Services  
Priority Industry:  Yes  No
  
- Number of Full-Time Employees  
California: 65  
Worldwide: 65  
Number to be trained: 73  
Owner  Yes  No
  
- Out-of-State Competition: NAICS Code Eligible
- Special Employment Training (SET):  Yes  No
- High Unemployment Area (HUA):  Yes  No
- Turnover Rate: 2%
- Repeat Contractor:  Yes  No

**FUNDING**

- Requested Amount: \$49,972
- In-Kind Contribution: \$38,901

**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	SB <100 Priority Rate	Business Skills, Computer Skills, Continuous Impr., Mfg Skills	28	8-60	0	\$676	\$15.97
				Weighted Avg: 26			
2	SB<100 Priority Rate HUA	Business Skills, Computer Skills, Continuous Impr., Mfg Skills	37	8-60	0	\$676	\$11.98*
				Weighted Avg: 26			
3	Job Creation Initiative SB<100 Priority Rate HUA	Business Skills, Computer Skills, Continuous Impr., Mfg Skills	8	8-60	0	\$754	\$10.00*
				Weighted Avg: 29			

\*It will be made a condition of contract that the trainees in this Job Number will never be paid less than the statewide minimum wage rate as in effect at the end of retention regardless of the wage expressed in this table.

- Reimbursement Rate: Job #'s 1-3: \$26 SB Priority
- County(ies): Los Angeles
- Occupations to be Trained: Administrative Staff, Production Staff, Owner, Manager/Supervisor
- Union Representation:  Yes  
 No
- Health Benefits: Job #1: \$2.84 per hour Job #2: \$1.98 per hour

**SUBCONTRACTORS**

- Development Services: Training Funding Source (TFS) in Seal Beach assisted in the development of this application for a fee of \$2,900.
- Administrative Services: TFS will also provide administrative services for the amount not to exceed 13% of payment earned.
- Training Vendors: To Be Determined

**OVERVIEW**

Founded in 1970 and located in Paramount, Denmac Industries, Inc. (Denmac) ([www.denmac-ind.com](http://www.denmac-ind.com)) is a custom coating manufacturer. The Company specializes in coatings such as powder, vinyl, PVC, PVD, Teflon, and thermoplastic. These coatings are used on a variety of products from hand tools to aerospace components. Denmac serves many industries nationwide.

## Need for Training

This will be Denmac's second ETP Agreement in the last five years. The last Agreement focused on training towards Six Sigma and ISO certifications. For this proposal, training will help the Company streamline processes. Denmac must improve efficiencies and offer shorter turn-around cycles to compete with overseas businesses. Denmac has upgraded its ERP and MRP software systems and is planning to roll out these new systems to the Production Department within the next few months.

In keeping with overall planned expansion, the Company started using a new technology called photo luminescent coating which enables objects coated to glow in the dark. This technology requires new equipment which will require significant training. In particular, the Company was recently retained to provide coating for football facemasks. This business opportunity will require the Company to hire Production Staff for a second shift in order to run equipment at full capacity.

## Retrainee - Job Creation

The Panel is offering incentives to companies that commit to hiring new employees. Training for newly-hired employees will be subject to a lower post-retention wage.

Denmac is expanding its business capacity and purchasing new equipment as discussed above. The Company is committed to hiring eight employees for a second shift (Job Number 2). The date-of-hire for all trainees in the Job Creation program will be within the three-month period before contract approval or within the term-of-contract. Trainees will be hired into "net new jobs" as a condition of contract.

## Training Plan

**Business Skills** – Training will be offered to all staff to increase communication and conflict resolution skills and become more efficient. Supervisors will learn to properly communicate with production staff, and address issues as they arise. Training in Project and Time Management will give employees the resources of effective customer relationship management.

**Computer Skills** – Training will be offered to all staff to increase the utilization of the new MRP system (Visual Shop). The new release of the system will eliminate re-keying data between two systems, which will lead to reduced errors and time delays. Additionally, the program will allow customers to track their orders.

**Continuous Improvement** – Training will be offered to all staff to increase operational effectiveness and efficiencies, reduce waste, and empower key staff to make decisions. Training will allow the Company to implement new processes, and trainees will learn how to document processes in order to ensure quality outcomes. Additionally, trainees will receive courses to work towards ISO certification which will open up new markets, especially in aerospace.

**Manufacturing Skills** – Training will be offered to Production Staff, Supervisors, and Managers to improve productivity, efficiency, and quality and reduce waste. These skills will help improve overall employee skill levels in product manufacturing.

## **Modifications**

### **High Unemployment Area**

All trainees in this proposal work in Los Angeles County, a High Unemployment Area with unemployment exceeding the state average by at least 25%.

#### ➤ Wage Modification

The Panel may modify the ETP Minimum Wage by up to 25% if post-retention wages exceed the start-of-training wages. Denmac is requesting this wage modification to \$11.98 for Job Number 2 (Retrainee) and \$10.00 for Job Number 3 (Job Creation). In Job Number 2, post-retention wages must exceed the start-of-training wages.

## **RECOMMENDATION**

Staff recommends approval of this proposal.

## **PRIOR PROJECTS**

The following table summarizes performance by Denmac under an ETP Agreement that was completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET11-0129	Paramount	01/06/2011- 01/05/2013	\$35,100	\$25,005 (71%)



**Exhibit B: Menu Curriculum****Class/Lab Hours**

8-60

Trainees may receive any of the following:

**BUSINESS SKILLS**

- Coaching
- Customer Service
- Finance
- Goal Setting
- Interpersonal Communication
- Inventory Control
- Leadership
- Negotiation
- Planning
- Procurement
- Product Knowledge
- Project Management
- Sales
- Time Management

**COMPUTER SKILLS**

- Enterprise Resource Planning (ERP)
- Financial Accounting System - Peachtree
- Manufacturing Resource Planning (MRP)
- Microsoft Office
- SolidWorks

**CONTINUOUS IMPROVEMENT**

- ISO
- Just in Time
- Process Improvement
- Productivity Improvement
- Quality Improvement
- Six Sigma
- Statistical Process Control
- Teambuilding

**MANUFACTURING SKILLS**

- Equipment Operations
- Good Manufacturing Practices
- Material Requirements Planning
- Pad Print Plate
- Photo Luminescence
- Screen Making
- Tool Making
- Warehouse Processes

Note: Reimbursement for retraining is capped at 60 total hours per-trainee, regardless of method of delivery.
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**DELEGATION ORDER**



**Training Proposal for:**

**DENSO Wireless Systems America, Inc.**

**Agreement Number: ET16-0256**

**Approval Date:** November 12, 2015

**ETP Regional Office:** San Diego

**Analyst:** S. Godin

**PROJECT PROFILE**

Contract Attributes:	Priority Rate Retrainee	Industry Sector(s):	Manufacturing  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	San Diego	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 177	U.S.: 17,000	Worldwide: 146,000
Turnover Rate:	9%		
Managers/Supervisors: (% of total trainees)	12%		

**FUNDING DETAIL**

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	<b>Total ETP Funding</b>
\$79,560		\$0	\$0		\$79,560

In-Kind Contribution:	100% of Total ETP Funding Required	\$145,121
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Business Skills, Computer Skills, Continuous, Improvement, Manufacturing Skills, OSHA 10/30	65	8-200	0	\$1,224	\$15.93
				Weighted Avg: 68			

**Minimum Wage by County:** San Diego: \$15.93/hr.

**Health Benefits:**  Yes  No This is employer share of cost for healthcare premiums – medical, dental, vision.

**Used to meet the Post-Retention Wage?:**  Yes  No  Maybe

Up to \$1.69 per hour may be used to meet the Post-Retention Wage.

**Wage Range by Occupation**

Occupation Titles	Wage Range	Estimated # of Trainees
Administrative Support		4
Engineering Staff, QA Staff		19
Technician, Equipment Maintenance Staff		10
Production Staff		19
Warehouse/Distribution Staff		5
Supervisor/Manager		8

**INTRODUCTION**

Located in Vista, DENSO Wireless Systems America, Inc. (DWAM) ([www.denso-dwam.com](http://www.denso-dwam.com)) is a wholly-owned subsidiary of DENSO International America, Inc., whose global parent corporation is DENSO Corporation. DWAM designs, manufactures, and supplies integrated, in-vehicle wireless cell phone chargers and other automotive electronic parts for original equipment and aftermarket manufacturers. Major customers include Toyota, General Motors and Honda. The Company currently employs 177 full time workers. DWAM meets out of state competition standards as an industrially classified manufacturer and is eligible for priority reimbursement.

**PROJECT DETAILS**

This will be DWAM's third ETP project within the last five years. ET09-0517 focused on Continuous Improvement skills. Trainees developed written standard operating instructions for the production of audiovisual navigation systems (being manufactured at the time) and the Company began its journey to a high performance workplace. Employees were introduced to lean manufacturing concepts which resulted in efficiency gains, reduced production times, and waste

elimination. ET13-0309 built upon the lean concepts and skill sets acquired in the first Agreement, concentrating on delivery of manufacturing skills for the DWAM's audio visual navigation (AVN) system, a second generation in-vehicle GPS navigation system. Production of the AVN system was phased out during this project; however, production of DWAM's In-Vehicle Wireless Chargers and Data Communication Modules began during the latter part of this Agreement.

In addition to in-vehicle wireless chargers and data communication modules, DWAM recently began manufacturing Video Processing Modules (VPM) for General Motors, a product that provides car driver monitoring safety features such as 360 degree and panorama views, cross-traffic views and night vision pedestrian detection. Training under the proposed Agreement will provide skills needed to manufacture the VPM equipment and build upon the skill sets acquired in the previous projects.

DWAM has been directed by its parent company to increase its corporate profitability by adding a research and development department to its facility. This requires increasing the skill sets of all employees involved with research and design at the Company. To support this effort, DWAM has purchased several robotic machines and plans to provide extensive training on the programming, set-up, and operation of the new equipment during the proposed Agreement. The robotic machinery will increase production and reduce cycle time and will be used to manufacture new products currently under development at DWAM.

### **Commitment to Training**

DWAM reports that it spends approximately \$25,000 on training at its Vista location. The Company provides the following training: sexual harassment and violence in the workplace prevention, new hire orientation, basic Microsoft Office Suite application skills, DWAM values, and basic safety training. ETP funds will not displace the existing financial commitment to training. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

### **Training Infrastructure**

DWAM's training department will administer the ETP funded Agreement. The Company expects to start training within 10 days of approval. The ETP Agreement will be managed by the same DWAM staff that handled prior ETP Contracts.

### **Impact/Outcome**

The proposed Agreement will offer training topics to new and incumbent employees and expand learning opportunities for those who participated in previous projects. Trainees from prior projects will not receive duplicate training.

### **TRAINING PLAN**

**Business Skills** (10%): Training will be offered to all occupations and will provide trainees with critical skill sets in communication, product knowledge, customer service, time management and presentation skills. Competency in these topics will empower frontline workers to solve customer problems and identify how daily activities and decisions affect customer's perception and satisfaction.

**Computer Skills** (30%): Engineering Staff, technician, QA Staff, and selected Managers will receive training on multiple software programs that support the research and design of a variety of new products currently in research and development.

**Manufacturing Skills (30%):** Engineering Staff, Technician, QA Staff and Production Staff will receive training on the set-up, programming and operation of the new robotics equipment. Production Staff and Supervisors who were not trained in previous projects will receive training in Good Manufacturing Practices, Materials and Supply Chain Management, and Assembly and Packaging.

**Continuous Improvement (25%):** Training will be offered to all occupations. Skill sets will focus on developing leaders and strategic thinkers within the organization, coaching and mentoring, problem solving, root cause analysis, and advanced lean manufacturing techniques.

### **Certified Safety Training (5%)**

OSHA 10/30. This training is a series of courses “bundled” by industry sector and occupation. It consists of 10 hours of classroom or CBT training for journey-level workers and 30 hours for frontline supervisors. The coursework is geared to manufacturing, and also construction work. Completion of the training results in a certificate that expands employment opportunities. The coursework must be approved by Cal-OSHA, and the instructors must be certified by Cal-OSHA.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

### **PRIOR PROJECTS**

The following table summarizes performance by DWAM under an ETP Agreement that was completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET09-0517	Vista	4/06/09 - 4/05/11	\$74,736	\$74,736 (100%)
ET13-0309	Vista	3/08/13 - 3/07/15	\$99,600	\$73,992 (74%)

### **DEVELOPMENT SERVICES**

N/A

### **ADMINISTRATIVE SERVICES**

N/A

### **TRAINING VENDORS**

All training will be delivered by in-house trainers.

**Exhibit B: Menu Curriculum****Class/Lab Hours**

8-200

Trainees may receive any of the following:

**BUSINESS SKILLS**

- Time Management Skills
- Organizational Skills
- Communication Skills
- Presentation Skills
- Customer Service/Satisfaction
- New Product Knowledge

**COMPUTER SKILLS**

- Computer-Assisted Design/Computer-Aided Manufacturing
- Inventor Solid Modeling Software
- Robotics Software
- Java Language, Programming and Testing Concepts
- Microsoft Certified System Engineer (MCSE)
- System Architectures
- Networking Design, Implementation, Maintenance & Security

**CONTINUOUS IMPROVEMENT**

- Core Tools (APQP, FMEA and PPAP, MSA)
- Problem Solving, Root Cause Analysis & Reporting Methods
- Just In Time Processes (JIT)
- Project Management
- Quality – ISO Techniques & Updates
- Lean Manufacturing Techniques
- Quality Improvement/Concepts
- Transitioning to Leadership
- Leaderships Skills
- Change Leadership
- Strategic Thinking and Decision Making
- Coaching/Mentoring

**MANUFACTURING SKILLS**

- Robotics: LRMATE 200ID
- Robot Program
- Robot Mechanical Maintenance
- Robot Electrical maintenance
- Robotics Advanced programming
- Good Manufacturing Practices (GMP)
- Manufacturing Control
- Production Equipment Set-Up & Operation

- Equipment Maintenance/Troubleshooting
- Production Operation Assembling and Packaging
- Supply Chain Management
- Materials Management

**OSHA 10/30 (Certified OSHA Instructor)**

- OSHA 10 (Requires Completion of 10 hours)
- OSHA 30 (Requires Completion of 30 hours)

Safety Training is capped at 10% of a trainee's total training hours

Note: Reimbursement for retraining is capped at 200 hours total per-trainee, regardless of method of delivery.



**Training Proposal for:  
Diversified Communications Services, Inc.**

<b>Small Business</b>
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**ET16-0243**

**Approval Date:** October 23, 2015

**ETP Regional Office:** San Diego

**Analyst:** S. Godin

**CONTRACTOR**

- Type of Industry:
  - Communication
  - Construction
  - Priority Industry:  Yes  No
  
- Number of Full-Time Employees
  - California: 75
  - Worldwide: 75
  - Number to be trained: 64
  - Owner  Yes  No
  
- Out-of-State Competition: Competitors Outside CA
- Special Employment Training (SET):  Yes  No
- High Unemployment Area (HUA):  Yes  No
- Turnover Rate: 8%
- Repeat Contractor:  Yes  No

**FUNDING**

- Requested Amount: \$49,920
- In-Kind Contribution: \$30,000



**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee SB <100 Priority Rate	Business Skills Commercial Skills Continuous Improvement HazMat OSHA 10/30	64	8-60	0	\$780	\$16.02
				Weighted Avg: 30			

- Reimbursement Rate: Job #1: \$26 SB Priority
- County(ies): Orange
- Occupations to be Trained: Field Technician, Electrician, Lead Worker, Project Manager, Owner(s)
- Union Representation:  Yes  
 No
- Health Benefits: Job #1: \$2.00 per hour

**SUBCONTRACTORS**

- Development Services: Training Refund Group (TRG) in Anaheim assisted in application development at no cost
- Administrative Services: TRG in Anaheim will provide administrative services for an amount not to exceed 13% of ETP funds earned.
- Training Vendors: To Be Determined

**OVERVIEW**

Formed in 1987, Diversified Communications Services, Inc. (DCS) is a full-service Radio Frequency (RF) contractor. Located in Brea, this small business provides a variety of innovative solutions to the telecommunication and broadband industries for customers located inside and outside of California. Its services include construction, installation, repair, and maintenance services for various tower applications including rooftops, microwave, PCS, and cellular towers. DCS also builds concealment structures for new or existing towers and antenna systems for AM/FM radio, television, broadcast antenna and transmission lines, and microwave installations.

DCS recently completed training on its first ETP project (ET14-0346) in which 64 trainees received Commercial Skills training related to the construction, system design, installation and troubleshooting of cellular equipment and tower systems. Employees are now better equipped to identify and meet customer expectations within a shorter period of time.

Completion of the first agreement has laid the foundation from which DCS plans to create a culture of continuous learning. While the first project focused solely on technical skills; the proposed training will emphasize Continuous Improvement and Business Skills needed to work leaner and more efficiently in teams.

Employees are generally deployed in work crews of 3-4 workers for specific construction/repair projects located in remote areas 100 or more miles from the DCS office. Most jobs are built from scratch, requiring that each team member be cross trained. Training in topics such as project management, building high performance teams, lean concepts, conflict resolution and communication will ensure that each team is able to function independently and self-sufficiently.

Network/Cellular technology constantly changes. As such, DCS employees' technical skills must be updated as needed to maintain required industry certifications.

## Training Plan

Training will provide skills needed to construct communication and transmission equipment and tower enclosures; operate heavy equipment; and understand and apply safety standards specific to the telecommunication industry. Continued ETP funding will improve efficiencies and production levels and help the Company remain competitive.

Commercial Skills training topics will build upon skill sets delivered in the first Agreement. No trainee will receive duplicate training.

**Business Skills** – Training will be provided to all occupations in communication skills, product knowledge, customer service, project management, finance/accounting, and conflict resolution. These skill sets will give employees the acumen to effectively implement solutions to increase customer satisfaction.

**Commercial Skills** – Training will be offered to Field Technicians, Electricians, Lead Workers and Project Managers to improve technical proficiency. Technicians must be able to install communication and transmission equipment and operate an array of heavy equipment and machinery associated with the installation of cell phone towers. Electricians will receive training in the use of specialized connectors and grounding procedures for each piece of equipment. All crew members will be trained in the troubleshooting, repair and maintenance of equipment/machinery used by the DCS.

**Continuous Improvement** – All occupations will receive skill sets in a variety of continuous improvement topics. Employees will be introduced to Lean Concepts to improve processes, efficiencies, and reduce waste. Training in topics such as 5/6S, Problem Solving, Team Building and Process Improvement will standardize processes and promote enhanced interactions with both internal and external customers.

**Hazardous Materials Handling** - Field Technicians, Electricians, Lead Workers, and Project Managers working with hazardous materials will receive skills training in hazardous waste/spill operations, emergency response, and the completion of material safety data sheets.

## Certified Safety Training

OSHA 10/30. This training is a series of courses “bundled” by industry sector and occupation. It consists of 10 hours of classroom or CBT training for journey-level workers and 30 hours for frontline supervisors. The coursework is geared to construction work, and also manufacturing. Completion of the training results in a certificate that expands employment opportunities. The

coursework must be approved by Cal-OSHA, and the instructors must be certified by Cal-OSHA.

**RECOMMENDATION**

Staff recommends approval of this proposal.

**ACTIVE PROJECTS**

The following table summarizes performance by DCS, Inc. under an active ETP Agreement:

Agreement No.	Approved Amount	Term	No. Trainees (Estimated)	No. Completed Training	No. Retained
ET14-0346	\$49,686	5/05/14 – 10/04/15	82	64	64

\*Based on ETP Systems, 1,911 reimbursable hours have been tracked for potential earnings of \$49,686 (100% of approved amount). DCS reports 64 trainees have completed retention of which 64 have been submitted for Final payment. The final payment and closeout invoice was submitted on 9/29/15; however, has not yet been processed. The Contractor projects final earnings of 100% based on eligible training hours detailed in the ETP tracking system through 6/03/15.

**Exhibit B: Menu Curriculum**

**Class/Lab Hours**

8-60

Trainees may receive any of the following:

**BUSINESS SKILLS**

Project Management  
Product Knowledge  
Time Management  
Communication Skills  
Conflict Resolution/Negotiation Skills  
Customer Relation Skills  
Presentation Skills  
Finance/Accounting/Budgeting Skills

**COMMERCIAL SKILLS**

Completing Close-Out Documentation  
Confined Space Skills

- Required Safety Equipment
- Determining Space Requirement Procedures
- Unsafe Practices

Electrical

- Grounding
- Ground Kits
- Arc Flash
- Cabinet Wiring
- Electrical 101
- Cadwelding
- Proper Use of Connectors

Equipment Operation

- Rigging
- Scaffolding
- Capstan Hoist
- Cranes
- Aerial Lift

Fiber Testing

- Determining Fiber and Connector Types
- Cleaning Fiber Connections
- Fusion Splicing for Fiber
- Proper Installation techniques

Lock-Out /Tag-Out (LOTO)

### Passive Intermodulation Testing (PIM)

#### Radio Frequency (RF)

- RF Exposure Boundaries
- RF Exposure Warning Signs
- RF Monitors
- Different RF Warning Signage

#### Received Signal Strength Indicators (RSSI)

- Antennas
- RF Equipment
- Coax and Connectors
- Coax Cable Sweep Testing
- Anritsu Test Equipment
- Sweepstest
- Passive Intermodulation (PIM) Testing
- Logging In and Programming Equipment

#### Remote Electronic Tilt (RET)

- RET Cables
- RET Actuators
- Antennas
- RET Controllers & Programming
- Component Troubleshooting

#### Tower Climbing

- Site inspection
- Hazard analysis
- Knot tying
- Rig tower with capstan wench and hoist mount
- Controlled descent
- Fallen climber rescue

### **CONTINUOUS IMPROVEMENT**

Quality Concepts

Process Improvement

Problem Solving/Decision Making Skills

Standard Operating Procedures

Building High Performance Teams

Leadership Skills

Lean Concepts

5S/6S

### **HAZARDOUS MATERIALS**

Chemical Hydrogen Sulfide

- Description

- Symptoms of Exposure
- Exposure Control and Protective Equipment
- Hydrogen Sulfide Personal Detectors
- Emergency Response Procedures
- Post Hydrogen Sulfide Alarm Reentry Procedures
- Material Safety Data Sheets

**OSHA 10/30 (Certified OSHA Instructor)**

- OSHA 10 (requires 10 hours completion)
- OSHA 30 (requires 30 hours completion)

Safety Training will be limited to 10% of total training hours per-trainee

Note: Reimbursement for retraining is capped at 60 total hours per-trainee, regardless of method of delivery.



**Retrainee - Job Creation  
Training Proposal for:  
Drake Haglan & Associates, Inc.**

<b>Small Business</b>
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**ET16-0266**

**Approval Date:** November 10, 2015

**ETP Regional Office:** Sacramento

**Analyst:** W. Sabah

**CONTRACTOR**

- Type of Industry: Engineering Services  
Priority Industry:  Yes  No
- Number of Full-Time Employees  
California: 37  
Worldwide: 37  
Number to be trained: 38  
Owner  Yes  No
- Out-of-State Competition: NAICS Code Eligible
- Special Employment Training (SET):  Yes  No
- High Unemployment Area (HUA):  Yes  No
- Turnover Rate: 0%
- Repeat Contractor:  Yes  No

**FUNDING**

- Requested Amount: \$42,224
- In-Kind Contribution: \$90,288

**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate SB <100	Business Skills, Commercial Skills, Computer Skills, Continuous Improvement	36	8-60  Weighted Avg: 44	0	\$1,144	\$22.00
1	Retrainee Job Creation Priority Rate SB<100	Business Skills, Commercial Skills, Computer Skills, Continuous Improvement	2	8-60  Weighted Avg: 20	0	\$520	\$27.00

- Reimbursement Rate: Job #'s 1 & 2: \$26 SB Priority
- County(ies): Sacramento
- Occupations to be Trained: Project Manager Level 1, Project Manager Level 2, Engineer Level 1, Engineer Level 2, Engineer Level 3, CADD Technician, Environmental Services Staff, Administrative/Marketing Staff, Owner
- Union Representation:  Yes  
 No
- Health Benefits: N/A

**SUBCONTRACTORS**

- Development Services: N/A
- Administrative Services: N/A
- Training Vendors: In-house Staff

**OVERVIEW**

Founded by Craig Drake and Dennis Haglan in 2007, Drake Haglan and Associates, Inc. (DHA) ([www.drakehaglan.com](http://www.drakehaglan.com)) is a full-services transportation engineering consulting firm located in Rancho Cordova. DHA provide many transportation engineering services including transportation design and planning, environmental services, construction management services, funding assistance, bridge design and rehabilitation, structure design, seismic retrofit design, feasibility study preparation, and advanced planning studies. The Company’s customers include engineering and construction clients in California cities and counties such as Sacramento, Tracy, Amador, Placer, and Santa Barbara counties and the USDA Forest Services. DHA has offices in Rancho Cordova, Modesto and Santa Barbara but only the Rancho Cordova office will participate in training.



## Need for Training

Transportation engineering is a constantly evolving field with new technologies that enable projects to be constructed quicker and more efficiently. Recently, Caltrans updated the California bridge design code from the Fourth Edition of the Load and Resistance Factor Design Bridge Design Specifications to the Sixth Edition. In addition, new and updated computer software now has the technology to implement three-dimensional bridge and roadway analysis, decrease construction durations and reduce construction costs. DHA is committed to training its staff on all of the latest design codes, programs, accounting and marketing skills to become more efficient at delivering projects to clients' on-time and under budget. The continuous regulation and design updates require training on new practices and key changes to the way transportation projects are designed, funded and constructed. ETP-funded training will allow staff to apply the best and recent design requirements to DHA's projects and become more competitive in qualifications based project selections.

## Retrainee – Job Creation

DHA is a growing company that has increased its revenue and full-time employees' every year since its establishment in 2007. Since 2008, DHA has grown from 9 permanent full-time employees to 37 full-time employees. In addition, DHA's revenue increases on an average of 42% annually. Over the years, DHA has been expanding their full transportation engineering services by assisting increased numbers of clients on their projects from the beginning concept level stage to the final construction stage. Since this increased need for their services, DHA's clientele has risen dramatically in the past few years. To support the demand of their customers, DHA plans to hire additional employees to assist clients on all levels of transportation engineering projects.

DHA has committed to hiring 2 new employees (Job Number 2). The date-of-hire for all trainees will be within the three-month period before contract approval or within the term-of-contract. These trainees will be hired into "net new jobs" as a condition of contract.

## Training Plan

DHA trainees will receive between 8-60 hours of Class/Lab training.

**Business Skills:** Training will be offered to all occupations to improve written and verbal communication skills, develop presentation skills and increase productivity. Staff will also build techniques on pursuing new clients and maintaining existing clients. Training course topics will include Presentation Skills, Public Speaking, Technical Writing, Marketing and Proposal Development.

**Commercial Skills:** Training will be offered to all occupations on discipline specific training to enhance and update existing skills, learn new skills, streamline workflow and improve coordination between disciplines. Training will improve DHA's work products and allow them to become more competitive in qualifications based project selections. Training will include course topics such as Bridge Superstructure Design, Bridge Substructure Design, Retaining Wall Design, Seismic Design, Highway Design and Drainage Design.

**Computer Skills** Training will be offered to all occupations to increase knowledge on new and updated software skills. Training will focus on using new software technology to implement three-dimensional bridge and roadway analysis, decrease construction duration and reduce construction costs. Training course topics will include AutoCAD Civil 3D, CSI Bridge, CTBridge, Adobe Photoshop, In Design and Ajera Accounting Software.

**Continuous Improvement:** Training will be offered to all occupations. Staff will learn to apply proper techniques to projects in accordance to new design requirements and specifications. Training will also focus on improving organization, time management and compliance with regulatory requirements. Training course topics will include Industry Standards of Practice and Operations, Organization and Time Management, Workflow Planning and Project Scheduling.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

**Exhibit B: Menu Curriculum**

**Class/Lab Hours**

8-60

Trainees may receive any of the following:

**BUSINESS SKILLS**

- Presentation Skills
- Public Speaking
- Technical Writing
- Marketing
- Proposal Development

**COMMERCIAL SKILLS**

- Bridge Superstructure Design
- Bridge Substructure Design
- Retaining Wall Design
- Seismic Design
- Roadway Plan and Profile Design
- Roadway Intersection Design
- Highway Design
- Drainage Design
- Environmental Technical Study Preparation
- National Environmental Policy Act (NEPA)
- California Environmental Quality Act (CEQA)
- Construction Monitoring
- Accounting
- Graphics

**COMPUTER SKILLS**

- AutoCAD Civil 3D
- CSI Bridge
- CTBridge
- Adobe Photoshop
- InDesign
- Ajera Accounting Software

**CONTINUOUS IMPROVEMENT**

- Organization and Time Management
- Workflow Planning
- Project Scheduling
- Industry Standards of Practice and Operations

Note: Reimbursement for retraining is capped at 60 total hours per-trainee, regardless of method of delivery.

# DELEGATION ORDER



## Training Proposal for:

**Finelite, Inc.**

**Agreement Number: ET16-0253**

**Approval Date:** October 23, 2015

**ETP Regional Office:** San Francisco Bay Area

**Analyst:** C. Hoover

### PROJECT PROFILE

Contract Attributes:	Retrainee	Industry Sector(s):	Manufacturing Green Technology
			Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Alameda	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 229	U.S.: 233	Worldwide: 234
<u>Turnover Rate:</u>	12%		
<u>Managers/Supervisors:</u> (% of total trainees)	N/A		

### FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	<b>Total ETP Funding</b>
\$7,920		\$0	\$0		\$7,920

In-Kind Contribution:	100% of Total ETP Funding Required	\$10,560
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Business Skills, Continuous Improvement	40	8-200	0	\$198	\$16.44
				Weighted Avg: 11			

**Minimum Wage by County:** Job Number 1: \$16.44 per hour for Alameda County.

**Health Benefits:**  Yes  No This is employer share of cost for healthcare premiums – medical, dental, vision.

**Used to meet the Post-Retention Wage?:**  Yes  No  Maybe

Up to \$3.84 per hour may be used to meet the Post-Retention Wage.

**Wage Range by Occupation**

Occupation Titles	Wage Range	Estimated # of Trainees
Production Worker		22
Buyer		2
Accounts Payable		1
Field Service Technician		1
Production Lead		7
Testing Techcian		5
Quality Control Inspector		1
Production Control Clerk		1

**INTRODUCTION**

Founded in 1991, Finelite, Inc. ([www.finelite.com](http://www.finelite.com)) (Finelite) is headquartered in Union City with two new locations in Livermore. Finelite designs, manufactures and markets high-performance and environmentally sustainable lighting systems. The Company's products include selections of LED and fluorescent luminaires. This includes indirect/direct lighting, Personal Lighting System (LED task), undercabinet luminaires, Integrated Classroom Lighting Systems, and A/V lighting. The Company's clients are in the commercial, educational and healthcare sectors across the U.S. and Canada.

This is the Company's third ETP Agreement. However, the Company has not had a contract with ETP in the last five years. ETP funding has helped Fineligh implement new processes and expand in California. The Company wants to continue developing frontline factory and office workers into its next generation supervisors.

During Finelite's last two ETP Agreements, training in Business Skills, Continuous Improvement, Computer Skills and Manufacturing Skills was delivered to its frontline workers, Supervisors and Managers. Since then, the Company has started a collaborative program with Chabot Community College to develop a structured training program called Finelite University. ETP funding will provide the Company with additional financial resources to fund the growth of this program. Chabot Community College will deliver on-site training at one of the Company's locations.

The Company has seen an increase in net sales from 2013 to 2014 of 196 percent. This growth prompted Finelite to expand by acquiring two new facilities in Livermore. The Company headquarters remain in Union City. All locations will have similar training, and each will participate in its Finelite University.

## **PROJECT DETAILS**

ETP funding will be used for frontline workers selected to attend Finelite University, with the goal of eventually becoming future supervisors and managers. All training will be delivered as classroom and laboratory (Class/Lab) training.

### **Training Plan**

**Continuous Improvement (91%):** Training will be delivered to all occupations. Courses include Basics of Supply Chain Management, Critical Thinking/Problem Solving, Maximizing Team Effectiveness, Kaizen and Continuous Improvement, and LEAN Manufacturing.

**Business Skills (9%):** Training will be delivered to Production Staff, Buyer, Accounts Payable, Field Service Technician, Production Lead, Testing Technician, Quality Control Inspector and Production Control Clerk. Courses include Product Knowledge Training and Presentation Skills.

### **Commitment to Training**

ETP funds will not displace the Company's existing financial commitment to its training resources. The total amount that Finelite spends on training annually is \$78,600. With the majority of the budgeted amount being used at the company's headquarters, \$76,800 is related to its Union City facility. The remaining \$1,800 is allocated out to the Livermore facilities.

Most of Finelite's training is on-the-job training such as coaching, job rotation and working alongside a colleague to observe and learn skills needed to do that job. However, Finelite's aforementioned collaborative program with Chabot Community College several years ago to deliver the "lead" training program, Finelite University, a company-wide classroom based training has shown great success. Through their Finelite University training, Finelite has been able to promote several hourly employees to salaried positions.

In addition, the Company provides basic training at Chabot-Las Positas Community College, mainly for its front line workers, designed to give them the knowledge and the skills needed to become successful and to continuously improve within the Company.

Finelite provides mandatory sexual harassment prevention and safety training in accordance with all pertinent requirements under state and federal law.

### **Record Keeping**

The Company's Vice President of Human Resources will work in conjunction with the entire executive staff to administer the ETP-funded training program.

### ➤ Training Infrastructure

Three full-time staff are dedicated to the administration of the ETP program. The staff will be responsible for scheduling, room set up, hours tracking, instructor needs and student feedback.

### **Green/Clean Operations**

Finelite is involved in Green/Clean Technology. The Company manufactures LED luminaires that achieve the promise of LED technology – long life and low energy consumption. Running high-quality, mid-power LEDs and LED drivers at low temperatures enables these components to last well in excess of ten years. Through lean manufacturing and corporate practices, the Company continually examines ways to eliminate waste.

In 2006, Finelite implemented a recycling program, which greatly reduced landfill contributions. Metal, plastics, glass, Styrofoam, e-waste, and wood products are all reused or recycled. Finelite has a regular Salvation Army pick-up to donate still-useful items. Implementing an innovative solution to replace plastic shrink-wrap with reusable transport packaging, the Company has reduced overall waste by 84%. It now recycles more tonnage than what goes to landfill. For all these efforts, it was awarded the 2011 StopWaste Partnership Business Efficiency Award.

### **Impact/Outcome**

Finelite's goal is to provide front line workers (both in the factory and in the office) with the training needed to become next-generation Leads and Supervisors. ETP-funded training will also provide employees with better decision-making, goal-setting and leadership skills. Out of the 21 "lead workers" participating, 12 have been promoted.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

### **DEVELOPMENT SERVICES**

N/A

### **ADMINISTRATIVE SERVICES**

N/A

### **TRAINING VENDORS**

Chabot-Las Positas Community College District in Dublin has been retained to provide training for a fee of \$10,424.

**Exhibit B: Menu Curriculum**

**Class/Lab Hours**

8-200

Trainees may receive any of the following:

**CONTINUOUS IMPROVEMENT**

- + Basics of Supply Chain Management
- + 5 S Training
- + Critical Thinking/Problem Solving
- + PDCA- Plan, Do, Check, Act
- + Cultural Competency (Diversity)
- + Maximizing Team Effectiveness
- + Take Charge & Recharge: Improving Engagement; Maximizing Energy
- + Strategies for the Overwhelmed
- + Kaizen & Continuous Improvement
- + LEAN Manufacturing

**BUSINESS SKILLS**

- + Product Knowledge Training
- + Presentation Skills

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery.





**AB118**  
**Training Proposal for:**  
**GFP Ethanol, LLC dba Calgren Renewable Fuels**

**Small Business ≤ \$50,000**

**ET16-0805**

**Approval Date:** October 30, 2015

**ETP Regional Office:** Sacramento

**Analyst:** W. Sabah

**CONTRACTOR**

- Type of Industry: Manufacturing  
 Green Technology  
 Priority Industry:  Yes  No
- Number of Full-Time Employees  
     California: 37  
     Worldwide: 37  
     Number to be trained: 34  
     Owner  Yes  No
- Out-of-State Competition: NAICS Code Eligible
- Special Employment Training (SET):  Yes  No
- High Unemployment Area (HUA):  Yes  No
- Turnover Rate: 0%
- Repeat Contractor:  Yes  No

**FUNDING**

- Requested Amount: \$49,504
- In-Kind Contribution: \$43,684

**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate SB <100 AB118	Commercial Skills, Computer Skills, PL-Commercial Skills	34	8-60	0-30	\$1,456	\$15.07
				Weighted Avg: 56			

- Reimbursement Rate: \$26 SB Priority
- County(ies): Tulare
- Occupations to be Trained: Lead Operator, Cook Operator, DD & E Operator, Yard Operator, Lab Technician, Maintenance Mechanic, E & I Mechanic, Administrative/Accounting Staff, Manager
- Union Representation:  Yes  
 No
- Health Benefits: Job #1: \$0.07 per hour

**SUBCONTRACTORS**

- Development Services: N/A
- Administrative Services: N/A
- Training Vendors: To Be Determined

**OVERVIEW**

Established in 2008 and located in Pixley, GFP Ethanol, LLC dba Calgren Renewable Fuels (Calgren) ([www.calgren.com](http://www.calgren.com)) manufactures ethanol, animal feed and corn oil. According to the Company, the Pixley plant maintains one of the most efficient operations and lowest carbon footprint facility in the country. The plant is powered by two ultra-low NOx gas turbine generators capable of producing 11600 Kilo Watts of electricity in addition to process steam. Each year the Company generates approximately 55 million gallons of ethanol, 400,000 tons of animal feed and 1.5 million gallons of corn oil that is distributed locally in the San Joaquin Valley.

The Company's primary customer base includes oil companies, feed grain facilities, dairymen, poultry companies and biodiesel facilities. Customers include Kinergy Marketing, J.S Heiskell, Foster Farms, Cimron Renewable Fuels, and Kern Oil & Refining.

## Need for Training

Ethanol production is highly regulated and employees must ensure the plant operates efficiently, safely and compliantly. Many employees are hired with little or no understanding of the basics or theory of ethanol production. In addition, the Company recently purchased a digester that requires trainees to learn new operations and mechanical processes to minimize downtime. As regulations are always changing, employees require training on how to reduce Volatile Organic Compound emissions under the Clean Air Act by developing new ways to dispose manure. The Company's goal is to provide employees with the tools and knowledge to create an efficient and safe work environment by instilling a proactive mindset rather than a reactive mindset. Training will result in fewer mistakes and reduce accidents.

This will be Calgren's second proposal in the last five years. During the prior ETP contract, Calgren focused on Phase 1 of their Optimization Program. In the current proposal, Calgren plans on instituting an advanced, Phase 2, Optimization Program for seasoned employees, which will further develop staff production efficiency. In addition, all employees will receive training on the newly purchased digester. Training in this proposal will not duplicate the training in the prior contract.

## AB118

This proposal will be funded under the AB 118 Training Program, administered by ETP in partnership with the California Energy Commission.

The overall goal of the AB 118 Program is to support a transition from petroleum-based transportation to alternative and renewable fuels and clean, low carbon vehicle technologies. There is no expenditure of Employment Training Tax funds for the AB 118 Program. Public entity employers are eligible to participate, such as city and county regional transit authorities.

Training is focused on job skills for a skilled workforce to produce and distribute new alternative fuels and design, construct, install, operate, service and maintain new fueling infrastructure and vehicles.

Alternative Fuel is defined as any fuel other than the traditional selections, gasoline and diesel from petroleum sources, used to produce energy or power. Examples of alternative fuels are: bio-diesel, ethanol, methanol, electricity, propane, compressed or liquid natural gas, and hydrogen.

## Training Plan

Calgren plans to train its staff using a combination of Classroom/Laboratory, Productive Lab (PL) and Computer-Based Training (CBT). The classroom/Laboratory training and CBT will build a base of knowledge, which PL training will further expand.

**Commercial Skills:** Training will be offered to all occupations. Administrative/Accounting Staff will receive training on Carbon Intensity/Cap & Trade Program to ensure the Company remains compliant with continual regulation changes. All other occupations will receive training to properly operate and maintain all equipment. Training will include Carbon Intensity/Cap & Trade Program, Cook Fermentation Refresh, Solar Turbine, Digester, PLC, Flotwegg, Leak Detection and Tank Thickness.

**Computer Skills:** Training will be offered to all occupations to improve staff's knowledge of EPA's online reporting systems and to track RIN numbers assigned to each gallon of ethanol.

Training will also allow employees to verify tracking companies, trucks and drivers along with required licenses and registration in order to load the ethanol and deliver to customers.

### **Productive Lab – Commercial Skills**

The Panel recently adopted regulations to authorize reimbursement for training delivered in a PL setting. PL trainees may produce goods for profit as part of the training in the courses identified under the Curriculum. The instructor must be dedicated to training delivery during all hours of training.

PL training will be offered to DD & E Operators, Cook Operators, Lead Operators and Maintenance Mechanics. PL training will supplement Class/Lab training to improve operation, preventative maintenance, and mechanical processes and troubleshooting. The Company recently purchased a new digester that will require extensive PL training. Equipment will also include Taraus T-60 & T-65, Rentech Boiler, Tricanter, Decanter, Pumps and Alignment Tools. Trainers will observe and coast trainees prior to sending the trainee off to perform the work on their own.

The PL training will provide staff with the hands on training necessary to develop competency in the tasks. Calgren employees may receive up to 60 hours of PL training and the trainer-to-trainee ratio of 1:1. Trainees will be deemed competent based on their level of efficiency and knowledge of the equipment.

### **HUA Modification**

The 34 trainees in Job Number 1 work in a High Unemployment Area (HUA), a region with unemployment exceeding the state average by at least 15%. The Company's location in Tulare County qualifies for HUA status under these standards. However, Calgren is not asking for a wage modification.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

### **PRIOR PROJECTS**

The following table summarizes performance by Calgren under an ETP Agreement that was completed within the last five years, also funded under AB118:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET11-0807	Tulare	6/27/11 – 3/31/13	\$28,652	\$27,254 (95%)

**Exhibit B: Menu Curriculum****Class/Lab Hours**

8-60

Trainees may receive any of the following:

**COMMERCIAL SKILLS**

- Carbon Intensity/Cap & Trade Program
- DDE Refresh
- Cook Fermentation Refresh
- Solar Turbine
- Digester
- Lab Testing Refresh
- Instrument Training
- Process Training
- Welding
- Pump Alignment
- PLC
- Flotwegg
- High/Low Voltage Electrical
- First Responder Training
- Fire Brigade Training
- Leak Detection
- Tank Thickness

**COMPUTER SKILLS**

- EMTS/RINS
- Terminal Automation Software

Safety Training will be limited to 10% of total training hours per-trainee.

**Productive Lab**

0-60

**COMMERCIAL SKILLS (Ratio 1:1)**

- Carbon Intensity/Cap-and-Trade Program
- DDE Refresh
- Cook Fermentation Refresh
- Solar Turbine
- Digester
- Lab Testing Refresh
- Instrument Training
- Process Training
- Welding
- Pump Alignment
- PLC
- Flowwegg
- High/Low Voltage Electrical
- First Responder Training
- Fire Brigade Training
- Leak Detection
- Tank Thickness

**CBT Hours**

0-30

**COMMERCIAL SKILLS**

- Carbon Intensity/Cap-and-Trade Program (1.5 hours)
- Greenhouse Gas (3.5 hours)
- EMTS/RINs (5 hours)
- RIN Transactions (1 hour)
- Managing RINS (20 Minutes)
- Submissions (20 minutes)
- Reports and Notification (1 hour)
- Quality Assurance Plan (30 Minutes)
- OTAQ Registration (1 hour)

Note: Reimbursement for retraining is capped at 60 total hours per-trainee, regardless of method of delivery. CBT is capped at 50% of total training hours, per-trainee. PL is capped at 60 hours per-trainee.



**Training Proposal for:  
INTA Technologies Corporation**

<b>Small Business</b>
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**ET16-0202**

**Approval Date:** November 3, 2015

**ETP Regional Office:** San Francisco Bay Area

**Analyst:** A. Nastari

**CONTRACTOR**

- Type of Industry: Manufacturing  
Priority Industry:  Yes  No
- Number of Full-Time Employees
  - California: 21
  - Worldwide: 21
  - Number to be trained: 21
  - Owner  Yes  No
- Out-of-State Competition: NAICS Code Eligible
- Special Employment Training (SET):  Yes  No
- High Unemployment Area (HUA):  Yes  No
- Turnover Rate: 25%
- Repeat Contractor:  Yes  No

**FUNDING**

- Requested Amount: \$31,668
- In-Kind Contribution: \$45,600

**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate SB <100	Business Skills, Computer Skills, Continuous Impr, Hazardous Mat, Literacy Skills, Mfg Skills	21	8 - 60	0	\$1,508	\$16.44
				Weighted Avg: 58			

- Reimbursement Rate: \$26 SB Priority
- County(ies): Santa Clara
- Occupations to be Trained: Chemists, Engineers, Production Staff, Managers, Managers Level 2, Office Staff, Owner
- Union Representation:  Yes  
 No
- Health Benefits: \$3.50 per hour

**SUBCONTRACTORS**

- Development Services: N/A
- Administrative Services: N/A
- Training Vendors: To Be Determined

**OVERVIEW**

INTA Technologies Corporation (INTA) ([www.intatech.com](http://www.intatech.com)), founded and located in Santa Clara, is a manufacturer of electro plating, metal to ceramic joining, and assembly for the production of components used in medical devices, defense and aerospace parts, and automobiles. The materials used to manufacture and assemble the components consist of gold, platinum, silver, nickel, copper, rhodium plating, ceramic and metal. INTA’s services include engineering prototypes to customers’ specifications, assembling laser welding, and brazing metal to metal or ceramic to metal. INTA’s customers include Thermo Fisher, Tesla Motors, Lockheed Martin, Applied Materials, Teledyne, Google, and Apple.

**PROJECT DETAILS**

This will be INTA’s fourth ETP Agreement, second within the past five years. Training during the most recent Agreement (ET12-0391) which ended in February 2014, focused on two top priorities: acquisition of AS9100 certification, and new manufacturing processes required for Tesla Motors’ components.



The AS9100 certification was required to maintain and acquire new aerospace customers. All workers received some or all skills needed to achieve certification status. Additionally, to support AS9100 documentation requirements, INTA had to update its inventory control and accounting processes, and implement project management standards. INTA also added a software component, JobBoss, to its internal ERP system to provide a higher degree of quality control as required by AS9100.

INTA had also acquired a contract with Tesla Motors for the manufacturing and plating of components utilized in its car. Consequently, INTA was required to train its employees on General Dimensioning and Tolerancing (GD&T), Lean Manufacturing, and Six Sigma. INTA introduced automation in plating to support high volume production for Tesla components.

The training in this Proposal does not duplicate previous ETP funded training, but builds upon the established standardized training practices resulting from ETP-funded training in past Agreements. The emphasis in this Proposal is on new and updated processes required to remain competitive and meet business expansion goals.

### **Training Plan**

In January 2015, INTA experienced a change in management. The new management set a company-wide goal to increase business in the auto, aerospace and medical industries. To find out how to increase business, the new management conducted an internal assessment on aspects of the business that needed improvement to remain competitive. Accordingly, the Company must price its products competitively, keep up with technology, and acquire more accreditations. INTA must shorten lead time by 25% and reduce costs approximately 20% based on customers' target prices. Customers demand high quality at competitive prices and fast and efficient turnaround time. The Company must train its workers to improve processes and keep operating costs low.

INTA must also develop new metalizing and plating technologies (e.g. glass to metal seals) that can create a value-added service for its satellite and defense equipment original equipment manufacturers. INTA's engineering team is currently developing metalizing on ceramic processes for the auto industry. Additionally, INTA is researching development as a turnkey source in which the Company would produce several packaged components for clients' immediate use. This would be an added service to prevent customers from having to acquire products from several suppliers.

Lastly, in order to further expand, INTA must increase its accreditations. For this proposal, the Company will obtain accreditation from the National Aerospace and Defense Contractors Accreditation Program (NADCAP) for the aerospace industry. NADCAP establishes industry wide audit criteria for special processes and products. Without NADCAP, INTA would not be able to expand production to include products that require accreditation. (Several of INTA's Aerospace customers' products demand this accreditation.)

**Business Skills** – Training will be provided to Chemists, Engineers, Managers, Office Staff, and the Owner. Training will increase marketing and business development, pricing and estimation strategies, and task management. Trainees will also require skills in customer relations as they work one-on-one with clients during the design, prototype, and manufacturing stages of the products. Managers will receive skills in Leading Effective Meetings and tools for Strategic Planning.

**Computer Skills** – Training will be offered to Chemists, Engineers, Managers, Office Staff, and the Owner in PowerPoint (required for sales/marketing presentations), JobBoss upgrade and advanced Excel (required for data analysis).

**Continuous Improvement** – Training will be provided to all occupations in new and updated Aerospace, AS9100 standards, NADCAP accreditation, and Standard Process Control (SPC). SPC methods are applied to monitor and control processes with a goal of reducing or eliminating waste, rework, and scrap. Training in Failure Mode and Effects Analysis (FMEA), and Design of Experiments (DOE) will be provided to Chemists, Engineers, Managers and Owner. These process improvement courses will provide the skills necessary for reviewing as many components, assemblies, and subsystems as possible to identify failure modes and the causes and develop solutions.

**Hazardous Materials** – Training will be offered to Production Staff and Chemists in safe material handling, disposal, and storage processes. Due to the vast range of materials required for the production of its components, workers must be properly trained to prevent injury and cross-contamination.

**Literacy Skills** – Training will be offered to Production Staff in vocational English required for reading client's specification documents/blueprints and completing work orders. Math will be provided for measurements and calculating materials required for production of products.

**Manufacturing Skills** – Training will be provided to Chemists, Engineers, Managers, Owner, and Production Staff in new product development such as glass to metal seals and metalizing techniques for the auto industry. Training will include handling and plating with materials such as copper, aluminum and glass.

### **Turnover Rate**

ETP funds training for stable, secure jobs. Employer turnover rate should not exceed 20% annually at the facility where training will occur. But the Panel may accept a higher turnover rate if the employer provides evidence that the proposed training will significantly decrease the turnover, or if the employer experienced a singular reduction in workforce, or industry data supports a higher turnover rate. The Panel may, or may choose not to, impose a "turnover penalty" when the company turnover rate exceeds 20%. If the Panel chooses to impose a turnover penalty, failure to stay under a maximum rate will trigger forfeiture of 25% of the amount earned for each trainee. The trigger rate is typically 20%, as measured by turnover during the 12-month period preceding termination of the ETP Agreement.

In 2014, INTA experienced a 25% turnover when it laid off 9 workers after Tesla Motors did not renew its \$4 million dollar contract. (Tesla changed and redesigned its car and therefore, no longer required INTA's plating services.) Due to decreased business, INTA had to lay off workers.

INTA requests a turnover rate waiver as the high rate was a one-time anomaly. INTA representatives report that the turnover rate for 2012 and 2013 was only 10% annually and the current turnover rate (January 1, 2015 through October 31, 2015) is 0%. To avoid such a situation in the future, INTA intends to diversify into several market segments that can better support the business. The objective of this training plan will move the Company towards this goal. Staff recommends waiving the turnover rate penalty.

**RECOMMENDATION**

Staff recommends approval of this proposal with the turnover rate penalty waived.

**PRIOR PROJECTS**

The following table summarizes performance by INTA under an ETP Agreement that was completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET12-0391	Santa Clara	5/11/2012– 5/10/2014	\$78,000	\$75,873 (97%)

**DELEGATION ORDER**



**RETRAINEE - JOB CREATION**

**Training Proposal for:**

**Kite Pharma, Inc.**

**Agreement Number: ET16-0231**

**Approval Date:** October 30, 2015

**ETP Regional Office:** North Hollywood

**Analyst:** J. Romero

**PROJECT PROFILE**

Contract Attributes:	Retrainee Priority Rate Job Creation Initiative	Industry Sector(s):	Biotechnology/Life Sciences Manufacturing  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Los Angeles	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 107	U.S.: 107	Worldwide: 116
<u>Turnover Rate:</u>	10%		
<u>Managers/Supervisors:</u> (% of total trainees)	9%		

**FUNDING DETAIL**

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	<b>Total ETP Funding</b>
\$99,400		\$0	\$0		\$99,400

In-Kind Contribution:	100% of Total ETP Funding Required	\$158,000
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Business Skills; Computer Skills; Cont. Imp.; HazMat; Mfg. Skills	60	8 - 200	0-20	\$990	\$17.00
				Weighted Avg: 55			
2	Job Creation Initiative Priority Rate Retrainee	Business Skills; Computer Skills; Cont. Imp.; HazMat; Mfg. Skills	100	8-200	0-20	\$400	\$15.00
				Weighted Avg: 20			

**Minimum Wage by County:** Job Number 1: \$15.97 per hour for Los Angeles County; Job Number 2 (Job Creation): \$13.31 per hour for Los Angeles County.

**Health Benefits:**  Yes  No This is employer share of cost for healthcare premiums – medical, dental, vision.

**Used to meet the Post-Retention Wage?:**  Yes  No  Maybe

Although employer provides health benefits, they are not being used to meet Post-Retention Wage.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
<b>Job Number 1</b>		
Corporate Support Staff		10
Sales/Marketing/Business Development		2
Product Development/R&D Staff		25
Quality/Regulatory Staff		5
Information Technology Staff		3
Clinical Manufacturing Staff		5
Supervisor/Manager/Associate Director		10
<b>Job Number 2</b>		
Corporate Support Staff		2
Sales/Marketing/Business Development		2
Product Development/R&D Staff		2
Quality/Regulatory Staff		2
Information Technology Staff		2
Clinical Manufacturing Staff		85
Supervisor/Manager/Associate Director		5

## **INTRODUCTION**

Kite Pharma, Inc. (Kite Pharma) ([www.kitepharma.com](http://www.kitepharma.com)) is a clinical-stage biopharmaceutical company focused on the development and commercialization of cancer immunotherapy products designed to use a patient's immune system to eradicate cancer cells. Kite Pharma is currently located in two locations in Santa Monica, where training will be provided. To accommodate the Company's growth, from 50 to 107 employees since 2014, Kite Pharma recently subleased additional space in its current locations, while acquiring a new manufacturing facility in El Segundo early this year, through the acquisition of T-Cell Factory, and is being completed to become the company's manufacturing facility.

The Company's products and technologies are designed to restore the immune system's ability to recognize and eradicate tumors used by and supplied to hospitals and oncologists treating cancer patients. Their products include eACT™ (engineered Autologous Cell Therapy), a broad platform technology genetically re-directed against cancerous cells.

Kite Pharma is increasing its workforce while in a phase of rapid product research and development. It is creating its work processes and procedures as it moves towards FDA (Federal Drug Administration) approval of its product. The Company is also preparing for the commercialization of products, which requires the development of sales and marketing strategies and manufacturing capabilities.

## **PROJECT DETAILS**

Kite Pharma strives for leadership in immunotherapy. The Company's interactive training will help employees understand the critical nature of the Company's mission and the role-based skills necessary to apply good process and practices. ETP funding will enhance the amount of training that Kite Pharma can provide to its existing and newly hired workforce.

### **Training Plan**

Kite Pharma is requesting the Panel's assistance to provide classroom/laboratory and computer-based training (CBT) training hours in the following areas:

**Business Skills** (20%): Training will be offered to all occupations. Topics will include finance/accounting skills, human therapeutics, information security and privacy, records and information management, sales/marketing skills and supply chain and logistics skills. Training will enable workers to conduct their jobs with a well-rounded knowledge of their role and how their job impacts other functions within the Company.

**Computer Skills** (20%): Training will be offered to all occupations. Training will include software applications and systems that are role-dependent. Skills in areas such as Analysis and Statistics Software Applications, Bioinformatics Software Applications, Instrumentation Software, Oracle Application Skills and R&D Software Applications will be critical to Kite Pharma's success in developing and producing a safe and effective product for its customers.

**Manufacturing Skills** (25%): Training will be offered to Quality/Regulatory Staff, Clinical Manufacturing Staff and Supervisors/Managers/Assistant Directors. Topics include Aseptic Science/Technique, Engineering Skills, Manufacturing Equipment, Manufacturing Operations and Procedures is required to achieve commercialization of its product. As a new entrant to the biopharmaceutical market the product needs to be manufactured to exacting standards to ensure reliability and market acceptance.

**Continuous Improvement (25%):** Training will be offered to all occupations as applicable to their role in the Company. Training topics will include Change Control Incident Investigation/Management/Root Cause Analysis, Internal and External Audits, Quality Assurance/Quality Control, Quality Management System, Risk Assessment/Process Hazard Analysis and Supplier Quality. Quality and continuous improvement are non-negotiable requirements for Kite Pharma as it is developing a complex biopharmaceutical that can tolerate no margin for error.

**Hazardous Materials (10%):** Training will be offered to Quality/Regulatory Staff, Clinical Manufacturing Staff, and Supervisors/Managers/Assistant Directors. Trainees who work in the bio chemistry labs must possess skills that allow them to work in clean room environments with the utmost attention to working with hazardous materials. Training in topics such as chemical hygiene, hazardous energy control and the handling of hazardous materials and chemicals is critical to Kite Pharma's operating environment.

### **Retrainee - Job Creation**

The Panel offers incentives to companies that commit to hiring new employees. Training for newly-hired employees will be reimbursed at a higher rate and trainees will be subject to a lower post-retention wage.

Kite Pharma has committed to hiring 100 new employees (Job Number 2). The Company represents that the date-of-hire for all trainees in the Job Creation program will be within the three-month period before contract approval or within the term-of-contract. The Company also represents that these trainees will be hired into "net new jobs" as a condition of contract.

Kite Pharma is experiencing rapid growth, from 50 workers at the end of 2014 to 116 in the first six months of 2015. With the Company's acquisition and completion of the new manufacturing facility in El Segundo, Kite Pharma plans to fill approximately 200 "net new jobs" during the term of this ETP Agreement; however the company only included 100 of these planned new hires to participate in this ETP proposal to ensure the project's success. These new hires will be Kite Pharma's manufacturing workforce who will be ready to go into production upon completion of the El Segundo facility by mid-2016 and production equipment is in place.

### **Temporary to Permanent Hiring**

Approximately 25 of the trainees in Job Number 2 come under Panel guidelines for "temporary to permanent" employment. Kite Pharma has retained these employees through a temporary agency, with the intention of hiring them into full-time, permanent positions after training.

These trainees must be determined eligible to participate in ETP-funded training before the start of training, while on payroll with the temporary agency. However, the retention and post-retention wage requirements cannot be satisfied until after Kite Pharma has hired them. Until then, Kite Pharma will not receive progress payments.

### **Commitment to Training**

Kite Pharma spends approximately \$258,000 annually on training that includes basic new employee onboarding, sexual harassment prevention, biosafety and blood borne pathogen awareness, internet/intranet navigation, basic workplace safety, and injury and illness prevention (Cal-OSHA).

Kite Pharma represents that ETP funds will not displace the existing financial commitment to training. Safety training is provided in accordance with all pertinent requirements under state and federal law.

➤ Training Infrastructure

Kite Pharma has qualified in-house trainers to provide training with a training plan in place. The Company has assigned the Human Resources Manager as the point of contact with ETP who will be supported by an assistant for scheduling and tracking the training. In addition, Kite Pharma has engaged the services of a third party administrator for the administration of the ETP project.

**RECOMMENDATION**

Staff recommends approval of this proposal.

**DEVELOPMENT SERVICES**

Training Funding Partners (TFP) in Fountain Valley assisted with development for a flat fee of \$8,500.

**ADMINISTRATIVE SERVICES**

TFP will also perform administrative services for a fee not to exceed 13% of payment earned.

**TRAINING VENDORS**

N/A



**Exhibit B: Menu Curriculum****Class/Lab Hours**

8 – 200

Trainees may receive any of the following:

**BUSINESS SKILLS**

- Clinical Best Practices
- Finance/Accounting Skills
- Human Therapeutics at Kite Pharma
- Information Security and Privacy
- Medical Regulations
- Performance Management Systems
- Product Commercialization Skills
- Records and Information Management
- Sales/Marketing Skills
- Supply Chain and Logistics
- Train-the-Trainer Skills

**COMPUTER SKILLS**

- Active Directory
- Adobe Acrobat
- Analysis and Statistics Software Applications
- Appliances/Routers/Switches
- Bioinformatics Software Applications
- CCure Security Application
- Columbia Document Locator
- Instrumentation Software Applications
- Intermediate & Advanced Microsoft Office (Word/Excel/PowerPoint)
- iPad Tablet Training
- Oracle Application Skills
- QuickBooks Accounting Software Skills
- R&D Software Applications
- Reference Manager Application Skills
- Scheduling Software
- Share Drive/Share Vault
- Web Help Desk Software
- VMWare
- Windows Server Management

**CONTINUOUS IMPROVEMENT**

- Change Control
- Corrective Action and Preventative Actions
- Incident Investigation/Management/Root Cause Analysis
- Internal and External Audits
- Supervisory/Leadership Skills
- Product Disposition
- Quality Assurance/Quality Control
- Quality Management System
- Risk Assessment/Process Hazard Analysis
- Supplier Quality

**HAZARDOUS MATERIALS**

- Advanced Lab Safety
- Chemical Hygiene
- Clean Room Training
- Hazard Communication
- Hazardous Energy Control
- Hazardous Materials/Chemicals Handling
- Hazardous Waste Management
- Spill Prevention and Control

**MANUFACTURING SKILLS**

- Aseptic Science/Technique
- Batch Record
- Engineering Skills
- Manufacturing Equipment
- Manufacturing Operations and Procedures
- Pressure Systems

Safety Training cannot exceed 10% of total training hours per-trainee

**CBT Hours**

0 – 20

**BUSINESS SKILLS**

- Careful Communication (0.5 Hours)
- Computer Security and Information Protection (0.5 Hours)
- Conflicts of Interest (0.5 Hours)
- Current Good Manufacturing Practices (1 Hour)
- Dealing with Difficult Situations (0.5 Hours)
- Diversity & Inclusion (1 Hour)
- Diversity in the Workplace (0.5 Hours)
- Engaging Top Performers (1 Hour)
- Essential Mentoring Techniques: Designing and Initiating Mentoring Programs (1 Hour)
- Fundamentals of Finance for IT Managers (3.5 Hours)
- Improving Your Emotional Intelligence Skills: Self-awareness and Self-management (1 Hour)
- Internal Controls Essentials (0.5 Hours)
- IT 01 - Information Security/IT Cybersecurity & Information Protection (1 Hour)
- Managing Meetings for Productivity and Effectiveness (.25 Hours)
- Patents, Trademarks and Copyrights (0.5 Hours)
- Privacy and Information Security (1 Hour)
- Protecting Trade Secrets (0.5 Hours)
- Record Management (0.5 Hours)
- Retaining Top Performers (1 Hour)
- Safe Harbor Privacy Essentials (0.5 Hours)
- Workplace Conflict: Recognizing and Responding to Conflict (1 Hour)
- Workplace Conflict: Strategies for Resolving Conflicts (1 Hour)
- Workplace Security Awareness (1 Hour)

**COMPUTER SKILLS**

- Manipulating Formulas and Using Forms in Excel 2010 (1 Hour)
- Using Excel 2010 Data Connections: Web Queries, XML and Databases (1 Hour)

**CONTINUOUS IMPROVEMENT**

- Giving Feedback (1 Hour)
- Management Essentials: Confronting Difficult Employee Behavior (1 Hour)

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery. CBT is capped at 50% of total training hours, per trainee excluding HAZMAT.



**Training Proposal for:  
Method Technologies Inc.**

<b>Small Business</b>
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**ET16-0237**

**Approval Date:** November 2, 2015

**ETP Regional Office:** San Diego

**Analyst:** M. Ray

**CONTRACTOR**

- Type of Industry: Services  
Technology/Other  
Priority Industry:  Yes  No
- Number of Full-Time Employees  
California: 25  
Worldwide: 25  
Number to be trained: 25  
Owner  Yes  No
- Out-of-State Competition: NAICS Code Eligible
- Special Employment Training (SET):  Yes  No
- High Unemployment Area (HUA):  Yes  No
- Turnover Rate: 5%
- Repeat Contractor:  Yes  No

**FUNDING**

- Requested Amount: \$22,100
- In-Kind Contribution: \$31,350

**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate SB <100	Business Skills, Computer Skills	25	8 - 60	0	\$884	\$16.02
				Weighted Avg: 34			

- Reimbursement Rate: \$26 SB Priority
- County(ies): Orange
- Occupations to be Trained: Administrative Support, Engineer, Technical, Supervisor/Manager, Owner
- Union Representation:  Yes  
 No
- Health Benefits: \$0.93 per hour

**SUBCONTRACTORS**

- Development Services: Training Funding Source (TFS) in Seal Beach will help develop this proposal for a flat fee of \$1,900.
- Administrative Services: TFS will also assist with administration for a fee not to exceed 13% of earned funds.
- Training Vendors: To Be Determined

**OVERVIEW**

Founded in 2007, Method Technologies Inc. (MTI) ([www.mtinc.net](http://www.mtinc.net)) is located in Cypress. The Company provides various IT and other technology-related services such as help desk support, web design, web hosting, structured cabling, virtualization, surveillance, 24/7 monitoring, telecom, and technology relocation. The Company primarily serves clients in Southern California. However, it has several out-of-state clients in Texas, Florida, and New York.

**Need for Training**

MTI faces rapid technological changes in today’s business landscape. In order to keep pace, the Company must constantly expand its offerings in technologies, products, and solutions. Specifically, MTI is continually developing and enhancing products and services in cloud management, virtualization, and integration. The Company is also expanding in the field of remote management, computer and network security, web design and programming, and back-up and disaster solutions.

Additionally, MTI must focus on enhancing employees’ product knowledge by providing a comprehensive training program, training and cross-training its workers on new and existing products, as well as various software platforms such as Microsoft, Citrix, Cisco, Synology,

VMware, GFI, Jive, and Mitel. Training will allow employees to work on a wider range of problems; understand strengths and weaknesses of solutions, and recommend the best one for each situation.

## **Training Plan**

To support the aforementioned business objectives, MTI plans to provide the following class/lab training:

**Business Skills** – Training will be offered to all job occupations as it relates to their specific job function. Topics in Customer Acquisition/Sales and Customer Interaction/Quality Control will provide trainees with skills necessary to effectively interact with clients on a variety of levels and negotiate potential sales with confidence.

**Computer Skills** – Training will be offered to all job occupations as it relates to their specific job function. Training in various software programming topics will allow Engineers to effectively design website proposals, edit and maintain existing website codes, and solve client issues. Course topics in telephony, DNS, e-mail services, and Method Back-up Disaster Recovery training will provide Technical Staff, Supervisors, Managers, and Owner the ability to accomplish tasks effectively and in a timely manner. Administrative Support Staff will receive training in Quickbooks and Microsoft Office to enable trainees to increase output and accuracy of daily tasks. Overall, computer skills training will enable MTI to stay current with technical requirements and platforms needed to meet customer demands.

## **RECOMMENDATION**

Staff recommends approval of this proposal.

**DELEGATION ORDER**



**Panel Amendment #2 Proposal for:  
MHM Glass Etching, Inc.  
Agreement Number: ET15-0299**

**Amendment Effective Date:** September 1, 2015

**ETP Regional Office:** San Diego      **Analyst:** S. Godin

**CURRENT PROJECT PROFILE**

Contract Type:	Priority/SB<100 Job Creation	Industry Sector(s):	Manufacturing Services
Counties Served:	San Diego	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Priority Industry:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Current Contract Term:	October 24, 2014 to October 23, 2016	Substantial Contribution:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

**CURRENT FUNDING**

Current Funding
\$12,480

**AMENDMENT FUNDING**

Requested Funding	Total Funding
+\$10,140	\$22,620

**AMENDMENT TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Priority Rate SB<100	Business Skills, Commercial Skills, Computer Skills, Cont. Imp.	10	8-120	0	\$1,560	\$15.60
				Weighted Avg: <b>60</b>			
2	Job Creation Priority Rate SB<100	Business Skills, Commercial Skills, Computer Skills, Cont. Imp.	3	8-180	0	\$2,340	\$13.00
				Weighted Avg: <b>90</b>			

**Minimum Wage by County:** Job Number 1: \$15.60 in San Diego County; Job Number 2 (Job Creation): \$13.00 in San Diego County

**Health Benefits:**  Yes  No This is employer share of cost for healthcare premiums – medical, dental, vision.

**Used to meet the Post-Retention Wage?:**  Yes  No

Wage Range by Occupation	
Occupation Title	Wage Range
<b>Job Number 1</b>	
Account Rep, Operations Staff, Graphic Designer, Sales Staff	
Production Staff	
Manager, Owner	
<b>Job Number 2</b>	
Graphic Designer	
Account Rep	

**INTRODUCTION**

Formed in 1991 in San Diego, MHM Glass Etching, Inc. (MHM) designs and prints custom labels for wine and champagne bottles and provides custom glass etching, engraving and painting for a variety of glassware.

This project was targeted to train 13 workers in Business, Commercial, Computer and Continuous Improvement Skills. The Agreement was approved through the Delegation Order in October 2014 and training commenced on November 1, 2014.

**AMENDMENT DETAILS**

The Contractor states that once training commenced, it was discovered that the skills and knowledge gaps for its workers were far greater than what had been determined during project development. The majority of the training hours delivered thus far have been in Business Skills



topics. Commercial skills training in Equipment Operation, Maintenance and Troubleshooting, Graphic Design Skills, Glass Etching, Label Making, and Mask Creation techniques have yet to be delivered. In addition, MHM has not delivered any Computer Skills training and very class/lab hours in Continuous Improvement training. MHM needs to deliver additional training hours as detailed in the existing menu curriculum.

MHM states that it has experienced a 30% growth in sales over the past 12 months and recently relocated to a facility four times larger than what the Company previously had. MHM also added two rotary air compressors, an air dehydrator, a new etching machine, a photo booth, and a paint-spray booth. Trainees must be trained on the new equipment.

To date, the Company has tracked eligible training hours equal to 78% (\$9,776) of the total Agreement amount (\$12,480). There are 9 months left to train of the 21-month training period within the 24-month Agreement term. Of the 13 planned trainees, eight trainees have maxed out the current 60-hour cap and a new sales person was recently hired. The remaining trainees are expected to begin training during year two of this Agreement.

In this Amendment, the Company requests additional funding for its trainees to continue to provide its workers with necessary training to remain competitive and continue its business expansion. As such, MHM requests an increase to the maximum training hour cap per trainee, from 8-60 to 8-120 for Job Number 1 trainees with the weighted average increasing from 30 to 60. The range of hours for Job Number 2 trainees (8-180) remains unchanged; however, the weighted average will increase from 60 to 90. The additional training hours will provide skills under various course topics already listed under Business, Commercial, Computer Skills and Continuous Improvement.

The Contractor has requested an Amendment effective date of 9/01/15, the date the revision request was submitted. Approving this request would allow MHM to capture the training hours on the new equipment, that began during the first part of September 2015. This Amendment is for additional Phase I funding (increased weighted average training hours) for the original 13 planned trainees. The total amount of the Agreement will remain under the small business Agreement funding cap.

By this amendment:

- The Agreement amount will increase by \$10,140;
- The maximum range of hours for Job 1 trainees will increase by 60 from 8-60 to 8-120; and the weighted average will increase from 30 to 60;
- The weighted average hours in Job Number 2 will increase by 30, from 60 to 90;
- The average cost per Job Number 1 trainee will increase by \$780, from \$780 to \$1,560; and
- The average cost per Job Number 2 trainee will increase by \$780, from \$1,560 to \$2,340.

## **RECOMMENDATION**

Staff recommends approval of this Amendment.

## **SUMMARY OF PRIOR MODS/AMDS**

Modification No. 1 - Revised the range of hours for Job Number 2 (Job Creation) trainees from 8-60 to 8-180.

**CURRENT CONTRACT PERFORMANCE**

The following table summarizes performance by MHM under the current ETP Agreement:

Agreement No.	Approved Amount	Term	No. Trainees Enrolled	No. Completed Training	No. Retained
ET15-0299	\$12,480	10/24/14 – 10/23/16	8	0	0

Based on ETP Systems, 376 reimbursable hours have been tracked for potential earnings of \$9,776 (78% of approved amount).

**DELEGATION ORDER**



**Retrainee - Job Creation  
Training Proposal for:  
New Flyer of America, Inc.**

**Agreement Number: ET16-0288**

**Approval Date:** November 16, 2015

**ETP Regional Office:** North Hollywood

**Analyst:** M. Paccarelli

**PROJECT PROFILE**

Contract Attributes:	Retrainee Priority Rate Job Creation Initiative	Industry Sector(s):	Manufacturing Green Technology Transportation/Logistics  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	San Bernardino	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 65	U.S.: 1,800	Worldwide: 3,500
<u>Turnover Rate:</u>	2%		
<u>Managers/Supervisors:</u> (% of total trainees)	20%		

**FUNDING DETAIL**

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$86,800		\$0	\$0		\$86,800

<b>In-Kind Contribution:</b>	<b>100% of Total ETP Funding Required</b>	<b>\$126,400</b>
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Business Skills, Computer Skills, Mfg. Skills, Continuous Imp., HazMat, PL-Mfg. Skills	65	8-200	0	\$720	\$15.07
				Weighted Avg: 40			
2	Retrainee Priority Rate Job Creation Initiative	Business Skills, Computer Skills, Mfg. Skills, Continuous Imp., HazMat, PL-Mfg. Skills	10	8-200	0	\$4,000	\$12.33
				Weighted Avg: 200			

**Minimum Wage by County:** Job Number1: \$15.07 per hour for San Bernardino  
 Job Number 2 (Job Creation): \$12.33 per hour for San Bernardino County.

**Health Benefits:**  Yes  No This is employer share of cost for healthcare premiums – medical, dental, vision.

**Used to meet the Post-Retention Wage?:**  Yes  No  Maybe  
 Although employer provides health benefits, they are not being used to meet Post-Retention Wage.

Job 1 & 2 Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Materials Specialist		2 2
Acceptance & Delivery Specialist		32
Technician		10
Maintenance Specialist		2
Quality Assurance Specialist		4
Manufacturing Engineer		2
Administrative Staff		2
Team Lead		4
Warehouse Staff		1
Stockkeeper		5
Supervisor		3
Manager		6

## **INTRODUCTION**

Founded in 1930, New Flyer of America, Inc. (New Flyer) ([www.newflyer.com](http://www.newflyer.com)) manufactures heavy-duty transit buses in the United States and Canada. The Company is an industry technology leader and offers a broad product line including vehicles with drive systems powered by clean diesel, natural gas, diesel-electric hybrid, electric trolley, and battery-electric. New Flyer buses are supported by an industry-leading comprehensive warranty, support program and service network.

In 2013, the Los Angeles County Metropolitan Transportation Authority (LA Metro) awarded New Flyer a contract to purchase up to 900 Xcelsior™ 40-foot heavy-duty compressed natural gas buses. This five-year contract contains a firm order for 550 buses, and options to purchase an additional 350 buses. This will be the first time the New Flyer Xcelsior™ model will be introduced into LA Metro's active transit fleet. With features such as all-electric HVAC, electric doors, electric cooling, New Flyer Connect™ telematics system and a Parker-Vansco instrumentation panel cluster equipped with touch-screen technology, these features will allow LA Metro to realize operating range and efficiency gains in line with their mission of sustainability and emission reduction.

### **Retrainee - Job Creation**

The Panel offers incentives to companies that commit to hiring new employees. Training for newly-hired employees will be reimbursed at a higher rate, and trainees will be subject to a lower post-retention wage. The date-of-hire for all trainees in the Job Creation program will be within the three-month period before contract approval or within the term-of-contract. These trainees will be hired into "net new jobs" as a condition of contract.

The LA Metro contract created an opportunity for New Flyer to open a new facility in Ontario, thereby, creating new jobs. Since its opening, New Flyer has expanded its services at the new facility by operating an aftermarket parts division, sourcing parts from hundreds of different suppliers and providing support for all types of transit buses. Its customer base includes numerous transit agencies throughout the State.

New Flyer has also partnered with the San Bernardino Economic Development Corporation and Riverside Economic Development Corporation in finding the best candidates for the new positions in the Ontario facility. The Company continues to hire new employees in production positions. The Company has committed to hiring 10 new employees (Job Number 2).

## **PROJECT DETAILS**

### **Need for Training**

This is New Flyer's second ETP Agreement. The previous contract provided training to newly hired employees (Job Creation) as the Company opened its new Ontario facility. This facility has proven to be a huge success with a high employee skill level. However, as the Company continues to grow and expand its services, New Flyer is requesting ETP assistance to train its workers, including new hires in core Manufacturing Skills and Continuous Improvement to attain operational excellence and meets customer demands.

The majority of the trainees were trained in the first ETP contract as new hires. This second contract will be a continuation of their training and will provide the foundation and skills set for its incumbent workers, reduce the impact of poor quality issues, and provide a streamline process to ensure customer satisfaction and high performance. No trainee will receive duplicate training.

**Manufacturing Skills (60%)** - Training will equip Acceptance & Delivery Specialists, Technicians, Manufacturing Engineer, and Materials Specialists with the skills and knowledge needed in a production environment. Extensive cross-training will also be provided to ensure a broad understanding of the entire production process.

**Business Skills (10%)** - All occupations will be trained in New Flyer's core values. Managers, Supervisors and Team Leads will be trained in leadership that will guide its employees and promote employee engagement and motivation.

**Computer Skills (10%)** - Training will be provided to all occupations to help them be knowledgeable and well-trained in New Flyer's systems and processes.

**Continuous Improvement (10%)** - Training will be provided to all occupations and focus on Lean Manufacturing and 5S (Sort, Set in Order, Shine, Standardize, and Sustain).

**Hazardous Materials (10%)** – Training will be provided to select Acceptance & Delivery Specialists, Technicians, Manufacturing Engineer and Materials Specialists who are in charge of handling and disposing of hazardous materials.

### **Productive Laboratory**

The Panel reimburses for training delivered in a Productive Laboratory (PL) setting. PL trainees may produce goods for profit as part of the training in the courses identified under the Curriculum.

New Flyer has determined that hands-on training is the best way to learn its complex and unique process. PL in Manufacturing Skills will provide Acceptance & Delivery Specialists, Material Specialists, Quality Assurance Specialists and Technicians the skills to ensure that quality issues, reworks, and snags are kept to absolute minimum. These trainees will receive up to 37 hours of Classroom training, 88 hours of Non-Productive Lab, and 40 hours of Productive Lab. Upon completion of the PL training, trainees will continue to receive up to 160 hours of "on-the-job" training at employer's expense.

The trainer-to-trainee ratio may vary from 1:1 to 1:3 depending on the tasks and equipment utilized in the training. Approximately 5% of the PL training will have 1:3 ratio for some installation tasks involving equipment or process that requires three people to complete. A list of tasks and competencies has been submitted to ETP staff. PL training is broken down to 67 tasks required to attain competencies, training on each task varies from 15 minutes to two hours. The trainers are in-house subject matter experts who are exclusively dedicated to instruction for the entire reported training time.

### **Commitment to Training**

The Company's current training budget of approximately \$80,000 covers safety, forklift, lift truck, and compliance/regulatory training. ETP funds will not displace the existing financial commitment to training. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

Qualified in-house trainers will provide training. Outside vendors may be utilized if needed.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

**PRIOR PROJECTS**

The following table summarizes performance by the New Flyer under an ETP Agreement that was completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET14-0203	Ontario	10/21/13 – 10/20/15	\$183,960	\$170,200 (93%)

**DEVELOPMENT SERVICES**

N/A

**ADMINISTRATIVE SERVICES**

N/A

**TRAINING VENDORS**

To Be Determined



**Training Proposal for:  
NL&A Collections, Inc.**

<b>Small Business</b>
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**ET16-0248**

**Approval Date:** October 22, 2015

**ETP Regional Office:** North Hollywood      **Analyst:** M. Webb

**CONTRACTOR**

- Type of Industry: Manufacturing
- Priority Industry:  Yes  No
- Number of Full-Time Employees
  - California: 21
  - Worldwide: 60
  - Number to be trained: 18
  - Owner  Yes  No
- Out-of-State Competition: Competitors Outside CA
- Special Employment Training (SET):  Yes  No
- High Unemployment Area (HUA):  Yes  No
- Turnover Rate: 15%
- Repeat Contractor:  Yes  No

**FUNDING**

- Requested Amount: \$23,400
- In-Kind Contribution: \$17,820



**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee HUA Priority Rate SB <100	Business Skills. Computer Skills, Manufacturing Skills	18	8-60	0	\$1,300	\$11.98
				Weighted Avg: 50			

- Reimbursement Rate: \$26 SB Priority
  
- County(ies): Los Angeles
- Occupations to be Trained: Accounting Staff, Customer Service Representatives, Production Staff, Operations Staff, Sales Representatives, Shipping/Warehouse Staff, Design R & D Staff, Owner
  
- Union Representation:  Yes  
 No
  
- Health Benefits: N/A

**SUBCONTRACTORS**

- Development Services: N/A
- Administrative Services: N/A
- Training Vendors: N/A

**OVERVIEW**

Founded in 1923, NL&A Collections, Inc. (NL&A) designs, manufactures and distributes products such as lamps, light fixtures, wall décor and accent furniture. Located in Huntington Park, NL&A clientele include department stores, furniture retailers, home improvement stores and online retailers.

This is NL&A’s third ETP Agreement. Training delivered under previous Agreements focused on the Company’s new ERP System. The content of prior training was in Computer Skills on how to properly navigate the ERP system. Some Computer Skills are included in this proposal; however, those training topics will be limited to five newly hired employees who did not previously receive training on the system.

The majority of training will focus on computer software used to design, assemble, and manufacture new NL&A products. Trainees will also learn how to utilize these programs to design as well as work with ecofriendly materials to manufacture and ship products.

As a result of the acquisition of a design company in 2007, NL&A's product base expanded to include wall décor and accent furniture. Prior to the acquisition, the Company's main focus was the wholesale and distribution of lamps imported from NL&A manufacturing locations in China and Mexico. The Company's goal for the next year is to bring approximately 15% of manufacturing and assembly to the US. To further increase sufficiency, NL&A is also in the process of learning to recycle 100% of materials being used to manufacture lamps.

NL&A is known for its use of dark brown woods and metal materials to create mid-century modern designs. However, within the last few years the customer base has begun to request products constructed from environmentally safe materials, as well as new commercial designs. To remain competitive, the Company must develop designs that will appeal to a new audience and expand business opportunities.

NL&A is rebranding its designs by offering ecofriendly materials, softer finishes, smaller scale products and LED lighting. To accomplish this task, the Company has purchased new machinery and computer software to create Auto CAD 3-D Images. Training provided will teach Production and Design Staff complex skill sets necessary to work with new materials such as LED lights, reclaimed wood and concrete. To increase an ecofriendly environment, the Shipping and Warehouse Department will also learn to utilize cardboard paper only opposed to foam and plastic bags for shipping.

Curriculum topics listed in this Agreement will enhance skills in the areas of new product and materials, customer service and support, and project management training.

### **Training Plan**

**Business Skills:** Training will be offered to all occupations to increase employee product knowledge and customer service skills. Course topics will provide staff with the skills to meet customer need and market/sell NL&A products.

**Computer Skills:** Training will be offered to all occupations to ensure staff is able to perform job duties using NL&A's ERP System and new computer software programs. Staff will learn to utilize computer programs to complete sales orders, cost accounting, and purchasing.

**Manufacturing Skills:** Training will be offered to Shipping/Warehouse and Production Staff to learn how to operate new machinery and work with new materials. Training provided will increase efficiency and maintain low production cost.

### **High Unemployment Area**

All trainees in Job Number1 work in a High Unemployment Area (HUA), with unemployment exceeding the state average by at least 25%. The Panel may modify the ETP Minimum Wage by up to 25% if post-retention wages exceed the start of training wages. NL&A is asking for a wage modification for trainees in Job Number 1 (from \$15.97 to \$11.98).

### **RECOMMENDATION**

Staff recommends approval of this proposal.

### **PRIOR PROJECTS**

The following table summarizes performance by NL&A under an ETP Agreement that was completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET14-0215	Huntington Park	11/18/13- 11/17/14	\$31,460	\$23,088 (73%)
ET13-0159	Huntington Park	09/19/12- 09/18/13	\$45,240	\$28,469 (63%)

Under their first Agreement, NL&A requested a funding amount that exceeded their ability to deliver. Although the training plan proposed an average of 60 hours per trainee, the actual hours delivered were closer to an average of 50. Furthermore, 8 trainees did not meet the minimum wage requirement or complete retention.

NL&A overcame many of these problems in the delivery of training under ET14-0215. This proposal is “right-sized” to performance, which terminated last year at 73% earnings.

**Exhibit B: Menu Curriculum****Class/Lab Hours**

8-60

Trainees may receive any of the following:

**BUSINESS SKILLS**

- Project Management Tools
- Sales Pitch Training for New Products
- Sales Leads Training to acquire New Segments to Sell New Products
- Product Training: Benefit of using New LED Technology, Eco Friendly Material
- Quality and Product Compliance with EPA
- Customer Service and Support
- Post-Sales Warranty Support Training
- New Product Management Training (cross-functional training)
- New Technology Key Features Training
- New Parts/Material Training (cross-functional training)
- Case Management Training

**COMPUTER SKILLS**

- Accounts Payables
- Sales Tax Solution in NetSuite
- Payroll Integration in NetSuite
- Direct Labor & Material Interaction
- Incentive Management for New Design
- Accounts Receivables
- Order to Cash Management
- Bill Sales Orders and Reconcile Invoices (cross-functional training)
- Automated Merchant Service Module
- Journal and Register Management for Manufacturing Process
- Inventory Reconciliation for Raw Materials, Work Process and Finished Products
- Billing and Expense Management
- Cost Accounting (cross-functional training)
- Renewal Management
- Item Set-Up for Assembly Part and Raw Materials Management in NetSuite
- Work Orders, Assembly Build Management in NetSuite
- 3D Rendering
- V Ray Rendering
- Auto CAD
- New Procurement Dashboard Training
- Managing Work Order Flow in Process in NetSuite
- Sales Force Automation, Re-Training
- Account Management
- Activity Management
- Opportunity Management
- Quote Generation

- Order Generation
- Key Management Tasks
- Partner Center Access Control
- Quote Management
- Map E-store with Website for Automated Sales Order, Shipping Acknowledgment
- Customer Support Center on Web Store via Live Chat
- Shipping Integration to Website to calculate LTL Freight
- Payment Processing on Merchant Account via Paypal
- Order Mapping & ERP System to Customer Website for New Customers
- Automated Inventory Export to Web Stores for all New Customers
- ODBC/Visual Basic to run Special Pricing Program
- Personal Preferences and Defaults
- Calendar Set-Up
- Using Email through NetSuite
- Assigning Tasks to Other Users
- Working with Records
- Searching for Records and Transactions

#### **MANUFACTURING SKILLS**

- Product Knowledge
- Assembly Training (cross-functional training)
  - Sanding
  - Routing
  - Painting
  - Electric Wiring
- Product Management Training
- Parts/Material Training

Note: Reimbursement for retraining is capped at 60 total training hours per trainee, regardless of the method of delivery.

**DELEGATION ORDER**



**Training Proposal for:**

**Noble House Shelter Pointe, LLC dba Kona Kai Resort & Spa**

**Agreement Number: ET16-0214**

**Approval Date:** November 3, 2015

**ETP Regional Office:** San Diego

**Analyst:** K. Campion

**PROJECT PROFILE**

Contract Attributes:	Retrainee	Industry Sector(s):	Services  Priority Industry: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Counties Served:	San Diego, Los Angeles	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No UNITEHERE! San Diego County Hotel and Food Service Workers' Union, Local 30		
Number of Employees in:	CA: 1,500	U.S.: 3,150	Worldwide: 3,150
<u>Turnover Rate:</u>	10%		
<u>Managers/Supervisors:</u> (% of total trainees)	17%		

**FUNDING DETAIL**

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	<b>Total ETP Funding</b>
\$66,150		\$0	\$0		\$66,150

In-Kind Contribution:	100% of Total ETP Funding Required	\$76,260
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee	Business Skills Computer Skills Continuous Impr	126	8-200	0	\$525	\$15.93*
				Weighted Avg: 35			

\*It will be made a condition of contract that the trainees in this Job Number will never be paid less than the statewide minimum wage rate as in effect at the end of retention regardless of the wage expressed in this table.

**Minimum Wage by County:** \$15.93 – San Diego County; \$15.97 – Los Angeles County  
**Health Benefits:**  Yes  No This is employer share of cost for healthcare premiums – medical, dental, vision.  
**Used to meet the Post-Retention Wage?:**  Yes  No  Maybe  
 Up to \$5.38 per hour in health benefits may be used to meet the Post-Retention Wage.  
 Additionally, if necessary, up to \$5.38 per hour in Mandatory Service Charges (banquet tips) may be used to meet the Post-Retention Wage for Food and Beverage Staff and Housekeeping Staff.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Administration Staff		18
Front Desk Staff		16
Food & Beverage Staff		32
Housekeeping Staff		28
Maintenance Staff		11
Manager		21

**INTRODUCTION**

Noble House Shelter Pointe, LLC dba Kona Kai Resort and Spa (Kona Kai) (<http://www.resortkonakai.com/>) is located on San Diego bay. It has 129 guest rooms, 11 acres of tropical gardens and 56,000 square feet of indoor and outdoor meeting spaces. Kona Kai also has a private beach and a 520-slip marina. The Kona Kai Resort has 100 full-time employees on payroll.

Kona Kai seeks ETP funding to train its employees and those of its close affiliate, the Portofino Hotel and Marina (Portofino). The affiliate, located in Redondo Beach, is a waterfront hotel with 161 guest rooms and a 181 slip marina. The Portofino has 90 full-time employees on payroll.

Both Hotels are owned by Noble House Hotels and Resorts, headquartered in Kirkland, WA. Kona Kai will hold the ETP contract. Both entities are eligible for ETP funding as “destination resorts” competing nationally and internationally for business.

## **PROJECT DETAILS**

In order to maintain market share and continue to satisfy the needs of a diverse clientele, Kona Kai and Portofino recognize that they must improve their guest service from a 3-Diamond rating to a 4-Diamond rating. Hotel establishments that demonstrate the basic requirements of cleanliness, comfort and hospitality during an unannounced inspection are designated as AAA/CAA Approved. AAA Diamond ratings for hotels represent a combination of the overall quality, range of facilities, and level of services offered by the property. The descriptive ratings are assigned exclusively to properties that meet and uphold AAA's rigorous Approval standards.

To meet its goal of being awarded a 4-diamond rating, Kona Kai recently completed a \$22 million renovation and Portofino underwent an extensive \$11 million renovation of guestrooms, meeting spaces, restaurants, and marina. Now that the amenities have been upgraded, senior management has launched an initiative to improve teamwork, communications, and problem-solving. Therefore, Kona Kai has developed a comprehensive training plan for both resorts to reach these goals.

### **Training Plan**

**Continuous Improvement** (60%) – This training will be provided to all occupations. Trainees will learn how to exceed guest expectations in all areas of service, work more efficiently in teams, resolve team conflicts, and improve communications. Additionally, trainees will learn critical leadership techniques.

**Business Skills** (30%) – This training will be provided to all occupations. Trainees will learn advanced sales techniques, negotiating skills, accounting skills and front desk skills.

**Computer Skills** (10%) – This training will be provided to Administration Staff, Food & Beverage Staff, Front Desk Staff, and Housekeeping Staff in order to stay current with new technology which includes systems enhancements and upgrades, supply management systems and inventory controls.

### **Full-Time Work Week**

Full-time employment for purposes of ETP retention means at least 35 hours a week for 90 consecutive days. The Panel may approve less than 35 hours a week if that workweek is customary for the industry or occupation.

Kona Kai requests a modification from 35 hours per week to 30 hours per week on grounds that this is considered full-time employment for front-line workers in the hospitality sector. These workers are not "temporary" but are employed by Kona Kai and Portofino on a permanent basis, with quarterly payroll reporting. Also, employees who work at least 30 hours per week are eligible for full-time health benefits. Because Kona Kai and Portofino's occupancy rates fluctuate during different months of the year, some workers' hourly status may also fluctuate. The Hotels offer a 30-hour full-time workweek for all employees which allow workers the ability to remain on full-time status even if their work hours drop to 30 hours per week. The Panel has approved this same modification in the past for other hotel training projects.

### **Union Support**

The San Diego County Hotel and Food Service Workers' Union, UNITE HERE, Local 30, which represents Front Desk Staff, Food & Beverage Staff, Housekeeping Staff and Maintenance Staff



at Kona Kai, has submitted a letter of support for this training proposal. Employees for Portofino are not represented by a union.

### **Commitment to Training**

The Hotels represent that ETP funds will not displace the existing financial commitment to training. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law. Hotel representatives report that the annual training budget for both hotels is approximately \$76,000 per year and covers topics such as new employee orientation, basic customer service, basic supervisory skills, basic computer skills, OSHA-mandated training, sexual harassment prevention training, and on-the-job training.

The proposed training will allow both resorts to concentrate on improving guest services through training, which is expected to lead to greater guest satisfaction and increased sales, and may result in an upgrade in ratings to 4 Diamond Resorts.

This project will be overseen by the Kona Kai Resort General Manager with assistance by Kona Kai's HR Manager and Portofino's Director of Human Resources, who will both be responsible for scheduling and conducting training. Kona Kai Resort will utilize a subcontractor to assist with ETP project administration.

### **RECOMMENDATION**

Staff recommends approval of this proposal and the modification of 30 hours as full-time employment.

### **DEVELOPMENT SERVICES**

Kona Kai retained National Training Company, Inc. (NTC) in Middletown to assist with development of this proposal for a flat fee of \$2,643.53.

### **ADMINISTRATIVE SERVICES**

Kona Kai also retained NTC to perform administrative services in connection with this proposal for an amount not to exceed 13% of payment earned.

### **TRAINING VENDORS**

To Be Determined

# LOCAL 30 UNITEHERE!

San Diego County Hotel and Food Service Workers' Union

Affiliated with...

AFL-CIO  
San Diego and Imperial Counties Labor Council  
State Federation of Labor  
State Culinary Alliance  
Union Label & Service Trades Council

Monday, September 14, 2015

Employment Training Panel

1100 J Street

4<sup>th</sup> Floor

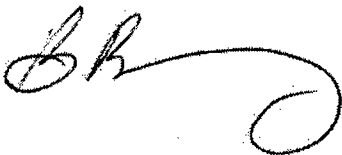
Sacramento, CA 95814

Re: Kona Kai Resort and Marina. Employment Training Panel – Ref: 15-0443

The Unite Here Local 30 Supports the proposed Employment Training Panel (ETP) Kona Kai Resort and Marina project.

The Union understands that the ETP training program will provide various types of training to: Front Office, Banquets, Food and Beverage, Guest Services Housekeeping, Kitchen and Maintenance staff.

Sincerely,



Brigitte Browning

Union President

Local 30



**Training Proposal for:  
PacMin Incorporated dba Pacific Miniatures**

<b>Small Business</b>
-----------------------

**ET16-0270**

**Approval Date:** November 3, 2015

**ETP Regional Office:** San Diego

**Analyst:** M. Ray

**CONTRACTOR**

- Type of Industry: Manufacturing
  
- Priority Industry:  Yes  No
  
- Number of Full-Time Employees
  - California: 68
  - Worldwide: 170
  - Number to be trained: 50
  - Owner  Yes  No
  
- Out-of-State Competition: NAICS Code Eligible
- Special Employment Training (SET):  Yes  No
- High Unemployment Area (HUA):  Yes  No
- Turnover Rate: 12%
- Repeat Contractor:  Yes  No

**FUNDING**

- Requested Amount: \$49,400
- In-Kind Contribution: \$63,180

**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate SB <100	Business Skills, Computer Skills, Mfg Skills	50	8 - 60	0	\$988	\$16.02
				Weighted Avg: 38			

- Reimbursement Rate: \$26 SB Priority
- County(ies): Orange
- Occupations to be Trained: Accounting, Customer Relations, Sale Associate, Graphic Engineer, Operator, Production, Warehouse, Supervisor/Manager, and Owner
- Union Representation:  Yes  
 No
- Health Benefits: \$1.02 per hour

**SUBCONTRACTORS**

- Development Services: Training Funding Source (TFS) in Seal Beach assisted in the development of this application for a flat fee of \$3,400.
- Administrative Services: TFS will also provide administrative services for an amount not to exceed 13% of payment earned.
- Training Vendors: To Be Determined

**OVERVIEW**

Founded in 1946, PacMin Incorporated dba Pacific Miniatures (PacMin) ([www.pacmin.com](http://www.pacmin.com)) provides visually-dynamic marketing solutions for its customers in the aviation and aerospace industries. Located in Fullerton, the Company manufactures miniature aircraft scale models, mock-ups, cutaways, and prototypes for corporate awards, product launches, special events marketing, and education exhibits. PacMin’s product line recently expanded to include other promotional items including larger scale cutaway models, fine art paintings, and globes.

**Need for Training**

This will be the second Agreement between PacMin and ETP within the last five years. In its first ETP project (ET13-0404), the Company successfully provided training to 34 trainees who received an average of 55 hours of training. The majority of training focused on enhancing manufacturing and business processes as well as improving quality of existing products in order to support PacMin’s business growth. Additionally, ETP funds allowed PacMin to provide significant cross-training for new silkscreen machines and other equipment, as well as a Lean Manufacturing initiative which focused on eliminating rework and reducing scrap.

In keeping with its plan for continuous growth, in February 2015, the Company launched a new special projects division, *PacMin Studio*, specializing in interactive exhibits, displays, models, and other visually dynamic communication tools. The new division will allow PacMin to diversify its products and services to maintain existing clients, as well as expand into new industries beyond aviation and aerospace. Of note, *PacMin Studio* recently built a nine-foot tall interactive mannequin to highlight the effects of gout at the American College of Rheumatology convention for a new customer in the medical industry. Other new products include an “orb” marketing display for an international customer and a large diorama display for a major electronic systems company. These new products require PacMin to do a complete overhaul of its manufacturing and business processes.

Due to ongoing customer demand for high quality products at low prices, the Company has improved production and handling methods by changing materials used for existing products:

- Change production methods to use a new Tanaka Ink. These inks have lower volatile organic compounds, anticipated to eliminate issues in decal bubbling, stretching, or ripping during or after production. This is expected to increase production capacity by 500 units a month. The Company is currently in the testing phase and the new method is planned to rollout by Q4 of 2015;
- Purchase a new photo spectrometer called Konica spectrophotometer. This new machine will allow the Company to keep a color matching database for its new inks. The machine was purchased in July 2014; however, the software needed to fully operate the machine was not purchased until April 2015. The database is expected to be completed by 2017; and
- Purchase a new software system called Fusion 360. This system will allow Engineers to create Computer-Aided Design files and operate Computer Numerical Control machine, expediting production of new PacMin Studio products.

ETP funding will allow PacMin to provide its workforce with an extensive training program to meet the business needs mentioned above.

## Training Plan

**Business Skills** – Training will be provided to all job occupations. Sales Associates and Customer Relations Staff will receive training in selling techniques, product marketing, cost estimating, quoting, customer targeting, and market research in order to better understand the costs associated with the product as well as mark-ups needed to make a sustainable profit. New generation leaders in various departments are expected to receive training topics in New Leader Training, Setting and Attaining Goals, and Resolving Conflict to allow trainees to become effective leaders.

**Computer Skills** – Training will be offered to all job occupations in the new Fusion 360 and Konica Color Database. Course topics also include Tool Development, Master Cam, Color Formulas, Tinker CAD, and Raspberry Pi.

**Manufacturing Skills** – Training will be offered to Production, Warehouse, and Supervisor/Manager to develop their skills in new areas of production, processes, and procedures. Majority of the training will focus on mixing, layering, and applying Tanaka Inks. Application of Tanaka decals is also entirely different from the existing application process. As such, training in Pre-Masking, Peel-Away Process, Drying Methods, and Material and Application use will allow trainees to master techniques in using new materials to prevent rework and improve production times.

**RECOMMENDATION**

Staff recommends approval of this proposal.

**PRIOR PROJECTS**

The following table summarizes performance by PacMin under an ETP Agreement that was completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET13-0404	Fullerton	6/24/2013– 6/23/2015	\$49,348	\$46,831 (95% )

ET13-0404: The final invoice closeout has been submitted and is currently being processed. \$39,929 has been approved with \$6,902 still being processed.

**Exhibit B: Menu Curriculum****Class/Lab Hours**

8 - 60

Trainees may receive any of the following:

**BUSINESS SKILLS**

- Customer Segmentation and Targeting
- Selling Techniques
- Product Marketing
- Quoting
- Cost Estimating
- New Product Development
- Market Research
- Service Management
- Positive Communication
- Listening Skills
- Executive Development
- New leader Training
- Resolving Conflict
- Setting and Attaining goals
- Train-the-Trainer Skills
- Critical Thinking
- Strategy Execution
- Managing Change
- Managing Talent
- Motivation Skills

**COMPUTER SKILLS**

- Tool Development
- Konika Color Database
- Master Cam
- Fusion 360
- Color Formulas
- Tinker CAD
- Raspberry Pi

**MANUFACTURING SKILLS**

- Pre-Masking
- Peel-Away Process
- Ink Layering
- Mixing Solids, Gradients, and Metallic
- Mixing Tanaka Inks
- Applying Tanaka Inks
- Drying Methods
- Konika Photo Spectrometer Operations
- Tool Cleanliness and Maintenance
- Molding Processes
- Fiberglass Training

- Layout Procedures
- Painting Processes
- Material Requirements Planning (MRP) and Scheduling
- Material Application and Use

Safety Training will be limited to 10% of total training hours per-trainee.

Note: Reimbursement for retraining is capped at 60 total hours per-trainee, regardless of method of delivery.





**Training Proposal for:  
Phoenix Energy Technologies, Inc.**

**Small Business ≤ \$50,000**

**ET16-0283**

**Approval Date:** November 17, 2015

**ETP Regional Office:** San Diego

**Analyst:** M. Ray

**CONTRACTOR**

- Type of Industry: Technology/Other Services  
Priority Industry:  Yes  No
- Number of Full-Time Employees  
California: 32  
Worldwide: 64  
Number to be trained: 32  
Owner  Yes  No
- Out-of-State Competition: Other: Company engaged within an industry identified to be facing out-of-state competition.
- Special Employment Training (SET):  Yes  No
- High Unemployment Area (HUA):  Yes  No
- Turnover Rate: 8%
- Repeat Contractor:  Yes  No

**FUNDING**

- Requested Amount: \$41,600
- In-Kind Contribution: \$66,347

**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate SB <100	Business Skills, Commercial Skills, Computer Skills, Continuous Improvement	32	8 - 60	0	\$1,300	\$17.17
				Weighted Avg: 50			

- Reimbursement Rate: Job #1: \$26 SB Priority
- County(ies): Orange
- Occupations to be Trained: Administrative Support, Customer Service, Sales/Marketing, Implementation Staff, Software Engineer, Analyst, Manager, and Owner
- Union Representation:  Yes  
 No
- Health Benefits: N/A

**SUBCONTRACTORS**

- Development Services: Phoenix Energy Technologies, Inc. retained Training Funding Source (TFS) in Seal Beach to assist with development of this proposal for a flat fee of \$1,900.
- Administrative Services: Phoenix Energy Technologies, Inc. also retained TFS to perform administrative services in connection with this proposal for a fee not to exceed 13% of payment earned.
- Training Vendors: To Be Determined

**OVERVIEW**

Founded in 2004, Phoenix Energy Technologies, Inc. (PETI) ([www.phoenixet.com](http://www.phoenixet.com)) is a woman-owned, energy management consulting company that diagnoses opportunities and implements strategies to reduce energy consumption and costs. Located in Irvine, the Company's proprietary software provides real-time analysis and usage projections for energy conservation and equipment longevity. PETI provides energy and equipment monitoring, analysis, and response assistance to customers that include commercial accounts, national retail accounts, universities, and theme parks.

This will be the second Agreement between PETI and ETP within the last five years. In its first ETP project (ET14-0165), the Company provided training to 27 trainees who received between 18 to 120 training hours (81 average hours). Through this Agreement, PETI was able to

improve efficiencies throughout the organization and expand its products, services, and client base by providing its workforce with extensive business, commercial, computer, and continuous improvement skills training. Funding from the previous project allowed trainees to improve skills to support company expansion, increase productivity, and meet business needs.

Company representatives state that in order for PETI to continue to support business growth and maintain its place in the energy management industry, the Company must keep pace with developing innovations and emerging competitions. As a result, PETI must once again develop a new business plan to continue to focus on the improvement and enhancement of the Company's products and services. To do this, the Company implemented the Scrum Methodology. Scrum is an agile software development methodology that emphasizes collaboration, functioning software, team self-management, and the flexibility to adapt to emerging business needs. In addition to the software development methodology, the Company also projects to implement new and upgrade existing software systems such as Microsoft Azure, Microsoft Power BI, HTML 5 Web Programming, as well as other predictive analytics programs such as Statistical Analysis System (SAS) Software. Consequently, these new initiatives will require the Company to provide its workforce skills training to better understand the full capabilities of the new and upgraded programs in order to develop increased statistical information and successfully integrate these data with customer's technology and needs.

In addition, the proposed training plan will also build upon training that was provided in the previous project. Overall training will be driven by the industry, environmental, and customer demands to specifically minimize the carbon footprint and continue to curb energy costs. With the assistance of ETP funding, PETI is poised to deliver a comprehensive training program that will further enhance skills and knowledge of its workforce.

## Training Plan

**Business Skills** – Training will be provided to all occupations. Course topics will include Customer Service, Change Management, Communication, Lead Generation, Product Knowledge, Sales/Marketing, and Project Management. Training will allow trainees to successfully improve leadership skills, departmental strategies, and product knowledge in order to keep pace with industry and customer demands.

**Commercial Skills** – Training will be offered to all occupations as it pertains to their specific duties. Training in Building Control Systems, Alarm Management, Environmental Applications, Grocery/Restaurant/Retail Energy Management, and Predictive Analytics will allow trainees to stay on trend with the latest development philosophies and advancements to address opportunities for future programs and services.

**Computer Skills** – Training will be offered to all occupations as it pertains to their job duties. Majority of the training will focus on the skills application of the new and upgraded software systems such as Scrum, Microsoft Azure, Microsoft Power BI, HTML 5 Web Programming, and SAS. Course topics also include Crystal Reporting, Building Control Systems, Analytics Software, and Trends Data Software. Training will provide trainees with skills to better understand technology and how to use information gathered to make predictions regarding energy use, purchasing, customer traffic patterns, store hours, weather conditions, and merchandising patterns.

**Continuous Improvement** – Training will be offered to all occupations consistent with their job duties. Course topics will include Critical Thinking & Efficiency Development, Client Operations, and Leadership & Mentoring Skills. Training will allow workers to expand emphasis on

corporate culture as well as develop cross departmental managerial partnering strategies to ensure employees are fully supported in different disciplines.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

### **PRIOR PROJECTS**

The following table summarizes performance by PETI under an ETP Agreement that was completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET14-0165	Irvine	9/30/13 – 9/29/15	\$49,400	\$49,400 (100%)

**Exhibit B: Menu Curriculum****Class/Lab Hours**

8 – 60      Trainees may receive any of the following:

**BUSINESS SKILLS**

- Change Management
- Customer Service
- Communication
- Electronic Document Storage
- Electronic Document Sharing
- Financial Management & Administration
- HUD Web (internal communication program)
- Intranet Development/Structure/Processes/Updating
- Lead Generation
- Product Knowledge
- Project Management
- Risk Management
- Sales & Marketing
- Standard Work Procedures

**COMMERCIAL SKILLS**

- Alarm Management
- Building Control Systems
- Call Manager
- Comparative Values
- EDX
- Environmental Applications
- Fault Detection
- Grocery/Restaurant Energy Management
- HVAC Systems
- Predictive Analytics
- Refrigeration
- Retail Energy Management
- Statistics
- Third-Party Service Offerings

**COMPUTER SKILLS**

- Amazon-Cloud Web Services (AWS)
- Analytics Software Application Skills
- Angular Mobile
- Building Control Systems
- Cascading Style Sheets (CSS)
- Control Systems Software
- Crystal Reporting
- Expanded IT Programs
- HTML 5 Web Programming Application Skills
- J2

- Java
- JQuery
- Microsoft Azure
- Microsoft Office
- Microsoft Power BI
- Statistical Analysis System (SAS) Software
- Scrum Application Skills
- Server Query Language (SQL) Database Enterprise
- Sales Force
- Software Architecture Design
- Team Foundation Server
- Trends Data Software
- UX Design

**CONTINUOUS IMPROVEMENT**

- Critical Thinking & Efficiency Development
- Client Operations
- Leadership & Mentoring Skills
- Phoenix Products
- Review Process

Safety Training will be limited to 10% of total training hours, per-trainee.

Note: Reimbursement for retraining is capped at 60 total hours, per-trainee, regardless of method of delivery.



**Training Proposal for:  
Plastics Plus Technology, Inc.**

<b>Small Business</b>
-----------------------

**ET16-0250**

**Approval Date:** October 23, 2015

**ETP Regional Office:** North Hollywood      **Analyst:** M. Reeves

**CONTRACTOR**

- Type of Industry: Manufacturing
- Priority Industry:  Yes  No
- Number of Full-Time Employees
  - California: 35
  - Worldwide: 35
  - Number to be trained: 23
  - Owner  Yes  No
- Out-of-State Competition: NAICS Code Eligible
- Special Employment Training (SET):  Yes  No
- High Unemployment Area (HUA):  Yes  No
- Turnover Rate: 5%
- Repeat Contractor:  Yes  No

**FUNDING**

- Requested Amount: \$26,312
- In-Kind Contribution: \$15,180

**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee SB <100 Priority Rate	Business Skills, Continuous Improvement, Hazardous Materials, Management Skills, Manufacturing Skills	23	8-60	0	\$1,144	\$15.07
				Weighted Avg: 44			

- Reimbursement Rate: Job #1: \$26 SB Priority
- County(ies): San Bernardino
- Occupations to be Trained: Shift Lead, Shift Supervisor, QA Technician, Material Handler, Manager, Office Staff, Warehouse Staff, Owner
- Union Representation:  Yes  
 No
- Health Benefits: Job #1: \$1.73 per hour

**SUBCONTRACTORS**

- Development Services: N/A
- Administrative Services: N/A
- Training Vendors: To Be Determined

**OVERVIEW**

Plastics Plus Technology, Inc. (PPT) is a custom plastic injection and mold manufacturer. PPT is located in Redlands and has been in business since 1979. The Company molds over 350 different parts for customers in the medical, automotive, and consumer electronics industries.

PPT's injection processes include scientific molding, overmolding and insert molding. The Company has full automation capabilities, and uses a variety of filled and unfilled resins. The Company also provides in-house tool manufacturing services. This includes new tool fabrication, as well as maintenance and modifications of existing molds.



## **Need for Training**

PPT reports that it has experienced relatively flat revenue growth over the past three years and is working vigorously to increase revenue by an average of 10-15% per year. To accomplish this goal, the Company is looking to expand relationships with current customers and pursue new business opportunities in targeted industries. For instance, PPT plans to add more medical products to its overall product mix. Further, the Company is evaluating the purchase of new molding machines, labeling and packaging equipment, and robotics technology for the coming year to support the expansion of its business capacity.

The pursuit and subsequent acquisition of new business requires the Company to upgrade the skills of its employees in the areas of strategic planning, process improvements, and new equipment operation.

## **Training Plan**

**Business Skills** – Training will be offered to Shift Leads, Supervisors, and key management team personnel. Training will focus on Strategic Planning activities such as setting goals and priorities, defining action steps, and managing resources to achieve business objectives.

**Continuous Improvement** – Training will be offered to all occupations. This training is designed to maximize worker productivity by promoting Lean principles, frontline leadership, and effective problem solving. Training will also include ISO 14001 topics to help the Company manage its environmental responsibilities.

**Hazardous Materials** – Training will be offered to Shift Leads, Material Handlers, Managers/Supervisors, and Warehouse Staff. Trainees will learn chemical spill response and safe handling procedures for hazardous materials.

**Management Skills** – Training will be offered to Managers and Supervisors. Training will focus on leadership, communication, motivation, and planning skills necessary to become more effective members of the Company's management team.

**Manufacturing Skills** – Training will be offered to Material Handlers, QA Technicians, Shift Leads, and Warehouse Staff. This training will provide workers with the knowledge and skills to operate and maintain equipment, ensure product quality, and implement best practices in the areas of product production, materials handling, and warehousing.

## **RECOMMENDATION**

Staff recommends approval of this proposal.

**Exhibit B: Menu Curriculum**

**Class/Lab Hours**

8 - 60

Trainees may receive any of the following:

**BUSINESS SKILLS**

- ✚ Strategic Planning

**CONTINUOUS IMPROVEMENT**

- ✚ ISO 14001 Environmental Management
- ✚ Problem Solving
- ✚ Lean Manufacturing
- ✚ Frontline Leadership

**HAZARDOUS MATERIALS**

- ✚ Handling Chemical Spills

**MANAGEMENT SKILLS** (Managers and Supervisors only)

- ✚ Leadership
- ✚ Frontline Supervision
- ✚ Planning for Supervisors

**MANUFACTURING SKILLS**

- ✚ Setup and Control of a Plastic Injection Press
- ✚ Introduction to Scientific Molding
- ✚ Maintenance of a Plastic Injection Press

Note: Reimbursement for retraining is capped at 60 total training hours per trainee, regardless of the method of delivery.



**Training Proposal for:  
Primary Freight Services, Inc.**

<b>Small Business ≤ \$50,000</b>
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**ET16-0271**

**Approval Date:** November 16, 2015

**ETP Regional Office:** San Diego

**Analyst:** J. Davey

**CONTRACTOR**

- Type of Industry:
  - Transportation/Logistics
  - Warehousing
  - Priority Industry:  Yes  No
  
- Number of Full-Time Employees
  - California: 40
  - Worldwide: 55
  - Number to be trained: 40
  - Owner  Yes  No
  
- Out-of-State Competition: Customers Outside CA
- Special Employment Training (SET):  Yes  No
- High Unemployment Area (HUA):  Yes  No
- Turnover Rate: 15%
- Repeat Contractor:  Yes  No

**FUNDING**

- Requested Amount: \$49,920
- In-Kind Contribution: \$49,985

**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Business Skills, Commercial Skills, Computer Skills, Continuous Improvement	40	8-110	0	\$1,248	\$16.02
				Weighted Avg: 48			

- Reimbursement Rate: Job #1: \$26 SB Priority
- County(ies): Orange
- Occupations to be Trained: Administrative Staff, Customer Service Staff, Managers, Sales Staff, Warehouse Staff
- Union Representation:  Yes Chemical and Production Workers Union Local 30  
 No
- Health Benefits: Job #1: \$3.64 per hour

**SUBCONTRACTORS**

- Development Services: Kirkpatrick Enterprises International in Valencia assisted with development of this proposal at no charge
- Administrative Services: Kirkpatrick Enterprises International will also assist with administration of this proposal for a fee not to exceed 10% of earned amount.
- Training Vendors: Kirkpatrick Enterprises International will provide Business Skills for a fee to be determined.

**OVERVIEW**

Operating since 1998 and headquartered in Buena Park, Primary Freight Services, Inc. (PFS) ([www.primaryfreight.com](http://www.primaryfreight.com)) provides import and export services in both ocean and air freight under the security and compliance guidelines of the Transportation Security Administration (TSA) and U.S. Customs. Its services include sales & marketing, order tracking and follow up, consolidation, warehousing, and distribution. PFS is a preferred shipper for both domestic and international customers, typically retailers and manufacturers, because of its ability to handle international customs clearance requirements. The Company meets ETP out-of-state competition requirements, and is a Panel priority industry.

PFS is currently growing, with plans to increase its customer base and provide more services to new and existing clients and develop more international trade in California. To ensure this

growth the Company is changing its IT platform to improve its current system which has become outdated and inefficient. The new system will assist Sales Staff in tracking current client's needs and assist in finding new areas to increase sales. The new system will also improve order tracking warehousing and distribution services.

All employees are represented by the Chemical & Production Workers Union Local 30, which has provided a letter of support for the proposed training.

## Training Plan

In its first ETP project, training was designed to assist PFS in developing an entirely new domestic freight operation to satisfy customers' requests, to learn how to operate its new warehouse space as efficiently as possible, and to grow its customer base for its existing air freight branch. PFS reports that many of the skills provided in this proposal are the same skills provided in the previous project. However, the training in this project is different from the last project in two ways. First, due to the labor unrest in the Ports of Los Angeles/Long Beach, the Company could not finish some of the skills identified in the curriculum. (In late 2014/early 2015, the International Longshore and Warehouse Union initiated a "work slow-down" at the Port of Los Angeles, which has been resolved). Even though it performed at 98.9% of earned funds, many of the skills it needed to provide were redirected to technical training for its technicians. Second, the proposed training project will focus on the sales development of less experienced staff, complete re-training of all company staff due to a new operational and pricing/quoting system to be used company wide.

**Business Skills** - This training will be offered to all occupations to improve response time and quality of internal and external customer service. Project Management, while applicable to many functions, will focus primarily on sales and customer service staff that develop and administer individual customer accounts.

**Commercial Skills** - This training will be offered to all occupations to stay abreast of ever-changing national and international freight compliance rules. All employees must learn TSA and U.S. Customs requirements and become certified. Staff will also cross-train in several existing functions to reduce downtime, and learn the warehouse skills needed to take delivery on, process, store, and transport under established documentation, security, and compliance laws.

**Computer Skills** - This training will be offered to all occupations to learn the functions of PFS' proprietary freight management and customer relationship software that organizes, manages, and expedites operations. Staff will then be able to assist customers and agents with access to cargo information on the Company's website. Training also includes advanced Microsoft Office usage to improve consistency and accuracy in daily activities.

**Continuous Improvement** - This training will be offered to all occupations. Trainees will learn how to streamline processes and integrate all departments into a lean, well-organized, efficient operation. Trainees will learn to identify and resolve problems at every level to encourage more personal responsibility for activities throughout the organization.

## Training Hours Limitation

Retraining hours for Small Business are capped at 60 hours per-trainee. However, Primary Freight Services is asking for a modification of the cap. The Company states that 5-10 trainees may need more than 60 hours of training in order to learn how to fully utilize the Company's freight management software. These trainees (technical Administrative Staff) may need up to 110 hours of training to become proficient in the software.

## Training Infrastructure

Training will begin after Panel approval, and is scheduled to roll out within a nine-month timeframe. Classes will be delivered by expert in-house staff, external training providers.

## RECOMMENDATION

Staff recommends approval of this proposal.

## PRIOR PROJECTS

The following table summarizes performance by Primary Freight under an ETP Agreement that was completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET14-0365	Buena Park	5/5/14 – 11/4/15	\$49,920	TBD

ETP's online Tracking system shows that PFS has tracked 1,900 in eligible training hours for potential earnings of \$49,400 (98.9%) if all agreement terms and conditions are met.

**Exhibit B: Menu Curriculum**

**Class/Lab Hours**

8 – 110

Trainees may receive any of the following:

**BUSINESS SKILLS**

- Advanced Customer Service
- Project Management
- Advanced Pricing/Quoting
- Developing Leads
- How to Win New Business

**COMMERCIAL SKILLS**

- TSA Requirements
- International Freight
- Freight Compliance

**COMPUTER SKILLS**

- New Systems Training
- Customer Relationship Management
- Pricing/Quoting Software

**CONTINUOUS IMPROVEMENT**

- Teambuilding
- Problem Solving
- Frontline Leadership

Note: Reimbursement for retraining is capped at 110 total hours per-trainee, regardless of method of delivery.



**Training Proposal for:  
Quality Refrigeration Company, Inc.**

<b>Small Business</b>
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**ET16-0297**

**Approval Date:** November 17, 2015

**ETP Regional Office:** North Hollywood

**Analyst:** M. Paccarelli

**CONTRACTOR**

- Type of Industry: Services
  
- Priority Industry:  Yes  No
  
- Number of Full-Time Employees
  - California: 32
  - Worldwide: 32
  - Number to be trained: 18
  - Owner  Yes  No
  
- Out-of-State Competition: Customers Outside CA
- Special Employment Training (SET):  Yes  No
- High Unemployment Area (HUA):  Yes  No
- Turnover Rate: 5%
- Repeat Contractor:  Yes  No

**FUNDING**

- Requested Amount: \$23,760
- In-Kind Contribution: \$33,232



**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee SB<100	Commercial Skills, Computer Skills, OSHA 10/30, Hazardous Mat.	18	8-60	0	\$1,320	*\$15.93
				Weighted Avg: 60			

\*It will be made a condition of contract that the trainees in this Job Number will never be paid less than the statewide minimum wage rate as in effect at the end of retention (Final Payment) regardless of the wage expressed in this table.

- Reimbursement Rate: \$22 SB Non-Priority
- County(ies): Los Angeles, San Diego
- Occupations to be Trained: Technician, Supervisor
- Union Representation:  Yes  No
- Health Benefits: \$5.82 per hour

**SUBCONTRACTORS**

- Development Services: Training Funding Source in Seal Beach assisted with the development for a flat fee of \$500.
- Administrative Services: Training Funding Source will also provide administrative services for a fee not to exceed 13% of payment earned.
- Training Vendors: To Be Determined

**INTRODUCTION**

Quality Refrigeration Company, Inc. (QRCI) ([www.qualityref.com](http://www.qualityref.com)) specializes in marine, commercial and industrial refrigeration and air conditioning sales and service. Its customer base includes commercial shipping, cruise lines, fishing companies, oil rig platforms, passenger vessels, tugs and shipyards, along with industrial customers such as refineries, industrial bakeries, manufacturing facilities, supermarkets and seafood processing facilities.

The Company operates worldwide, performing installation and service on air conditioning and refrigeration systems on ships. It keeps an extensive inventory valued at more than \$500,000 in parts and equipment between the Wilmington and San Diego locations. Its inventory also includes hard-to-find parts for outdated equipment.

QRCI started in 1950 when the nation was rebuilding after WWII, and the Port of Los Angeles was filled with ships traveling between the West Coast and Asia. These ships needed air conditioning and refrigeration equipment for the preservation of perishables in transit, including galley food items and cargo, as well as all air conditioning equipment. QRCI was formed to serve this booming cargo ship market and the commercial fishing fleet in San Pedro Bay.

QRCI also performs diagnostics, installation, service and repair of various refrigeration and air conditioning equipment such as compressors, chillers, condensers, heat exchangers, fan coils, plate freezers, ice machines, air conditioners, cooling towers, refrigerators, and water cooled systems. This will be QRCI's first ETP Agreement.

### **Need for Training**

QRCI must retrain its workers in refrigeration changes as well as the California Building Energy Efficient Standards (CBEES) requirements. The CBEES sets standards for commercial refrigeration and requires higher levels of efficiency from air conditioning and refrigeration systems. To remain competitive, QRCI needs its employees to be trained in these areas to service its customers and meet industry demand. The proposed training covers new types of equipment and controls, and zone set-up within buildings to ensure that only occupied portions are systematically cooled. In addition, the training will focus on the various operations and maintenance requirements of refrigeration and air conditioning equipment.

Employee training is also needed to fully implement its Enterprise Resource Planning (ERP) MAS 200/Sage Business Management System. Currently, many of these processes are done manually and rely on paper flow which is inefficient. Automating these processes will improve access, workflow and overall staff communication skills.

### **Training Plan**

Training will be provided at QRCI's facilities in Wilmington and San Diego by qualified in-house staff and outside vendors.

**Commercial Skills** (80%) - Training will be offered to all occupations in industry standards and upgrades of various equipment.

**Computer Skills** (10%) - Training will be offered to all occupations in ERP, new versions of Microsoft office and its internal accounting program.

**Hazardous Materials** (5%) - Training will be offered to all occupations to ensure that hazardous materials are handled and disposed of properly.

**OSHA 10/30** (5%) - OSHA 10/30 training is a series of courses "bundled" by industry sector and occupation. It consists of 10 hours of training for frontline workers and 30 hours for supervisors. This training is not required as a condition of doing business in California; however, the coursework must be approved by, and the instructors must be certified by Cal-OSHA. To ensure that each trainee receives certification, ETP will only consider payment earned upon completion of the full 10- hour or 30-hour course. OSHA 10/30 is not included in the 10% limitation on safety training.

Technicians and supervisors will learn about emergency action plans, personal safety equipment, recordkeeping and reporting, and becoming safety leaders. The courses will cover accident prevention, emergency response procedures, and monitoring the work area to ensure compliance with safety guidelines.

### **RECOMMENDATION**

Staff recommends approval of this proposal.



**Training Proposal for:  
Replacement Parts Industries, Inc.**

<b>Small Business</b>
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**ET16-0252**

**Approval Date:** October 26, 2015

**ETP Regional Office:** North Hollywood      **Analyst:** M. Webb

**CONTRACTOR**

- Type of Industry: Manufacturing
  
- Priority Industry:  Yes  No
  
- Number of Full-Time Employees
  - California: 31
  - Worldwide: 31
  - Number to be trained: 31
  - Owner  Yes  No
  
- Out-of-State Competition: NAICS Code Eligible
- Special Employment Training (SET):  Yes  No
- High Unemployment Area (HUA):  Yes  No
- Turnover Rate: 14%
- Repeat Contractor:  Yes  No

**FUNDING**

- Requested Amount: \$42,718
- In-Kind Contribution: \$37,778

**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee SB <100 HUA Priority Rate	Business Skills, Computer Skills, Continuous Impr, Mfg Skills	31	8-60	0	\$1,378	\$11.98*
				Weighted Avg: 53			

\*It will be made a condition of contract that the trainees in this Job Number will never be paid less than the statewide minimum wage rate as in effect at the end of retention regardless of the wage expressed in this table

- Reimbursement Rate: \$26 SB Priority
- County(ies): Los Angeles
- Occupations to be Trained: Administration Staff, Customer Service Representatives, Drafting Staff, Engineers, Manufacturing/Production/Warehouse Staff, Managers, Owner
- Union Representation:  Yes  
 No
- Health Benefits: \$1.98 per hour

**SUBCONTRACTORS**

- Development Services: California Manufacturing Technology Consulting (CTMC) located in the City of Torrance provided development services at no cost.
- Administrative Services: CTMC will provide administrative services for a fee not to exceed 13% of the total Agreement amount earned.
- Training Vendors: Syspro Impact Software, Inc. of Costa Mesa has been hired to deliver training on the Company's new Enterprise Resource Planning System (Computer Skills). The fee will be determined at a later date.

**OVERVIEW**

Established in 1972, Replacement Parts Industries, Inc. (RPI) ([www.rpiparts.com](http://www.rpiparts.com)) is located in Chatsworth. RPI is an alternate source for healthcare businesses to obtain quality replacement parts for new and/or obsolete equipment (medical, hospital, dental, and laboratory). Clientele include engineering technologists, clinical engineers, independent service technicians, and personnel facilities located in occupational health services. RPI both designs and manufactures replacement parts.

## **Need for Training**

As a direct source for its customers, RPI must meet demand for parts that are not readily available. To ensure customer satisfaction, RPI will implement new production processes and computer systems to improve work flow and increase efficiency.

RPI is replacing its 20 year old Enterprise Resource Planning (ERP) system to improve data access, inventory control, production management, and communications for internal and external users. Training will ensure staff members are utilizing the ERP system properly, and are able to “interface” with clients effectively.

Additionally, the Company will provide ISO 9000 training to maintain certification and integrate updated ISO quality certification standards for 2015.

## **Training Plan**

**Business Skills** - Training will be offered to all occupations to upgrade employee skill sets and improve efficiency. Curriculum topics include New Product Development and Customer Service.

**Computer Skills** - Training will be offered to all occupations to ensure staff can navigate the company's new ERP System. Staff will also receive training in computer software such as Microsoft Excel and Access and IT Administration.

**Manufacturing Skills** - Training will be offered to Manufacturing/Production/Warehouse Staff, Engineers, and Managers to improve work flow. Training in courses such as Good Manufacturing Practices and New Product Assembly will improve manufacturing processes and decision making.

**Continuous Improvement** - Training will be offered to all occupations to improve leadership skills and problem solving and ensure compliance with ISO standards and requirements.

## **HUA**

The Company's facility in Chatsworth is located in a High Unemployment Area, with unemployment exceeding the state average by at least 25%. The Panel may modify the ETP Minimum Wage by up to 25% for these trainees. RPI is asking for this wage modification, from \$15.97 to \$11.98. The Company understands that post-retention wages must exceed pre-retention wages for this modification.

## **RECOMMENDATION**

Staff recommends approval of this proposal.

**Exhibit B: Menu Curriculum****Class/Lab Hours**

8-60

Trainees may receive any of the following:

**BUSINESS SKILLS**

- Providing Quality Customer Service
- Sales Skills
- New Product Development

**COMPUTER SKILLS**

- Enterprise Resource Planning (ERP)
- Crystal Reports
- Access
- Intermediate Excel
- Advanced Excel
- Website Administration
- IT System Administration

**CONTINUOUS IMPROVEMENT**

- ISO 9000 Quality Standard
- Quality Management Systems
- Leadership
- Problem Solving

**MANUFACTURING SKILLS**

- New Product Assembly
- Machine Operation
- Production Skills
- Good Manufacturing Practices
- Supply Chain Management

Note: Reimbursement for retraining is capped at 60 total hours per-trainee, regardless of method of delivery.
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**Retrainee - Job Creation  
Training Proposal for:  
Shamrock Office Solutions, Inc.**

**Small Business ≤ \$50,000**

**ET16-0244**

**Approval Date:** November 2, 2015

**ETP Regional Office:** San Francisco Bay Area

**Analyst:** R. Jackson

**CONTRACTOR**

- Type of Industry: Services  
Technology/Other  
Priority Industry:  Yes  No
- Number of Full-Time Employees  
California: 30  
Worldwide: 30  
Number to be trained: 24  
Owner  Yes  No
- Out-of-State Competition: No OSC
- Special Employment Training (SET):  Yes  No
- High Unemployment Area (HUA):  Yes  No
- Turnover Rate: 18%
- Repeat Contractor:  Yes  No

**FUNDING**

- Requested Amount: \$25,674
- In-Kind Contribution: \$21,333

**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee SET SB <100	Business Skills, Commercial Skills, Computer Skills, Mgmt. Skills, PL-Commercial Skills	21	8-60	0-30	\$1,012	\$27.40
				Weighted Avg: 46			
2	Retrainee SET SB<100 Job Creation	Business Skills, Commercial Skills, Computer Skills, Mgmt. Skills, PL-Commercial Skills	3	8-80	0-40	\$1,474	\$24.00
				Weighted Avg: 67			

- Reimbursement Rate: Job #'s 1 & 2: \$22 SB Non-Priority
- County(ies): Alameda
- Occupations to be Trained: Manager, Administrative Staff, Sales Staff, Service Staff, Owner
- Union Representation:  Yes  
 No
- Health Benefits: Job #1: \$1.61 per hour

**SUBCONTRACTORS**

- Development Services: John Twomey, Redwood City, assisted with development for a flat fee of \$2,000.
- Administrative Services: John Twomey will also provide administrative services for a fee not to exceed 13% of payment earned.
- Training Vendors: Ricoh, Tustin, will provide Commercial Skills; E-Automate, Salt Lake City, Utah; will provide Computer Skills for \$1,000.

**OVERVIEW**

Founded in 2000 and based in Dublin, Shamrock Office Solutions, Inc. (Shamrock) ([www.shamrockoffice.com](http://www.shamrockoffice.com)) sells and services office equipment and technology such as multi-function copier products, printers and cloud technology. Services also include Information Technology consulting, managed technology services and print production solutions.

Shamrock has over 2,000 customers locally. Notable customers include the City of Dublin, Oppenheimer, Saint Mary’s College of California, and the Special Olympics of Northern California.



Shamrock reports that the industry is transitioning from document management to collaborative communication tools, which is presenting a need to upgrade worker skills. Shamrock is undergoing intense competition from larger entities in the market providing similar services including; Xerox, Konica, Sharp, Toshiba, and Canon. With ETP funds, the Company aims to upgrade worker skills to support its goal of becoming a Ricoh Certified PRO Services Dealer. Ricoh is a manufacturer of office equipment. Having this certification means Shamrock will be a designated service provider, which will bring more business opportunities.

ETP funding will help meet company strategic goals to improve technical skills, boost sales, increase speed for service calls, and increase customer satisfaction.

### **Retrainee – Job Creation**

The Panel offers incentives to companies that commit to hiring new employees. Training for newly hired employees will be subject to a lower post-retention wage. Shamrock has committed to hiring 3 new employees (Job Number 2). Trainees must be hired within the three-month period prior to Panel approval or during the term of contract. The Company also represents that these trainees will be hired into “net new jobs” as a condition of contract.

The Company is working to obtain certification as a Ricoh’s Pro Service Dealer. This new certification will increase business demand in both sales and service. Therefore, the Company is hiring additional Sales and Service Staff. In July 2015, Shamrock targeted these growing to include south bay cities such as San Jose. Thus, Shamrock needs to hire additional staff for prospecting and servicing new accounts. Shamrock will integrate three new employees into its existing office location which has ample office space available.

### **Training Plan**

Training will be delivered by subject matter experts in-house and outside vendors in the following:

**Business Skills:** Training will be offered Manager, Owner, Sales, Service and Administrative Staff. Topics will include new products, customer service, communications, leadership, sales training and more in an effort to boost sales, better manage existing accounts and support growth.

**Commercial Skills:** Training will be offered to Service Staff and Managers on repair/maintenance, equipment set-up, process improvement and troubleshooting. As part of a Ricoh Pro Dealer certification process, workers will receive training direct from Ricoh, Shamrock’s primary equipment supplier. This training is designed to upgrade skills such as network knowledge, testing and measuring and product maintenance related to new desktop printers and copiers. Trainees will also receive Computer-Based Training (CBT) in Commercial Skills to complete certification.

**Management Skills:** Training will be offered to new Managers. Project Management and Leadership topics are designed to strengthen skills needed to help new Managers coach others and to help grow business. Managers will be trained to prepare for additional responsibilities related to planned expansion of sales and service territories.

**Computer Skills:** Training will be offered to Managers, Sales, Service and Administrative Staff. E-Automate operating systems integrated with existing Microsoft products help staff generate up-to-date reports for the management of business. Training on topics such as Network Management, Apple Certification, Microsoft Products and Spreadsheets are all considered critical to Shamrock’s business growth.

**Computer-Based Training**

While the majority of the training being delivered will be in-house instructor led classroom training, Shamrock will deliver some training topics in Commercial Skills via CBT. CBT will not exceed 50% of trainees' total training hours.

**E-learning**

Shamrock will deliver two training topics in Computer Skills via E-learning.

**Productive Lab**

Productive Lab (PL) trainees may produce goods for profit as part of the training in the courses identified under the Curriculum. Approximately six Service and Sales Staff will receive up to 24 hours of PL at a trainer-to-trainee ratio of 1:1. After ETP training, Service Staff will teach equipment operation and solutions for customers in the field.

**Training Hours Cap Modification**

Small Business is capped at 60 hours per trainee; however Shamrock is requesting a modification to 80 for three newly hired Job Creation trainees (Job Number 2). Servicing copy machines is highly technical work. Due to the complexity of training, the evolving nature of technological updates and changes in the field, 60 hours of training is necessary for staff to gain skills needed to achieve competency.

**RECOMMENDATION**

Staff recommends approval of this proposal.

**Exhibit B: Menu Curriculum**

**Class/Lab Hours**

8-60 Job Number 1  
8-80 Job Number 2

Trainees may receive any of the following:

**BUSINESS SKILLS**

- Accounting
- ADP Workforce Now
- Marketing
- Inventory Control
- Product Knowledge
- Business and Report Writing
- Business Strategies
- Business Plans
- Business Analysis
- Developing Sales Strategies
- Developing Marketing Strategies
- Negotiating Skills
- Conflict Management
- Interpersonal Skills
- Selling/Serving Customer
- Customer Relations
- Identifying Customer Needs
- Handling Customer Requests
- Resolving Customer Complaints
- Customer Needs
- Leadership Skills

**COMMERCIAL SKILLS**

- Repair and Maintenance
- Equipment Set-Up
- Process Improvement
- Trouble Shooting

**COMPUTER SKILLS**

- Microsoft/Windows Office
- Apple Certification
- Adobe Creative Suite
- Network Management
- Decision Making
- E-Automate webinars
- Technical Writing
- Telecommuting

**MANAGEMENT SKILLS (Supervisors/Managers Only)**

- Leadership
- Coaching Procedures
- Decision Making
- Effective Communication
- Teambuilding
- Management Skills
- Management Styles
- Performance Management

**E-learning**

0-60

**COMPUTER SKILLS**

- Word Processing
- Spreadsheets

**Productive Lab Hours**

0-24

**COMMERCIAL SKILLS (Ratio 1:1)**

- Equipment Operation
- Software Operation
- Optical Character Recognition

**CBT Hours**

0-30 Job Number 1

0-40 Job Number 2

**COMMERCIAL SKILLS**

- Association Certification (28 Hour)
- Professional Certification (14 Hour)
- Expert Color Certification (11 Hour)
- Expert Production Print Certification (11 Hour)
- Expert Network Certification (19 Hour)
- Expert Office Solutions Certification (15 Hour)
- Master Color Certification (8 Hour)
- Master Production Print Certification (8 Hour)

Note: Reimbursement for retraining is capped at 60 total training hours per trainee in Job Number 1 and 80 total training hours in Job Number 2. CBT is capped at 50% of total training hours, per trainee . PL is capped at 24 hours per-trainee.



**Training Proposal for:  
Shepard Bros., Inc.**

**Small Business**

**ET16-0240**

**Approval Date:** October 23, 2015

**ETP Regional Office:** San Diego

**Analyst:** J. Davey

**CONTRACTOR**

- Type of Industry: Manufacturing  
Services  
Priority Industry:  Yes  No
- Number of Full-Time Employees  
California: 96  
Worldwide: 103  
Number to be trained: 40  
Owner  Yes  No
- Out-of-State Competition: NAICS Code Eligible
- Special Employment Training (SET):  Yes  No
- High Unemployment Area (HUA):  Yes  No
- Turnover Rate: 13%
- Repeat Contractor:  Yes  No

**FUNDING**

- Requested Amount: \$28,080
- In-Kind Contribution: \$28,331

**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee SB <100 Priority Rate	Business Skills, Computer Skills, Continuous Impr, HazMat, Mfg Skills	40	8-60	0	\$702	\$15.07
				Weighted Avg: 27			

- Reimbursement Rate: \$26 SB Priority
- County(ies): Orange, San Joaquin
- Occupations to be Trained: Administrative Staff, Drivers, Lab Technicians, Production Staff, Sales Staff, Shipping/Receiving, Warehouse Staff
- Union Representation:  Yes  
 No
- Health Benefits: \$1.25 per hour

**SUBCONTRACTORS**

- Development Services: N/A
- Administrative Services: N/A
- Training Vendors: To Be Determined

**OVERVIEW**

Founded in 1976 and headquartered in La Habra, Shepard Bros., Inc. (Shepard Bros.) manufactures cleaning and sanitation chemical products and provides consulting services to the food and beverage industry. The Company also provides specialty chemicals, commercial laundry products, hand care products, water treatment programs and consulting, animal health care products, compounding & packaging services, and food ingredients. Aside from the La Habra location, the Company has one other California facility in Stockton, which recently opened. This proposal will include both facilities.

**Need for Training**

Over the last three years, Shepard Bros. has experienced an increase in business in California and nearby states. With this in mind, the Company is expanding its infrastructure to continue growing. For example, it has purchased an adjoining site to improve traffic flow at the La Habra facility; purchased new freight trucks; updated and relocated production equipment; and opened a new facility in Stockton. At present, this new facility is being used for warehousing and shipping; in the near future, it will also be used for manufacturing. Training will help the Company streamline, renovate, and update its production and operations to increase productivity and support growth.

## **Training Plan**

Shepard Bros., Inc. will provide class/lab training to its workers in La Habra and its recently-opened warehouse facility in Stockton. Most of the training will be conducted by internal experts and some training will be provided by outside training vendors.

**Business Skills** – Training will be offered to all staff in skills specifically related to their job duties. Skills include Accounting, Advanced Communication, Customer Service, Good Manufacturing Practices, Product Knowledge and Sales Techniques.

**Computer Skills** – Training will be offered to Administrative Staff, Lab Technicians, Production Staff, Sales Staff, Shipping/Receiving, and Warehouse Staff in software that includes Contact Management Software, ERP, web-based applications, and production software.

**Continuous Improvement** – Training will be offered to all staff in Adapting to Change, Coaching & Feedback, Process Improvement, Quality Assurance, Teamwork and other related skills to standardize and improve processes.

**Hazardous Materials** – Training will be offered to Drivers, Lab Technicians, Production Staff, Sales Staff, Shipping/Receiving, and Warehouse Staff in the safe identification, labeling, handling, cleanup, and storage of hazardous materials.

**Manufacturing Skills** – Training will be offered to Drivers, Lab Technicians, Production Staff, Sales Staff, Shipping/Receiving, and Warehouse Staff in skills related to production operations, equipment operations, warehousing, safe machine operations, control systems and other skills related to the manufacturing and distribution of products.

## **High Unemployment Area**

Approximately 10 trainees in Job Number 1 work in San Joaquin County at the Stockton facility. This is a High Unemployment Area (HUA) with unemployment exceeding the state average by at least 25%. However, a wage waiver will not be necessary to meet the ETP minimum wage of \$15.07 per hour.

## **RECOMMENDATION**

Staff recommends approval of this proposal.

**Exhibit B: Menu Curriculum****Class/Lab Hours**

8-60 Trainees may receive any of the following:

**BUSINESS SKILLS**

- Accounting Skills
- Advanced Communication Skills
- Business Operations and Procedures Skills
- Business Writing Skills
- Contracts Management
- Communication and Client Servicing Skills
- Customer Service Standards
- Finance Skills
- Good Manufacturing Practices
- Good Documentation Practices and Documentation Control
- Lead Generation
- Leadership Skills
- Product Knowledge and Sales Techniques
- Sales Presentations
- Support Call Scenarios
- System Reporting Skills

**COMPUTER SKILLS**

- Contact Management Software
- Enterprise Resource Planning (ERP) Skills
- External Web-Based Applications
- Production Software

**CONTINUOUS IMPROVEMENT SKILLS**

- Adapting to Change
- Coaching & Giving/Receiving Feedback
- Inventory Control
- Organizational Roles & Personality Styles
- Process Improvements
- Quality Assurance
- Resolving Customer Problems
- Teamwork Skills
- Technical and Chemical Knowledge
- Time Management

**HAZARDOUS MATERIALS**

- Hazardous Analysis & Critical Control Points Training
- Hazardous Materials (HAZMAT)
  - Hazardous Materials Handling
  - Hazardous Materials Cleanup
  - Hazardous Materials Storage
  - Hazardous Materials Identification/Labeling
  - Hazardous Materials Communications Skills
  - Chemical Usage Training



**MANUFACTURING SKILLS**

- Production Operations
  - Manufacturing Methods and Procedures
  - Material Control and Handling Processes & Equipment
  - Processing
  - Packaging
  - Production Testing Equipment Processes & Equipment
  - Visual Inspection Skills
- Equipment Operations
  - Bulk Storage
  - Palletizing
  - Sanitation Equipment
  - Scales
- Warehousing
  - Distribution Center Training
  - Deliveries/Warehousing
  - Forklift Operations
- Machine Safety
- Confined Space
- Equipment Quality and Environmental Safety
- Lock-Out/Tag-Out
- Dock Lock Operation
- Control Systems/Electrical Systems
- Order Selection Procedures
- Product Handling
- Waste Management Procedures and Proper Disposal

Safety Training will be limited to 10% of total training hours per-trainee. This cap does not apply to HAZMAT.

Note: Reimbursement for retraining is capped at 60 total hours per-trainee, regardless of method of delivery.
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## RETRAINEE - JOB CREATION

### Training Proposal for:

**Shlemmer+Algaze+Associates Interiors & Architecture, Inc.**

**Agreement Number: ET16-0249**

**Panel Meeting of:** October 30, 2015

**ETP Regional Office:** North Hollywood

**Analyst:** M. Reeves

### PROJECT PROFILE

Contract Attributes:	Retrainee Job Creation Initiative Priority Rate	Industry Sector(s):	Services Construction  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Los Angeles, Orange, San Francisco	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 125	U.S.: 134	Worldwide: 134
<u>Turnover Rate:</u>	7%		
<u>Managers/Supervisors:</u> (% of total trainees)	6%		

### FUNDING DETAIL

<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">Program Costs</td></tr> <tr><td style="text-align: center;">\$90,800</td></tr> </table>	Program Costs	\$90,800	-	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">(Substantial Contribution)</td> <td style="text-align: center;">(High Earner Reduction)</td> </tr> <tr> <td style="text-align: center;">\$0</td> <td style="text-align: center;">\$0</td> </tr> </table>	(Substantial Contribution)	(High Earner Reduction)	\$0	\$0	=	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;"><b>Total ETP Funding</b></td></tr> <tr><td style="text-align: center;">\$90,800</td></tr> </table>	<b>Total ETP Funding</b>	\$90,800
Program Costs												
\$90,800												
(Substantial Contribution)	(High Earner Reduction)											
\$0	\$0											
<b>Total ETP Funding</b>												
\$90,800												

In-Kind Contribution:	100% of Total ETP Funding Required	\$157,386
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Business Skills, Commercial Skills, Computer Skills, Continuous Impr	115	8-200	0	\$720	\$15.97
				Weighted Avg: 40			
2	Retrainee Job Creation Initiative Priority Rate	Business Skills, Commercial Skills, Computer Skills, Continuous Impr	10	8-200	0	\$800	\$14.00
				Weighted Avg: 40			

**Minimum Wage by County:** Job Number 1: \$16.44 per hour for San Francisco County; \$16.02 per hour for Orange County; and \$15.97 per hour for Los Angeles County.

Job Number 2 (Job Creation): \$13.70 per hour for San Francisco County; \$13.35 per hour for Orange County; and \$13.31 per hour for Los Angeles County.

**Health Benefits:**  Yes  No This is employer share of cost for healthcare premiums – medical, dental, vision.

**Used to meet the Post-Retention Wage?:**  Yes  No  Maybe

Up to \$2.44 per hour (Job Number 1) may be used to meet the Post-Retention Wage.

**Wage Range by Occupation**

Occupation Titles	Wage Range	Estimated # of Trainees
<b>Job Number 1</b>		
Architect		26
Job Captain		41
Designer		19
Administrative Staff I		15
Administrative Staff II		7
Supervisor/Manager 1		5
Supervisor/Manager 2		2
<b>Job Number 2 (Job Creation)</b>		
Architect		2
Job Captain		2
Designer		4
Administrative Staff		2

## **INTRODUCTION**

Founded in 2000, Shlemmer+Algaze+Associates Interiors & Architecture, Inc. (SAA) provides consulting, architectural/interior design, space planning, construction documents, and tenant improvement construction services. SAA ([www.saaia.com](http://www.saaia.com)) has California locations in Culver City, Los Angeles, Irvine, and San Francisco. All locations will participate in this project.

## **PROJECT DETAILS**

This will be SAA's fourth ETP Agreement within the past five years. The Company's first ETP Agreement (ET10-0143) focused on improving SAA's principal interior design services. The second ETP Agreement (ET12-0270) helped the Company achieve its goal to diversify into areas of more traditional architecture projects such as Core and Shell, Ground Up, and Tilt-up construction. The last Agreement (ET14-0120) helped the Company lay the foundation for its expansion initiatives and improve its ability to respond to growing challenges and opportunities in the commercial real estate market. This proposal is designed to help the Company solidify its reach into the San Francisco Bay area and increase revenue growth. Some curriculum topics are repeated from prior agreements; however, the course material has been updated and/or changed to ensure there will be no duplication of training.

SAA is facing increasing competition from national firms and a rise in competitors' usage of technology. Businesses with the ability to provide state-of-the-art products to clients have a distinct competitive advantage. Consequently, SAA will be investing heavily in business software solutions, namely Vision Customer Relationship Management (CRM) and Newforma Paperless Office/Document software. These are integrated environment technologies that are designed to increase business efficiency and improve the quality of interaction between employees and customers/suppliers by allowing full access to project information from initial contact to completion. The Company must provide employees comprehensive training on the use of these innovative business tools.

SAA must also improve its services. The Company must follow energy efficiency standards and water conservation measures. This includes the use of low flow faucets and drought resistant plants. In addition, Senate Bill 1608 has added several provisions to existing laws regarding construction-related disability access, especially the Certified Access Specialist Program. Company employees must become familiar with the Certified Access Specialist Program to ensure that SAA and its clients adhere to construction-related accessibility standards.

### **Retrainee - Job Creation**

The Panel offers incentives to companies that commit to hiring new employees. Under the Training for newly-hired employees will be reimbursed at a higher rate, and trainees will be subject to a lower post-retention wage.

SAA has committed to hiring a total of 10 new employees (Job Number 2). In August 2015, SSA opened a new office in San Francisco (August 2015) and has already begun actively recruiting new employees for this location. In addition, the Company continues to expand its business capacity by adding new workers and improving existing functions at its established locations. The proposed training will familiarize new employees with all aspects of design development and production, as well as key business attributes such as customer relations, presentation, and negotiation skills.

The date-of-hire for all trainees in the Job Creation program will be within the three-month period before contract approval or within the term-of-contract. These trainees will be hired into “net new jobs” as a condition of contract.

## **Training Plan**

Training will allow SAA to upgrade the skills of its existing workforce, integrate new employees, introduce new industry technology, and implement process improvements designed to enhance productivity and overall efficiency. Training will be delivered by a combination of in-house subject matter experts and skilled training vendors.

**Business Skills** (25%) – Training will be offered to all occupations. These modules are designed to help employees improve their interpersonal communication, sales, customer relations, and project management skills.

**Commercial Skills** (40%) – Training will be offered to Architects, Job Captains, and Designers. This training will cover architectural standards and building/construction practices. Areas of emphasis will include Workplace Design and Green Building techniques. This training will equip workers with the knowledge and skills to assist clients with cost-saving design decisions that are friendly to the environment.

**Computer Skills** (25%) – Training will be offered to all occupations. Training will facilitate the Company’s implementation of new customer relations and project management tools (Vision CRM and Newforma). In addition, this training will help employees stay current on new versions of architectural drafting and design software.

**Continuous Improvement** (10%) – Training will be offered to all occupations. This training will enhance productivity through frontline leadership, mentoring and team building techniques.

## **Commitment to Training**

ETP funds will not displace the existing financial commitment to training. The Company spends an estimated \$125,000 on training annually in California. Company-funded training has included construction procedures, team management, product knowledge, and 3D drafting and design. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

### ➤ Training Infrastructure

An internal project coordinator will oversee class scheduling and training documentation. In addition, the Company has retained a vendor to ensure that all training records adhere to ETP requirements.

## **RECOMMENDATION**

Staff recommends approval of this proposal.

**PRIOR PROJECTS**

The following table summarizes performances by SAA under ETP Agreements that were completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET14-0120	Culver City, Irvine, Los Angeles	08/26/13 – 08/25/15	\$110,760	\$110,760 (100%)
ET12-0270	Culver City	12/23/11 – 12/22/13	\$49,192	\$49,192 (100%)
ET10-0143	Culver City, Newport Beach, Encino, Pasadena	09/08/09 – 09/07/11	\$73,810	\$73,810 (100%)

**DEVELOPMENT SERVICES**

Training Funding Source in Seal Beach assisted with development of this proposal for a flat fee of \$2,900.

**ADMINISTRATIVE SERVICES**

Training Funding Source will also perform administrative services for a fee not to exceed 13% of payment earned.

**TRAINING VENDORS**

To Be Determined



**Retrainee - Job Creation  
Training Proposal for:  
Smart Investor**

<b>Small Business</b>
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**ET16-0265**

**Approval Date:** November 2, 2015

**ETP Regional Office:** Sacramento

**Analyst:** L. Fraizer

**CONTRACTOR**

- Type of Industry: Financial Services
  
- Priority Industry:  Yes  No
  
- Number of Full-Time Employees
  - California: 7
  - Worldwide: 7
  - Number to be trained: 9
  - Owner  Yes  No
  
- Out-of-State Competition: Competitors Outside CA
- Special Employment Training (SET):  Yes  No
- High Unemployment Area (HUA):  Yes  No
- Turnover Rate: 0%
- Repeat Contractor:  Yes  No

**FUNDING**

- Requested Amount: \$11,880
- In-Kind Contribution: \$15,000

**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee SB <100	Business Skills, Commercial Skills, Computer Skills, Continuous Impr	7	8-60	0-2	\$1,320	\$15.07
				Weighted Avg: 60			
2	Job Creation Initiative SB<100	Business Skills, Commercial Skills, Computer Skills, Continuous Impr	2	8-60	0-2	\$1,320	\$15.00
				Weighted Avg: 60			

- Reimbursement Rate: Job #'s 1 and 2: \$22 SB Non-Priority
- County(ies): Placer
- Occupations to be Trained: Administrative Staff, Associate Financial Advisor, Lead Financial Advisor, Owner
- Union Representation:  Yes  
 No
- Health Benefits: Job #1 only: \$0.07 per hour

**SUBCONTRACTORS**

- Development Services: Sierra Consulting Services in Cameron Park assisted with the development of this project for a flat fee of \$1,000.
- Administrative Services: Sierra Consulting Services will also provide administrative services for a fee not to exceed 13% of payment earned.
- Training Vendors: To Be Determined

**OVERVIEW**

Smart Investor ([www.smart-investor.cc](http://www.smart-investor.cc)) was founded in 1992 under the name Allan Henriques Professional and Legal Services and began doing business under its current name in 2001. The Company provides financial services and wealth management to business owners and high net worth individuals.

Smart Investor is one of only five companies in California certified by the Center for Fiduciary Excellence (CEFEX). CEFEX is an independent organization that certifies investment advisory firms that adhere to prudent practices for investment advisors. This certification assures clientele that Smart Investor has a legal responsibility (fiduciary duty) to act in their best interest. The Company has also become a registered investment management company under the Employee Retirement Income Security Act, which allows the Company to manage corporate employee retirement accounts as a fiduciary.



## **Need for Training**

Smart Investor's CEFEX certification gives the Company a competitive advantage, and separates them from other advisors. To maintain this fiduciary status, Smart Investor must stay current with their certification, which creates an ongoing need for training.

The Company has invested in eMoney and Junxure Financial Advisor Software to help manage investment decisions, maintain standards of professional practice and provide comprehensive and continuous compliance with CEFEX. Training on this software is also needed.

## **Retrainee - Job Creation**

In support of job creation, the Panel is offering incentives to companies that commit to hiring new employees. Under the Retrainee-Job Creation program, training for newly-hired employees will be reimbursed at a higher rate and trainees will be subject to a lower post-retention wage.

Smart Investor recently expanded their business capacity by expanding its market. The Company has become a wholesale investment advisor for employers who sponsor retirement plans. The Company also expanded its services to provide to large business accounts. Smart Investor has committed to hiring 2 new employees (Job Number 2). The date-of-hire for all trainees in the Job Creation program will be within the three-month period before contract approval or within the term-of-contract. Trainees will be hired into "net new jobs" as a condition of contract.

## **Training Plan**

Smart Investor will require training to create a more efficient and informed staff by expanding knowledge on socially responsible investment strategies. Training will focus on best practices for wealth management and business retirement accounts. The Company will provide Class/Lab, Videoconferencing, and E-Learning training and CBT in the following:

**Business Skills:** Training will be offered to the Owner, Lead Financial Advisors and Associate Financial Advisors to improve efficiency in the workplace, customer service, sales, and marketing. Training topics will include Time Management, Project Management and Investment Economics.

**Commercial Skills:** Training will be offered to the Owner, Lead Financial Advisors and Associate Financial Advisors to improve productivity and provide an in depth understanding of how to serve complex clients. Training topics will include Retirement Accounts, Financial Planning, and Wealth Management.

**Computer Skills:** Training will be offered to all occupations to facilitate the utilization of technology in all job functions. Training topics will include Intermediate and Advanced Microsoft Office, eMoney Software and Junxure Software.

**Continuous Improvement:** Training will be offered to all occupations to improve decision making skills, process validations, enhanced teamwork and quality assurance. Training topics will include Successful Team Building, Analyzing and Interpreting Data and Organizational Business Processes.

## **RECOMMENDATION**

Staff recommends approval of this proposal.

**Exhibit B: Menu Curriculum****Class/Lab, E-Learning, and Videoconference Hours**

8-60

Trainees may receive any of the following:

**BUSINESS SKILLS**

- ❖ Advanced Sales and Marketing Skills
- ❖ Investment Economics
- ❖ Time Management
- ❖ Project Management

**COMMERCIAL SKILLS**

- ❖ Profit Sharing Plans
- ❖ Retirement Accounts
- ❖ Financial Planning
- ❖ Wealth Management

**COMPUTER SKILLS**

- ❖ eMoney Software
- ❖ Junxure (Financial Advisor CRM)
- ❖ Intermediate and Advanced Microsoft Office

**CONTINUOUS IMPROVEMENT**

- ❖ Problem Solving and Decision Making Skills
- ❖ Organizational Business Processes
- ❖ Analyzing and Interpreting Data
- ❖ Successful Team Building
- ❖ Process and Quality Improvement

**CBT Hours**

0-2

**COMPUTER SKILLS**

- ❖ All Things Vault-eMoney Review (40 min)
- ❖ Superb-Client Management (40 min)

Note: Reimbursement for retraining is capped at 60 total hours per-trainee, regardless of method of delivery. CBT is capped at 50% of total training hours, per-trainee.

**DELEGATION ORDER**



**RETRAINEE - JOB CREATION**

**Training Proposal for:**

**Summit Machine, LLC**

**Agreement Number: ET16-0259**

**Approval Date:** November 16, 2015

**ETP Regional Office:** North Hollywood

**Analyst:** J. Romero

**PROJECT PROFILE**

Contract Attributes:	Retrainee Priority Rate Job Creation Initiative	Industry Sector(s):	Manufacturing Aerospace and Defense  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	San Bernardino	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 121	U.S.: 5,000	Worldwide: 30,016
<u>Turnover Rate:</u>	5%		
<u>Managers/Supervisors:</u> (% of total trainees)	9%		

**FUNDING DETAIL**

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	<b>Total ETP Funding</b>
\$99,882		\$0	\$0		\$99,882

In-Kind Contribution:	100% of Total ETP Funding Required	\$101,000
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Business Skills, Computer Skills, Cont. Improv., Mfg. Skills, PL- Mfg. Skills	101	8-200	0	\$882	\$15.07
				Weighted Avg: 49			
2	Job Creation Initiative Priority Rate	Business Skills, Computer Skills, Cont. Improv., Mfg. Skills, PL- Mfg. Skills	10	8-200	0	\$1,080	\$12.33
				Weighted Avg: 54			

**Minimum Wage by County:** Job Number 1: \$15.07 per hour Standard Hourly Wage for San Bernardino County; Job Number 2 (Job Creation): \$12.33 per hour for San Bernardino County.

**Health Benefits:**  Yes  No This is employer share of cost for healthcare premiums – medical, dental, vision.

**Used to meet the Post-Retention Wage?:**  Yes  No  Maybe

Up to \$2.97 per hour may be used to meet the Post-Retention Wage for Job Numbers 1 & 2.

**Wage Range by Occupation**

Occupation Titles	Wage Range	Estimated # of Trainees
<b>JOB NUMBER 1</b>		
Administrative Staff		5
Machinist		46
Production Worker		30
Sales Staff		10
Technical Support Staff		5
Manager/Supervisor		5
<b>TOTAL:</b>		<b>101</b>
<b>JOB NUMBER 2</b>		
Administrative Staff		1
Machinist		7
Production Worker		2
<b>TOTAL:</b>		<b>10</b>

## **INTRODUCTION**

Founded in 2003 and headquartered in Ontario, California, Summit Machine, LLC (www.summitmachining.com), (Summit) is a wholly owned subsidiary of Precision Castparts Corp. The Company specializes in the manufacture of complex components for aerospace, commercial defense, power generation, and space and petroleum industries. Summit has developed an expertise in machining nickel-based as well as stainless steel and aluminum. Summit's customers include Eaton, Pratt & Whitney, Lockheed Martin, GKN Aerospace, Barnes Aerospace, GE, Honeywell, Rolls-Royce, Bombardier, and Boeing.

Driven by the rapid expansion of the businesses it serves, Summit's business growth in the last two years, has generated the need for a structured, company-wide training program at their Ontario location. The new training will upgrade employee skills in production and business operation. This will be Summit's first ETP Agreement.

Summit is eligible for standard retraining as a manufacturer facing Out-of-State Competition provisions for industrially-classified manufacturers retaining current employees.

## **PROJECT DETAILS**

### **Retrainee - Job Creation**

In support of job creation, the Panel offers incentives to companies that commit to hiring new employees. Training for newly-hired employees will be reimbursed at a higher rate, and trainees will be subject to a lower post-retention wage.

Summit has committed to hiring 10 new employees (Job Number 2). The date-of-hire for all trainees will be within the three-month period before contract approval or within the term-of-contract. These trainees will be hired into "net new jobs" as a condition of contract.

Summit's plan to hire approximately 10 "net new jobs" under this Agreement is in anticipation of an increase in product demand and services, which has grown steadily since 2013. In support of this demand, Summit has acquired new equipment such as a CNC Lathe and a Milling machine and has added a new shift in the production process.

### **Temporary to Permanent Hiring**

The trainees in Job Number 2 come under Panel guidelines for "temporary to permanent" employment. Summit has retained these employees through a temporary agency, with the intention of hiring them into full-time, permanent positions after training.

These trainees must be determined eligible to participate in ETP-funded training before the start of training, while on payroll with the temporary agency. However, the retention and post-retention wage requirements cannot be satisfied until after they have been hired by Summit. Until then, Summit will not receive progress payments.

### **Training Plan**

Summit is requesting ETP funding to provide classroom/laboratory and Productive Lab training hours in the following areas:

**Business Skills (10%):** This training will be offered to all occupations. Trainees will learn better ways to communicate internally and externally. This training will develop skill and confidence in the workforce to take personal responsibility for their work with a clearer understanding of their product and their work process. This will result in reduced production errors and more efficient communication with customers and the manufacturing organization.

**Computer Skills (10%):** This training will be offered to Administrative Staff and Machinists. Trainees will learn to use MS Office more effectively which will result in more efficient communication internally and with customers. Communication with customers will improve, resulting in reduced errors and waste. Machinists will learn new computer skills to program CNC equipment which will give them the capability to program machines and operate equipment confidently and safely.

**Manufacturing Skills (60%):** This training will be offered to Machinists, Production Workers, and Technical Staff. Trainees will be cross-trained on all production equipment. This will give the Company additional resources enabling it to adapt to changing production runs. New operating procedures and manufacturing processes will allow for a more varied workforce to meet customer demand, which will increase the Company's capability to meet customer needs and increase sales.

**Continuous Improvement (10%):** This training will be offered to all occupations. Summit will create teams to identify ways to reduce waste while improving manufacturing productivity and business operations efficiency. As training progresses throughout the Company, it is expected that Lean Manufacturing and its related techniques will lead to further ways to work more efficiently and reduce operating costs.

**PL – Manufacturing Skills (10%):** This training will be offered to Machinists, Production Workers, and Technical Support Staff. Trainees will learn operate CNC Lathe Equipment, CNC Milling Equipment, and Manufacturing Equipment. This will give the Company additional manufacturing resources to meet expanding business demand.

### **Productive Laboratory**

The Panel reimburses for training delivered in a Productive Laboratory (PL) setting. PL trainees may produce goods for profit as part of the training in the courses identified under the Curriculum. The instructor will be dedicated to training delivery during all hours of training.

Productive Lab will be provided to 30 Production Workers, Machinists and Technical Support Staff. Each trainee will receive 30 hours of PL training. PL training will be provided in the production area at a 1:1 trainer-to-trainee ratio on existing and newly purchased equipment. Trainees who become proficient on one type of equipment will be cross-trained on other equipment.

### **Commitment to Training**

Summit spends approximately \$30,000 annually in providing job-specific training to its workforce. The training include new-hire orientation, OSHA mandated training, sexual harassment prevention and first-aid training.

ETP funds will not displace the existing financial commitment to training. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

➤ Training Infrastructure

Summit has qualified, in-house trainers to provide training and is ready to start training upon approval of this proposal. The Company has dedicated a number of staff to scheduling and tracking the training, and to act as the point of contact with ETP. In addition, Summit has engaged the services of a third party administrator for the administration of the ETP project.

**RECOMMENDATION**

Staff recommends approval of this proposal.

**DEVELOPMENT SERVICES**

Summit retained National Training Company, Inc. in Irvine to assist with development of this proposal for a flat fee of \$5,000.

**ADMINISTRATIVE SERVICES**

Summit also retained National Training Company to perform administrative services in connection with this proposal for a fee, not to exceed 13% of payment earned.

**TRAINING VENDORS**

N/A

**Exhibit B: Menu Curriculum****Class/Lab Hours**

8-200 Trainees may receive any of the following:

**CONTINUOUS IMPROVEMENT**

- Best Work Practices
- Lean Manufacturing
- Peer Coaching
- Reducing Waste
- Resolving Production Problems
- Team Building

**COMPUTER SKILLS**

- Internal Customer Applications
- Mitutoyo M Cosmos Software
- MS Office (Intermediate and Advanced)
- Outlook (Intermediate and Advanced)
- PCdmis CAD++
- Procam Software
- Programming Equipment
- SolidWorks Software
- TransMagic Software
- VeriCut Software

**MANUFACTURING SKILLS**

- Blueprint Reading
- CNC Lathe Equipment
- CNC Milling Equipment
- CNC Programming
- Equipment Maintenance and Repair Skills
- Forklift Certification
- Manual Sequencing
- Manufacturing Computations
- Manufacturing Equipment
- Manufacturing Processes
- Operating Manufacturing Equipment
- Product Specifications
- Program Display and Editing
- Reading Technical Documents
- Safety Procedures
- Standard Operating Procedures
- Setup Sequencing
- Tool Positioning
- Turret Installation

Safety Training cannot exceed 10% of total training hours per trainee



**BUSINESS SKILLS**

- Business Processes
- Communication Skills
- Improving Communication with Customers
- Leadership Skills
- Negotiating Skills
- Product Knowledge
- Putting the Customer First
- Resolving Customer Complaints
- Sales Skills
- Time Management Skills

**Productive Lab Hours**

0-30

**MANUFACTURING SKILLS (1:1 Ratio)**

- CNC Lathe Equipment
- CNC Milling Equipment
- Manufacturing Equipment

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery. PL is capped at 30 hours per-trainee.



**Retrainee - Job Creation  
Training Proposal for:  
Teter, LLP**

**Small Business**

**ET16-0246**

**Approval Date:** October 23, 2015

**ETP Regional Office:** Sacramento

**Analyst:** L. Fraizer

**CONTRACTOR**

- Type of Industry: Engineering
  
- Priority Industry:  Yes  No
  
- Number of Full-Time Employees
  - California: 81
  - Worldwide: 81
  - Number to be trained: 86
  - Owner  Yes  No
  
- Out-of-State Competition: No OSC
- Special Employment Training (SET):  Yes  No
- High Unemployment Area (HUA):  Yes  No
- Turnover Rate: 15%
- Repeat Contractor:  Yes  No

**FUNDING**

- Requested Amount: \$49,946
- In-Kind Contribution: \$65,000

**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate SB <100 SET HUA	Buisness Skills, Commercial Skills, Computer Skills, Continuous Impr, HazMat	81	8-60	0	\$546	\$15.07
				Weighted Avg: 21			
2	Job Creation Initiative Priority Rate SB<100 SET	Buisness Skills, Commercial Skills, Computer Skills, Continuous Impr, HazMat	5	8-60	0	\$1,144	\$13.00
				Weighted Avg: 44			

- Reimbursement Rate: Job #'s 1 and 2: \$26 SB Priority
- County(ies): Fresno, Kern, Tulare
- Occupations to be Trained: Administrative Staff, Architect, Electrical Engineer, Mechanical Engineer, Structural Engineer, Manager, Owner
- Union Representation:  Yes  
 No
- Health Benefits: Job #1: \$1.07 per hour only

**SUBCONTRACTORS**

- Development Services: Strategic Business Solutions, LLC in Visalia assisted with the development of this project for a flat fee of \$3,500.
- Administrative Services: Strategic Business Solutions, LLC will also provide administrative services for a fee not to exceed 13% of payment earned.
- Training Vendors: To Be Determined

**OVERVIEW**

Founded in 1979, Teter, LLP (Teter) has locations in Fresno, Visalia and Bakersfield. Teter is an engineering firm that specializes in architectural design and construction project management. The Company provides services to a wide range of clients from private commercial construction firms to public sector agencies such as schools and municipalities. Teter has designed and constructed multiple Central Valley buildings including CSFU Aquatic Center, Madera County Jail and Visalia Transit Center.

## Need for Training

Teter has made a substantial investment in technical software that will change the way the Company does business, from project design and presentation to new mobile concepts that make employee's workspace completely portable. The need for new technology is driven by customer demands for real time mobile information, and the Company's inability to present data and drawings at jobsites and various other locations. Training in the new software will help employees provide customers with the most modern, cost efficient, and safest structural designs.

Teter is also expanding into construction for the health care sector. The Company will require training on the industry's unique regulations and requirements with regard to building standards and design concepts that increases flow and efficiency. Architects and Engineers will require training to ensure standards are met: patient accessibility and accommodation, acoustic and visual privacy, and energy and water conservation.

Lastly, staff will receive training to improve soft skills, necessary to market, design, and professionally present Teter's services and improve internal and external customer services.

## Retrainee - Job Creation

In support of Job Creation, the Panel is offering incentives to companies that commit to hiring new employees. Training for newly-hired employees will be reimbursed at a higher rate, and trainees will be subject to a lower post-retention wage.

Teter is expanding its business capacity by entering new markets. The Company has committed to hiring 5 new employees (Job Number 2). Teter represents that the date-of-hire for all trainees in the Job Creation program will be within the three-month period before contract approval or within the term-of-contract. The Company also represents that these trainees will be hired into "net new jobs" as a condition of contract.

## Training Plan

**Business Skills** – Training will be offered to all occupations. Training will enable the Company to expand existing relationships, create new business, improve customer satisfaction and increase proficiency. Topics will include Account Development, Project Management, Strategic Planning and Best Practices.

**Commercial Skills** – Training will be offered to Architects, Electrical Engineers, Mechanical Engineers and Structural Engineers. Training topics will include Site Management, Healthcare OSHPD Training, Architectural Design Concepts and Architectural and Engineering Mentoring Program. These skills will enable proficiency in new technology services and efficient production and cost savings.

**Computer Skills** – Training will be offered to all occupations. These topics include Blue Beam PDF Management software, Revit/BIM Modeling software, Customer Relation Management (CRM) software, and PlanGrid software. Training will enable the Company to meet customer demand, increase real time mobile information capabilities, and streamline communications and recordkeeping.

**Continuous Improvement** – Training will be offered to all occupations and will enable the company to improve leadership skills, promote team based learning and increase product quality. Training topics will include Leadership Development and Team Building.

**Hazardous Materials** - Training will be provided to Architects, Electrical Engineers, Mechanical Engineers, Structural Engineers and Managers to ensure that hazardous materials are handled and disposed of properly. Training topics will include the Chevron System's Safe Handling, Storage, Clean-up, and Disposal of Hazardous Materials.

### **SET/HUA**

Under SET, trainees must be earning at least the statewide average hourly wage at the end of the retention period. However, in a High Unemployment Area (HUA), trainees will qualify for training at the Standard Minimum Wage, and they may request a 25% reduction as well.

All trainees work in Fresno, Kern, and Tulare Counties. These are HUAs with unemployment exceeding the state average by 25%. The determination of HUA status is based on unemployment data from the Labor Market Information Division of the Employment Development Department. The Company is not requesting a wage modification. However, the ETP standard minimum wage applies to all trainees.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

**Exhibit B: Menu Curriculum****Class/Lab**

8-60

Trainees may receive any of the following:

**BUSINESS SKILLS**

- ❖ Account Development
- ❖ Project Management
- ❖ Best Practices
- ❖ Strategic Planning

**COMMERCIAL SKILLS**

- ❖ Site Management
- ❖ Healthcare Office of Statewide Health Planning and Development (OSHPD) Training
- ❖ Architectural Design Concepts
- ❖ Architectural and Engineering Mentoring Program
  - Theory/Planning/Design

**COMPUTER SKILLS**

- ❖ Blue Beam PDF Management Software
- ❖ Revit/ Building Information Models (BIM) Software Training
- ❖ Customer Relations Management (CRM) Software Training
- ❖ PlanGrid Software Training

**CONTINUOUS IMPROVEMENT**

- ❖ Leadership Development
- ❖ Team Building

**HAZARDOUS MATERIALS**

- ❖ Safe Handling, Storage, Clean-up and Disposal of Hazardous Materials (Chevron System)

Safety training will be limited to 10% of total training hours, per-trainee. This cap does not apply to Hazardous Materials training.

Note: Reimbursement for retraining is capped at 60 total hours per-trainee, regardless of method of delivery.
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**DELEGATION ORDER**



**Training Proposal for:  
The Ultimate Software Group, Inc.  
Agreement Number: ET16-0245**

**Approval Date:** October 27, 2015

**ETP Regional Office:** San Diego

**Analyst:** M. Ray

**PROJECT PROFILE**

Contract Attributes:	Retrainee Priority Rate	Industry Sector(s):	Services Technology/Other  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Orange	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 193	U.S.: 2,680	Worldwide: 2,756
<u>Turnover Rate:</u>	4%		
<u>Managers/Supervisors:</u> (% of total trainees)	0%		

**FUNDING DETAIL**

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	<b>Total ETP Funding</b>
\$43,434		\$0	\$0		\$43,434

<b>In-Kind Contribution:</b>	100% of Total ETP Funding Required	\$55,200
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Business Skills, Commercial Skills, Computer Skills, Continuous Impr	127	8 - 200	0	\$342	\$20.19
				Weighted Avg: 19			

**Minimum Wage by County:** \$16.02 per hour for Orange County

**Health Benefits:**  Yes  No This is employer share of cost for healthcare premiums – medical, dental, vision.

**Used to meet the Post-Retention Wage?:**  Yes  No  Maybe

Although employer provides health benefits, they are not being used to meet Post-Retention Wage.

**Wage Range by Occupation**

Occupation Titles	Wage Range	Estimated # of Trainees
MidMarket Support Representative		32
MidMarket/Enterprise Implementation Representative		4
Payment Services/Tax Filing Staff		80
Enterprise Support Representative		11

**INTRODUCTION**

Founded in 1990, Ultimate Software Group, Inc. (USG) ([www.ultimatesoftware.com](http://www.ultimatesoftware.com)) is a software and technology company and a Human Resources (HR)/payroll/benefits provider. Located in Santa Ana and headquartered in Westin, Florida, the Company provides solutions for companies to strategically manage their HR, payroll, benefits, and employee resources. The company's primary product, "UltiPro," provides core HR and payroll management services that support and improve Human Capital Management technology. USG serves more than 2,800 employer accounts in 160 countries.

**PROJECT DETAILS**

USG has sustained 1.5% increase in customer retention per year over the past two years (currently standing at 98% customer retention). The Company has experienced continuous growth in its customer base, currently exceeding 120% of its projected sales goal for the year within the first 6 months of 2015. This growth is propelling the Company to create innovative products and services and enhance workers skills to support and meet customer demands and remain competitive in the marketplace.

This will be USG's second Agreement within the last five years. In its first ETP Agreement (ET13-0196), the Company provided training to 62 trainees. USG developed an extensive



customer care program which specifically focused on advanced customer service and conflict resolution training to support significant business growth with the opening of the Santa Ana facility (2010 to 2012).

In this proposal, training will focus on enhancing product capabilities. The Company is committed to providing skills training in new processes and procedures, products, and product enhancements. Training will ensure workers possess current knowledge in payroll taxes, general ledger, HR benefits, and business rules to successfully support the Company's customers and business goals.

## Training Plan

This proposal may include employees who have participated in the previous ETP contract. A small number of curriculum topics are repeated; however, the subject matter has been updated and/or improved. Most of the training will be delivered via Class/Lab method. A small amount will be delivered via E-Learning (virtual classroom) as follows:

**Business Skills (20%)** – Training will be provided to all occupations. Training will enhance skills of new and existing employees, providing tools and resources related to the Company's products and services. Course topics, such as delivering customer service, providing customer advocacy, and preparing customers for Compliance of Patient Protection Affordable Care Act, will improve the Company's customer service, support customer needs, and help retain the Company's customer base.

**Commercial Skills (30%)** - Training will be provided to all occupations. Training will focus on various new products, product enhancements, and new processes and procedures. Course topics include Security Configuration, Advanced Payroll, Wage Attachment Activation, and Creating Business Intelligence Dashboards. Training will enable trainees to keep pace with the bi-yearly enhancement of USG's products to support business alliances and continuous growth.

**Computer Skills (30%)** - Training will be provided to all occupations. Training will mainly focus on Commercial Skills and procedural learning and education. Course topics include software systems applications for benefits, tax, and general ledger and applications like Cognos and UltiPro. Training will ensure that trainees have current knowledge and application skills to deliver excellent HCM solutions in order to support the Company's business goals.

**Continuous Improvement (20%)** - Training will be provided to all occupations. Trainees will receive training in Returning to Core Competencies; Leadership, Problem Solving, and Management Skills; and Critical Thinking Best Practices and Techniques. Training will help improve employee problem solving and critical thinking, create team synergy, and introduce Plan-DO-Check-Act philosophy, to improve performance, customer service, and relationships within the organization.

## Commitment to Training

ETP funds will not displace the existing financial commitment to training. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law. The Company spends an estimated \$43,000 annually on training at its Santa Ana facility. In the past, Company-funded training included a full range of job-specific and company-wide topics including Security, Employee Relations, Industry Certification/Recertification, and Relationship Management. In addition, all Departments are required to participate in Payroll/Accounting/Tax Administration and Customer Support, various product training, and

continuous improvement skills training delivered via Classroom, Laboratory, and/or Computer-Based (self-paced).

### **RECOMMENDATION**

Staff recommends approval of this proposal.

### **PRIOR PROJECTS**

The following table summarizes performance by USG under an ETP Agreement that was completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET13-0196	Santa Ana	12/31/12 – 12/30/14	\$95,200	\$43,963 (46%)

ET13-0196: 129 trainees planned, 61 completed training and retention.

During the term of this ETP Agreement, the Company experienced a company-wide reorganization. Reassignment of duties for employees affected the overall implementation and management of the ETP project. Subsequent to the transition at the latter part of the contract term, USG was able to reassign management of the ETP project to the Services Training Department. The department was able to successfully implement and manage ETP training. Although training was back on track, there was not sufficient time to maximize earnings. As such, USG achieved lower than expected training performance.

USG is confident that, in this proposal, the dedicated staff in the Services Training Department will continue to effectively implement and manage the proposed ETP contract. The Department's Specialist, Manager, and Director will work together on overall administration and also cross-train other staff in case any personnel changes should occur.

Accordingly, this project has been right-sized to \$43,434 to more closely mirror earnings in its prior Agreement.

### **DEVELOPMENT SERVICES**

N/A

### **ADMINISTRATIVE SERVICES**

N/A

### **TRAINING VENDORS**

To Be Determined

**Exhibit B: Menu Curriculum****Class/Lab and E-Learning Hours**

8 – 200

Trainees may receive any of the following:

**BUSINESS SKILLS**

- Security Administration
- Business Rule Configuration and Business Workflow Configuration
- Business Execution: Linking Strategy to People to Enhance Business Outcome
- Business Process Configuration
- Delivering Customer Service - Productive Dialogue and Leadership Training
- Maintaining Compliance with Federal, Local, and State Payroll Taxes
- Providing Customer Advocacy by Creating an Emotional Connection
- Preparing Customers for Compliance of Patient Protection Affordable Care Act

**COMMERCIAL SKILLS**

- Structured Query Language (SQL)
- Creating Business Intelligence Dashboards
- Knowledge Check to Ultipro, SQL, Tax Reconciliation
- Payroll II: Troubleshooting and Testing
- Recruiting System Errors
- Wage Attachment Activation
- Security Configuration
- Advanced Payroll

**COMPUTER SKILLS**

- Cognos Business Intelligence, Report Generation
- Microsoft Outlook 2013 (Intermediate and Advanced)
- Company Configuration Activation
- Banking Configuration in Ultipro Back Office
- Global Use of UltiPro/Accessing Client Environments
- General Ledger
- Open Enrollment and Benefits
- Tax Reconciliation and Location
- Payment Services Operational Systems and Company Tax Verification Reporting

**CONTINUOUS IMPROVEMENT**

- Returning to Core Competencies
- Leadership, Problem Solving, and Management Skills
- Critical Thinking Best Practices and Techniques

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery.



**Training Proposal for:  
Vescio Threading Co. Inc. dba  
Vescio Manufacturing International**

**Small Business**

**ET16-0258**

**Approval Date:** October 27, 2015

**ETP Regional Office:** North Hollywood

**Analyst:** E. Fuzesi

**CONTRACTOR**

- Type of Industry: Manufacturing  
Services  
Priority Industry:  Yes  No
- Number of Full-Time Employees  
California: 70  
Worldwide: 92  
Number to be trained: 55  
Owner  Yes  No
- Out-of-State Competition: NAICS Code Eligible
- Special Employment Training (SET):  Yes  No
- High Unemployment Area (HUA):  Yes  No
- Turnover Rate: 8%
- Repeat Contractor:  Yes  No

**FUNDING**

- Requested Amount: \$38,610
- In-Kind Contribution: \$49,008

**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee SB <100 Priority Rate	Continuous Impr., Mgmt. Skills, Mfg Skills	55	8-60	0	\$702	\$15.97
				Weighted Avg: 27			

- Reimbursement Rate: \$26 SB Priority
- County(ies): Los Angeles
- Occupations to be Trained: Machine Operator, Technician, Quality Staff, Supervisor/Manager, Owner
- Union Representation:  Yes  
 No
- Health Benefits: \$1.74 per hour

**SUBCONTRACTORS**

- Development Services: N/A
- Administrative Services: N/A
- Training Vendors: To Be Determined

**OVERVIEW**

Vescio Threading Co. Inc. dba Vescio Manufacturing International (VMI) ([www.vesciorthreading.com](http://www.vesciorthreading.com)), headquartered in Santa Fe Springs, is a family-owned Computer Numerical Control (CNC) machine shop. The Company specializes in threading services for aerospace, medical and automotive industries in the United States and Mexico.

The ETP-funded training will take place at the Santa Fe Springs facility, which is also where the majority of the manufacturing takes place. The Company has an expanding customer base nationwide. [Note: VMI also has a facility that conducts plating and honing processes.

**Need for Training**

This proposal will be VMI's second ETP Agreement within the last five years. The prior Agreement (ET09-0555) mainly focused on training employees in Manufacturing and Business Skills. This proposal will focus on Continuous Improvement.

The global industrial fastener market is highly competitive, which is driving businesses to differentiate their products by offering application-specific fasteners with increased strength and durability. As a result, VMI intends to become a Lean manufacturer, with training in operational metrics supported by empowered teams. For example, the Company is implementing real-time statistical process control systems to monitor for early defect detection and elimination. This

should increase production rates throughout the shop. By improving and standardizing processes, implementing Lean operations, and applying rigid process controls and methodologies, VMI hopes to exceed customers' expectations in quality, lead time, and cost.

### **Training Plan**

Training will be provided by in-house personnel and outside vendors via Class/Lab delivery method.

**Continuous Improvement (66%)** – Training will be offered to all staff to increase operational effectiveness and efficiencies, reduce waste, and empower key staff to make decisions. Training will allow VMI to implement data driven problem solving using standardized protocols and mistake proofing ideas and concepts. Training will empower frontline workers to identify and resolve production problems to improve processes.

**Management Skills (3%)** – Training will be offered to Management Staff to improve leadership skills, teaching trainees how to coach teams and individuals and track individual performance and process improvements.

**Manufacturing Skills (31%)** – Training will be offered to all staff to improve productivity, efficiency, quality, and waste reduction. These skills will help increase employee skill levels in Dimensioning and Tolerancing and give trainees the knowledge to interpret the main aspects of a mechanical drawing.

### **Modifications**

#### **Contract Term Limitation**

VMI is requesting an additional 12 months (24 months total) to be added to the agreement term. The additional 12 months will enable the Company to adequately handle potential workload fluctuations and reduce any production impacts due to increases in sales and manufacturing demands. This increased flexibility will support planning and scheduling, and complement overall business operations.

#### **High Unemployment Area**

All trainees in this proposal work in Santa Fe Springs, a High Unemployment Area (HUA) with unemployment exceeding the state average by 25%. The determination of HUA status is based on unemployment data from the Labor Market Information Division of the Employment Development Department.

#### ➤ Wage Modification

For these trainees, the Panel may modify the ETP Minimum Wage by up to 25% if post-retention wages exceed the start-of-training wages. VMI is not asking for a wage modification.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

**PRIOR PROJECTS**

The following table summarizes performance by VMI under an ETP Agreement that was completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned	
				\$	%
ET09-0555	Santa Fe Springs	04/06/2009– 04/05/2011	\$98,020	\$61,753 (63%)	

During the term of the contract, VMI experienced a sudden increase in production demand. VMI needed to have staff focus on meeting customer order and delivery deadlines instead of training. Additionally, the Company's training vendor was unable to complete delivery. VMI did not have the resources to conduct the remaining training on their own.

To ensure successful performance, VMI will use an experienced Six Sigma Master to lead the training. VMI has also improved its response to upcoming production demands with increased staffing and professional, dedicated leadership support. The current proposal has been "right-sized" to \$38,610 which is approximately two-thirds of earnings under this prior contract.

**Exhibit B: Menu Curriculum****Class/Lab Hours**

8-60 Trainees may receive any of the following:

**CONTINUOUS IMPROVEMENT**

- 6S: Methodology for Workplace Organization
- Certified Six Sigma Green Belt (CSSGB)
- Certified Six Sigma White Belt (CSSWB)
- Failure Mode & Effect Analyses (FMEA)
- Kaizen
- Measurement System Analyses (MSA)
- Poka Yoke
- Process Mapping (PMAP)
- Production Part Approval Process (PPAP)
- Root Cause & Corrective Action (RCCA)
- Single Minute Exchange of Die (SMED)
- Statistical Process Control (SPC) Chart
- Total Productive Maintenance (TPM)

**MANAGEMENT SKILLS (For Supervisors and Managers Only)**

- Lean Leadership

**MANUFACTURING SKILLS**

- Geometric Dimensioning & Tolerancing (GD&T) – Blue Print Reading

Note: Reimbursement for retraining is capped at 60 total hours per-trainee, regardless of method of delivery.
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