

# PANEL PACKET

## JANUARY 2015





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Thursday, January 22, 2015 at 9:30 a.m.  
New City Hall  
Council Chambers Room 1103, 1<sup>st</sup> Floor  
915 I Street  
Sacramento, CA 95814  
Phone: (916) 327-5640

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Partners in Control, Inc. dba Enterprise Automation  
Platinum Signers, LLC dba Green Dragon Property Preservation  
Precision Swiss Products Inc.  
Ridge Communications, Inc.  
Robert Mann Packaging Inc.  
Saputo Cheese USA, Inc.  
Simpson Strong-Tie Company Inc.  
Space Micro Inc.  
Springer Collision Centers dba Fix Auto





# M e m o r a n d u m

To: Panel Members Date January 13, 2015

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

Subject: **Directions to Meeting Site**

The Employment Training Panel will meet on THURSDAY, **January 22, 2015 at 9:30 a.m.**

**New City Hall  
Council Chambers, Room 1103, 1st 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 10<sup>th</sup> St.**
- Turn Left on **10<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 10th St.**
- Turn Left on **10th Street**
- Turn Left on **I Street**
- **915 I Street**



# M e m o r a n d u m

To: Panel Members

Date January 13, 2015

From: Stewart Knox  
Executive Director

File: Mtg. Site Memo

Subject: **Future Meeting Sites**

<b>February 20, 2015</b>	<b>New City Hall Council Chambers, Room 1103, 1st Floor 915 I Street Sacramento, CA 95814</b>
<b>March 27, 2015</b>	<b>California Environmental Protection Agency Coastal Hearing Room, 2nd Floor 1001 I Street Sacramento, CA 95814</b>
<b>April 24, 2015</b>	<b>California Environmental Protection Agency Coastal Hearing Room, 2nd Floor 1001 I Street Sacramento, CA 95814</b>
<b>May 21, 2015</b>	<b>California Environmental Protection Agency Sierra Hearing Room, 2nd Floor 1001 I Street Sacramento, CA 95814</b>



## NOTICE / AGENDA

### MEETING TIME/PLACE

Thursday, January 22, 2015 at 9:30 a.m.  
New City Hall, 915 I Street  
Council Chambers, Room 1103, 1<sup>st</sup> Floor  
Sacramento, CA 95814  
Phone: (916) 327-5640

### AGENDA

- |            |   |  |
|------------|---|--|
| 9:30 a.m.  | Call to Order by Chair <ul style="list-style-type: none"><li>• Roll Call</li><li>• Agenda</li><li>• Minutes</li></ul>   | Barry Broad  |
| 9:45 a.m.  | Report of the Executive Director <ul style="list-style-type: none"><li>• Legislative/Budget/Other</li><li>• Request Motion to Delegate in Event of Loss of Quorum/Action</li><li>• Request Motion to Adopt Consent Calendar Projects/Action</li><li>• Approved Delegation Order Proposals</li></ul> | Stewart Knox   |
| 10:00 a.m. | Report of General Counsel   | Maureen Reilly   |
| 10:15 a.m. | Review and Action on Proposals  | Gregg Griffin<br>Diana Torres<br>Creighton Chan<br>Willie Atkinson |
| 12:15 p.m. | Public Comments   |  |
| 12:40 p.m. | Public Meeting Adjourns   |  |

The notice of Panel Meetings is also available on the ETP website ([www.etp.ca.gov](http://www.etp.ca.gov)). The times shown here are estimates, and may be changed at the meeting.

The dollar amounts shown here are subject to change up to and including the date of the Panel Meeting. Other changes may also occur (e.g. withdrawn). Please continue to assess this page for updated information.

If the Panel does not have a quorum, it will meet as a subcommittee of the whole at the same time and place. That subcommittee will hear the items identified on this Agenda, but cannot vote or take action.

Special accommodations (i.e., sign language, interpreter, accessible seating) may be requested by contacting ETP at least seven days prior to the meeting date. Please contact the Executive Office at (916) 327-4485.

## **REVIEW AND ACTION ON PROPOSALS**

These funding proposals are listed by Regional Offices and do not reflect the actual order of presentation. They will be considered by the Panel in accordance with a Table of Contents to be published on the ETP website no later than Monday, January 19, 2015 although the Panel may still change the order at the meeting.

### **North Hollywood Regional Office**

Cargo Network Services Corporation dba CNSC Corporation-----	\$293,216
EastWestProto, Inc. dba Lifeline Ambulance-----	\$314,548
El Camino Community College District, Center for Applied Competitive Technologies (CACT) (AB118) (Amendment) -----	\$80,480
Hayward Pool Products, Inc., a division of Hayward Industries, Inc. (Amendment)-----	\$67,800
Houweling Nurseries Oxnard, Inc. -----	\$106,704
J & R Film Co., Inc. dba Moviola Digital Arts Institute (Amendment) -----	<del>\$222,500</del> <b>\$111,200*</b>
Johanson Dielectrics, Inc. -----	\$175,680
Santa Clarita Community College District -----	\$468,551
The Boeing Company -----	\$747,676
Triumph Aerostructures, LLC – Vought Aircraft Division -----	\$181,440

### **San Diego Regional Office**

Alta Newport Hospital, Inc. dba Newport Specialty Hospital -----	\$307,966
Auto Center Auto Body, Inc. dba Fix Auto -----	\$118,925
Balfour Beatty Construction, LLC-----	\$350,400
Conifer Revenue Cycle Solutions, LLC -----	\$147,000
JFK Memorial Hospital, Inc. dba John F. Kennedy Memorial Hospital--	\$161,280
Riverside Community College District, Office of Economic Development (Amendment) -----	\$375,116
Santa Ana Chamber of Commerce -----	\$649,865
Thales Avionics, Inc.-----	\$277,200
United Parcel Service, Inc.-----	\$749,576

### **San Francisco Bay Area Regional Office**

California Field Ironworkers Apprenticeship Training and Journeyman Retraining Fund – Northern California -----	\$423,715
Chaya Centers, Inc. dba Greenridge Senior Care -----	<del>\$115,068</del> <b>WITHHELD*</b>
DocuSign, Inc.-----	\$188,000
Fox Factory Holding Corp. -----	\$314,936

**San Francisco Bay Area Regional Office** (continued)

On-Site Manager, Inc. -----	\$233,512
Sungevity, Inc.-----	\$334,776
ZOLL Circulation, Inc. -----	\$189,000

**Sacramento Regional Office**

California Manufacturers & Technology Association -----	\$649,755
Fresno, Madera, Kings & Tulare Counties Electrical Industries Joint Apprenticeship and Training Committee -----	\$317,520
Sutter Home Winery, Inc. dba Trinchero Family Estates -----	\$749,700

\*Represents changes made on 1/23/2015

**PROPOSALS APPROVED**  
**BY DELEGATION ORDER FOR 11/05/14 – 01/12/15**

**≤ \$100,000**

**Approved  
Date**

**Approved  
Amount**

**North Hollywood Regional Office**

ABCO Technology, Inc.	01/07/2015	\$96,633
Accent Computer Systems Inc.	12/24/2014	\$44,720
Alpine Corporation	12/09/2014	\$46,800
Douglas Steel Supply, Inc.	11/13/2014	\$39,312
Green Pine Home Health Care Service, Inc.	12/31/2014	\$49,920
GYL Decauwer LLP	12/11/2014	\$24,024
Hospitality Industry Training and Education Fund dba Hospitality Training Academy	12/15/2014	\$98,620
Lusive Décor	12/08/2014	\$49,920
Moldex-Metric, Inc.	12/04/2014	\$96,480
Nishimoto Trading Co., Ltd.	01/06/2015	\$23,520
Oil-Dri Corporation of America	12/04/2014	\$48,960
Oldcastle BuildingEnvelope, Inc.	12/01/2014	\$97,812
Platinum Signers, LLC dba Green Dragon Property Preservation	01/07/2015	\$13,200

**San Diego Regional Office**

B.H.K.H., Inc. dba Henson's Fix Auto Escondido	01/12/2015	\$19,910
Casco Contractors, Inc.	12/08/2014	\$42,276
Excalibur Engineering, Inc.	01/12/2015	\$35,880
Ingram Micro Inc.	11/18/2014	\$80,500
Marton Precision Manufacturing, LLC	12/05/2014	\$16,926
Moreno Valley Collision, Inc. dba Fix Auto Moreno Valley	12/30/2014	\$16,896
Natures Image, Inc.	01/12/2015	\$46,090
Partners in Control, Inc. dba Enterprise Automation	11/19/2014	\$31,200
Space Micro, Inc.	11/12/2014	\$49,920

**San Francisco Bay Area Regional Office**

Basic VI Technology Inc.	12/04/2014	\$20,202
EMSolutions Inc.	11/13/2014	\$19,708
Precision Swiss Products, Inc.	11/12/2014	\$47,840
Ridge Communications, Inc.	11/13/2014	\$27,898
Robert Mann Packaging, Inc.	01/05/2015	<del>\$84,500</del>
		<b>\$85,580*</b>
Springer Collision Centers dba Fix Auto	11/18/2014	\$28,160

**Sacramento Regional Office**

Betts Company	12/04/2014	\$98,388
Klean Kanteen, Inc.	11/21/2014	\$49,816
Parmatech Corporation	11/18/2014	\$56,088
Saputo Cheese USA, Inc.	12/04/2014	\$99,632
Simpson Strong-Tie Company, Inc.	11/04/2014	\$26,160

\*Represents changes made on 1/23/2015





**STATE OF CALIFORNIA  
EMPLOYMENT TRAINING PANEL MEETING**

New City Hall  
915 I Street  
Council Chambers, Room 1103 – 1<sup>st</sup> Floor  
Sacramento, CA 95814  
November 14, 2014

**PANEL MEMBERS**

Barry Broad  
Chair

Janice Roberts  
Vice-Chair

Gloria Bell  
Member

Sonia Fernandez  
Member

Kish Rajan  
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  
915 I Street  
Council Chambers, Room 1103 – 1<sup>st</sup> Floor  
Sacramento, CA 95814  
November 14, 2014

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

Chairman Broad called the meeting to order at 9:34 a.m.

**II. ROLL CALL**

Present

Gloria Bell  
Barry Broad  
Sonia Fernandez  
Leslie McBride  
Edward Rendon  
Janice Roberts  
Sam Rodriguez (arrived after initial roll call at 9:44 a.m.)

Executive Staff Present

Stewart Knox, Executive Director  
Jill McAloon, Chief Deputy Director

**III. AGENDA**

Chairman Broad asked for a motion to approve the Agenda.

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

Motion carried, 6 – 0.

**IV. MINUTES**

ACTION: Ms. Roberts moved and Ms. Bell seconded the motion that the Panel approve the Minutes from the September 19, 2014 meeting.

Motion carried, 6 – 0.

Mr. Broad said it's my pleasure to introduce our new Executive Director, Stewart Knox, and I'm sure all of you will be getting to know him. He is someone with a great deal of experience

in our field and we are very pleased that he is here. He said I'd also like to thank Jill McAloon for the wonderful job she did as Acting Executive Director.

## **V. REPORT OF THE EXECUTIVE DIRECTOR**

Stewart Knox, Executive Director, said thank you and I appreciate being here today. As Barry mentioned, I have had experience in employment training for about 21 years but I don't have a lot of experience with ETP; I've had about three weeks of on-the-job training so I look forward to it.

Good morning and welcome to the applicants and stakeholders. I appreciate you all being here. Today we have a mix of single and multiple employer projects. There are three regional office managers here today to present proposals: Diana Torres, San Diego; Creighton Chan, Foster City; and Willie Atkinson, Sacramento.

Regarding budget and alternative funds, the Panel has \$3M available this Fiscal Year (FY) to the Alternative and Renewable Fuel Vehicle Technology Program in partnership with the California Energy Commission. Should the Panel approve the projects before it today, we will have about \$2.2M remaining this FY. The Panel also received \$2M in General Funds to serve workers and employers impacted by the drought under the Panel's RESPOND project. To date, if the Panel approves the projects before them today, we will have about \$532,000 for the remaining FY. Regarding core funding, ETP had approximately \$64.7M in contracting capacity this FY. However, AB 1476 recently approved by the Governor, allocated an increase to the ETP appropriation by another \$10M for 2014-15. Based on our incremental encumbrance process, the \$10M in funds will equal about \$26.3M more in contracting capacity, which builds the program from the \$26.3M in new contracting capacity plus the original \$64.7M to just over \$91M this year in contracting capacity. So, it's one of the largest we have had in quite some time to date. The Panel is committed to approximately \$45.5M already in contracting and today the Panel will consider another \$5.5M. Should the Panel approve all projects before it today, we will have approximately \$40.1M remaining for this FY.

In regards to the FY funding, as you may recall the Panel took action in September 2014 to approve modified versions of staff recommendations for Funding Priorities for 2014-15. The Panel directed staff to review pre-applications and applications in date order received and establish funding allocations by contract type. Single employer contracts were allocated at \$29.8M; standard proposals were allocated at \$22.4M; critical proposals at \$4.1M; and the small business allocation at \$3.3M. Multiple Employer Contracts were allocated at \$16.4M; standard proposals were allocated at \$13.4; and the apprenticeship was allocated at \$3M.

The Panel also directed staff to manage repeat contracts, repeat MECs to be funded once per FY and preference for those first-time single employers. The Panel also reduced funding caps. The single employer cap was reduced to \$425,000; the MEC cap was reduced to \$650,000 and the apprenticeship cap was reduced to \$300,000 per sponsor.

The Panel further directed staff to hold accepting pre-applications for 2014-15 until April 2015. The Panel also approved the highest level of Substantial Contribution (SC). 30% for the first time; 50% for second time, and for employers earning \$250,000 or more in the past five years per facility. Also, the Panel reduced the High Earner Reduction (HER) threshold

from \$2M to \$1M, for repeat single employers and participating employers in a MEC (excluding critical proposals, job creation and alternatively funded projects), who have earned \$1M or more in the past five years regardless of facility. Also, the Panel adopted a new Delegation Order for small business capped at \$50,000 and other proposals capped at \$100,000 to be approved by the Executive Director on a continuous flow. We have about 30 proposals under Delegation that we are processing now.

Since the September Panel meeting, staff has processed 56 pre-applications for eligibility; 11 were deactivated and 45 were assigned to regional offices. There remain 68 pre-applications to be processed and assigned for development and another 35 pre-applications on hold. Repeat contractors that can be processed at this time. In total, there are 154 pre-applications currently assigned to regional offices and 38 are repeat which will not be developed at this time. We held a staff meeting yesterday and there was a discussion of when we would get to those and we will bring this matter to the next Panel meeting. There are also 12 projects in contract review to be approved by the December meeting. Clearly, there is a lot of work to do. We have high dollar amounts which we are actively and aggressively working to get out. We've had higher retirements than we have had in the past, and so we've had four new positions approved from the Labor & Workforce Development Agency (LWDA). Those positions will go to the field offices to develop and monitor projects once hired, so we are looking forward to adding new staff. The full benefit of these four new positions will be fully realized in the next few months due to the training component.

It should also be noted that the Delegation Order process to review and approve projects on a continuous flow basis, should significantly reduce and expedite processing of those projects. There are over 300 projects to develop, and it's still too early to know how many projects staff will develop this FY, which was discussed in a staff meeting yesterday. We will do our best to manage workload and report our progress at the next meeting.

Regarding Legislation, AB 1476 as mentioned earlier, was approved by the Governor increasing ETP's appropriation by \$10M. There is not much more to report on Legislation as they are in recess.

**VI. REQUEST MOTION TO ADOPT CONSENT CALENDAR PROJECTS/ACTION**

Mr. Knox asked for a motion to adopt Consent Calendar Items #1 through #4.

AHMC Anaheim Regional Medical Center LP .....	\$326,878
ConAm Management Corporation .....	\$198,200
Professional Medical Staff Memorial Hospital of Gardena .....	\$252,460
Paramount Pictures Corporation .....	\$187,920

ACTION: Ms. Roberts moved and Mr. Rendon seconded approval of Consent Calendar Items #1 through #4.

Motion carried, 7 – 0.

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

ACTION: Ms. Bell moved and Ms. Roberts seconded approval to delegate in event of loss of quorum.

Motion carried, 7 – 0.

## **VIII. ACTION ON JOB CREATION GUIDELINES**

Mr. Knox said the Retrainee-Job Creation Guidelines came before the Panel at the last Panel meeting. The original Job Creation program began in October 2010 in response to the economic downturn. It was designed to foster economic expansion in California by providing funds to train newly-hired employees. The program has always offered a higher reimbursement rate; a lower post-retention wage; and waiver to turnover rate penalties and Substantial Contribution. For reasons of administrative feasibility, this program does not apply to MEC's.

Trainee eligibility requires a date-of-hire no earlier than three months prior to the contract approval. This is referred to as the "Benchmark Date". Employers must demonstrate commitment to hire. As such, components of that would be opening a new facility, adding a new production shift, or expanding current production. They need to add new employees and that needs to be part of the application process.

Originally, the program did not allow backfilling and routine replacement of workers. In October 2011, the program was expanded to do so, in response to further economic downturn. The reasoning was that it would be better to fill a position with the incentive of training funds, rather than allow it to remain vacant. Laid-off workers who are re-hired were always deemed eligible and remain so under the current Guidelines.

At the August 2014 meeting, the Panel questioned whether eligibility should extend to refilling and routine replacement. The issue was called to the Panel's attention during Public Comment against prioritizing funding for the Retrainee-Job Creation program for the remainder of FY 2014-15. Eligibility for laid-off workers who are re-hired was not called into question.

The Panel asked staff to limit eligibility to "net new jobs" and there was some discussion in favor of using the criteria adopted by GO-Biz for the California Competes Tax Credit program.

Staff brought back guideline revisions for net new jobs to the Panel in September 2014. Those revisions would have required ETP to compare the number of full-time permanent employees on payroll as of the Benchmark Date, against the number on payroll at end-of-term. Staff would make a comparison by reviewing an employer's quarterly wage reporting to the Employment Development Department (EDD). The Panel and public expressed concern that this approach was too complex and subject to misinterpretation.

Thus, the revision before us simplifies the issue to an employer representation of contract. Fiscal staff will review this aspect of eligibility along with the date-of-hire. The employer representation is expected to be highly reliable, based on a sample test for date-of-hire

conducted in 2012 by the ETP Fiscal Unit. Of the 2,410 placements tested, only two trainees were hired short of the Benchmark Date, which is obviously a very small percentage.

The contract typically will be revised to reflect the “net new jobs” requirement, applicable to all contracts approved today and forward; thus, staff recommends the Panel approve the revisions effective November 14, 2014.

Mr. Broad asked if there were any questions from the Panel. Ms. McBride said not necessarily a question but a comment. I think this will simplify things for the staff and I think it also makes it easier for the applicants too. I would ask that we perhaps review this going forward to make sure that this minimum amount of error continues to occur. I don't know if this is reasonable in terms of timing, but my thought is to leave that at staff's discretion when it might be appropriate or when the Panel calls for a review of it, just to make sure we are still online with what the past history has been. Mr. Broad said her point is well taken.

Steve Duscha, Consultant, said if Public Comment on this topic is in order, I do confess to probably raising this issue a couple of months ago. I support what the staff is proposing to do here. I do have questions about the specific language proposed and I've shared my concerns with the Executive Director. I think there is some inconsistency with the language as to what role part-time employees pay in the calculations. There is also an issue about the language as it does not really support the change in the minimum wage that I think is intended and also an inconsistency in the language about whether you can transfer people from a new new-hire job category to a regular retraining job category. I think the document has it both ways. I would urge the staff to work out the specific language for the policy statement and what I would really suggest, is that this is a matter properly addressed through regulation, and that it probably needs to go in that direction. I do support the intent of what the staff is trying to do here, but I think there are some drafting issues that can be corrected as the process goes forward.

Ms. Roberts said on your question regarding part-time, you brought up a good point. She asked what some of his concerns are, such as hiring a part-time person through the summer, laying them off, then they would come back in January; would I consider them a net new hire at that point? Mr. Duscha said I just don't understand whether part-timers are to be counted or not; that simply needs to be clarified. The other issue in auditing and monitoring this, is what data is available when you look at the EDD tax records. The EDD tax records as I understand it, state the total number employed at the end of a quarter and the total wages paid, but they make no distinction between full-time and part-time employees. So if that data is to be used in monitoring and auditing, we just need to know how. Will you calculate full-time equivalents with the data that exists or will you simply rely upon a statement from the employers to what the employment is at a given point. These are simple issues for a small company and difficult issues for a company with a great number of employees. I think it needs to be stated more clearly and simply.

Mr. Broad asked Mr. Knox if we have an answer to that question. Mr. Knox said yes, I'd like Kulbir Mayall to come forward to briefly explain the calculation.

Mr. Mayall said as far as the EDD wage database is concerned, as Mr. Duscha mentioned; it does show the number of employees as an item number. The item number represents the

number of employees in that quarter for verification. We try to get a reasonable assurance that there is an increase to the benchmark quarter at the qualifying quarter, which is at the end of the contract term. The increase should be as much as the trainees placed in the contract for the job component section. So, it gives us a reasonable assurance the requirements are met, as the guidelines simplify that employer representation is all we are looking at.

Mr. Mayall addressed Mr. Duscha's question about how to determine whether the trainees are part-time or full-time. We verify full-time wages by calculating the number of hours by the ETP minimum wage rate. We use 455 hours to determine full-time employment in a quarter to get an idea.

Mr. Broad said I realize these things can be complex on occasion, but this is a pretty simple idea. The business is expanding; not staying the same. So if it's a business that is seasonal such as retail or construction, obviously that shouldn't qualify if what they are doing is going through normal seasonal fluctuations, especially using part-time employees. I don't know if that can be reflected accurately, but it seems like it is a question you could get a yes or no answer to. Contractors come to the Panel all the time, and say they are opening a new facility, have a new product line, or they are hiring people. It's obvious that it is Job Creation, and it shouldn't be that difficult to administer.

Mr. Mayall said, I think it is simple. We looked back on some of the contracts that had a job component included, and I did see an increase in the EDD wage display. So, it is quite obvious that it does show that there is an increase in the net new jobs.

Mr. Broad said I'm satisfied with this. I obviously think Mr. Duscha's points are well taken and his concerns are quite legitimate. I think this is a function of looking at this in six months to a year, to assess whether it is working, is it problematic or are people gaming the system. Obviously, in an environment in which we have more demand than we have money, even though we have vast amounts of money, people have an incentive to try to move into one of these funding categories, I get that; so there may be some game playing but this is one that seems so obvious. How is your business expanding is the question, in what way are you creating new jobs and what are you doing to create new jobs. Obviously, if a fast food restaurant hires someone in the summer and then lays them off because they have less work in the fall and rehires them the following summer, it's not business expansion.

**ACTION:** Mr. Rendon moved and Ms. Roberts seconded approval of the revised Guidelines for Retrainee-Job Creation effective November 14, 2014.

Motion carried, 7 – 0.

Mr. Broad said I'd like to take this time to make a couple of comments upon the occasion of the appointment of our new Executive Director. In the period that we've gone through in which we've had an Acting Executive Director, the Panel given all the events, has been somewhat drawn into the internal management of ETP. I don't think there was anything wrong about it, except that it is really not the Panel's function. This governmental entity happens to be set up in a way in which the Executive Director is a direct appointee of the Governor, answerable in effect, to his or her appointing power. Other agencies are created in

which the Panel or the Board hires the Executive Director, in which case the Executive Director is answerable to the Board. So it's kind of a division of labor or check and balances and that's in the legislature's wisdom; that is how they structured it. Which means the Panel's core function is to do what we usually do. To review, question and approve projects. It's not our natural role to be involved in the internal operation of the Panel itself or its employees; that is the Executive Director's job. Obvious concerns about that are perfectly reasonable to be brought to the Panel. I don't want to tell people not to bring those concerns to the Panel. However, it's my intention to defer those questions to the Executive Director and get us back to the more natural, statutorily appropriate role of the Panel doing what the Panel does. The Executive Director managing the day-to-day operations of the Panel, staff and the agency itself. That is the natural division of labor and the Panel is not well suited to manage the internal affairs of the Panel. We are a part-time board; not a full-time board. It's usually the full-time boards that serve in an appellate capacity that have that sort of a role. That's only to say that we've been through a sort of abnormal period, it's now time to return to a more normal period, and I hope everyone will take that in the spirit in which I mean it. If someone has a concern about the internal operations of the Panel, if you don't like something and you want to tell me or another Panel member how you feel, we are happy to hear it, deal with it, and ask about it. That is our role but it should be under more extraordinary circumstances. Start with the Executive Director, resolve issues directly with the Executive Director, and work with the Executive Director. If there is some kind of frustration there, you are free to raise it at any point with the Panel.

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

### **Single Employer Proposals**

#### **Physicians for Healthy Hospitals, Inc. (presented out-of-order)**

Ms. Torres presented a Proposal for Physicians for Healthy Hospitals, Inc. (PHH), in the amount of \$368,180. PHH is a for-profit coalition of local doctors whose mission is to create strong, state-of-the-art hospitals that serve as centers of medical excellence in the Hemet, San Jacinto and Menifee Valleys in Southern California. In October 2010, PHH purchased Menifee Valley Medical Center, an 84-bed capacity hospital, and Hemet Valley Medical Center, a 327-bed capacity hospital. With a combined total of 1,200 full-time employees, the hospitals provide services in emergency, cardiac catheterization, cardiac care, CT scan, MRI, day surgery, endoscopy, patient transportation, laboratory, surgical, maternity and nursery, oncology, orthopedic, joint replacement, therapy, and sub-acute unit to the general public in the cities of Menifee, Hemet, San Jacinto and surrounding communities of Sun City, Canyon Lake, Winchester and Nuevo.

Ms. Torres noted that this is a repeat single-employer contractor. However, because the application for funding had been submitted by September 19, 2014, the date on which the Panel established a preference for first-time single employers, this proposal was allowed to move forward.

She noted an updating issue on Page 7 of 7 of the ETP 130. The number of employees that have completed training so far is 305, rather than 279 as stated.



Ms. Roberts asked if September 19, 2014, was the date when we said if they came before that if they were a return customer that we would look at it versus holding them back. Ms. Torres said right, because they already had an application in the making and it wouldn't have been fair to say thanks for all that work but we are not going to consider your proposal.

Ms. Torres introduced Joan Roderick, Director of Education.

Mr. Broad said, I keep hearing that recently graduated new nurses have a difficult problem obtaining a job. Which is, there is a demand for nurses but not for nurses that are new; they can't get that first job because they don't have any experience and people don't want to hire them. Ms. Roderick said their critical thinking is not developed. You have to have the knowledge, and then they have to incorporate all of these tasks. They have to be empathetic when they do it, but all of this takes experience. So we follow them very closely for the first twelve weeks to build their confidence, to check their educational level, and tell them it's okay; you're going to learn task. Then we have to teach them to prioritize because none of that is done in nursing school. They don't know how to prioritize and they don't know what's important.

Ms. Roberts said but you do hire college graduates and then you put them through the training. Ms. Roderick said yes, they are college graduates with a two or three year degree graduates. Ms. Roberts said I really like this contract and you did very well on your last one. You did it all yourself I assume, because it appears that you are really on top of it. Ms. Roderick said I worked on another hospital too, but we are going to make sure we get everything. Ms. Roberts said you have done a great job and took the Substantial Contribution too.

Ms. Bell asked, are you the project manager for this proposal? Ms. Roderick said yes, I am going to be doing that now along with a secretary and HR. We also have staff in other hospitals that are going to ensure that we are complying with the data entry for the state requirements. Ms. Bell said but you are taking the lead on this project? Ms. Roderick answered in the affirmative.

**ACTION:** Ms. Roberts moved and Mr. Rendon seconded approval of the Proposal for PHH in the amount of \$368,180.

Motion carried, 7 – 0.

### **Hawker Pacific Aerospace**

Ms. Torres presented a Proposal for Hawker Pacific Aerospace (HPA), in the amount of \$390,055. HPA is a wholly-owned subsidiary of Lufthansa Technik North America Holding Corporation located in Tulsa, Oklahoma. The Sun Valley location provides Federal Aviation Administration (FAA) and European Aviation Safety Agency (EASA) certified landing gear repairs and overhaul services. HPA clientele include all major commercial airlines, airfreight carriers, U.S. government agencies and regional aircraft providers.

Ms. Torres introduced Troy Trower, CFO and Brent Bartlett, Consultant.

Ms. Torres said this is a repeat single-employer contractor. However, because the application for funding had been submitted by September 19, 2014, the date on which the Panel established a preference for first-time single employers, this proposal was allowed to move forward.

Mr. Broad asked, in terms of actual workers in this contract who are acting as mechanics, with engine maintenance. What are their wage levels? Because we are showing \$11.67 per hour to \$34.66 per hour. Obviously, \$11.67 is a very low wage for an aircraft mechanic. Mr. Trower said there are many different requirements within our company and within the industry, but the average wage of those folks working in this program will be around \$17 to \$18 per hour. Mr. Broad asked if Hawker is the former British Hawker. Mr. Trower said no, they are unrelated and there are many Hawker Pacific companies.

Mr. Rodriguez asked, did you already hire the 70 individuals? Mr. Trower said no, we have not but we have begun hiring.

**ACTION:** Ms. Roberts moved and Ms. Bell seconded approval of the Proposal for HPA in the amount of \$390,055.

Motion carried, 7 – 0.

### **Paramount Farms International LLC**

Ms. Torres presented a RESPOND Proposal for Paramount Farms International LLC (Paramount Farms), in the amount of \$529,200. Paramount Farms processes, farms and sells almonds and pistachios. In tandem with grower partners, the company farms 125,000 acres that deliver 450 million pounds of nuts annually. The company's specialty crops are grown, processed and marketed under one entity to ensure quality. Paramount Farms is a wholly-owned subsidiary of Roll Global LLC in Los Angeles. Its headquarters are located in Lost Hills, Kern County. Customers include retail and wholesale food distributors worldwide such as Costco, Wal-Mart, Tesco, Blue Diamond, Planter's, Kraft, Trader Joe's and Whole Foods.

Ms. Torres introduced Loren Meigide, Senior Director of Human Resources.

Mr. Broad said I thought we funded Paramount Farms before. Ms. Roberts said we did, but this is in Lost Hills; isn't there another Paramount Farm in Delano off Hwy 99? Mr. Meigide said there is a Paramount Citrus, their sister company. Mr. Broad asked if that is who we previously funded and if they are a different Paramount company. Mr. Meigide said yes, that is correct.

Ms. Bell asked if the 700 employees are all located in Lost Hills. Mr. Meigide said most of them are located in Lost Hills. We have a new plant in Firebaugh, and we are going to be training some employees there as well. Ms. Bell asked how many shifts they have. Mr. Meigide said most of the work is done on two shifts. We do have a third shift which is for maintenance people. Ms. Bell asked if Firebaugh also has two shifts. Mr. Meigide said Firebaugh will be two shifts, but it is only one right now. Ms. Bell said Roll Global is a huge company and you are part of the Roll Global family, which owns companies such as FIJI

Waters, JUSTIN Wines, Teleflora and Halos. I am glad that you are here because I'm hoping that you will model the way of these other companies to come and also ask for some funding from the ETP as well.

Ms. Roberts said this is a RESPOND Drought proposal, but she only sees one drought related training included in the Curriculum. I looked at a different RESPOND proposal and almost everything on the training curriculum is water-driven. She asked how this proposal qualifies under RESPOND, when most of the training is basically business training. Mr. Meigide said as the workforce develops we will be more effective and efficient in using all of our resources, including water, so there is some general training that will impact the way to use water in growing and in processing. The harvest period is a very intense water usage period. The specific training on reduction of water use is intense for a few people, but not as broad as some of the other training they are going to do. There are water treatment facilities onsite and water use in the harvest process and in the fields. Ms. Roberts said she's not familiar with all of the RESPOND proposals but what is included in the ETP 130, does not seem like it would fit under this category.

Ms. Bell asked if this training will be done in both English and Spanish. Mr. Meigide said all of the training that we do in our workforce is in both languages, so it adds a dimension to the development of training materials.

Mr. Broad went back to the question of why this proposal qualifies under RESPOND. Ms. Torres said when these guidelines were developed it was also to support assistance to farmers and farmworkers. So it's a bigger concept; it's not so specifically related to water conservation itself and it's broader than that, to support some of the consequences of the drought which affect companies such as Paramount Farms.

Mr. Rodriguez said but we on the subcommittee, left it open because it had to do with any employer that was impacted, so that it would sustain the workforce in that geographical location.

Ms. Roberts said so it doesn't really matter what the training curriculum includes? Mr. Rodriguez said no, it doesn't.

Mr. Rodriguez asked, if you were not to receive any funding, what were the projected layoffs given the drought conditions? Mr. Meigide said probably over 100 full-time jobs. Mr. Rodriguez asked if it will primarily be impacting the Firebaugh plant. Mr. Meigide said the Firebaugh plant will continue to grow even if we have to reduce in other plants because it is closer to the growers.

Mr. Knox said basically as Diana mentioned, the program was designed that if employers were in a situation under the drought, it didn't necessarily have to be training around drought-related water reduction. What they are trying to do is pivot from one industry to another industry to delay lay-offs, and we applaud the employer doing that; it is preventing lay-offs. Ms. Roberts said I see, so it impacted the business from a drought perspective, so the training they are requesting does not need to be water-related.

Mr. Rodriguez asked Ms. McBride if GO-Biz has eligibility in terms of companies that are from California and impacted by the drought. Ms. McBride said no, they do not.

**ACTION:** Mr. Rodriguez moved and Ms. McBride seconded approval of the RESPOND Proposal for Paramount Farms in the amount of \$529,200.

Motion carried, 7 – 0.

Mr. Broad noted that in the emergency drought legislation they sent us the funds and said do something about it. They left it very open for the Panel, which is why we appointed a subcommittee. The question before the subcommittee is whether it applies only to employers who are doing something to fix the drought. In other words, construction companies that are building infrastructure that respond to the drought; or also to companies that are suffering from the drought; there are a lot of ways of looking at drought. I think generally, our subcommittee adopted a more general feeling, and this is more generalized training, but as this drought enters its third year with no end in sight, these companies will be struggling; every agricultural producer in the state is dealing with it. They are running out of ground water and it's a very serious problem.

**James R. Glidewell, Dental Ceramics, Inc.**

Ms. Torres presented a Proposal for James R. Glidewell, Dental Ceramics, Inc. (Glidewell), in the amount of \$424,800. Glidewell is a dental ceramics manufacturer. The company specializes in the design and manufacture of crown and bridges, dental ceramics, removable dentures, dental implants, snore guards, mouth guards and prosthetic components, and full-cast restorations. Glidewell also designs and produces dental software and other dental materials.

Ms. Torres introduced Stephenie Goddard, Vice President of Business Operations and Adam Powers, Learning & Development Manager of Business Operations.

Ms. Torres said this is a repeat single-employer contractor. However, because the application for funding had been submitted by September 19, 2014, the date on which the Panel established a preference for first-time single employers, this proposal was allowed to move forward.

Ms. Torres clarified the point that their menu curriculum does not include ESL, even though their representative mentioned ESL training.

Mr. Rodriguez asked about the occupation title of design/engineering staff. He asked if that is the company's classification or if it is ETP's classification. Mr. Powers said their classification is dental techs, but we needed to use ETP terminology. Mr. Rodriguez said but we also have dental tech, administrative and design/engineering staff. Ms. Torres said for clarification, it should be your occupational title, so if we need to change that we will; because when these individuals finish the training, we need to have their correct title. Mr. Rodriguez asked if they are all dental technicians. Mr. Powers said yes, they are.

Mr. Broad asked if folks in your business are regulated by the Dental Board or if this is outside of that. Ms. Goddard said they are outside of any regulation except on the medical device side. So as a material manufacturer, we are regulated by the FDA.

Mr. Rodriguez asked if we can make the occupation modification. Ms. Torres said yes, they will. Mr. Rodriguez said so you don't employ engineers, correct? Mr. Powers said we do employ engineers. Mr. Rodriguez asked if they are employed as design engineers. Mr. Powers said the design engineers are the designers that are associated to dental technology, but their title is not design engineer. They are designers within dental technology. Ms. Goddard said as stated earlier, we have CAD cam technology, so some of our dental technicians are doing sort of traditional hand-stacked porcelain; whereas a bigger chunk of our population now is designing that crown on a 3-D computer system. Mr. Rodriguez said right, in the old days it was done with ceramics and moldings.

ACTION: Ms. Roberts moved and Mr. Rodriguez seconded approval of the Proposal for Glidewell in the amount of \$424,800.

Motion carried, 7 – 0.

### **Applied Materials, Inc.**

Mr. Chan said we will now entertain both Tabs #9 and #17, as they are from the same employer, Applied Materials, Inc. Tab #9 is a Critical Proposal with Job Creation and Tab #17 is an AB 118 Proposal.

Tab #9 is for 415 new employees, and they will be trained and hired to Applied Materials. The expansion of the company is causing them to want to hire at least 415 people within the next two years and they have some possible higher estimates. There will be two new facilities in Santa Clara. There will be out-of-state training on this proposal. They are requesting about 10% of the training for engineers only, which will occur in Austin, Texas. They state that the technical skills training will be customized, specialized, and not available in California. Applied will defray all employee travel costs and associated expenses. Only full-time CA based employees who work as technical staff will be eligible for this training and Applied will document the out-of-state training and attendance with approved LMS. One noteworthy thing about this project is that although the job creation allows the employers to place employees at \$13.55 per hour, they are placing them at a minimum wage much above that.

Tab #17 is for AB 118 and these trainings will provide state of the art solutions to increase the battery power and longevity for electrical vehicles. They will be training approximately 350 trainees. There is no Substantial Contribution on this proposal because it is being funded under AB 118. They have had two previous contracts with us that were 100% successful.

Mr. Chan introduced Ajey Joshi, Distinguished Member of Technical Staff Advanced Technology Group Office of the CTO and Phillip Herrera, Consultant.

Mr. Rodriguez said I am aware of your history as a semi-conductor company. Are you transitioning out of semi-conducting and into alternative fuels? Mr. Joshi said no, this is on

top of the three areas we are already involved in; semi-conductor, display and solar. Our company views alternative fuel energy where we can bring and leverage our expertise in engineering and precision materials; so it's actually on top of what we already do.

Mr. Rodriguez said correct me if I'm wrong, but didn't you have a significant lay-off within the last three years? Mr. Joshi said yes, I think with all the issues we had with the economy, we have gone through the same cycles of cut-back and growth. Mr. Rodriguez asked how many workers were laid-off. Mr. Joshi said he does not have the exact number of lay-offs available, but I think there were some lay-offs that occurred. The point is that we are growing again. It's like the stock market; the stock can go down but the overall trend is what you look for. Mr. Rodriguez said in the application, he does not see any "net new hires". Mr. Joshi said there are two proposals. One they separated as new-hire training, and that's for about 415 new-hires that we expect in the next couple of years. The AB 118 proposal is for incumbent workers to enhance their skill sets.

Mr. Herrera said regarding the net new hires growth on this proposal; we will work with staff on how we comply with that. Applied is likely going to have a Cal Competes agreement as well. What GO-Biz does, and I talked to Kulbir Mayall previously about, is they come on staff with the EDD report that shows them the head count, but they will want the company to produce a calculation and release hard data to show what the net new hires are. So what we will do for both ETP and Cal Competes, is have the HR done and ready, who are the new hires and where they work, and they can do their audits against the HR system if they want. It will be very clear whether or not they met the targets or not.

Ms. Roberts said you have received about \$3M over the last five years, but because of how the proposals are with Job Creation and AB 118, we don't see any Substantial Contribution. It's a big sum of money for 3,000 employees that you are training over those five years, but they are great contracts. Especially hiring 415 new employees; that's a large number and then also having an alternative fuel component.

Mr. Broad said yes, I considered trying to extract some type of Substantial Contribution and decided not to. However, next time whether you technically qualify or not, I expect a Substantial Contribution. You fit in nicely the way that SC is legitimately not required, but it's a lot of money. We have only so much AB 118 funds and you are receiving a substantial portion of it, all for very good reasons and it's a great proposal, but forewarned is forewarned.

Ms. Fernandez asked if there is a plan to bring back some of the employees that were laid off. Mr. Herrera said yes, a clarification on the lay-off; it was about 2% to 3% of the workforce. They do have this sort of workforce management component that goes on where they reduce the workforce by a small percentage; how good that is for the work or the economy is debatable, but it was minor. If we look back at the previous contract, we actually enrolled 700 employees into the Job Creation job and graduated. So if we had to do a net new hire calculation for that last contract, we would have totally blown that away. Ms. Fernandez asked if those laid-off employees that will be brought back, will be earning the same amount that they had previously earned, prior to the lay-off. Mr. Joshi said in many instances, they are earning much more when they return.

Mr. Rodriguez said it was his recollection, that there were between 400-500 lay-offs and they all took place in the Santa Clara facility. There were concerns about the future of Applied Materials. For the record, is Applied Materials still owned by the same people or was it sold and now owned by somebody else? Mr. Joshi said the company is still owned by Applied Materials.

ACTION: Ms. Roberts moved and Ms. McBride seconded approval of Applied Materials Tab #9 in the amount of \$498,000 and Applied Materials Tab #17 in the amount of \$598,500.

Motion carried, 7 – 0.

Mr. Herrera said I'd like to thank Jill McAloon for all of the hard work she did as Acting Executive Director; Creighton Chan; Lily Lai; and GO-Biz. Everybody was very helpful with Applied Materials, which has been great; thank you.

### **Futuris Automotive (CA) LLC**

Mr. Chan presented a Proposal for Futuris Automotive (CA) LLC (Futuris), in the amount of \$424,640. Futuris designs, engineers and manufactures automotive interior systems for emerging markets along with niche and high-value added products for developed markets. In 2012, Futuris was founded as a supplier of seats for Tesla Motors and it currently has 90 employees in California.

Mr. Chan introduced Jim McMillin, Operations Manager; Maria Valencia, HR Manager; and Bill Browne, Consultant.

Ms. Fernandez asked if there is an effort made to hire any veterans with their new-hires. Mr. McMillin said absolutely; in fact, three of my most recent hires were veterans.

Ms. Roberts said it's a great contract, to hire 200 employees in those high-paying jobs. I'm sure you will surpass some of the other manufacturers in the area and they will want to get involved in Tesla. She asked if all 200 employees will be all sourced in California or if some would come from out-of-state. Mr. McMillin said for our manufacturing positions, they are coming from the Bay Area. For some of the higher-skilled positions, it's a challenge to find somebody that understands seat design, for example, in California. So with those positions, we are bringing people in from Michigan and the deep-south.

ACTION: Ms. Fernandez moved and Ms. Roberts seconded approval of the Proposal for Futuris in the amount of \$424,640.

Motion carried, 7 – 0.

### **Space Systems/Loral, LLC**

Mr. Chan presented a Proposal for Space Systems/Loral, LLC (SSL), in the amount of \$421,200. SSL is a subsidiary of Macdonald, Dettwiler and Associates Ltd. The company is located in Palo Alto and currently has 2,800 employees. SSL designs, builds and tests

satellites, subsystems and payload; provides orbital testing; procures insurance and launch services and manages mission operations from Palo Alto's Mission Control Center.

Mr. Chan said this is a repeat single-employer contractor. However, because the application for funding had been submitted by September 19, 2014, the date on which the Panel established a preference for first-time single employers, this proposal was allowed to move forward.

Mr. Chan introduced Sabine Tauben, Director, Systems Effectiveness Space Systems Loral; Karen Groseclose, Manager of Product Assurance & Systems Effectiveness; and Bill Browne, Consultant.

Mr. Rodriguez said it's very impressive that you have 7,000 suppliers with CA based addresses. On a yearly basis, what's the approximate purchasing total to other suppliers in CA? Ms. Tauben said I don't know that figure, but satellites cost approximately \$200M each and so some percentage of that goes to various places in the U.S. and other places around the world. I don't know the exact dollar amount, but it's substantial. Mr. Rodriguez said it's very astute, that's exactly how it's supposed to be; so there is a multiplier effect within the economy inside CA.

Ms. Roberts asked how long they have been located in CA. Ms. Tauben said they have been in CA 50 years in the Palo Alto area. We started in Palo Alto and the whole Silicon Valley exploded around us, and it's getting hard to get office space anymore in the area. Ms. Tauben said we've been around a long time; their first satellites were small and they are now about the size of a bus, just the main part of the satellite, so we have really grown up there over time.

**ACTION:** Ms. Roberts moved and Mr. Rodriguez seconded approval of the Proposal for SSL in the amount of \$421,200.

Motion carried, 7 – 0.

## **Holt of California**

Willie Atkinson, Manager of the Sacramento Regional Office, presented a Proposal for Holt of California (Holt), in the amount of \$165,900. Holt is a certified Caterpillar dealer distributing, renting, servicing, and repairing Caterpillar equipment and machinery and a wide variety of equipment including: large and small construction tractors, agricultural equipment, forklifts, racking systems, telescopic handlers, prime and stand-by-power generation, UPS systems, and on-highway truck engines. The five divisions include: earthmoving; agriculture; power systems; material handling; and the CAT rental store serving all industries.

Mr. Atkinson introduced Max Jones, Training Development and Kelly Waugh, HR Manager.

Mr. Jones said I'd like to thank ETP staff, Peter Cooper, working behind the scenes with Rosa Hernandez and Willie Atkinson to help us do this all in-house. When we first met about this a while back, they said we can help you, you can do it all in-house, and we'll get you in front of the Panel and we are here today; so we are pretty excited about that.



Mr. Broad said this is a really interesting and good proposal. This is the first time I believe we have funded an apprenticeship program proposal outside of construction and I'm very happy that you brought it to us. Thank you to staff for working with the applicant to put this proposal together, it's a good proposal.

Ms. Roberts said I would encourage you to keep in touch with the staff, make sure that you set benchmarks to get things completed over the course of the time. I would love to see this translate to other non-construction apprenticeship proposals. Mr. Jones said we are looking forward to working with staff on our training and roll-out and making sure that all of our class rosters and the paperwork flows. Kelly Waugh is actually going to oversee or manage the project, but I'm the data guy behind the scenes.

Ms. Roberts asked if there is a Holt company in Fresno and Visalia. Mr. Jones said there is a Holt Caterpillar based in Texas, but they are separate from us. Ms. Waugh said there is one in Los Banos. Mr. Jones said we have a store in Turlock and in Los Banos, freeway friendly.

Diane Ravnik, Chief of Division of Apprenticeship Standards, said I just wanted to add my endorsement to this program and to share with the Panel that Holt has been outstanding, with a 15-year history, as a registered apprenticeship program. They are a program that we would describe as truly exemplary so they do have this proven track record and we work with them. As an employer, they are very committed to the hiring of veterans. Max Jones serves on the Governor's Interagency Council on Veterans as does representation from ETP. As you may know, all registered apprentices are eligible for GI benefits and that helps as well, so we wanted to endorse it. I would certainly chime in with Ms. Robert's comments that we would very much hope that this will be the first of many more programs to come in manufacturing and others outside of the narrow construction focus.

ACTION: Ms. Roberts moved and Ms. Fernandez seconded approval of the Proposal for Holt in the amount of \$165,900.

Motion carried, 7 – 0.

### **Multiple Employer Proposals**

#### **Kern Community College District**

Ms. Torres presented a RESPOND Proposal for Kern Community College District (KCCD) in the amount of \$233,220. KCCD strives to provide outstanding educational programs and services that are responsive to its diverse students and communities. The district includes Bakersfield College, Cerro Coso College and Porterville College. KCCD serves Kern, Tulare, Inyo, Mono, and San Bernardino Counties, making it one of the largest districts in the United States. In addition to classes held on campus, KCCD offers localized instruction through educational centers in Delano, Bakersfield, Bishop, Mammoth Lakes, Lake Isabella and Edwards Air Force Base.

This proposal is under the Rapid Strategies Pilot on Natural Disasters (RESPOND) pilot program that was adopted by the Panel in early 2014 to fund training in designated drought areas.

Ms. Torres introduced John Means, Associate Chancellor of Economic and Workforce Development.

There were no questions from the Panel.

ACTION: Mr. Rendon moved and Ms. Roberts seconded approval of the RESPOND Proposal for KCCD in the amount of \$233,220.

Motion carried, 7 – 0.

### **Santa Ana Chamber of Commerce**

Ms. Torres presented a Proposal for Santa Ana Chamber of Commerce (SACC), in the amount of \$649,865. SACC has worked since 1889 to bring a higher level of economic prosperity to area business owners, workers, and residents through its business development programs in Orange County. The Chamber works in partnership with and relies upon input from its councils, committees and task forces to identify and implement strategies and programs that benefit its constituency. These working bodies provide an opportunity for involvement of SACC members and stakeholders with a broad representation of business, government, non-profit and educational entities.

Ms. Torres introduced Marty Peterson, Vice President of Operations.

Mr. Broad said yesterday he received a very long and detailed e-mail anonymously. He said, I have a tendency not to discount anonymous e-mails; however, every time SACC has been before us the Saisoft issue comes up about their training model. There are some fairly serious allegations in the e-mail and I've given it to the staff to look at. They've looked at Saisoft in the past, and if I could characterize it, it is sort of like a kind of cutting corners approach but there is no real illegality or inappropriateness to it; that is sort of the conclusion that I have reached about it.

Nonetheless, the e-mail says he encourages the students to use the introductory 30-day free software, so that nobody has to pay for the software. If that is true, collectively that would be defrauding those companies and you would be participating in a fraud. Because if those are intended not for commercial purposes, but typically for individuals, it says that people are using their own computers. They are not using their employer's computer, they are doing it on their non-work time and they are not being paid; all of this is very problematic. However, I cannot act based on this because that would not be appropriate. Nonetheless it's an issue, and I'm going to ask the staff to look at it.

Mr. Broad asked, when you receive ETP funding what's your cut; how much money do you make and how much money does Saisoft make. Mr. Peterson said it ends up being about 10% that they receive, so Saisoft keeps about 90% of it. Mr. Broad asked and how much work do you do? Because the allegation here is that you are kind of a front, is what it really

amounts to. Maybe other people are operating this way, but somebody out there is upset enough about this, and it's not the first time, to write the Chair of the Panel a very detailed e-mail with apparently some knowledge about it. It's troubling to me, because it's not the first time. I really don't know how to respond to it because my gut tells me where there is smoke, there is fire. On the other hand, our staff has looked at this before when it's come up and reached the conclusion that Saisoft is acting lawfully within our parameters of providing the training and that people are getting the training. But it seems problematic and I don't know any other way to deal with this other than to say that if somebody e-mails me, it becomes a matter of public record. They write me anonymously, it's still a public record. Anybody who wants to see this e-mail can see it, and you can see it; I'm happy to give it to you. But it's problematic for me because I have never received this kind of communication about anybody before, in all these years and I don't know what to make of that really.

The last time I remember anything like this, was at a Panel meeting about twelve to fifteen years ago, and it turned out that somebody was in the pornography business, and they were not divulging that. That's the last time I remember anyone raising a sort of question of impropriety but now each time you've come, or at least that I can recall, this has been raised over-and-over again. I'm happy to hear your response to this now, if you wish to make one.

Mr. Peterson said regarding the use of 30-day software, this is the first that I have heard about that and I know nothing about that at all; but I will ask the question. He said as far as what we do and what Saisoft does, we have very good connections with our area. We have members and at a lot of events we publicize what we do and know everybody in the area. So we are really good at marketing the program in our area. Saisoft does help us marketing statewide quite a bit, because we just don't have those contacts.

Mr. Broad said now let me tell you what this e-mail says about that, and I'll quote: "Saisoft claims that employers participating in the training are new, but he only shuffles employers between his different projects, to make it look like he is bringing new employers into the contract. Some of the employers in the Santa Ana Chamber project have been trained under other Saisoft projects, including one this year; South Orange Chamber of Commerce."

Mr. Peterson said yes, to my knowledge he has a contract with another Chamber, but I don't have any visibility of their contract, if there are people in there.

Mr. Broad said but ultimately, you are responsible for this. If these things are happening, it's of concern to me. This is a taxpayer supported funded program and the one thing that I'm always worried about that I've raised in the past, is that we're like the little Dutch boy that puts his finger in the dike; that's our job. The water is behind the dike but if it starts flowing through, we have to put our finger in it and stop things from happening. It seems like in just hearing you today, you may not actually know very much about some of these things, and they are new to you. Now, maybe these are false accusations and if they are, shame on the person who made them. But if they are true and things are happening around the project which you are in control of and you are not getting the information from your contractor, then there is something wrong with the relationship.

Ms. Roberts said we've been talking with Saisoft every time they come to the Panel because I don't like their model. She said apparently the gentleman who owns the company said the

instructors are outside of the U.S. or some of them are outside of the U.S. It seemed like it was just a computer screen with a person behind the screen and these people are standing in front of the screen; it just seemed like a very bizarre concept and so that's one problem. I questioned him earlier on that, but we couldn't find anything that was inappropriate at the time.

Ms. Roberts said I thought we had talked about MEC's not coming to the Panel with a contract that still had one year on it. It seems like you're coming too soon for funding, based on what we agreed upon. Ms. Torres said that was what had been in initial discussions to the Panel I believe in August, but then when you met again in September with the funding priorities, that was not part of it; it was an initial discussion. Mr. Broad asked, didn't we include that companies could come back once a Fiscal Year? Ms. Torres said yes, once a Fiscal Year was what was included in your funding recommendations. Mr. Broad asked if they meet that requirement. Ms. Torres said yes, they do. Ms. Roberts said thank you for the clarification.

Ms. Roberts said maybe you cannot credit what I said about the instructors being within the U.S. or outside the U.S. Mr. Peterson said I'm fairly certain that all the instructors are within the U.S. He has some marketing people that are outside of the U.S. Ms. Roberts said only because I think that was contradictory to what I heard when he was here and mentioned that.

Ms. Bell asked if he has ever sat-in on any of the trainings. Mr. Peterson said yes, I've been to a training. Ms. Bell asked, is it a screen? What did the training look like? Mr. Peterson said it is well run and I think Ms. Torres could attest to that too, because she has staff that monitor. Ms. Bell said but I'm asking you as a user; what does that look like to you? Mr. Peterson said I thought the class was run very well.

Mr. Rodriguez said let me ask a different question about the participating employers listed. There is a company called Certain, Inc. which is in San Francisco. They deliver webinars on multiple platforms, and it says that you are going to retrain 40 of their 57 employees. How do we confirm that the employer, Certain, Inc., has knowledge and supports their workers being trained? Ms. Torres said we call them on the telephone directly. With the participating employers that are provided to us through the application phase, the analyst that develops the project actually calls each and every one of these participating employers on the phone to ensure that there is a commitment, because that has been a concern of the Panel on any multiple employer contract. Mr. Rodriguez asked, so that is part of the file? Ms. Torres said yes, that's part of the file and that is verified. Mr. Rodriguez asked, or does that happen after it's approved? Ms. Torres said no, that's completed during the development before it even comes to the Panel. Mr. Rodriguez said, so the companies that are 300 to 400 miles away from Santa Ana in cities such as San Francisco, Emeryville, North Highlands, Ventura and San Jose, have all signed a document or have been verified? Ms. Torres said yes, that is correct; there's a participating employer certification that they do sign by someone within the actual company. Not the trainee, but somebody usually in HR, depending on the structure of the company and those are the individuals that we actually contact; we do not contact the trainees.

Mr. Broad asked, what about the introductory version of the software that you can have for free for 30 days? Is that anything new? Ms. Torres said no. Mr. Broad asked if there is

anybody else doing that? Ms. Torres said I'm not aware of that; Saisoft did provide us a demonstration and maybe Jill McAloon can share her observations of the actual in-time training with the instructors. If my memory serves me correct, when South Orange County came to you last, I think that was the last one before this one. Mr. Thakore was specifically asked if any of the instructors were outside of the country and his response was no. So with regard to the marketing, that question wasn't asked but according to Mr. Peterson, perhaps that is for the marketing part of it.

Mr. Broad said yes, what I found new and troubling was this potential of violation of software licensing agreements. We could not approve that, because that would be approving an illegal contract, if it's true. I believe what I'd like to do is put this matter over until our next Panel hearing. I'm sorry to put you through this, but I think that the questions raised need to be looked at. If it's determined that they are groundless we will come back and I'm sure we will approve this proposal with our apologies. We need to look at this further; I just don't feel comfortable approving it right now. Ms. Fernandez agreed with Mr. Broad. Ms. Roberts said it would be helpful if the Saisoft owner could be present to answer questions around the allegations.

Mr. Broad said I'm going to ask the staff to share the e-mail with you. You should read it and perhaps look at the controls that you have in the relationship. It's pretty deeply troubling if these allegations are true or if any of this is true, especially if people are getting training more than once through different MEC's within the same region. Sometimes you can cut a corner and it's okay; but sometimes you come around third base and the umpire calls you're out; I'm worried about that. There's several things going on here at once and maybe some of it's okay or it's just sort of sliding by, but it's of concern. Whoever wrote this is really upset; the e-mail expresses outrage. It isn't personal, it's that nobody else is doing this and that's what the person says. This is not what everybody else does, this is different and it's not fair to everybody else; that is the point this person is making. Otherwise, I would have said it's just some kind of poison thing and just forget it, but that's not how this reads. I just received it at 2:00 a.m. this morning; so whoever was working on it, was working on it very late at night and the sad fact is, I read it six minutes after it arrived. Unless somebody wants to disagree, I'm going to ask that we put this over.

Mr. Rodriguez said no, we don't disagree. I'd like to point out to Marty that their relationship with Saisoft is an intimate relationship because Saisoft Inc. based in Irvine, is doing a development services for this contract. Saisoft Inc. is also performing the administrative services for a fee of \$38,972 and Saisoft Inc. will provide the computer and continuous skills training for a fee of \$545,616. So it just raises some questions that we need to have a little more transparency on, and what exactly is going on? Mr. Peterson asked, are you referring to what it is costing us? Mr. Rodriguez said I don't think it's costing you anything. Saisoft has basically provided a point-and-click from beginning to end. They write the proposal, they submit the proposal and they provide all the expenses tied around the training. He asked who signs off on this at the Chamber. Mr. Peterson said I sign off for the Chamber.

Mr. Rodriguez said, I agree with the Chairman, let's delay taking action. Mr. Broad said so that will be the order, thank you. Ms. Roberts said thank you for coming.

## **California Workforce Association**

Mr. Atkinson presented a Proposal for California Workforce Association (CWA), in the amount of \$649,295. CWA is a non-profit membership-based association serving the local workforce development delivery system. CWA's membership includes 48 local workforce investments board directors and affiliate members. The affiliate membership includes local non-profits, government, educational institution and community-based organizations involved in training, education, economic development, welfare and employment, and other workforce development partners.

Mr. Atkinson introduced Nick Loret de Mola, Program Manager and Steve Duscha, Consultant.

There were no questions from the Panel.

ACTION: Ms. Roberts moved and Mr. Rendon seconded approval of the Proposal for CWA in the amount of \$649,295.

Motion carried, 7 – 0.

## **The CSU, Chico Research Foundation**

Mr. Atkinson presented a Proposal for The CSU, Chico Research Foundation (Chico Research), in the amount of \$55,782. Chico Research was established in 2003 through the cooperative efforts of the U.S. Small Business Administration and the California State University Chico Research Foundation. Chico Research has a network of four community college based centers in Butte, Shasta, San Joaquin Delta and Yuba counties. They are also affiliated with the Northeastern CA Small Business Development Center (Northeastern SBDC) in Sacramento/Sierra counties.

Mr. Atkinson introduced Dan Ripke, Director of Center for Economic Development.

Mr. Rodriguez asked how long the company representative has been employed with Chico Research. Mr. Ripke said he began in 1988 at the Center for Economic Development and then the program that was established with the help of the Small Business Development Center, which was initiated in 2003. Mr. Rodriguez asked how many managers/entrepreneurs they have trained, educated and advised over that time. Mr. Ripke said annually, we touch and/or work with approximately 3,000 entrepreneurial business owners on a regular basis. So if you multiply that times roughly 11 years that we've been running the program, it's pretty extensive. The region that I cover is more the rural part of CA. There are 58 counties and I cover 23 of them. They are the more isolated, robust rural areas that include outlying counties from Stockton, to Lake, up to Siskiyou and then back over to Modoc. So it's a fairly extensive footprint that also encompasses the most rural, sparsely populated parts of the state. Mr. Rodriguez said I am familiar with the work.

Mr. Broad asked why Los Rios severed the relationship. Mr. Ripke said the Small Business Development Center program, which is a federal program, is organized in such a way that there is typically a lead center. My office is the SBDC lead center and we work with a series

of sub-centers or host institutions to deliver our services. The services are business training and business counseling. We had a contractual relationship with Shasta College, Butte College, Yuba College, Los Rios Community College and San Joaquin Delta College. However, at any point in time, the host institutions can choose to withdraw from the program for a variety of reasons. For example earlier this year, Shasta College decided they wanted to get more into curriculum development for entrepreneurship, and away from working with the actual small businesses themselves, so they withdrew from the program in May. Los Rios did the same; they withdrew from the SBDC program on September 30. Our job as stewards as a lead center, is to find a new host organization, so we go through a full RFP process which we did in the greater Sacramento area. It's a large footprint that extends from Lake through Yolo down through Sacramento County and then we had to split the regions. Everything this side of Hwy 49 is considered the greater Sacramento region and so the Sacramento Chamber is now the new host, taking responsibility where the Los Rios Community College footprint is. I have a great deal of respect for the reporting requirements, because I've managed a lot of federal programs; I also know that ETP has some stringent reporting requirements. We are keeping the management of the training and the deployment of the training for this ETP program at my office, the lead center in Chico. That is part of the reason why when we look at the dollar value of this proposal, it is fairly small. I know it takes time to get the processes into place, and so in working with the developer, I want to make sure that we launch what we described as a pilot program to get these ETP funds integrated with the SBDC program. It should go very well; and then we can start to ramp-up and do the program more effectively.

Mr. Broad said I wanted to make sure that the relationship wasn't severed because there was something worrisome; rather, they just wanted to go in a different direction. Mr. Ripke said it's my job to make sure everything is on the up-and-up, and so far, we've been lucky over the years and have not had any issues.

Ms. Roberts said with the small dollar amount of this proposal, maybe it could be included under the Delegation Order next time. Mr. Broad said yes, I believe it could have; but I asked the question and the issue was can MEC's be included under Delegation Order. The answer is yes, if the dollar amount is low enough and it qualifies; so yes, this could have been.

**ACTION:** Ms. Roberts moved and Ms. Bell seconded approval of the Proposal for Chico Research in the amount of \$55,782.

Motion carried, 7 – 0.

## **AB 118 Proposals**

### **Applied Materials**

The Tab #17 Applied Materials AB 118 Proposal was presented and approved out-of-order earlier in the meeting, in the amount of \$598,500.

### **Simbol, Inc.**

The Simbol, Inc. Proposal, Tab #18, was withdrawn from consideration.

## **X. PUBLIC COMMENTS**

Diane Ravnik, Division of Apprenticeship Standards, said I wanted to bring to the Panel's attention, something that we may want to bring back to you. It's coming up shortly, a national training grant from the Department of Labor. The American Apprenticeship grants, it's about \$100M, and represents the largest expenditure of training funds for apprenticeship ever, I believe. It follows up on almost a year of increased, very positive attention to apprenticeship. I mention it, because we are hoping to get a good chunk of those monies in CA. We are awaiting the RFP to come out any day now, but one of the things I've been hearing a great deal about is partnerships. So, I raise this because in apprenticeship we have our traditional partners, management, labor and our educational partners; but the consensus with this, and on CWA's efforts with the reauthorization of WIA to WIOA, all highlights apprenticeship a great deal. I think there is an effort nationally, and I think we've been working on it here in CA, for much better coordination and collaboration in the variety of workforce investment efforts that we all do on behalf of the state and local WIBs, ETP, GO-Biz, and I think this grant proposal will certainly be encouraging that. I mention it simply to say that we hope that in the months ahead, we will bring you more information, and potentially applicants for the federal grants will be coming as well. I know of two here in CA that are large groups that will be applying for those funds, and they are in areas that I think this Panel has highlighted. The source of the funds is H-1B visa, so they are looking at three industries in particular: manufacturing, healthcare and IT. There is a large consortium of our manufacturing of apprenticeship programs that will be making an application, as well as SEIU International for a healthcare proposal for the federal funds. It will highlight and include a group of employers and SEIU represented employers here in CA. I wanted to bring that to your attention and ask you to give that some thought, and we will come back subsequently with some information on that and perhaps some requests on how we might partner, to take advantage of those funds and leverage them.

Marty Peterson said Mr. Broad had mentioned something previously about, between our contract and the other contract that Saisoft was working on. I believe I answered your question, but I want to be sure. Was your question, were people getting trained under both agreements at the same time? Mr. Broad said yes; or subsequently in receiving similar training. Mr. Peterson said, to my knowledge it was happening that they were getting trained in one, then closed-out, and supposed to be in a 90-day retention period before they could be covered by any other contract. I am aware that there were people being trained under one, finishing their training, going through their 90-day retention period and then being picked up in the other and they got more training there. To my knowledge, it was not being done at the same time. Mr. Broad said to my knowledge, I don't know that is unlawful; the problem is that you are supposed to find out how you are training someone when you make the application for the funding. It kind of sounds like you are doubling up; I'm talking about the you being Saisoft. If you go to one of the Chambers you are dealing with, not you but Saisoft, and you say I'm going to train Joe Smith in this model and I'm going to apply for this funding for ETP and they will approve that funding. Knowing this, it then goes to the next guy, which is you; and you make an application to train the same employee in the next area. Because what it's doing is, it is denying us the ability to control how much we are spending on training for that employee. To my knowledge, nobody else does that and maybe we don't have a rule against it because we didn't know it was going on, but it shouldn't be happening any more than it



would be appropriate for a company to come to us somehow through a MEC and then come through a different MEC a week and a half later. Train their employees on one topic and then train their employees on the next topic; and we are getting an application saying we are spending \$50,000; and then we are getting another one saying \$50,000; we are not getting one saying it's \$100,000, which is what it really is.

My concern is that honestly, I got the feeling that you may not be getting the entire story told to you or the other Orange Chamber, and it's kind of a manipulated environment. Mr. Peterson said I probably would have never been aware of this if it weren't for the fact that in that 90-day retention period, we had an issue where some people got enrolled too early in the other one, and so we even paid back some money for that. But that's where I became aware of it, but I know that it was being checked out in our audits, and it was coming up and it went through. So I'm guessing it's not against the rules, but maybe it's not right and the rules need to be changed. Mr. Broad said well, that may be; and we are going to have that conversation. I want you to know that I'm concerned that you are the victim and not the perpetrator here. It's been my experience that when people take entrepreneurial risk, based on seeing how close you can get to the edge of the rule, that they shouldn't be offended when the push-back comes and say I'm so surprised that when I got close to the flame my jacket lit on fire. They shouldn't be surprised if they take that entrepreneurial risk and that's how they make money. They shouldn't be surprised, if they get called out for it and that may be what is happening here. I would ask you to not be passive, to look into this very actively, and have a very serious conversation. Mr. Peterson said, I would be all for it if the rule were changed, to come out and say we can't do this. Mr. Broad said and maybe we need to do that, that is what our staff is going to research in the next month, and we will return next month and hopefully resolve this matter.

## **XI. MEETING ADJOURNMENT**

ACTION: Ms. Roberts moved and Mr. Rendon seconded meeting adjournment at 12:17 p.m.

Motion carried, 7 – 0.

## 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 \$425,000 (no variations).

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 \$650,000.

### *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.



## RETRAINEE - JOB CREATION

### Training Proposal for:

**Auto Center Auto Body, Inc. dba Fix Auto**

**Agreement Number: ET15-0360**

**Panel Meeting of:** January 22, 2015

**ETP Regional Office:** San Diego

**Analyst:** S. Godin

### PROJECT PROFILE

Contract Attributes:	Job Creation Initiative HUA SET	Industry Sector(s):	Services  Priority Industry: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Counties Served:	Orange, Riverside, 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: 182	U.S.: 182	Worldwide: 182
<u>Turnover Rate:</u>	10%		
<u>Managers/Supervisors:</u> (% of total trainees)	N/A		

### FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$118,925		\$0	\$0		\$118,925

In-Kind Contribution:	100% of Total ETP Funding Required	\$167,920
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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, Commercial Skills, Computer Skills, Cont. Imp., HazMat, PL-Commercial Skills	77	8-200	0	\$825	*\$27.09
				Weighted Avg: 55			
2	Retrainee HUA SET	Business Skills, Commercial Skills, Computer Skills, Cont. Imp., HazMat, PL-Commercial Skills	12	8-200	0	\$825	*\$14.90
				Weighted Avg: 55			
3	Retrainee Job Creation SET	Business Skills, Commercial Skills, Computer Skills, Cont. Imp., HazMat, PL-Commercial Skills	35	8-200	0	\$1,300	*\$12.19
				Weighted Avg: 65			

\*This proposal was scheduled to be heard in December. Staff recommends "grandfathering" the CY 2014 wages to ensure there is no detriment caused by the cancellation of December's meeting where, as here, some occupations would not meet CY 2015 wages.

**Minimum Wage by County:** Job Number 1(SET): \$27.09; Job Number 2(SET/HUA): \$14.90 for Riverside County

**Job Number 3(Job Creation):** \$13.32 for Orange County; and \$12.19 for Riverside & 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

Employer-paid health benefits of up to \$2.05 per hour may be used to meet the Post-retention wage in Job Numbers 1-3.

**Other Compensation:** In Job Number 1, the occupational titles of Technician, Mechanic, Estimator and Lead Painter earn commission. Estimators also receive bonuses.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
<b>Job Number 1 – SET</b>		
Technician/Mechanic		40
Estimator		12
Lead Painter		7

Administrative/Support Staff		9
Parts/Production		2
Frontline Manager		7
<b>Job Number 2 – SET/HUA</b>		
Technician, Painter		6
Estimator		1
Administrative/Support Staff		2
Detailers/Porters		1
Parts/Production		2
<b>Job Number 3 – JOB CREATION</b>		
Technician, Painter		15
Estimator		6
Administrative/Support Staff		4
Detailers/Porters		6
Parts/Production		4

## **INTRODUCTION**

Established in 1984, Auto Center Auto Body, Inc. dba Fix Auto (ACAB) (<http://www.fixauto.com/en/public/index.sn>) specializes in automotive collision and repair, including the sales of associated parts and accessories associated with such repairs. Headquartered in Yorba Linda, ACAB currently maintains eight facilities in Southern California, located in Orange (5); Riverside (1); and San Bernardino (2) counties. Two additional facilities are scheduled to open in Southern California during 2015 - 2016. The Company currently employs 182 full time workers. All locations are included in the proposed training.

## **PROJECT DETAILS**

ACAB reports that its need for training is driven by its strategic plan to increase revenues and raise worker efficiency levels; and provide a higher level of customer satisfaction at competitive prices. To meet this goal, the Company must update employee product knowledge and technical skill sets, and implement standard operating procedures and process improvements at all ACAB facilities.

Increased consumer demand for vehicles made from lighter metals and recent technological advances in alternative fuel systems has changed the way auto body repairs are done and how costs are estimated. Technicians must be able to work with these metals and understand how body repairs differ based on the metal composition of the vehicle. Key training areas include automobile repairs that utilize metals such as Boron and ultra-high strength steels and composites, as well as damage assessment for newer technology vehicles. Technicians will also receive technical training needed to meet standards established by the Inter-Industry Conference on Auto Collision Repair (I-CAR), Automotive Service Excellence, and Original Equipment Manufacturer credentials required by most insurers and vehicle manufacturers.

ACAB currently participates in Direct Repair Programs (DRP) as a preferred provider with State Farm, AllState, USAA, Farmers, Mercury, Liberty Mutual, Esurance, CCSAA and Auto Club automotive insurance carriers. Participating in a DRP provides a streamlined efficient process for ACAB, the insurance carrier and the customer. Preferred provider status allows ACAB to act on behalf of the insurance carrier, which eliminates the need for the adjuster to make a trip to

the body shop and write an estimate. In addition, the Company does not have to wait for repair approval. DRP participation removes unnecessary steps, reduces cycle time and contains costs.

Each insurance carrier has specific repair guidelines. Estimators and Technicians must have the product knowledge and technical skills to complete estimates and repairs per carrier's specific criteria to maintain DRP status. The majority of insurance carriers also require yearly technical skills upgrade training and recertification of DRP Technicians, Estimators and Administrative Support Staff. Although the training extent varies by carrier, most insurers require Technicians and Estimators to complete a minimum 40 hours of industry-specific training each year on the latest repair technology.

Training on various software program revisions used by ACAB and updates to each DRP insurance carrier's software will enable employees to navigate the various system components used for estimating, job costing, production planning and customer communication. Estimators and Administrative Support Staff will also receive training on the latest updates to the proprietary software used by each insurance carrier.

### **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.

ACAB states that it experienced a 5% revenue increase for the period of 1/1/14 - 9/30/14, and its employee count grew from 136 to 182 during the same time-period. Based on its expansion plans to open two additional auto body service centers and positive sales volume forecasts, ACAB predicts a 10% - 30% increase in overall business growth for the next two years. As such, the Company will increase its full time workforce (net increase) by hiring at least 40 net new employees during the term of the proposed Agreement, of which 35 are included in this Agreement. Twenty workers (10 Technicians, 4 Support Staff, 4 Estimators and 2 Parts/Production personnel) will be hired to staff the new locations. The remaining 15 job creation trainees (6 Technicians, 4 Estimators and 5 Support/Parts Staff) will be placed at existing locations to meet increased production and customer service demands. The new workers will require extensive training to develop the requisite skills needed facilitate projected growth.

Trainees must be hired within the four-month period prior to Panel approval or during the term of the Agreement. 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 rate. [Note: The usual date-of-hire "window period" for this program is three months. In this case, because the proposal was held over due to cancellation of the Panel meeting in December 2014, and the Company has already started hiring, staff recommends extending this period by one additional month.]The Company also represents that these trainees will be hired into "net new jobs" as a condition of contract.

### **Training Plan**

ETP funding will allow ACAB to provide formal structured training to upgrade the skills of its incumbent and newly hired workers. Training will also promote the professional development of its team members to support sustained, profitable sales growth at its repair facilities.

**Business Skills (25%)** – Training will be offered to all occupations and focus on internal and external customer relationship building, negotiation skills and presentation/communication skills. This training will also provide workers with industry-specific claims processing techniques and customer service and engagement skills.

**Commercial Skills (20%)** – Training will be offered to Technicians, Estimators, Production/Parts Staff, Painters, Detailers/Porters and select Frontline Managers. Training will cover automotive service and repair skills, new vehicle technologies, aluminum and hybrid repair, alternative fuel vehicle maintenance, and extended I-CAR credentials for collision centers. This training will also teach Estimators how to accurately estimate damage and create repair plans for Technicians.

**Computer Skills (20%)** – Training will be offered to all occupations in the Company's software systems used to track costs and production flow, schedule service, and connect with customers and insurance carriers.

**Continuous Improvement (15%)** – Training will be offered to all occupations. This training is designed to promote teamwork throughout the organization, streamline processes, and improve quality, cycle time, and cost efficiency.

**Hazardous Materials (5%)** – This training will be offered to Technicians, Detailers, Painters, and Parts Staff on the safe handling and disposal of hazardous materials.

### **Productive Lab (15%) – Commercial Skills**

Under the Panel's Productive Lab (PL) guidelines, trainees may produce goods or perform services for profit as part of the training in the courses identified under the Curriculum. The training will be provided by in-house subject matter experts (leads, supervisors and managers) who are exclusively dedicated to instruction for the entire reported training time.

Many employees enter the automotive collision repair industry lacking requisite "hands-on" technical skills to perform tasks at an optimal level. Due to the nature of vehicle collision repair, it is essential that certain elements of the proposed training take place in a PL setting to ensure that workers reach required proficiency levels. PL tasks, competencies and the estimated minutes/hours needed to achieve proficiency for each process/piece of equipment in the PL curriculum have been developed and are included as part of the proposed training plan.

PL training will compliment class/lab training modules listed in the curriculum. PL training will involve the use of resistance spot welders, metal inert gas welders, frame rack and measuring system, paint spray guns, paint spray booths, and various hand tools.

Training assignments will include collision repair and painting, welding of structural parts, measuring frames and uni-body structures, aluminum repair, mechanical components, uni-body alignment, and advanced vehicle diagnosis and repair. Trainers will certify trainees once competent. At the conclusion of PL, trainees will be skilled in the various vehicle repair technologies and able to meet minimum productivity standards.

Approximately 50 Technicians/Mechanics, Painters and Estimators will receive up to 15 hours of PL Commercial Skills. Most of the PL training will have a trainer-to trainee ratio of 1:1; however, some repair processes will be performed in teams. For instance, in the PL Body Filler Methods process, a team of three will be stationed around a full-size vehicle. Each trainee will repair a medium-sized dent on one of the vehicle's steel panels. The trainer is able to give instruction, observe, correct, and provide real time feedback while the team of three simultaneously repairs the vehicle.



ETP staff reviewed the tasks and competencies associated with the PL training, and the details support the Company's expressed business needs for training.

### **Frontline Worker**

ACAB is requesting to include seven Frontline Managers who supervise and work in conjunction with Estimators, Technicians and Production Staff. These Managers spend more than 50% of their time performing frontline work. Therefore, based on the nature and scope of their job duties, these trainees meet the Panel's definition of frontline workers and qualify for SET funding.

### **Special Employment Training/High Unemployment Area**

Under Special Employment Training (SET), companies are not required to demonstrate out-of-state competition. These funds are designated for frontline workers only. To qualify under SET, trainees must be earning at least the statewide average hourly wage at the end of the retention.

The twelve trainees in Job Number 2 work at the Corona facility, located in a Riverside County, a designated High Unemployment Area (HUA) with unemployment exceeding the state average by at least 25%. These HUA trainees qualify for the 2014 ETP Minimum Wage of \$14.90 for Riverside County rather than the statewide average hourly wage of \$27.09. ACAB has requested this wage modification.

### **Commission and Bonuses**

ACAB has both a formal Commission and Bonus Plan. Commissions are calculated and paid twice monthly. Bonuses are calculated and paid monthly. ACAB requests to use commissions and bonuses to meet the post retention wage of \$27.09 for Job Number 1 trainees.

Per Title 22, CCR, Section 4418(b): *"The Panel may use commission earnings to determine a trainee's hourly wage, if there is a reliable history of commission payment by the employer and if actual payment can be verified. As used herein, "commission" means a percentage or proportion of the sale price, for services rendered in the sale of goods or services, paid to employees whose principal job duty is sales."*

Per Section 4418(c): *"The Panel may include bonuses in determining a trainee's hourly wage, if there is a reliable history of bonus payment by the employer and if actual payment can be verified. Bonuses are paid in addition to any other compensation and are normally paid to reward extraordinary work or induce continued employment."* Bonuses may be used to meet the ETP minimum wage requirement if: (1) the employee's base wage is at least the State minimum wage; (2) criteria for earning bonuses is documented; and bonuses are a normal recurring part of an employee's compensation.

ACAB requests to use commission to meet the Post-Retention wage of \$27.09 for the occupational titles of Technician, Mechanic, Estimator and Lead Painters in Job Number 1. Commission for these occupations is based on a percentage of services rendered and sold as well as company profits.

Technicians/Mechanics - Technicians and Mechanics receive a variable commission based on a percentage of ACAB's labor rate, number and type of cars receiving service, the level of employee expertise plus years of service. Monthly commission for the 40 Technicians/Mechanics in Job Number 1 for the last nine consecutive months (1/1/14 – 9/30/14) were at least \$7.04 per hour.

Lead Painters - Earnings of Lead Painters are 100% commission based. Commissions for this occupation are calculated monthly based on the number of cars being painted, additional services sold (i.e.: extra paint coats, premium paint, clear protective coat, etc.), the expertise of the painter (quality of work plus employee's years of service), and company profits. Wages for the last 9 consecutive months (1/1/14 – 9/30/14) for the seven Job Number 1 Lead Painters showed year-to-date earnings ranging from \$75,247 to \$131,850 for an average overall hourly amount of \$62.27 per hour for the above time period.

Estimators – Trainees earn both monthly commission and bonuses. Commissions for this occupation are calculated based upon negotiated vehicle repair costs and company profits. ACAB reports that commissions were at least \$6.98 per hour for the last nine consecutive months (1/1/14 – 9/30/14). Estimators also earn monthly bonuses based on exceeding monthly performance benchmarks and providing a high level of customer satisfaction (rewarding extraordinary work). ACAB reports that monthly bonuses for this group were at least \$8.06 per hour for the last nine consecutive months (1/1/14 – 9/30/14).

### **Impact/Outcome**

ETP funding will substantially contribute to ACAB ability to increase revenues, raise efficiency levels, and provide a higher level of customer satisfaction. In addition, funding will be a primary financial catalyst for the Company to implement extensive training for newly hired and incumbent trainees needed to respond to changing technologies in the auto body repair industry.

### **Commitment to Training**

ACAB's annual training budget for its eight facilities is approximately \$150,000. Employee training includes basic new employee orientation, anti-harassment/violence in the workplace prevention, basic computer skills, ethics, safety and on-the-job training. This training will be provided at ACAB's expense during the term of the proposed agreement and beyond.

ETP funds will allow ACAB to launch system-wide initiatives, train more employees in a formal, structured manner, and provide staff with skill sets necessary to improve customer service and implement process improvements. ACAB certifies 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

ACAB will contract with an administrative subcontractor to assist with ETP project administration and record keeping duties. In addition, ACAB will appoint a designated staff member at each facility to collect training rosters and submit them to ACAB's contract representative.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

### **DEVELOPMENT SERVICES**

Synergy Management Consultants, LLC (Synergy) in Grass Valley assisted with development for \$7,000.

**ADMINISTRATIVE SERVICES**

Synergy 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**

- Customer Care Skills:
  - Customer Retention
  - Customer Engagement
  - Customer Relationship Building
- Advanced Sales & Marketing Skills:
  - Suspecting, Prospecting & Closing
  - Sales Account Management
  - Advanced Closing Techniques
  - Sales Procedures & Strategies
- Negotiation Skills
- Conflict Resolution
- Communication Skills
- Presentation Skills

**COMMERCIAL SKILLS**

- I-CAR Collision Repair Certification Skills
- Refinishing Skills:
  - Trim & Hardware
  - Surface Preparation
  - Vehicle Priming/Sealing
  - Paint Spray Guns Maintenance & Set-Up
  - Corrosion Protection Process
  - Sand, Buff & Detail
  - Color Theory & Tints
  - Blending Techniques
  - New Technologies
- Structural Repair:
  - Unibody Alignment
  - Three Dimensional Measuring
  - Repair & Replacement of Outer Body Panels
  - High Strength Steels
  - Aluminum Repair Processes
  - MIG Welding Skills
  - Straightening Structural Damage
  - Glass Replacement
  - Pillars, Rocker Panels, Rails, Front Structures & Floor Pan Replacement
  - Heating Cooling and AC Systems
  - Steering & Suspension Systems
  - Advanced & Hybrid Vehicle Systems
  - Composite materials & Bonding Techniques

- Non-Structural Vehicle Repair Skills:
  - Remove & Install Trim & Hardware
  - Adhesive Bonding
  - Diagnose Wind Noise & Water Leaks
  - Aluminum Cosmetic Damage
  - Spot Welding
  - Composite Repair
- Estimating Skills:
  - Steering & Suspension System Damage Analysis
  - Damage on Non-Drivable Vehicles
  - Flood & Fire Damage Analysis
  - Damage on Non-Drivable Vehicles
  - Electrical/Mechanical Systems
  - Stationary Glass
  - Advanced Materials
  - Advanced Vehicle Systems
  - Hail, Theft & Vandalism Damage
- Vehicle Operation, Maintenance & Troubleshooting
- Alternative Fuel & Hybrid Vehicle Repair Diagnostics
- Service Procedures & Scheduling
- Product Knowledge
- OEM Knowledge/Skills

### **COMPUTER SKILLS**

- CCCOne Software:
  - Job Costing
  - Production Flow
  - Production Planning - ETA Times & Dates
  - Internal & External Customer Communication
- Michell & Michell Repair Center Software
- Nugen IT
- Audatex Software
- CCC Info Systems Software
- Alldata Software
- Advanced Microsoft Office Suite

### **CONTINUOUS IMPROVEMENT**

- Teambuilding
- Root Cause Analysis
- Kaizen Event Strategy & Implementation
- Lean Concepts
- Standard Operating Procedures
- Leadership Skills for Frontline Workers
- Process/Quality Improvement
- Problem Solving/Decision Making Skills
- Inventory Control

**HAZARDOUS MATERIALS**

- Completing Material Safety Data Sheets
- Volatile Organic Compound Tracking
- Emergency Clean-Up
- Registration, Evaluation, Authorization & Restriction of Chemical Substances

**PRODUCTIVE LAB**

0-15

**COMMERCIAL SKILLS (Ratio 1:3)**

- Body Filler Methods
- Structural Resistance Spot Welding
- MIG Brazing Techniques
- Color Tinting
- Spraying Blending Techniques
- Measuring Vehicle Structures
- Alignment Process for Unitized Vehicles

Safety Training will be limited to 10% of total training hours per-trainee

Note: Reimbursement for retraining is capped at 200 total hours per-trainee, regardless of method of delivery.
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## RETRAINEE - JOB CREATION

### Training Proposal for:

**Chaya Centers, Inc. dba Greenridge Senior Care**

**Agreement Number: ET15-0344**

**Panel Meeting of:** January 22, 2015

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

**Analyst:** L. Lai

### PROJECT PROFILE

Contract Attributes:	Job Creation Initiative Medical Skills Training Retrainee SET Priority Rate	Industry Sector(s):	Healthcare  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Alameda and Contra Costa	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: 137	U.S.:137	Worldwide: 137
<u>Turnover Rate:</u>	27%	See Project Details Section	
<u>Managers/Supervisors:</u> (% of total trainees)	N/A		

### FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$115,068		\$0	\$0		\$115,068

In-Kind Contribution:	100% of Total ETP Funding Required	\$171,292
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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 Priority Rate Medical Skills Training	MS Didactic, MS Preceptor, Computer Skills, Cont. Improv.	38	8-200	-0-	\$1,386	\$20.32*
				Weighted Avg: 77			
2	Retrainee SET Priority Rate Job Creation Initiative Medical Skills Training	MS Didactic, MS Preceptor, Computer Skills, Cont. Improv.	48	8-200	-0-	\$1,300	\$13.55*
				Weighted Avg: 65			

\*This proposal was scheduled to be heard in December. Staff recommends "grandfathering" the CY 2014 wages to ensure there is no detriment caused by the cancellation of December's meeting where, as here, some occupations would not meet CY 2015 wages.

**Minimum Wage by County:**

Job Number 1 (SET Priority Industry): \$20.32 per hour.

Job Number 2 (Job Creation): \$13.55 per hour for Alameda and Contra Costa 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 \$2.00 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>		
Registered Nurse (RN)		19
Licensed Vocational Nurse (LVN)		11
Medical Records Technician		4
Social Services Worker		4
<b>Job Number 2</b>		
Registered Nurse (RN)		18
Licensed Vocational Nurse (LVN)		14
Certified Nursing Assistant (CNA)		10
Medical Records Technician		2
Social Services Worker		2
Minimum Data Set Coordinator		2



## **INTRODUCTION**

Chaya Centers, Inc. dba Greenridge Senior Care (Chaya), located in El Sobrante, will be the lead employer in this proposal along with Hillside Senior Care is located in Fremont. These facilities are owned by the same owner; however, they are separate entities. Both are certified by Medicare and Medi-Cal to provide skilled nursing care services. The facilities provide long- and short-term nursing services, restorative nursing, rehabilitation services, activities programs, and social services.

## **PROJECT DETAILS**

Due to an aging population which raises patient acuity and new requirements under the Affordable Care Act, the Companies are experiencing changes in its operations and services. In the past, patients would remain in the hospital following surgery or other acute care. Today, patients are turning to skilled nursing facilities for multi-faceted post-acute care. This has increased patient volume.

Chaya must train its staff to provide new or advanced care services; implement system-wide software upgrades including Electronic Medical Records and International Classification of Diseases-10 (ICD 10); and develop Quality Assurance and Performance Improvement programs. The goals of training are to increase patient satisfaction scores; reduce or eliminate re-admissions; improve staff knowledge of advanced technologies; and increase the compliance and accuracy of all patient care documentation.

### **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.

Between the two facilities, the patient volume growth has averaged 16.5% annually. Both plan to hire additional staff to support an increasing patient census, unit expansions, and an overall strategic plan for new programs and services. Currently, the two facilities are at 80% capacity and Job Creation trainees will be distributed between the two facilities.

The Companies are committed to hiring 48 frontline staff under Job Number 2 during the term of the Agreement. The Companies represent that the date-of-hire for all trainees in the Job Creation program will be within the four-month period before contract approval or within the term-of-contract. [Note: The usual date-of-hire "window period" for this program is three months. In this case, because the proposal was held over due to cancellation of the Panel meeting in December 2014, and the Company has already started hiring, staff recommends extending this period by one additional month.] The Companies also represent that these trainees will be hired into "net new jobs" as a condition of contract.

### **Training Plan**

#### **Medical Skills Training (70%)**

The Panel has established a "blended" reimbursement rate for nurse upgrade training, recognizing the higher cost of delivery for the Clinical Preceptor model.

Approximately 86 trainees including Registered Nurse (RN), Licensed Vocational Nurse (LVN), Certified Nursing Assistant (CNA), Minimum Data Set (MDS) Coordinator, and Social Service

Worker will participate in MS training. Trainees will utilize one or both didactic and clinical with preceptor training methodologies as it pertains to their job function.

Training will enable RN, LVN, and CNA trainees to improve their skillsets to identify patients' conditions and determine the best course of action in the patient's overall care. MDS Coordinators is an RN who conducts assessments of a patient's physical, medical, cognitive, psychosocial, and rehabilitative status. Training will equip the MDS Coordinators with the skills necessary to work directly with other licensed nurses and physicians to communicate assessment schedule and determine the proper plan of patient care. Social Services Workers will acquire knowledge of the causes and natural courses of diseases, understand the many different mental health problems and receive appropriate training to recognize behaviors, understand needs and barriers, communicate effectively, and provide appropriate services for patients.

Medical Skills training is reimbursed at a blended rate of \$22 per hour. This blended rate recognizes the higher cost of delivery for clinical training. It will apply to both the Didactic and Preceptor modes of delivery.

**Computer Skills (15%)** - Training will be offered to all trainees in the use of various medical software solutions. Training will encompass new ICD 10 coding and health records. Also, Intermediate and Advanced Microsoft Office training will be delivered to select trainees.

**Continuous Improvement (15%)** - Training will be offered to all occupations. Training topics will focus on performance and quality improvements. Training is necessary to improve documentation skills to foster quality and continuity of care and increase effective communication and problem solving abilities.

### **Commitment to Training**

The Companies spend up to \$55,000 annually each. Employee training includes basic skills updates, sexual harassment prevention, new hire classroom and preceptor-led training, safety training, fire codes, and mandated compliance training.

The Companies 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.

#### ➤ Training Infrastructure

An administrative subcontractor will assist the Companies with ETP project administration. In addition, each facility will have a designated staff member to oversee the training, coordinate training and resources, and collect and submit training rosters to the administrative subcontractor for data entry into the ETP systems.

### **Turnover Rate**

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 provides 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. (Title 22, CCR, Section 4417(a).)

The Companies are requesting a waiver to the turnover rate based on industry data. According to the American HealthCare Association (AHCA), the 2012 median turnover rate for all employees in America's skilled nursing care centers is 44%, an increase of almost 6% from 2011. The AHCA cites that the main cause of the high turnover is workers moving from skilled nursing facilities to hospitals (traditionally, hospitals pay high salaries). While industry turnover rates remain high, the Companies' average turnover has been trending downwards (32% for 2012, 25% for 2013, and 23% to date for 2014). The Companies also point to [workers moving from skilled nursing facilities] as a main factor of the high turnover (as high as 5%). Because the Companies' rates are lower than the industry average, staff recommends waiving the turnover penalty for Job Number 1. A turnover penalty will not be assessed for Job Number 2 consistent with Panel Guidelines for Retrainee – Job Creation.

### **Special Employment Training (SET)**

Under SET, an 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. However, for trainees employed in a priority industry, the Panel may modify the SET wage up to 25% below the statewide average hourly wage to \$20.32. Chaya requests this wage modification for trainees in Job Number 1 as needed to train entry-level healthcare workers in lower-wage occupations such as CNAs. The training will provide these workers with opportunities for promotion, wage increases, and long-term job security.

### **RECOMMENDATION**

Staff recommends approval of this proposal with the turnover rate waiver.

### **DEVELOPMENT SERVICES**

Chaya retained National Training Systems, Inc. (NTS) in Ladera Ranch to assist with development of this proposal for a flat fee of \$14,939.

### **ADMINISTRATIVE SERVICES**

Chaya also retained NTS to perform administrative services in connection with this proposal for an 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:

**MEDICAL SKILLS - DIDACTIC**

- Advanced Cardiac Life Support
- Basic Life Support
- Behavior Management
- Cardiac Conditions
- Change of Condition Management
- Dementia/Alzheimer's
- Diabetic Management
- End of Life Care
- Enteral Management
- Gastrointestinal System
- Incontinence Management
- Infection Control
- Interdisciplinary Team Process
- Intravenous Therapy
- Medication Administration Management
- Neurological Conditions
- Neurovascular System
- Pain Management (Acute and Chronic)
- Patient Assessment & Care
- Patient Fall Prevention
- Physical, Occupational, Speech Therapy
- Pro Act Training - Professional Assault Crisis Training and Certification (Pro Act)
- Psychotropic Medication Management
- Resident and Family Education
- Resident Emergency Response
- Residents with Special Needs
- Respiratory Care
- Restorative Nursing Program
- Restraint and Restraint Reduction
- Skeletal/Orthopedic Conditions
- Urinary Management
- Wound Management

**MEDICAL SKILLS - PRECEPTOR**

- **Inpatient Care Unit**
  - Assessing of Tube-Fed Individuals with Diabetes Mellitus
  - Assessing Patients Receiving Tube Feedings
  - Enteral Management
    - Bolus
    - Intermittent
    - Continuous
  - Cardiac Conditions
  - Clinical Skills Review

- Dementia/Alzheimer's
- Feeding Tube
  - Insertion
  - Site Care
  - Removal
- Gastrointestinal Conditions
- Incontinence Management
- Infection Control
- Intravenous Therapy
- Managing Patients with Neurovascular Conditions
- Medication Management
- Patient Assessment and Care
- Patient Safety
- Preventing and Identifying Complications Related to Tube Feedings
- Residents with Special Needs
- Respiratory Care
- Skeletal/Orthopedic Conditions
- Wound Management

**COMPUTER SKILLS**

- Electronic Medical Records Application Skills
- Electronic Tablet
- Office/Excel/Word/PowerPoint (Intermediate and Advanced)
- Patient Services Billing Software

**CONTINUOUS IMPROVEMENT**

- Clinical Services System Management
- Communication Skills
- Continuous Quality Improvement Workshop
- Culturally Appropriate Care
- Customer Service
- Documentation
- Incident/Accident Management
- Interdepartmental Collaboration
- Interdisciplinary Team
- Medical Records
- Mobility Skills
- Problem Analysis and Problem Solving
- Resident Centered Care
- Team Building

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:**  
**Conifer Revenue Cycle Solutions, LLC**  
**Agreement Number: ET15-0364**

**Panel Meeting of:** January 22, 2015

**ETP Regional Office:** San Diego

**Analyst:** S. Godin

**PROJECT PROFILE**

Contract Attributes:	Job Creation Initiative HUA SET	Industry Sector(s):	Services  Priority Industry: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Counties Served:	Orange, Los Angeles, Contra Costa, Riverside, San Luis Obispo, Stanislaus	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: 854	U.S.:12,000	Worldwide: 12,000
<u>Turnover Rate:</u>	8%		
<u>Managers/Supervisors:</u> (% of total trainees)	N/A		

**FUNDING DETAIL**

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$147,000		\$0	\$0		\$147,000

In-Kind Contribution:	100% of Total ETP Funding Required	\$223,146
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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, Commercial Skills, Computer Skills, Continuous Impr	200	8-200	0-100	\$450	\$27.09*
				Weighted Avg: 30			
2	Retrainee HUA SET	Business Skills, Commercial Skills, Computer Skills, Continuous Impr	20	8-200	0-100	\$450	\$14.90*
				Weighted Avg: 30			
3	Retrainee Job Creation SET	Business Skills, Commercial Skills, Computer Skills, Continuous Impr	40	8-200	0-100	\$1,200	\$12.19*
				Weighted Avg: 60			

**Minimum Wage by County:**

Job Number 1: (SET Frontline Worker) \$27.09/hr Statewide Average Hourly Wage

Job Number 2: (HUA/SET) \$14.90/hr in Riverside and Stanislaus Counties

Job Number 3: (Job Creation) \$13.32/hr in Orange County; \$13.37/hr in Los Angeles County; \$13.55/hr in Contra Costa County; and \$12.19/hr in Riverside and Stanislaus 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

Employer-paid health benefits of up to \$2.29 per hour may be used to meet the Post-Retention Wage in Job Numbers 1-3.

**Other Compensation: Bonuses (Job Number 1)** In addition to employer paid health benefits, employees earn monthly bonuses. Hourly bonus amounts of at least \$9.14 per hour may be used to meet the \$27.09 SET wage for the occupations of Claims Representatives, Payment Processing Staff and Patient Services Staff. Approximately 70 out of 125 trainees in the aforementioned occupations may use bonus pay, in addition to employer paid health benefits, to meet or exceed the ETP required minimum wage.

\*This proposal was scheduled to be heard in December. Staff recommends “grandfathering” the CY2014 wages to ensure there is no detriment caused by the cancellation of December’s meeting where, as here, some occupations would not meet CY2015 wages.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
<b>Job Number 1 – SET Frontline</b>		
Claims Representative, Payment Processing Staff		50
Information Technology (IT) Staff		10
Patient Services Staff		75
Support Staff		65
<b>Job Number 2 – SET / HUA</b>		
Claims Representative, Payment Processing Staff		5
Patient Services Staff		10
Support Staff		5

<b>Job Number 3 – SET / Job Creation</b>		
Claims Representative, Payment Processing Staff		5
Information Technology (IT) Staff		5
Patient Services Staff		15
Support Staff		15

## **INTRODUCTION**

Founded in 2008 and headquartered in Frisco, Texas, Conifer Revenue Cycle Solutions, LLC (Conifer) and its affiliate, Conifer Value Based Care (Conifer VBC) ([www.coniferhealth.com](http://www.coniferhealth.com)), provide comprehensive services to client hospitals and healthcare systems across the United States. Services range from patient pre-registration, patient access through billing, and collection processing of governmental, managed care, and self-pay claims through Revenue Cycle Solutions. Conifer will be the lead contractor in this proposal in conjunction with its affiliate, Conifer VBC. Conifer VBC offers clinical integration services to align hospitals and physicians, financial risk management, and client health management.

The Companies maintain locations throughout the United States, including two business support centers in Anaheim and Encino. They also station employees at 11 client hospitals located in Orange, Contra Costa, Los Angeles, San Luis Obispo, Riverside and Stanislaus Counties. ETP training will be for all California locations, including the employees at the 11 client hospitals. Conifer is eligible for Special Employment Training (SET) funding for frontline workers.

## **PROJECT DETAILS**

The Patient Protection and Affordable Care Act has resulted in increased paperwork required for each patient. Compliance with ever-changing regulations related to patient services has become more challenging. Internet technology related to electronic medical recordkeeping has become more complex. To meet its clients' changing needs, Conifer must stay current on changes effecting patient medical records and billing. It must also be able to navigate industry software revisions.

The need for workforce training is also being driven by a major revamping to the International Statistical Classification of Diseases and Related Health Problems (ICD), a coding of diseases and signs, symptoms, abnormal findings, complaints, social circumstances, and external causes of injury or diseases, as classified by the World Health Organization (WHO). This code set is used in all aspects of medical recordkeeping. The existing code set known as the ICD-9 is outdated (in place for 30 years). The new code set, ICD-10, includes thousands of new diagnoses and procedure codes which will enable greater specificity in service descriptions and must meet the increased level of detail needed to recognize advancements in medicine and technology. The ICD-10 allows for more accurate claim information which will result in more accurate and timely claims payment and coverage decisions. ICD-10 compliance must happen by October 1, 2015. It will require new and re-designed forms, processes, policies, communications, and software systems. This sweeping change throughout the medical records services industry will require a significant amount of training to successfully implement.

### **Retrainee – Job Creation**

To meet growing demands and industry changes, Conifer has increased the scope of its Claims and Patient Payment Resolution Services through the acquisition of accounts previously serviced by outside vendors. This action requires the hiring of employees in order to handle the increased workload.



Conifer also decided to expand its service offerings by creating a new Third Party Liability Department (TPL). This new department will be exclusively dedicated to conducting research and follow-up with patients to obtain third party auto and medical insurance information for the hospital and to ensure sufficient payment is received in a timely manner.

As a result of the business expansion described above, Conifer has committed to hiring 40 employees in all occupations (Job Number 3). The date-of-hire for all trainees will be within the four-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**

Computer-Based Training (CBT) will be provided to all occupations as a supplement to class/lab instruction, either as a prerequisite or as a follow-up to Class/Lab training to ensure trainee competency in subject matter. CBT is capped at 50% of the total training hours per trainee.

**Business Skills** (20%) – Training will be offered to all occupations. Training will provide the skill sets needed to provide improved and consistent customer service through improved communication skills, new customer service skills, finance/accounting skills, and negotiation skills.

**Commercial Skills** (35%) - Training will be provided to Claims Representatives and Payment Processing Staff, Patient Services Staff and Support Staff to ensure that frontline workers have an in- depth understanding of compliance and regulatory changes affecting medical records and billing and the requisite skills needed to support customers and expanding service offerings.

**Computer Skills** (30%) - Training will be offered to all occupations in the use of various medical software solutions. Training will encompass new ICD-10 coding and electronic health records management software. Select trainees will receive Intermediate and Advanced Microsoft Office.

**Continuous Improvement** (15%) - Training will be delivered to all occupations and will focus on performance and quality improvements. Training will provide frontline workers with skill sets in change management, leadership, and problem solving.

### **SET/HUA**

Under Special Employment Training (SET), companies are 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 retention.

The trainees in Job Number 2 work in High Unemployment Areas (Riverside and Stanislaus Counties), exceeding the state average by at least 25%. The Panel may qualify these trainees under the ETP Standard Minimum Wage rather than the Statewide Average Hourly Wage. Conifer is requesting this wage modification in order to reach 20 trainees who otherwise would not be reachable.

### **Wages: Use of Bonuses to Meet Required ETP Wages**

Conifer has requested to use bonuses to meet the Post-Retention wage of \$27.09 for approximately 70 trainees in the occupations of Patient Services Staff, Claims Representatives, and Payment Processing Staff for Job Number 1 only. Conifer represents that employees receive monthly bonuses in addition to salary or hourly pay as a normal recurring part of their compensation. Bonuses are paid to employees who exceed individual monthly performance benchmarks that support company specific goals. Conifer reports that wage information for the

last 12 consecutive months shows that these occupations earned an average of \$7.84 an hour in bonus pay, up to a maximum of \$33.66 an hour. Conifer also reports that trainees earning \$15.66 per hour (lowest hourly wage in Job Number 1) earned at least \$9.14 per hour in bonuses during the same time frame. With bonuses and employer paid health benefits, all ETP trainees will meet or exceed the required ETP SET wage of \$27.09 for Job Number 1.

### **Training Infrastructure/Electronic Recordkeeping**

Conifer's training department will work directly with Training Funding Partners to administer and develop the proposal. Conifer expects to start training within two weeks of Panel approval. All training will be managed by the Company's Anaheim facility. The Company will be using its LMS system to track/record the delivery of all ETP-funded training. ETP staff has approved the Company's use of its LMS.

### **Impact/Outcome**

ETP Funding will substantially contribute to Conifer's ability to provide comprehensive revenue cycle services to client hospitals and healthcare systems and to implement new technologies needed to remain competitive. In addition, funding will be a catalyst for the Company to implement extensive training for newly-hired and incumbent trainees needed to respond to the challenges of healthcare reform.

### **Commitment to Training**

Conifer states that its budget for training in California is approximately \$256,000 for 2015. Employee training includes basic new employee orientation, anti-harassment and violence in the workplace prevention, diversity, basic computer skills, ethics, safety training, job specific on-boarding, and expense report processing.

ETP funds will allow Conifer to roll-out system-wide initiatives and technologies and provide staff with skill sets necessary to implement new services and process improvements. 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.

### **RECOMMENDATION**

Staff recommends approval of this proposal with the wage modification for Job Number 2.

### **DEVELOPMENT SERVICES**

Conifer retained Training Funding Partners (TFP) in Fountain Valley to assist with development of this proposal for a flat fee of \$9,500.

### **ADMINISTRATIVE SERVICES**

Conifer also retained TFP 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/E-Learning Hours**

8-200 (Job Numbers 1-3)

Trainees may receive any of the following:

**BUSINESS SKILLS**

- Communication Skills
- Conflict Resolution
- Customer Service Skills
- Finance/Accounting Skills
- Negotiation Skills

**COMMERCIAL SKILLS**

- ICD-10/Coding Skills
- Medical Eligibility Skills
- Medicare Plans
- Patient Access/Billing/Payment Processing
- Insurance Plans

**COMPUTER SKILLS**

- Billing Systems Skills
- Conifer Proprietary Systems Skills
- EPIC Patient Accounting Systems Skills
- inContact Customer Call Center Management System
- Intermediate/Advanced Microsoft Office Skills
- MedAssets System Skills
- OnBase Enterprise Content Management System Skills
- OnDemand Electronic Document System

**CONTINUOUS IMPROVEMENT**

- Change Management Skills
- Leadership Skills
- Problem Solving/Troubleshooting
- Process Improvement Skills

**CBT Hours**

0-100

**BUSINESS SKILLS**

- Billing Compliance: Segment 1 (1.85 hours)
- Billing Compliance: Segment 2 (0.87 hours)
- Billing Compliance: Segment 3 (1.55 hours)
- Billing Compliance: Segment 4 (0.77 hours)
- Conifer - Introduction to Standardized Payor Methodology (0.67 hours)
- Conifer - Writing Effective Appeals Letters-rcd10256 (1.5 hours)
- Conifer Privacy and Security Awareness (2.18 hours)
- Conifer-Automated Collection Environment (ACE) -Eligibility-270/271 (1.25 hours)
- Conifer-Credit Balance Resolution Module 1 (1 hour)
- Conifer-Credit Balance Workflow Changes (0.58 hours)
- Conifer-Customer Value Management (CVM): Customer Care Center

(CCC) Rep View (1.17 hours)

- Conifer-CVM: CCC Rep View (1.17 hours)
- Conifer-Fair Debt Collection practices Act (FDCPA) Training Refresher (1 hour)
- Conifer-Insurance Basics (1.67 hours)
- Conifer-Medicare Fraud and Abuse 2014 (1.58 hours)
- Conifer-Patient Access Forms Compliance (0.5 hours)
- Conifer-WorkForce Management (WFM)-Agents (0.58 hours)
- Connecting Through Communication (1 hour)
- Improving Employee Engagement (1 hour)
- Overseeing Compliance with Conifer Precertification, Clinical Admission Reviews, Case Management and Clinical Appeals (0.68 hours)

### **COMMERCIAL SKILLS**

- Conifer - ACA Overview for MECS and Patient Access (0.75 hours)
- Conifer - Affordable Care Act (ACA) Overview for Medical Eligibility Counseling Specialists (MECS) and Patient Access (PA) (0.75 hours)
- Conifer - HIM (Health Information Management) at a Glance (0.78 hours)
- Conifer - MediCal Diagnosis Related Group (DRG) Conversion Training (1 hour)
- Conifer - MediCal DRG Conversion Training (1 hour)
- Conifer - Medicare Basics 2014 or 2015 (0.5 hours)
- Conifer- Emergency Medical Treatment and Labor Act (EMTALA) 101 (1.5 hours)
- Conifer- Quarterly Coding Quality Assurance Refresher Training (1 hour)
- Conifer-ACE-Eligibility-270/271 (1.25 hours)
- Conifer-Admission Source Codes (1 hour)
- Conifer-Automated Collection Environment (ACE) Action Result Code Training (1 hour)
- Conifer-Automated Collection Environment (ACE) -Claims-276/277 (1.25 hours)
- Conifer-Automated Electronic Defibrillator (AED) (0.67 hours)
- Conifer-Center for Patient Access Services (CPAS) at a Glance (0.5 hours)
- Conifer-Financial Clearance Activity Code Standardization (0.5 hours)
- Conifer-Managed Exchange Revenue Category (0.83 hours)
- Conifer-MedAssets KnowledgeSource - Code Correct Training Link (1.6 hours)
- Conifer-Medicare Basics 2015 (0.5 hours)
- Conifer-Medicare Eligibility via HETS (270/271 review) (0.92 hours)
- Conifer-Medicare Eligibility via HIPAA Eligibility Transaction System (HETS) - 270/271 review (0.92 hours)
- Conifer-Non-Staff Referring Physician Service (1.2 hours)
- Conifer-PA-Financial Clearance (1.5 hours)
- Conifer-PA-Regulatory Requirements (1 hour)
- Conifer-Patient Access (PA)-New Hire Training (NHT)-Pre-Courses-Curriculum (11.92 hours)
- Conifer-QuadraMed Customer Value Management (CVM) v5.6 for Non-Facility Users (0.5 hours)

- Conifer-Resolving Payer Refund Inquiries for Tenet (1.25 hours)
- Conifer-Revenue Reclass Revisions (0.5 hours)
- Conifer-WFM-Agents (0.58 hours)
- Conifer-WFM-Supervisors (0.75 hours)
- Digestive System Terminology (0.53 hours)
- ECG Lead Systems, Complications, and Nursing Interventions (1.23 hours)
- Emergencies of the Genitourinary System (1 hour)
- Function of the Autonomic Nervous System (0.9 hours)
- Sensitivity: Considerations and Issues with the Obese Patient (2 hours)
- Transplants, Overdose, and Burns (1.58 hours)
- Abdominal, Genitourinary (GU), Limb, and Vascular Injuries (1.17 hours)
- Age-Related Changes in the Gastrointestinal System and Selected Conditions (1.83 hours)
- Anatomy and Physiology of the Human Body (1.11 hour)
- Anatomy and Physiology of the Pulmonary System (1.1 hour)
- Anatomy and Physiology of the Vascular System (0.83 hours)
- Assessment and Diagnostic Tests for Acute Myocardial Infarction (0.85 hours)
- Cancer Rehabilitation (0.72 hours)
- Cardiac Cells and Tissues (0.93 hours)
- Cardiomyopathy (1.22 hours)
- Cardiovascular Alterations (1.15 hours)
- Care of the Anesthetized Patient (0.83 hours)
- Childhood and Less Common Cancers (0.67 hours)
- Confidential Medical and Financial Assistance (1.73 hours)
- Radiation and MRI Safety (0.75 hours)
- Radiology, Radiotherapy, and Nuclear Medicine Terminology (1.37 hours)
- ICD–10
  - GEMs: Reimbursement Mappings and Crosswalks (1.25 hours)
  - A Day In the Life of ICD-10 (1 hour)
  - Anatomy and Physiology of ICD-10-CM (0.5 hours)
  - Anatomy and Physiology of ICD-10-CM (CM=clinical modification) (0.5 hours)
  - Anatomy and Physiology of ICD-10-PCS (0.5 hours)
  - Anatomy and Physiology of ICD-10-PCS (PCS=procedure classification system) (0.5 hours)
  - Conifer-ICD-10-PCS Official Coding Guidelines 2014 (1.17 hours)
  - Conifer-ICD-10-Procedure Coding System (PCS) Official Coding Guidelines 2014 (1.17 hours)
  - ICD-10 and Blood and Blood Forming Organs and the Lymph System (1 hour)
  - ICD-10 and the Circulatory System (1 hour)
  - ICD-10 and the Delivery and Business of Healthcare (1 hour)
  - ICD-10 and the Digestive System (1 hour)
  - ICD-10 and the Ear and Mastoid (1 hour)
  - ICD-10 and the Endocrine System (1 hour)
  - ICD-10 and the Eye and Adnexa (1 hour)
  - ICD-10 and the Female Reproductive System (1 hour)

- ICD-10 and the Integumentary System (1 hour)
- ICD-10 and the Male Reproductive System (1 hour)
- ICD-10 and the Muscular System (1 hour)
- ICD-10 and the Nervous System (1 hour)
- ICD-10 and the Organization of the Human Body (1 hour)
- ICD-10 and the Physician (0.5 hours)
- ICD-10 and the Respiratory System (1 hour)
- ICD-10 and the Skeletal System (1 hour)
- ICD-10 and the Tissue Level of Organization (1 hour)
- ICD-10 and the Urinary System (1 hour)
- ICD-10 Virtual Coding Simulator - SDS - Virginia Miller (0.75 hours)
- ICD-10 Virtual Coding Simulator- ED- Donna Smith (0.75 hours)
- ICD-10 Virtual Coding Simulator- ED- Jessica Simpson (0.75 hours)
- ICD-10 Virtual Coding Simulator- ED- Mary Ortiz (0.75 hours)
- ICD-10 Virtual Coding Simulator- ED- Ricardo Moon (0.75 hours)
- ICD-10 Virtual Coding Simulator- ED- Robert Duke (0.75 hours)
- ICD-10 Virtual Coding Simulator- ED- Shelia Hamilton (0.75 hours)
- ICD-10 Virtual Coding Simulator- ED- Tom O'Hara (0.75 hours)
- ICD-10 Virtual Coding Simulator- Inpatient- Albert Clooney (0.75 hours)
- ICD-10 Virtual Coding Simulator- Inpatient- Brittney Taylor (0.75 hours)
- ICD-10 Virtual Coding Simulator- Inpatient- David McKenna (0.75 hours)
- ICD-10 Virtual Coding Simulator- Inpatient- Edna Riley (0.75 hours)
- ICD-10 Virtual Coding Simulator- Inpatient- Evan Harris (0.75 hours)
- ICD-10 Virtual Coding Simulator- Physician Office- Arthur Johnson (0.75 hours)
- ICD-10 Virtual Coding Simulator- Physician Office- Gary Thomas (0.75 hours)
- ICD-10 Virtual Coding Simulator- Physician Office- Jamal Abbasi (0.75 hours)
- ICD-10 Virtual Coding Simulator- Physician Office- James White (0.75 hours)
- ICD-10 Virtual Coding Simulator- Physician Office- Justin Block (0.75 hours)
- ICD-10 Virtual Coding Simulator- Physician Office- Maya Rizzo (0.75 hours)
- ICD-10 Virtual Coding Simulator- Physician Office- Tom Scott (0.75 hours)
- ICD-10 Virtual Coding Simulator- SDS- Alex Rodriguez (0.75 hours)
- ICD-10 Virtual Coding Simulator- SDS- Barbara Forbes (0.75 hours)
- ICD-10 Virtual Coding Simulator- SDS- Mark Rhodes (0.75 hours)
- ICD-10 Virtual Coding Simulator- SDS- Pat Cohen (0.75 hours)
- ICD-10 Virtual Coding Simulator- SDS- Renee Cantrell (0.75 hours)
- ICD-10 Virtual Coding Simulator- SDS- Vivian Anderson (0.75 hours)

- hours)
- ICD-10-CM Coding: Chapter 1: Infectious and Parasitic Diseases (1 hour)
- ICD-10-CM Coding: Chapter 10: Diseases of the Respiratory System (1 hour)
- ICD-10-CM Coding: Chapter 11: Diseases of the Digestive System (1.5 hours)
- ICD-10-CM Coding: Chapter 12: Diseases of the Skin and Subcutaneous Tissue (1 hour)
- ICD-10-CM Coding: Chapter 13: Diseases of the Musculoskeletal System and Connective Tissue (1.5 hours)
- ICD-10-CM Coding: Chapter 14: Diseases of the Genitourinary System (1 hour)
- ICD-10-CM Coding: Chapter 15: Pregnancy, Childbirth, and the Puerperium (1.5 hours)
- ICD-10-CM Coding: Chapter 16: Certain Conditions Originating in the Perinatal Period (1 hour)
- ICD-10-CM Coding: Chapter 17: Congenital Malformations, Deformations, and Chromosomal Abnormalities (1 hour)
- ICD-10-CM Coding: Chapter 18: Symptoms, Signs, and Abnormal Clinical and Laboratory Findings, Not elsewhere classified (1.5 hours)
- ICD-10-CM Coding: Chapter 19: Injury, Poisoning, and Certain and Other Consequences of External Causes (1.5 hours)
- ICD-10-CM Coding: Chapter 2: Neoplasms (1 hour)
- ICD-10-CM Coding: Chapter 20: External Causes of Morbidity (1 hour)
- ICD-10-CM Coding: Chapter 21: Factors Influencing Health Status and Contact with Health Services (1 hour)
- ICD-10-CM Coding: Chapter 3: Diseases of the Blood and Blood-forming organs and certain disorders involving the Immune Mechanism (1 hour)
- ICD-10-CM Coding: Chapter 4: Endocrine, Nutritional, and Metabolic Diseases (1.5 hours)
- ICD-10-CM Coding: Chapter 5: Mental and Behavioral Disorders (1 hour)
- ICD-10-CM Coding: Chapter 6: Diseases of the Nervous System (1.5 hours)
- ICD-10-CM Coding: Chapter 7: Diseases of the Eye and Adnexa (1.5 hours)
- ICD-10-CM Coding: Chapter 8: Diseases of the Ear and Mastoid Process (1 hour)
- ICD-10-CM Coding: Chapter 9: Diseases of the Cardiovascular System (1 hour)
- ICD-10-CM Coding: Chapter 9: Diseases of the Circulatory System (1 hour)
- ICD-10-CM: Introduction to the ICD-10 Classification System (0.5 hours)
- ICD-10-CM: Introduction to the ICD-10-CM Code Book - Using The Book (1 hour)
- ICD-10-CM: Introduction to the ICD-10-CM Code Book: The Conventions (1 hour)
- ICD-10-CM: Introduction to the ICD-10-CM Guidelines: Outpatient Coding Guidelines (1 hour)

- ICD-10-CM: Introduction to the ICD-10-CM Guidelines: Principal Diagnosis and Additional Diagnoses (1 hour)
- ICD-10-CM: Introduction to the ICD-10-CM Guidelines: The General Coding Guidelines (1 hour)
- ICD-10-PCS Coding: Detailed Overview of PCS (1 hour)
- ICD-10-PCS Coding: Fundamentals of Assigning Codes in the Ancillary Sections (1 hour)
- ICD-10-PCS Coding: Fundamentals of Body Systems and Body Parts (1 hour)
- ICD-10-PCS Coding: Medical and Surgical Approaches (0.5 hours)
- ICD-10-PCS Coding: Medical and Surgical Devices (0.5 hours)
- ICD-10-PCS Coding: Medical and Surgical Qualifiers (0.5 hours)
- ICD-10-PCS Coding: Medical and Surgical Root Operations Groups 1 to 3 (1.5 hours)
- ICD-10-PCS Coding: Medical and Surgical Root Operations Groups 4 to 8 (1.5 hours)
- ICD-10-PCS Coding: Medical and Surgical-Related Devices, Equipment, and Substances (1 hour)
- ICD-10-PCS Coding: Other Values in the Medical and Surgical-Related Section (0.5 hours)
- ICD-10-PCS Coding: Overview of the Ancillary Section (1 hour)
- ICD-10-PCS Coding: Overview of the Medical and Surgical Section (1 hour)
- ICD-10-PCS Coding: Overview of the Medical and Surgical-Related Section (1 hour)
- ICD-10-PCS Coding: The Fundamentals of Assigning ICD-10-PCS Codes (1 hour)
- ICD-10-PCS Coding: The Root Operations of the Medical and Surgical-Related Section (1.5 hours)
- ICD-10-PCS Coding: The Section Value of the Medical and Surgical-Related Section (1 hour)
- Documenting in ICD-10 -CM (0.5 hours)
- Documenting in ICD-10 -PCS (0.5 hours)
- Language of ICD-10: Specificity and Granularity (1 hour)
- Medical Terminology of ICD-10-CM (1 hour)
- Prologue to ICD-10-CM for Coders (1 hour)
- Prologue to ICD-10-CM for Non-Coders (1 hour)
- Prologue to ICD-10-PCS for Coders (1 hour)
- Prologue to ICD-10-PCS for Non-Coders (1 hour)
- Using the Code Book for Non-Coders (1 hour)

### **COMPUTER SKILLS**

- Conifer-Customer Value Management (CVM): Online Patient Portal (1.17 hours)
- Conifer-CVM: Online Patient Portal (1.17 hours)
- Conifer-WorkForce Management (WFM)-Supervisors (0.75 hours)
- Microsoft Advanced Level Excel 2003: All About Auto Filter - rcd11334 (0.53 hours)
- Microsoft Advanced Level Excel 2003: Charts III-Create a Professional Looking Chart - rcd11335 (0.7 hours)
- Microsoft Advanced Level Excel 2003: Excel Statistical Functions (0.87 hours)



- Microsoft Advanced Level Excel 2003: Find Functions and Enter Arguments (0.87 hours)
- Microsoft Advanced Level Excel 2003: Get in the Loop with Excel Macros (0.87 hours)
- Microsoft Advanced Level Excel 2003: Help Secure and Protect Data in Excel (0.7 hours)
- Microsoft Advanced Level Excel 2003: Import Data-Import Text Files into Excel (0.53 hours)
- Microsoft Advanced Level Excel 2003: PivotTable I (0.53 hours)
- Microsoft Advanced Level Excel 2003: PivotTable III (0.87 hours)
- Microsoft Advanced Level Excel 2007: PivotTable I-Get Started with PivotTable Reports in Excel 2007 (0.87 hours)
- Microsoft Advanced Level Excel 2007: PivotTable II-Filter PivotTable Report Data in Excel 2007 (0.53 hours)
- Microsoft Advanced Level Excel 2007: PivotTable III-Calculate Data in PivotTable Reports in Excel 2007 (0.53 hours)
- Microsoft Advanced Level Excel 2010: VLOOKUP-What it is, and When to use it (0.7 hours)

<p>Note: Reimbursement for retraining is capped at 200 total hours per trainee, regardless of method of delivery. CBT is capped at 50% of total training hours, per-trainee.</p>
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## RETRAINEE – JOB CREATION

Training Proposal for:

**DocuSign, Inc.**

**Agreement Number: ET15-0338**

**Panel Meeting of:** January 22, 2015

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

**Analyst:** L. Lai

### PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate Job Creation Initiative	Industry Sector(s):	Services Technology/IT  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	San Francisco	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: 251	U.S.: 707	Worldwide: 891
Turnover Rate:	10%		
Managers/Supervisors: (% of total trainees)	12%		

### FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$188,000		\$0	\$0		\$188,000

In-Kind Contribution:	100% of Total ETP Funding Required	\$340,760
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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. Impr.	150	8-200	0	\$720	*\$16.25
				Weighted Avg: 40			
2	Retrainee Job Creation Initiative Priority	Business Skills, Computer Skills, Cont. Impr.	100	8 – 200	0	\$800	*\$16.25
				Weighted Avg: 40			

\*This proposal was scheduled to be heard in December. Staff recommends “grandfathering” the CY 2014 wages to ensure there is no detriment caused by the cancellation of December’s meeting where, as here, some occupations would not meet CY 2015 wages.

**Minimum Wage by County:** Job Number 1: \$16.25 per hour for San Francisco; Job Number 2 (Job Creation): \$13.55 per hour for San Francisco

**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>		
Engineer/IT Staff		30
Sr. Engineer/IT Staff		40
Marketing/Sales Staff		30
Support Staff		20
Sr. Support Staff		10
Manager/Director*		20
<b>Job Number 2</b>		
Engineer/IT Staff		30
Sr. Engineer/IT Staff		10
Marketing/Sales Staff		20
Support Staff		20
Sr. Support Staff		10
Manager/Director*		10

\*Directors included are not top-level executives who set company policies. They are frontline workers in the Marketing Department who spend more than 50% of their time doing frontline work.

## **INTRODUCTION**

Headquartered in San Francisco, DocuSign, Inc. ("DocuSign") maintains offices in Washington, Illinois, France, England, Brazil and Australia. The Company provides electronic signature technology and Digital Transaction Management (DTM) electronic exchange services for facilitating contracts and signed documents. DTM has emerged as a new category of cloud services designed to manage document-based transactions digitally. DocuSign serves customers in financial services, health care, high tech, education, insurance, real estate, life sciences, manufacturing, communications, consumer goods and government.

### **Need for Training**

Businesses are looking to eSignature technology as a step in the new paperless environment to speed up processes, save money, increase revenues, and remove processing errors. DocuSign's DTM platform helps companies keep document/contract processes 100% digital from start to finish.

Although DocuSign eSignature and the DocuSign Secure Network form a basis for legally binding contract execution, many organizations and some countries also require enhanced validity. To address this, the Company is launching DocuSign Express Digital Signatures (EDS) that will provide enhanced digital certification capabilities. Elements like email and geolocation (the identification of the real-world geographic location of an object, such as radar, mobile phone or an Internet-connected computer terminal) can be used to seal a signature into a document. EDS is easy to use, integrates with DocuSign's other functions, and is entirely cloud-based.

The Company is also planning to release the New DocuSign Experience, which is the next generation of the DocuSign user interface. This new interface is more intuitive, easier and faster for sending and managing documents. This includes improved navigation, streamlined welcome screen, and responsive e-mail notifications, with a modern look.

DocuSign must provide supplemental training to its current and growing workforce to enable them to develop, market, sell, implement, and support its products.

### **Retrainee - Job Creation**

More than 40,000 new users join the DocuSign Global Network every day, and more than 885,000 documents containing more than 3.5 million pages are DocuSigned each day. The Company is growing by expanding along multiple dimensions: Customer size — worldwide enterprises; Vertical markets — public sector; and Geography — worldwide. DocuSign's employee base has grown by 120% year after year for the past five years. The Company plans to add more than 300 net new employees in California between now and 2016. DocuSign has recently expanded their office space, totaling over 13,000 sq. ft. to support the new employees and projected business growth.

DocuSign has committed to hiring 100 new employees (Job Number 2). DocuSign 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. Trainees must be hired within the three-month period prior to Panel approval or during the term of contract.

## **PROJECT DETAILS**

**Business Skills** (30%) – All occupations will receive training. The workers will be able to perform job functions in the DocuSign environment and provide improved and consistent customer service through enhanced product knowledge, sales/marketing skills and customer service/support skills.

**Computer Skills** (35%) – Training will be offered to all occupations to enable design, develop, implement, and market new DocuSign products and systems. Trainees will also receive Intermediate/Advanced Microsoft Office training.

**Continuous Improvement** (35%) – Training will be offered to all occupations in an effort to provide the best quality and service to its customers. Frontline workers will increase their skillsets in the areas of leadership, process improvement and project management.

### **LMS**

DocuSign will utilize a Learning Management System (LMS) to track training. The LMS has been reviewed and approved by ETP staff for documentation of all class/lab training.

### **Commitment to Training**

The company training budget for 2015 is approximately \$467,000. Training includes anti-harassment, diversity, basic computer skills, new employee orientation, and on-boarding, expense report processing. DocuSign represents that ETP funds will not displace the existing financial commitment to training.

#### ➤ Training Infrastructure

DocuSign has one main point of contact that will be responsible for managing the scheduling, delivery, and documentation of ETP training. This person will also meet with ETP staff and working with the administrative subcontractor.

## **RECOMMENDATION**

Staff recommends approval of this proposal.

## **DEVELOPMENT SERVICES**

Training Funding Partner, in Tustin, assisted with development of this proposal for a flat fee of \$11,500.

## **ADMINISTRATIVE SERVICES**

Training Funding Partner will also perform administrative services for an 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:

**BUSINESS SKILLS**

- Business Acumen
- Communication
- Conflict Resolution
- Customer Service/Support
- New/Updated Product Knowledge
- Presentation Skills
- Sales/Marketing and Methodologies

**COMPUTER SKILLS**

- Cloud Computing
- Computer Software Skills
  - Concur Expense Management System
  - JIRA Issue and Project Management System
  - Birst Business Intelligence Software
  - UltiPro HR Information System
  - Jobvite Applicant Tracking
- Eloqua Marketing System
- Intermediate/Advanced Microsoft Office
- New DocuSign Proprietary Systems/Technology
- Salesforce Customer Relationship Management System

**CONTINUOUS IMPROVEMENT**

- Change Management
- Creative/Critical Thinking
- Leadership
- Process/Performance Improvement
- Project Management
- Team Building

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



**Training Proposal for:**  
**Houweling Nurseries Oxnard, Inc.**  
**Agreement Number: ET15-0350**

**Panel Meeting of:** January 22, 2015

**ETP Regional Office:** North Hollywood

**Analyst:** J. Romero

**PROJECT PROFILE**

Contract Attributes:		Industry Sector(s):	Agriculture Manufacturing  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			
Number of Employees in:	CA: 440	U.S.: 440	Worldwide: 550	
<u>Turnover Rate:</u>	15%			
<u>Managers/Supervisors:</u> (% of total trainees)	10%			

**FUNDING DETAIL**

<b>Program Costs</b>	-	<b>(Substantial Contribution)</b>	-	<b>(High Earner Reduction)</b>	=	<b>Total ETP Funding</b>
\$106,704		\$0		\$0		\$106,704

In-Kind Contribution:	100% of Total ETP Funding Required	\$108,960
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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, Manufacturing Skills	247	24-200	0	\$432	\$15.07
				Weighted Avg: 24			

**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

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 Staff/Operations Staff		39
Growers/Pest Management Staff		9
Greenhouse/Packing House Workers/Laborers		143
Sales Staff		8
Finance Staff		8
Maintenance Staff		40

**INTRODUCTION**

Houweling Nurseries Oxnard, Inc., (Houweling), ([www.houwelings.com](http://www.houwelings.com)), is a family owned greenhouse tomato grower headquartered in Canada. The Company maintains a 125-acre plantation in Camarillo where the majority of its produce is grown. Founded in 1956, the Company is dedicated to delivering a full complement of assorted tomatoes. This is the first ETP contract for Houweling.

Unlike many greenhouse growers that produce under their brand for other growers, Houwelings' brand appears only on products grown and produced by them using third party verified 100% Non-GMO seeds to guarantee quality. (GMO: Genetically Modified Organism). Presently, Houweling grows and produces a number of tomato types such as: signature heirloom and medley tomatoes, large tomatoes on the vine, orange and yellow tomatoes on the vine, beefsteak, roma, cocktail, strawberry and grape tomatoes. Houwelings' current customers include various grocery stores and restaurants, food industry businesses and similar industries across the United States and North America.

The produce business is challenged by uncontrolled factors such as weather, pests, climate changes and other forces of nature. To mitigate these factors, Houweling has developed innovative processes for growing tomatoes such as the use of glass-enclosed structured



greenhouses. These are highly advanced systems that provide a growing environment protected from weather pressures and pests yet are open to the natural rays of the sun. Houweling also has a computerized drip irrigation/filtration system that regulates volume of water and nutrients, while reducing water use, as well as a unique organic pest management system. The Company's employees need to be trained and qualified to use these processes and equipment.

Training for this ETP proposal will take place at the facility in Camarillo. Houweling is a Priority Industry that faces out-of-state competition.

## **PROJECT DETAILS**

All training will be Class/Lab, in the vocational skills outlined below.

### **Training Plan**

**Business Skills** (10%): This training will be offered to all occupations. Trainees will learn to implement changes, conduct meetings, advise, delegate, motivate and advocate for fellow employees. Houweling seeks to develop its personnel to promote internally and foster a productive, positive workplace.

**Computer Skills** (10%): This training will be offered to Administration and Operations Staff, Growers, Pest Management, Sales and Finance Staff. Their software skills will be enhanced on PRIVA, ARGUS and Microsoft Dynamics AX to minimize compliance risk, control labor costs, reduce waste and improve productivity.

- PRIVA is an integrated control system designed specifically for commercial greenhouse growers to control greenhouse environments ranging from ventilation, heating, cooling, lighting and irrigation to fertilization. The system provides better yield, disease control and energy conservation.
- ARGUS is management platform software designed to maximize business performance and profitability using investment tools that offer asset and portfolio valuations, property budgeting, investment structure forecasting and flexible reporting.
- Microsoft Dynamics AX is a resource planning software.

**Manufacturing Skills** (80%): This training will be offered to Laborers, Growers, Pest Management and Maintenance Staff to enable them to form a clear understanding of food production, growing standards, sanitation processes, temperature controls, sampling during production and handling materials. They will also receive training in operating, troubleshooting and repair of equipment.

### **Commitment to Training**

The Company represents that ETP funds will not displace the existing financial commitment to training and will continue to provide mandatory training using its own expense during the term of the proposed Agreement that will include orientation, anti-harassment, ethics and diversity and basic internet navigation. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

➤ Training Infrastructure

The Company is ready to start training upon approval of the Agreement. They have qualified trainers in place who will provide training in their line of expertise. Houweling also retained the services of ADP who will work with their Operations Manager to ensure training is captured on an ongoing basis and reported in a timely manner.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

### **DEVELOPMENT SERVICES**

Houweling retained ADP in San Dimas to assist with development of this proposal for a flat fee of \$5,000.

### **ADMINISTRATIVE SERVICES**

The Company also retained ADP 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**

24 - 200

Trainees may receive any of the following:

**BUSINESS SKILLS**

- Sales Direction
- Leadership Training
- Front Line Supervisory

**COMPUTER SKILLS**

- Microsoft Dynamics AX
- Priva
- Argus

**MANUFACTURING SKILLS**

- Good Manufacturing Processes
- Quality Control
- Inventory Control and Management
- Maintaining Equipment
- Maintaining Tolerances
- Plant Safety
- Growing and Grafting Techniques
- Hazard Training for Pesticides and Chemicals
- Preventing Food Contamination
- Food Hygiene/Safety
- Packaging and Handling Produce
- Preventing Equipment Contamination
- Testing and calibration
- Troubleshooting Equipment
- Specialized Equipment Training
- Forklift Operation
- Warehousing

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.
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## Training Proposal for:

### JFK Memorial Hospital, Inc. dba John F. Kennedy Memorial Hospital

Agreement Number: ET15-0378

Panel Meeting of: January 22, 2015

ETP Regional Office: San Diego

Analyst: M. Ray

### PROJECT PROFILE

Contract Attributes:	Medical Skills Training Priority Rate Retrainee SET HUA	Industry Sector(s):	Healthcare  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Riverside	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Service Employees International Union 121RN		
Number of Employees in:	CA: 11,251	U.S.: 97,775	Worldwide: 97,775
Turnover Rate:	14%		
Managers/Supervisors: (% of total trainees)	N/A		

### FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$161,280		\$0	\$0		\$161,280

In-Kind Contribution:	100% of Total ETP Funding Required	\$339,760
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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-Preceptor, Computer Skills, Cont. Imp.	80	8 - 200	0	\$2,016	\$35.20
				Weighted Avg: 112			

**Minimum Wage by County:** SET/Priority Industry: \$20.55

**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
Registered Nurse (RN)		70
New Graduate Registered Nurse (New Grad RN)		10

**INTRODUCTION**

JFK Memorial Hospital, Inc. dba John F. Kennedy Memorial Hospital (JFK Hospital) ([www.jfkmemorialhosp.com](http://www.jfkmemorialhosp.com)) was founded in 1966. Located in Riverside County, the Hospital was purchased by Tenet Healthcare Corporation (Tenet) in 1979. Tenet, headquartered in Texas, owns 12 healthcare facilities in California, all of which operate autonomously, including two hospitals with an active ETP contract: Los Alamitos Medical Center (ET14-0175) and Fountain Valley Hospital Regional Hospital (ET15-0115). This is the Hospital's first ETP contract and is targeted for JFK Hospital only.

Located in Indio, JFK Hospital is an accredited, full-service 156-bed acute care facility that provides obstetrics, orthopedics, surgical, emergency, cardiology, volunteer, diagnostic imaging, outpatient rehabilitation, and gastrointestinal services. JFK Hospital services residents of the Eastern Coachella Valley communities as well as seasonal residents from all over the US and Canada. JFK Hospital employs approximately 625 employees, including 260 full time RNs.

**PROJECT DETAILS**

JFK Hospital's need for training is driven by patient demands and a shortage of skilled nurses:

1. Patient Demands – The Hospital serves a community with a need for intense services such as psychiatric, neurological, and vascular services. Patients with severe behavioral/substance abuse issues are seen through the Hospital's Emergency Department (ED) on a daily basis. The 12-bed ED has an average of 100-120 visits a

day. Five to ten percent of these visits involve patients with the aforementioned condition, often in addition to complex medical issues. The high proportion of emergency patients calls for sufficient skilled specialty nurses to meet patient demands.

2. **Shortage of Skilled Registered Nurses** – Due to its location, the Hospital is faced with diminished pool of trained RNs. JFK Hospital has difficulty recruiting experienced RNs because many potential employees regard the Hospital's location as a seasonal residential area and not a place for a full-time home. The lack of sufficient experienced RNs in the community calls for the Hospital to retrain incumbent staff and/or hire New Graduate RNs and train them in advanced medical skills to successfully work in specialized units such as emergency, maternal/child, and intensive care.

To address these challenges, the Hospital has a strategic plan to promote successful delivery of patient care. To demonstrate this commitment, JFK Hospital plans to expand its ED services by maximizing space layout and adding psychiatric RNs and more experienced ED RNs to support increased patient demand. In addition to expansion, the Hospital has committed to enhance its services by adding a Stroke Program (Spring 2015) and revamping its Vascular Program.

JFK Hospital's strategic plan requires the Hospital to sharpen employee skills and enhance quality of care. JFK Hospital has implemented the Versant Program (December 9, 2014), a comprehensive education and training system designed to support critical thinking and education and help RNs transition to new specialties. Through this program, incumbent and New Grad RNs are expected to undergo 18-weeks of extensive training, with first cohort of five New Grad RNs to begin on March 9, 2015. Larger groups of incumbent and New Grad RNs are expected to follow as the program is fully established in the Hospital's training initiative.

JFK Hospital has also recruited a new executive level administrative team to ensure successful implementation of the Hospital's initiatives. The new administrative team will focus heavily on training with a primary emphasis on nursing education to improve clinical outcomes, increase patient satisfaction and support overall patient demands.

## **Training Plan**

With the implementation of the Versant Program, JFK Hospital will increase the Hospital's overall standards of care through upgraded RN skills. The Hospital is committed to train 80 incumbent and New Graduate RNs.

### **Medical Skills (MS) Training (75%)**

All RNs will receive one or more modules of MS Didactic training (classroom) in advanced medical care. Didactic training will be provided in conjunction with Clinical Preceptor training. Fundamentals are required to provide the framework to support the clinical "hands-on" training. Together, these training environments will enhance learning opportunity and allow nurses to understand clinical processes to prepare them for work in specialty areas.

All RNs are projected to participate in MS Clinical Preceptor training. RNs will be assigned to a specific hospital unit to complete Clinical Preceptor Skills training under an assigned "preceptor". Clinical Preceptor training is an essential component of RN training to ensure RNs have the critical skills needed prior to being assigned patients.

Although Preceptor/Didactic training is reimbursed at \$22, the standard class/lab rate for priority industries (\$18 per hour) will apply to Computer Skills and Continuous Improvement training.

**Computer Skills (15%)**

All RNs will be provided classroom training to fully utilize the Hospital's Electronic Medical Record system. Some RNs may also receive class/lab training in Microsoft Office Suite and SharePoint.

**Continuous Improvement (10%)**

All trainees will receive job specific training. Course topics such as Customer Service, Critical Thinking, Crisis Prevention Intervention, and CORE Measures will focus on high-level performance and quality of care. Some RNs will receive Preceptor Skills (train-the-trainer) to learn how to become a Clinical Preceptor.

**Commitment to Training**

JFK Hospital's current annual training budget is approximately \$1,142,675, which covers all new employee orientation and in-service education. The current training method consists of classroom, on-the-job and computer-based training. As the parent company, Tenet has a well-defined educational curriculum, based on job functions. All employees receive mandatory training in safety, hand hygiene, and other basic areas.

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**

JFK Hospital's new Director of Education will administer the ETP program. One Coordinator of Clinical Education and four Clinical Nurse Educators will support, implement and manage the program.

**High Unemployment Area**

Trainees work in a High Unemployment Area (HUA) with unemployment exceeding the state average by 15%. Although JFK Hospital in Riverside County qualifies for HUA status under these standards, it is not requesting a wage or retention modification.

**High Earner Reduction**

The Panel enacted a High Earner Reduction (HER) for new projects of any parent company, including its subsidiaries, divisions, and branches regardless of facility earning more than \$1 million in ETP funding over the last five years. The combined proposals of Tenet entities within the last five years does not reach the \$1 million threshold; therefore, no HER is applied.

**Union Support**

A collective bargaining unit, Service Employees International Union 121RN, represents workers targeted for this program. A letter of support has been provided.

**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:

**MEDICAL SKILLS TRAINING – DIDACTIC**

- Acid/Base Imbalances
- Acute Myocardial Infarction
- Advanced Cardiac Life Support
- Arterial Blood Gas Interpretation
- Basic Life Support
- Behavioral Health Issues
- Blood Transfusion Management
- Body Mechanics
- Care of Bariatric Patient
- Care of the Cancer Patient
- Care of the Cardiac Patient
- Care of the Diabetic Patient
- Care of the Geriatric Patient
- Care of the Gynecological Patient
- Care of the Neurosurgical Patient
- Care of the Orthopedic Patient
- Care of Pediatric Patient (Acute Care, Intensive Care)
- Care of the Surgical Patient
- Care of the Stroke Patient
- Care of the Trauma Patient
- Central Lines Management
- Chest Tube Care & Management
- Code Blue Response & Procedures
- Complementary & Alternative Therapy
- Core Measures
- Critical Care Nursing Skills
- Decontamination Procedures
- Diabetes Care & Management
- Disaster Planning
- Dysrhythmia Recognition & Interpretation
- Educating the Patient & Family
- EKG & Cardiac Monitoring
- Electronic Fetal Monitoring (Beginning & Advanced)
- Emergency Room Nursing Skills
- End of Life Care
- Equipment Skills (IV Pumps, cardiac telemetry, vital signs, pulse-oximeter, ventilators, specialty beds and mattresses, etc.)
- Evidence-Based Practices
- Fluid & Electrolyte Imbalances
- Gastrointestinal Assessment and Management
- Hemodynamic Monitoring
- Immobility Concepts
- Infection Control

- Infusion Therapy
- Intra-Aortic Balloon Pump Therapy
- Intravenous Insertion & Therapy
- Labor, Delivery, and Postpartum Nursing Skills
- Medical/Surgical Nursing Skills
- Medication Administration and Management
- Moderate Sedation
- New Graduate Training Skills
- Nurse Orientation Training (for new Grads only)
- Nursing Diagnosis Skills
- Nursing Process Skills
- Nutrition Concepts
- Oncology Nursing Skills
- Orthopedic Nursing Skills
- Ostomy & Continence Care
- Pain Management (Acute & Chronic)
- Patient Assessment & Care
- Patient Education Concept
- Patient Fall Prevention
- Pediatric Advanced Life Support
- Peri-Operative Nursing Skills
- PICC Line Insertion
- Post Mortem Care
- Pre and Post-Operative Care
- Rapid Response and Code Blue Skills
- Renal Assessment & Management
- Respiratory Assessment & Care
- Restraints
- Safe Patient Handling
- Scope of Practice
- Shock
- Surgical Nursing Skills
- S.T.A.B.L.E.
- Systems Review
- Telemetry Nursing Skills
- Total Parenteral Nutrition
- Transfer Techniques
- Triage Nursing Skills
- Trauma Nursing Skills
- Ventilator and Tracheotomy Care
- Pressure Ulcer Prevention & Management
- Wound and Ostomy Care
- Wound & Skin Care

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

- **Emergency Department Training:**
  - Emergency Room Nursing Skills
  - OB Trauma
  - Trauma Nursing Skills
  - Triage Nursing Skills

- Care of Pediatric Patients
- Sepsis Protocol
- Management of Stroke
- Medication Procedures
- National Certification Exam Prep
- **Intensive Care Unit/Critical Care Unit Training:**
  - Critical Care Nursing Skills
  - Patient Assessment & Care
  - Intra-Aortic Balloon Pump Therapy
  - Intracranial Pressure Monitoring & Ventriculostomy
  - Hemodynamic Monitoring
  - Pre and Post-Operative Care
  - Care of Trauma Patient
  - Management of the Renal Transplant Surgical Patient
  - Ventilator & Tracheotomy Care
  - Sepsis Protocol
  - Management of Stroke
  - Venous Thrombic Embolus Prophylaxis
  - Continuous Renal Replacement Therapy
  - Rapid Response Team
  - Medication Procedures
  - National Certification Exam Prep
- **Medical/Surgical Unit Training:**
  - Patient Assessment & Care
  - Geriatric Nursing Skills
  - Medical/Surgical Nursing Skills
  - Medication Procedures
  - Pre and Post-Operative Care
  - Orthopedic Nursing Skills
  - Oncology Nursing Skills
  - Palliative Care
  - National Certification Exam Prep
- **Women's Services (Obstetrics) Unit Training:**
  - Patient Assessment & Care
  - Antepartum, Intrapartum, OB, OR & PACU, and Postpartum Skills
  - Neonatal Nursing skills
  - S.T.A.B.L.E.
  - Advanced & Electronic Fetal Monitoring
  - Medication Procedures
  - Neonatal/Infant Pain Scale
  - Neonatal Resuscitation Provider
- **Perioperative Services and Post-Anesthesia Care Unit:**
  - Patient Assessment & Care
  - Trauma Nursing Skills
  - Peri-Operative Nursing Skills
  - Pre and Post-Operative Care
  - Robotics
  - Cardiovascular Surgery

- Medication Procedures
- National Certification Exam Prep
- **Pediatric Services Unit Training:**
  - Care of Pediatric Patients (Acute Care, Intensive Care)
  - Patient Assessment & Care
  - Growth and Development
  - Medication Procedures
  - Child Safety Concepts
  - Infusion Therapy
  - Pediatric Emergencies
  - Nutrition Concepts
  - Pre & Post-Operative Care
- **Progressive Care Unit Training:**
  - Patient Assessment and Care
  - Critical Care Nursing Skills
  - Ventilator & Tracheotomy Care
  - Hemodynamic Monitoring
  - Medication Procedures
  - Total Parenteral Nutrition
- **Telemetry Unit Training:**
  - Care of the Cardiac Patient
  - Electrocardiogram & Cardiac Monitoring
  - Dysrhythmia Interpretation
  - Telemetry Nursing Skills
  - Pre and Post-Operative Care
  - Care of the Neurosurgical Patient
  - Intravenous Therapy
  - Medication Procedures
  - Oncology Nursing Skills

#### **COMPUTER SKILLS**

- Microsoft Office/Excel Skills (Intermediate and Advanced)
- Sharepoint
- Electronic Medical Records Application Skills

#### **CONTINUOUS IMPROVEMENT**

- Case Management/Discharge Planning
- Charge Nurse Training/Frontline Leadership Skills
- Communications Skills
- Conflict Resolution Skills
- CORE Measures
- Crisis Prevention Intervention
- Critical Thinking Skills
- Culturally Appropriate Care
- Customer Service Skills
- Documentation Skills
- Lean Six Sigma
- Organization and Time Management Skills
- Patient and Family-Centered Care Skills

- Preceptor Skills (Train-the-Trainer)
- Performance and Quality Improvement and Procedures Skills
- Team Building Skills
- Utilization Review

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



ET15-0378

GAYLE BATISTE, RN  
President

JEANNIE KING, RN  
Vice-President

NANETTE LOGAN, RN  
Secretary-Treasurer

JAN B. WEINSTEIN, RN  
Executive Director

December 1, 2014

**SENT VIA FAX AND CERTIFIED MAIL**

Christine Korman  
JFK Hospital  
Human Resources

Re: Union Support for ETP Funding

Dear Mrs. Korman,

This letter will confirm support by SEIU Local 121 RN for JFK Memorial Hospital proposed training to be submitted to Employment Training Panel.

Sincerely,

  
Debbie Jackson

Union Representative

Seiu Local121RN

(760)690-7392

1

1040 Lincoln Ave.  
Pasadena, CA 91103  
Phone: (626) 639-6200  
Fax: (626) 395-7538



**FIGHT FOR SAFE STAFFING AND QUALITY PATIENT CARE**



**Training Proposal for:**  
**Johanson Dielectrics, Inc.**  
**Agreement Number: ET15-0374**

**Panel Meeting of:** January 22, 2015

**ETP Regional Office:** North Hollywood

**Analyst:** J. Romero

**PROJECT PROFILE**

Contract Attributes:	Priority Rate Retrainee	Industry Sector(s):	Manufacturing
			Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Los Angeles, Ventura	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: 367	U.S.: 367	Worldwide: 367
<u>Turnover Rate:</u>	15%		
<u>Managers/Supervisors:</u> (% of total trainees)	16%		

**FUNDING DETAIL**

<b>Program Costs</b>	-	<b>(Substantial Contribution)</b>		<b>(High Earner Reduction)</b>	=	<b>Total ETP Funding</b>
\$175,680		\$0		\$0		\$175,680

<b>In-Kind Contribution:</b>	100% of Total ETP Funding Required	\$273,267
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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 Improvement, Manufacturing Skills	122	8 - 200	0	\$1,440	\$15.07
				Weighted Avg: 80			

**Minimum Wage by County:** \$15.97 per hour for Los Angeles County and \$15.07 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

\$2.24 per hour may be used to meet the Post-Retention Wage.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Management Staff		20
Administration/Sales Staff		31
Engineering Staff		13
Production & Test Staff		58

**INTRODUCTION**

Founded in 2003, Johanson Dielectrics, Inc., (JDI), ([www.johansondielectrics.com](http://www.johansondielectrics.com)), is a wholly-owned subsidiary of Johanson Ventures, Inc., specializing in the manufacturing of passive ceramic components. Operating in two facilities in California, located in Sylmar and Camarillo, JDI designs and manufactures Standard and High Voltage ceramic chip capacitors distributed to companies in the medical, military, aerospace and mobile/wireless sector.

Market demands and technological changes have motivated a shift in the size of chip capacitors. The new surface mount technology offers smaller circuits on boards, thus product design/build specs must conform toward the reduced size requirement, necessitating more complex engineering processes. In order to accommodate making smaller capacitors, JDI must initiate significant changes in its product design and layout, and manufacturing processes to be more competitive and efficient. With ETP-funded training, JDI employees will acquire new skills and be more efficient in their jobs.

Training will take place at the Company's facilities in Sylmar and Camarillo. JDI is in a Priority Industry and faces out-of-state competition. This will be JDI's first ETP agreement.



## **PROJECT DETAILS**

### **Commitment to Training**

JDI has an annual training budget of \$50,000. ETP funds will not displace the existing financial commitment to training. JDI will continue to provide mandatory and job-specific training during the term of the proposed Agreement, including orientation, anti-harassment prevention and computer-based training software. Safety training is, and will continue to be provided in accordance with all pertinent requirements under state and federal law.

#### ➤ Training Infrastructure

The Company is ready to start training upon approval of the Agreement. JDI has qualified trainers in place who will provide training on specific areas of their expertise. JDI also retained the services of Assured Incentives Group for the administration of this project, who will work with the company's Human Resources personnel to assist in the enrollment process, training data collection and data entry into the ETP online portal for this Agreement.

### **Impact/Outcome**

JDI expects to attain 6 new AS9100 certified internal auditors for Continuous Improvement, and retrain other auditors for recertification for both AS9100 and ISO Standards. This will eliminate the expense of independent auditors to complete internal audits and maintaining certifications.

### **Training Plan**

JDI conducted a company-wide needs assessment which exposed specific needs in each department. Upgraded work processes and employee skills are necessary for the Company to expand their market into the government and aerospace sectors. The proposed training is designed to provide task-oriented skills based on newly defined standard operating procedures. Training will be provided to Manufacturing, Administration/Sales, Engineering, and, Production and Test Staff.

- **Business Skills (25%):** This training will be offered to all occupations to facilitate an improved, team-oriented culture of open communication. It will focus on enhancing negotiation skills and overall leadership. There will be several sets of train-the-trainer segments where vocal dynamics and presentation skills will be initiated.
- **Computer Skills (15%):** This training will be offered to all occupations because the company IT infrastructure is based on EPICOR. Each step from purchasing, order entry, sales and manufacturing is interlinked by JDI's computer system. Each step from supply chain to material tracking, production workflow and delivery to the customer is managed by the system. Trainees must receive this training in order to perform their jobs effectively.
- **Continuous Improvement (35%):** This training will be offered to all occupations to allow a cross-functional approach to introducing qualitative and quantitative improvements. Trainees will learn to reduce scrap, decrease waste and other variable costs. Training will solidify a culture of consistent improvement. Some of the specific training will address requirements of the AS9100 (aerospace) certification as well as compliance to ITAR (International Traffic in Arm Regulation) as required for potential use in various electronics application.

- **Manufacturing Skills (25%):** This training will be offered to all occupations to support new processes related to the design, development, quality control, testing processes. This training will offer the opportunity to optimize tool utilization, procedural follow through and implementation.

## **RECOMMENDATION**

Staff recommends approval of this proposal.

## **DEVELOPMENT SERVICES**

JDI retained Assured Incentives Group in San Clemente to assist with development of this proposal for a flat fee of \$9,000.

## **ADMINISTRATIVE SERVICES**

The Company retained Assured Incentives Group to 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:

**CONTINUOUS IMPROVEMENT**

- Statistical Process Control
- Problem Solving & Decision Making
- Failure Mode & Effect Analysis Methodology
- Process Improvement (Value Stream Mapping)
- Control Plan Design for Semiconductor Parameters
- Internal Auditor/ISO Training
- AS9100 C.I. Requirement
- Environmental Practices & Awareness Techniques
- Lean Manufacturing
- 5S Fundamentals

**MANUFACTURING SKILLS**

- Process & Design Overview for Non-Process Engineers
- Clean Room Protocols
- Manufacturing Device Techniques
- Advanced Engineering, Design Modeling, Measurement Techniques
- Semiconductor Manufacturing Processing
- Equipment & Industrial Engineering

**BUSINESS SKILLS**

- New Product/New Strategy
- Constructive Conflict Resolution (Non-Labor Relations)
- Effective Presentations
- Innovative Thinking & Change Management
- International Business Techniques
- Negotiation Techniques
- Financial Planning
- Forecasting
- Return on Investment (ROI) Cost Analysis
- Sale Performance
- Effective Leadership & Performance Management

**COMPUTER SKILLS**

- Intermediate & Advanced Excel
- Intermediate & Advanced Microsoft PowerPoint
- Intermediate & Advanced Microsoft Word
- Production Manufacturing Software
- ISO Management Systems Administration Software
- EPICOR Module Maximization
- Visual Basic for Applications (VBA)

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



## Training Proposal for:

# Triumph Aerostructures, LLC - Vought Aircraft Division

**Agreement Number: ET15-0345**

**Panel Meeting of:** January 22, 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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Number of Employees in:	CA: 900	U.S.: 4,000	Worldwide: 5,000	
<u>Turnover Rate:</u>	11%			
<u>Managers/Supervisors:</u> (% of total trainees)	9%			

## FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$181,440		\$0	\$0		\$181,440

In-Kind Contribution:	100% of Total ETP Funding Required	\$331,885
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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	Computer Skills, Continuous Impr., Haz. Materials, Mfg. Skills	420	8-200	0	\$432	*\$16.04
				Weighted Avg: 24			

\*This proposal was scheduled to be heard in December. Staff recommends "grandfathering" the CY 2014 wages to ensure there is no detriment caused by the cancellation of December's meeting where, as here, some occupations would not meet CY 2015 wages.

**Minimum Wage by County:** \$16.04 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 \$2.04 per hour may be used to meet the Post-Retention Wage.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Aircraft Structure Mechanic		214
Quality Inspector		20
Production Staff (Material Handler/Expeditor, Material Preparation)		43
Maintenance Staff		2
Tooling Staff		12
Administrative Staff		3
Engineer		65
Manager/Supervisor		40
Material Planner/Buyer		21

**INTRODUCTION**

Located in Hawthorne, Triumph Aerostructures, LLC – Vought Aircraft Division (Triumph) ([www.triumphgroup.com](http://www.triumphgroup.com)) was founded in 1939 by Jack Northrop, founder of Northrop Grumman. In 2000, the Hawthorne division was sold and re-named Vought Aircraft. In 2010, the Company was sold to The Triumph Group, which is headquartered in Pennsylvania. Triumph has six facilities in the United States, along with facilities in Canada, Mexico, and China. Triumph's two facilities in California, Hawthorne and Torrance will participate in ETP training.

Triumph manufactures and designs fuselage panels, tailpieces & flight control surfaces, thrust reversers, fans, wings and doors for commercial aircrafts. Presently, the Company builds fuselage panels for approximately 18 Boeing 747s each year. The Company also builds a section of the Boeing 767 airplane, which is expected to become the military tanker of the future. In addition to Boeing, its customer base includes other aircraft manufacturers. This will be Triumph's first ETP Agreement.

The Company has several challenges that drive the need for training: new business, increased customer demands, industry requirements, and the continued training of new employees. The Company anticipates hiring 54 new employees in the next 24 months to accommodate this new business growth and employees attrition.

## **PROJECT DETAILS**

Triumph is operating in a highly competitive and volatile industry. Maintaining the technical expertise of its workforce provides competitive advantages in contract bidding and acquiring new business. Triumph was recently awarded a seven-year contract to build aircraft fuselage panels and other parts for new customer, Embraer, a Brazilian manufacturer of commercial aircrafts. The project will begin in December of 2014 and specific training will be provided to employees involved in the assembly and machining of the new panels. Embraer has a large backlog of orders for these new, 100-passenger, commercial jets. The Hawthorne facility will build the first 14 aircraft fuselages for Embraer.

Triumph's training goal is to provide workers with the necessary technical skills required to meet industry standards, and customer specifications, including all requisite certifications. Training will assist workers to perform their jobs effectively and efficiently.

### **Training Plan**

To support its current business needs, the Company will implement ETP training to support new product knowledge; customer specifications; process improvements related to productivity and quality control; and adaptation to new technologies and systems. ETP funding will support Triumph in successfully upgrading worker skills, increase production efficiencies, and effectively manage its overall business growth. Training will begin December 22, 2014.

Classroom/Laboratory and Videoconference will be provided as follows:

**Computer Skills (2%):** Training will be offered to Engineers and will provide trainees with technical skills to be effective in their jobs.

**Continuous Improvement (20%):** Training will be offered to all occupations and will ensure trainees have the skills to identify and implement process improvement opportunities and maximize efficiency. Six Sigma, Statistical Process Control, Triumph's internally-developed, and Total Quality Assurance training will help them establish a culture of continuous improvement; and focus on working most effectively within their teams and the organization. Key staff will also receive Leadership Skills and American Production and Inventory Control Society training.

**Hazardous Materials (8%):** Training will be offered to Aircraft Structure Mechanics, Maintenance Staff, and Managers/Supervisors to ensure they are able to prevent hazards and/or address potential hazards during the production process.

**Manufacturing Skills (70%):** Training will be offered to Aircraft Structure Mechanics, Quality Inspectors, Production Staff, Maintenance Staff, Tooling staff, Material Planners/Buyers, and Managers/Supervisors. Workers will receive in-depth training in skills applicable to their job function to secure certification, ensure competence, enhance skills, gain new skills, as well as provide cross-training opportunities. Training will enable staff to understand manufacturing requirements, eliminate errors, and perform more effectively in the manufacturing environment.

### **Commitment to Training**

Triumph has an annual training budget of approximately \$130,000. Triumph provides extensive and ongoing training to newly hired employees, as well as the existing workforce to maintain and upgrade employee skills. Training includes: new employee orientation, anti-harassment/diversity, introductory computer skills, ethics, supervisory skill training for managers, and basic safety skills. Training is job specific and specific at Hawthorne location. Most training is delivery via class/lab, on-the-job training and computer based.

ETP funds will support Triumph's ongoing financial commitment in training. After the completion of the ETP program, Triumph will continue to focus on developing employee talent, upgrading employee skills and ensuring that employees possess the skills needed to be successful. Triumph is dedicated to maintaining and enhancing its customer relationships and will continue to seek out new business opportunities. Triumph will continue to provide ongoing training during the term of the proposed ETP Agreement and beyond at its own expense.

Triumph 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 requirements under state and federal law.

### **Training Infrastructure**

Training will take place at its two California facilities with in-house trainers. The Company has enlisted California Manufacturing Technology Consulting (CMTC) to support its administrative efforts. Triumph's Human Resources Staff and training staff will coordinate with CMTC team to schedule training, secure rosters, provide trainee enrollment data, verify training and retention completion, participate in ETP monitoring activities, and ensure compliance with all ETP requirements.

### **High Unemployment Area**

All 420 trainees work in a High Unemployment Area (HUA) with unemployment exceeding the state average by at least 25%. The Company's location in Los Angeles County qualifies for HUA status under these standards. However, Triumph is not asking for a wage modification.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

### **DEVELOPMENT SERVICES**

California Manufacturing Technology Consulting (CMTC) in Torrance assisted with development of this proposal at no cost.

## **ADMINISTRATIVE SERVICES**

CMCT will also perform administrative services for a fee 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:

**COMPUTER SKILLS**

- Computer-Aided Three-Dimensional Interactive Application

**CONTINUOUS IMPROVEMENT**

- Statistical Process Control Proof
- Total Quality Assurance
- Comprehensive Improvement Assistance Program
- Six Sigma Yellow
- Six Sigma Green
- Six Sigma Black
- Continuous Process Improvement
- Basic Quality Systems
- Leadership Skills
- American Production and Inventory Control Society

**HAZARDOUS MATERIALS**

- Storm Water Pollution Prevention
- Hazardous Materials - Communication
- Hazardous Waste Generator

**MANUFACTURING SKILLS**

- Solid Rivet Installation
- Auto Rivet
- High Locks
- Lock Bolt and Stump
- Seals
- Torque Requirements
- Paint Mixing
- Organic Finishing Mixing
- Alodine
- Auto Clave Operations
- Propane
- Cold Work
- Wire Prep and Assembly
- Adhesives
- Hardness
- Laser Train
- Laser Track
- Tool Design
- Romer Laser Tracking
- Conductivity
- Electrical Bonding
- Electrical Bond Grounding
- Nonconforming Material Control
- Metal Bonding Adhesive Primer

- Adhesive Bond Parts Fabrication
- Skin Quality Material
- Skin Quality Acceptance & Critical Repair
- Anodic Coating
- Boric Acid-Sulfuric Acid Anodizing
- Foreign Objects Debris
- Hole Check
- Visual Requirements
- First Article Inspection
- Blue Print Reading
- Shop Math
- Instrument Reading
- Material Handling
- Visual Checklist
- Lockout and Tagout
- Respirator
- Mobile Cranes
- Tractor Operation
- Cart Operation
- Forklift Operation
- Order Picker
- Platform Lift
- Aerial Lift
- Scissor Lift
- Overhead Cranes
- Rigging Equipment
- Stretch Upper Deck Door Rigging
- Vac-U-Lifts
- Track Mobile
- Stamp Issuance
- Monorail Operation
- Mylar Grid Check
- Auto String Drill
- Torres Stringer Drilling Machine Operation
- Automated Linear Extrapolation, Transformation & Analysis System (ALEXAS) – Set-Up
- ALEXAS – Operation
- Corrosive Inhibiting Adhesive Primer
- Rotary Flap Peening

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

Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery.
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## RETRAINEE - JOB CREATION

Training Proposal for:

**ZOLL Circulation, Inc.**

**Agreement Number: ET15-0340**

**Panel Meeting of:** January 22, 2015

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

**Analyst:** L. Lai

### 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:	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: 153	U.S.:169	Worldwide: 25,000
<u>Turnover Rate:</u>	10%		
<u>Managers/Supervisors:</u> (% of total trainees)	4%		

### FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$189,000		\$0	\$0		\$189,000

In-Kind Contribution:	100% of Total ETP Funding Required	\$229,733
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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, Mfg. Skills	84	8-200	0	\$1,890	\$16.50*
				Weighted Avg: 105			
2	Retrainee Priority Rate Job Creation initiative	Business Skills, Continuous Impr, Mfg. Skills	12	8-200	0	\$2,520	\$16.00*
				Weighted Avg: 126			

**Minimum Wage by County:** Santa Clara County - \$16.25 for Job #1 Retrainees and \$13.55 for Job #2 Job Creation Trainees.

**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.

\*This proposal was scheduled to be heard in December. Staff recommends “grandfathering” the CY 2014 wages to ensure there is no detriment caused by the cancellation of December’s meeting where, as here, some occupations would not meet CY 2015 wages.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
<b>Job Number 1 - Retrainee</b>		
Assembly Technician		70
Assembly Lead		4
Supervisor		4
Engineer		9
<b>Job Number 2 – Job Creation</b>		
Assembly Technician		10
Engineer		2

**INTRODUCTION**

Founded in 1980, ZOLL Circulation, Inc. (ZOLL), an Asahi Kasei Group company, develops and markets medical devices and software solutions that help advance emergency care and increase clinical and operational efficiencies. Products include equipment for defibrillation and monitoring, circulation and CPR feedback, data management, fluid resuscitation, and therapeutic temperature management. ZOLL provides a comprehensive set of technologies that help clinicians, EMS, firefighters, and lay rescuers treat victims in need of resuscitation and acute critical care.

## **PROJECT DETAILS**

ZOLL is growing rapidly. It is continually acquiring companies that are consistent with technologies it currently provides. The Company is in the midst of an acquisition that will expand its product portfolio to add Intravascular Temperature Management (Console, Catheter, Cassette) and surface cooling (Console, Pads) applications. Once the acquisition is complete, all equipment and processes will be integrated into the Company's San Jose facility. Zoll, the Company must understand the strategic importance of remaining competitive in the global market by producing quality products efficiently. To do so, the Company must implement a Lean training program.

### **Retrainee - Job Creation**

ZOLL has committed to hiring 12 new employees (Job Number 2). Zoll 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. Although it is subjected to a lower hourly wage of \$13.55, ZOLL will place Job Creation trainees starting at \$16.00 per hour.

ZOLL has grown from 35 employees in 2002 to nearly 300 today (many are stationed outside of the country). The growth rate is expected to continue to climb as it grows organically and through acquisitions. The Company is projecting an increase to 350 employees in the next two years.

### **Training Plan**

**Business Skills** (15%): Training will be provided to Supervisors and Engineers. Training will improve quality systems and systemic root cause problem solving efforts related to the field quality of products and internal systems that lead to significant quality improvements. Also, risk assessment training will provide improved understanding of product and process risk.

**Continuous Improvement** (35%): Training will be provided to all occupations. Workers will learn continuous improvement techniques that will help them reduce costs, work in teams, lead teams, and find root causes of problems in the manufacturing environment.

**Manufacturing Skills** (50%): Training will be provided to all occupations. Training is fundamental to operational success and is focused on providing frontline workers the necessary skills and tools to build the highest possible quality products.

### **Request to Use Out-of-State Training Vendor**

ZOLL is requesting approval to use Lean Sensei, a training vendor from Vancouver, B.C., based on the following:

- The vendor has a history with the company since 2011 to evaluate Continuous Improvement/Lean processes by comparison with a global standard;
- The vendor has customized training for the Company to standardize and improve processes;
- Breaking this multi-year continuous improvement process would be detrimental to the company's long term productivity goal; and
- Choosing another vendor would require starting all over again.

**Commitment to Training**

ZOLL currently has an annual training budget of \$235,500 and includes training in the areas of safety, injury prevention, hazardous waste management, CPR/First Aid/AED, ergonomics, workplace violence, accident investigation, and harassment prevention.

The Company 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 project will be administered jointly by the HR department and the operations management team. A third party administrator, Integrated Solutions, will provide administration assistance and guidance throughout the process.

**RECOMMENDATION**

Staff recommends approval of this proposal and the out-of-state vendor request.

**DEVELOPMENT SERVICES**

ZOLL retained Integrated Solutions in Redwood City to assist with development of this proposal for a flat fee of \$6,000.

**ADMINISTRATIVE SERVICES**

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

**TRAINING VENDORS**

ZOLL requests Panel approval to retain Lean Sensei of Vancouver, B.C. to provide Continuous Improvement training for a fee of \$55,000. Other trainers will be identified for ETP record-keeping purposes, as they are retained.

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

8–200 Trainees may receive any of the following:

**BUSINESS SKILLS**

- CAPA (Corrective Action Preventative Action)
- Document Control
- Risk Assessment
- Root Cause Analysis

**CONTINUOUS IMPROVEMENT**

- 5S
- Kaizen
- Lean Manufacturing
- Non-Conforming Material
- Problem Solving
- Process Improvement
- Product Knowledge
- Root Cause Analysis
- Standardized Work
- Visual Controls

**MANUFACTURING SKILLS**

- Calibration Procedures
- Environmental Equipment Operation
- ESD (Electrostatic Discharge)
- Final Product Assembly and Test
- Manufacturing Mechanical Assembly
- Process Documentation
- Product Quality Standards
- Quality Inspection/Assessment
- Routers/Process Flow
- Standardized Work/Work Instructions
- Test Equipment Operation and Maintenance
- Tool Usage and Maintenance

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



## RETRAINEE - JOB CREATION

### Training Proposal for:

**EastWestProto, Inc. dba Lifeline Ambulance**

**Agreement Number: ET15-0376**

**Panel Meeting of:** January 22, 2015

**ETP Regional Office:** North Hollywood

**Analyst:** N. Weingart

### PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate Job Creation Initiative Medical Skills Training SET HUA	Industry Sector(s):	Healthcare 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: 164	U.S.: 164	Worldwide: 164
<u>Turnover Rate:</u>	18%		
<u>Managers/Supervisors:</u> (% of total trainees)	N/A		

### FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$314,548		\$0	\$0		\$314,548

In-Kind Contribution:	100% of Total ETP Funding Required	\$224,362
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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 SET	Cont. Imp., Computer Skills	11	8-200	0	\$324	\$22.00
				Weighted Avg: 18			
2	Retrainee Priority Rate SET HUA	Cont. Imp., Computer Skills	23	8-200	0	\$432	\$15.97
				Weighted Avg: 24			
3	Retrainee Priority Rate SET HUA	Cont. Imp., Computer Skills	102	8-200	0	\$324	\$11.98
				Weighted Avg: 18			
4	Retrainee Job Creation Initiative Priority Rate Medical Skills Training SET HUA	Cont. Imp., Computer Skills, MS Didactic, MS Preceptor	29	8-200	0	\$2,000	\$13.31
				Weighted Avg: 100			
5	Retrainee Job Creation Initiative Priority Rate Medical Skills Training SET HUA	Continuous Imprv. Computer Skills MS Didactic, MS Preceptor	105	8-200	0	\$2,000	\$10.75
				Weighted Avg: 100			

**Minimum Wage by County:** Job Number 1(SET/Priority Industry): \$20.55/hour; Job Number 2(SET/HUA): \$15.97 for Los Angeles County; Job Number 3(SET/HUA): \$11.98/hour for Los Angeles County; Job Number 4(SET/Job Creation): \$13.31/hour for Los Angeles County; Job Number 5(SET/Job Creation/HUA): \$10.10/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 \$1.00 per hour may be used to meet the Post-Retention Wage in Job Numbers 2, 3 & 4.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
<b>Job Number 1 (SET/Priority Ind.)</b>		
Fleet Support Services (Mechanic)		3
Marketing Staff		8
<b>Job Number 2 (SET/HUA)</b>		
Dispatcher		11
Billor/Coder		12

<b>Job Number 3 (SET/HUA )</b>		
Emergency Medical Technician		102
<b>Job Number 4 (SET/Job Creation)</b>		
Registered Nurse		14
Respiratory Therapist		12
Dispatcher		3
<b>Job Number 5 (Job Creation/HUA)</b>		
Emergency Medical Technician		105

## **INTRODUCTION**

EastWestProto, Inc. dba Lifeline Ambulance (Lifeline) ([www.lifeline-ems.com](http://www.lifeline-ems.com)) provides customized, inter-facility, non-emergency ambulance transport services. The Company operates 24/7 providing transport for Basic Life Support (BLS); Critical Care (ACLS); Neonatal and Pediatric Intensive Care Unit (NICU/PICU); and Bariatric patients. Lifeline also offers special event stand-by emergency services. Lifeline's vehicles are equipped with state-of-the-art technology including advanced radio communications, and the Company prides itself on rapid response times and prompt service.

Lifeline contracts with large hospital networks, healthcare systems, medical groups, and skilled nursing facilities in Los Angeles, Orange, and San Diego Counties including Tenet Healthcare. Its facilities are located in Montebello (headquarters and largest operation) and Baldwin Park, with satellite stations in Glendale and Santa Ana.

Lifeline's mission is to provide consistent, high-quality "Complete Customer Care" to meet or exceed client and patient expectations. The Company must continually demonstrate superior business practices that meet today's healthcare requirements to get and keep customers. However, Lifeline is currently challenged by the present-day healthcare reform environment which is: (1) increasing the number of patient covered by insurance (increasing call volume); (2) creating a population of higher acuity patients (requiring a more highly-trained workforce); (3) proliferating medical billing codes; (4) generating pay-for-performance business models; and (5) decreasing Medicare/Medi-Cal reimbursement rates.

In addition, Lifeline must manage growth and expansion, which is expected to continue, since an aging population creates a rising demand for ambulance transport. And, while the Company grows, it must contend with decreasing government revenue, the rising cost of professional liability insurance, and the rising cost of doing business with highly specialized vehicles, equipment, and government-required add-ons. The cost of an unequipped ambulance is \$150,000 (with up to \$100,000 more to fully outfit), and must be replaced every 5-7 years. Lifeline recently spent in excess of \$1 million for 15 new ambulances, several Styker Gurneys; Zoll Electronic Patient Care Software; a Data Base Server; Tablets; and Zipit Pagers.

### **Retrainee - Job Creation**

Lifeline has doubled in size in the past two years through the expansion of existing contracts, new business and new equipment and is poised for continued growth in Los Angeles County. In addition to this growth, Lifeline is currently bidding on six additional contracts; if successful, the hiring demands will far exceed the new hire needs expressed in this proposal. The current

workforce of approximately 164 is estimated to grow to 275 by mid-2015, and to 325 by early 2016.

Accordingly, Lifeline has committed to hiring 134 new employees (Job Numbers 4 and 5). 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. Trainees will be reimbursed at a higher rate for standard curriculum courses, and will be subject to a lower post-retention wage.

## **PROJECT DETAILS**

### **Training Plan**

Personnel must be able to provide care during ground transport, and be prepared for a variety of contingencies that may arise. Each population segment (geriatric, pediatric, autistic, neurological) need different emergency care and equipment. The safety and quality of care during transport is directly related to the skills and capabilities of Lifeline’s employees. The Company is dedicated to extensive employee quality improvement and continuing education.

**Continuous Improvement (40%)** - Training will be offered to all occupations to foster improvement in multiple skills such as ambulance and medical equipment operation and usage; transport logistics and standardized protocols for various populations segments; communication technology; transport physiology; documentation; customer service, standard operating procedures; customer service, communication skills, leadership; hazmat and HIPAA.

**Computer Skills (10%)** - Training will be offered to all occupations in the use of Electronic Medical Records software to accurately enter and retrieve information, and in Microsoft software to help improve the accuracy and consistency of daily reporting activities.

**Medical Skills Didactic (30%)** - Training will be offered to Registered Nurses (RNs), Therapists, and Emergency Medical Technicians (EMTs) to learn the latest techniques and methodologies associated with each of the curriculum topics, and to incorporate best practices into their daily routine. Classes will cover general medical knowledge (e.g. airborne and bloodborne pathogens; equipment usage; documentation; standard operating procedures and standards of care; and controlled substance accountability/security), as well as provide expertise in specialty patient care situations.

**MST Preceptor Clinical with Preceptor (20%)** - Post-classroom training will also be offered to RNs, Therapists, and EMTs to reinforce proper ambulatory patient care in transit. Training will cover transport techniques, equipment operation, patient care and life support. Trainees will be placed with a Preceptor for three to five days to practice what they learned in class. Clinical Preceptor hours will provide practical instruction and allow trainers to document trainee skills to assure that they meet or exceed established patient care requirements. Once trainees have met Lifeline’s standards, they are put into the field with a partner.

### **Medical Skills Training**

The Panel has established a “blended” reimbursement rate of \$22/hour for nurse and allied healthcare worker upgrade training, recognizing the higher cost of delivery for the clinical preceptor model.

**Impact/Outcome**

Trainees will become top-notch Emergency Medical Service professionals that meet or exceed customer expectations and industry requirements by providing the highest level of patient care using state-of-the-art technology. Well-trained staff will also guarantee that Lifeline meets all current government healthcare requirements. The Company will continue to provide a supportive environment with experienced EMS professionals available for consultation, collaboration, and assistance.

**Commitment to Training**

Lifeline spends approximately \$100,000 annually for training at all four sites. Courses include policies and procedures, documentation, vehicle and equipment operation, safety, customer service, professionalism, situational awareness, and sexual harassment prevention. The majority of training is delivered to EMTs. All training is mandatory, and provided via classroom lecture and lab practice. However, training budgets are limited as the Company invests working capital into growth while reimbursement for services typically lags behind.

ETP funding will assist Lifeline provide enhanced training for incumbent workers, enabling employees to transition from entry-level skills to fully competent, healthcare professionals with leadership abilities. Funding will facilitate hiring new employees, increase the new hire classroom training program from 3 to 5 days, and incorporate new curriculum. The Company has increased sales by winning competitive bids that call for rapid deployment of staff (within 30 days of contract award) and high levels of service. ETP funding will help defray the training costs associated with these stringent client requirements.

At its own expense, Lifeline plans to train 80 additional new hires and incumbent staff (including Managers and Supervisors) for its satellite locations in Santa Ana and Glendale that are not eligible for funding. Lifeline 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**

Training will begin upon Panel approval at Baldwin Park and Montebello locations. The education staff will deliver and document training hours. The Human Resources department will provide enrollment and retention information. Company management staff will oversee the entire program and coordinate with a third party administrator (see Administrative Services below).

**Special Employment Training/High Unemployment Area Wage Modification**

Trainees under Special Employment Training in a priority industry qualify for a modified wage of \$20.55/hour (Job Number 1). However, trainees in High Unemployment Areas (HUA) qualify for the ETP Minimum Wage (\$15.97/hour for Los Angeles County) rather than the Statewide Average Hourly Wage (Job Number 2). Furthermore, the Panel may modify the ETP Minimum Wage by up to 25% (\$11.98/hour for LA County) if post-retention wages exceed the start-of-training wages (Job Number 3).

The Company's locations in Los Angeles County qualify for HUA status. Lifeline is only requesting the HUA wage modification for Job Numbers 2 and 3.

In Job Number 4, Job Creation trainees qualify for the ETP New Hire Wage (\$13.31/hour in Los Angeles County). For Job Number 5, the Panel may also modify this wage up to 25% (to

\$10.10/hour), but with no post-retention wage increase. Lifeline is requesting HUA wage waivers for Job Number 5.

Lifeline uses sites such as Glass Door for market data reports. The Company meets the industry average EMT salary of \$10.75 and/or /\$22,000 per year. In 2015, management intends to apply for 911 status, which may lead to an increase in reimbursement levels and allow for higher pay rates. Lifeline staff reviews market data each year to ensure that it remains competitive. Each employee receives a yearly performance evaluation and a merit increase based on performance. As EMTs gain work experience and practical knowledge that may later qualify them to apply for positions in local and county fire departments that offer a higher level of wages and benefits.

### **RECOMMENDATION**

Staff recommends approval of this proposal and HUA wage modifications.

### **DEVELOPMENT SERVICES**

National Training Systems, Inc. in Ladera Ranch assisted with development for a flat fee of \$23,000.

### **ADMINISTRATIVE SERVICES**

National Training Systems, Inc. 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:

**CONTINUOUS IMPROVEMENT**

- Ambulance Operation
- Billing and ICD-10 Coding
- Call Center & Dispatch Protocols
- Communication Skills
- Conflict Resolution
- Crisis Prevention & Intervention
- Critical Thinking
- Customer Service
- Documentation
- EMS Communication & Protocols
- HazMat for Patient Care Providers
- HIPPA/Patient Privacy
- Leadership Skills
- Performance & Quality Improvement
- Preceptor Skills (Train-the-Trainer)
- Standard Operating Procedures

**COMPUTER SKILLS TRAINING**

- Microsoft Office/Excel (Intermediate and Advanced)
- Electronic Medical Records Application

**MEDICAL SKILLS TRAINING – DIDACTIC**

- Basic Life Support
- Airborne Pathogens
- Bloodborne Pathogens
- Body Mechanics
- Cardiac Assessment
- Care of Cardiac Patients
- Care of the Bariatric Patient
- Care of Geriatric Patients
- Care of the Renal Patient
- Care of and Treatment of Shock Patients
- Care of the Stroke Patient
- Chronic Obstructive Pulmonary Disease
- Code Blue Response and Procedures
- Critical Care
- Decontamination Procedures
- Dysrhythmia Recognition & Interpretation
- EKG & Cardiac Monitors
- Emergency Medical Technician Training (including EMT-1)
- Equipment Operation
- Hazardous Materials/Protection

- Medical Transport of High-Risk Patients
- Medication Administration & Reconciliation
- Neonatal Intensive Care Unit Transport
- Neurological Assessment & Pre-Hospital Care
- Orthopedic Assessment & Pre-Hospital Care
- Orthopedic Stabilization & Traction
- Oxygen Administration
- Pain Management
- Patient Assessment & Pre-Hospital Care
- Pediatric Patient Care
- Pharmacology & Pharmacokinetics
- Pre-Hospital Trauma Life Support
- Psychiatric Patient Care
- Respiratory Arrest
- Respiratory Assessment & Pre-Hospital Care
- Restraints
- Standards of Care
- Ventilator Operation

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

- Ambulatory Patient Care:
  - Advanced Cardiac Life Support
  - Code Blue Response and Procedures
  - Cardiac Patient Care
  - Equipment Operation
  - Trauma Patient Care
  - Geriatric Patient Care
  - Pediatric Patient Care
  - Pre-Hospital Trauma Life Support
  - Respiratory Arrest
  - Patient Assessment & Pre-Hospital Care
  - Patient Transport Techniques

Reimbursement is capped at 200 total training hours per trainee, regardless of the method of delivery.
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## RETRAINEE - JOB CREATION

Training Proposal for:

**The Boeing Company**

**Agreement Number: ET15-0381**

**Panel Meeting of:** January 22, 2015

**ETP Regional Office:** North Hollywood

**Analyst:** M. Reeves

### PROJECT PROFILE

Contract Attributes:	Critical Proposal Retrainee Job Creation Initiative Priority Rate	Industry Sector(s):	Manufacturing Aerospace and Defense  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Los Angeles and 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: 18,431	U.S.:152,406	Worldwide: 169,018
<u>Turnover Rate:</u>	1%		
<u>Managers/Supervisors:</u> (% of total trainees)	18%		

### FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$747,676		\$0	\$0		\$747,676

In-Kind Contribution:	100% of Total ETP Funding Required	\$1,682,522
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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	Adv. Technology, Commercial Skills	168	8-200	0-44	\$1,872	\$18.75
				Weighted Avg: 104			
2	Retrainee Job Creation Initiative Priority Rate	Adv. Technology, Commercial Skills	179	8-200	0-44	\$2,420	\$18.75
				Weighted Avg: 121			

**Minimum Wage by County:** Job Number 1: \$15.97 per hour for Los Angeles County and \$16.02 per hour for Orange County. Job Number 2 (Job Creation): \$13.31 per hour for Los Angeles County and \$13.35 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
<b>Job Number 1</b>		
Design Engineer 1		12
Design Engineer 2		15
Design Engineer 3		15
Design Engineer 4		13
Design Engineer 5		12
Structural Analysis Engineer 1		15
Structural Analysis Engineer 2		21
Structural Analysis Engineer 3		25
Structural Analysis Engineer 4		25
Structural Analysis Engineer 5		15
<b>Job Number 2</b>		
Design Engineer 1		25
Design Engineer 2		30
Design Engineer 3		29
Design Engineer 4		23

Design Engineer 5		20
Structural Analysis Engineer 1		7
Structural Analysis Engineer 1		7
Structural Analysis Engineer 1		5
Structural Analysis Engineer 1		5
Structural Analysis Engineer 1		4
Systems Engineer 1		6
Systems Engineer 2		5
Systems Engineer 3		5
Systems Engineer 4		4
Systems Engineer 5		4

### **Critical Proposal**

This project has been designated a Critical Proposal by the Governor's Office of Business and Economic Development based on Boeing's plan to expand its business capacity in California by adding several hundred new high-skilled, high-wage engineering jobs in 2015.

### **INTRODUCTION**

The Boeing Company (Boeing) ([www.boeing.com](http://www.boeing.com)) is a manufacturer of commercial jetliners and military aircraft. Boeing also designs and manufactures defense systems, satellites, and launch vehicles. The Company's customers include most domestic and international airline carriers, NASA, and all branches of the military.

In May 2013, Boeing established engineering design centers in South Carolina, Southern California, and the state of Washington. The proposed training will be provided to employees at both the Long Beach and Seal Beach locations of Boeing's Southern California Design Center (SoCal). SoCal consists of the Commercial Aviation Services, which includes Customer Support Engineering, Modifications and Freighter Conversions, Fleet Services, Production Airplane Programs, and Core Engineering activities.

SoCal is currently providing support for the 707, 717, 727, 757, DC-8, DC-9, DC-10, MD-11, MD-80 and MD-90 products. In addition, there are plans in place for SoCal to support the Next Generation 737, 747, 767, and 777 models, as well as commercial product support for the KC-46 Tanker and P-8. This additional customer support work is expected to transition from the state of Washington to California by the end of 2015. This customer support growth requires innovative tools and processes to support these airplanes, requiring extensive training for incumbent workers and newly hired employees.

Boeing anticipates strong growth in commercial aviation over the next several years and is scaling up its internal capability and capacity to meet the expected rise in demand for commercial airplanes and related service. The SoCal expansion allows Boeing to streamline processes and develop common practices by establishing a single location for airplane support.

**PROJECT DETAILS**

Boeing is undergoing extensive relocation of work (Modification, Customer Service, and Design) from the state of Washington into California, specifically Boeing 7-series products to centralize its key business functions. Without this production being moved to California, many incumbent workers in Washington, including those from the declining Boeing Defense Systems and C-17 businesses, would be facing layoffs over the next several years. The Company will be relocating several employees while many others will be offered positions at other Company facilities.

**Retrainee - Job Creation**

To support this relocation of work, the Company recently completed the refurbishment of facilities at its Seal Beach location to accommodate a new, state-of-the-art Boeing Operations Center (BOC). The BOC will provide services for both heritage McDonnell Douglas airplanes and the newly added Boeing 7-series. The Boeing 7-series products require technology skills (processes, computer-aided design, and other tools) not used in heritage MD aircrafts.

To staff this new facility, Boeing has committed to hiring and training 179 new employees (Job Number 2). These new employees will be trained alongside relocated employees. They will require extensive training in order to develop the requisite skills to facilitate the Company's expansion. In the future, Boeing plans to hire 600 new engineers by June 2015, another 400 by December 2015, and an additional 300 are forecasted for 2016 to fill positions at the BOC.

Training for newly hired employees will be reimbursed at a higher rate and trainees must be hired within the three-month period prior to Panel approval or during the term of contract. 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**

The proposed training will provide engineers with the tools, processes, and software to perform their jobs with the relative independence needed to sufficiently support the work at SoCal. Training will be delivered by in-house subject matter experts.

**Advanced Technology (92%)** – Training will be offered to all Engineers. The Company indicates that the training necessary to perform the new work supporting heritage MD and Boeing 7-series airplanes involves advance technologies often requiring a college degree in the field of science, technology, engineering, or mathematics.

Boeing reports that the individuals scheduled to receive AT training are workers who possess degrees in an accredited (Accreditation Board for Engineering and Technology) course of study in engineering, computer science, mathematics, physics, or chemistry. However, many of the new advanced analysis and design skills needed to work specifically on the Boeing 7-series models are not taught in universities and are not currently among the skill set of the incumbent workers targeted for training. Consequently, the proposed training will serve as an essential supplement to the education and experience of the Company's new-hire and incumbent engineering staff.

This costly and complex class/lab training will involve the use of certified training personnel, expensive training material, high-end equipment, and in some cases, the development or enhancement of intricate courseware. To ensure focused instruction and attention, this training will adhere to a trainer-to-trainee ratio not exceeding 1:10.

**Commercial Skills (8%)** – Training will be offered primarily to newly hired Systems Engineers. These courses will be delivered utilizing Computer-Based Training (CBT). These CBT modules will include Principles of Flight, Designing an Airplane, Airplane Structures and Systems, and Airplane Certification.

### **Commitment to Training**

Boeing will continue to allocate considerable resources to its training programs and indicates that ETP funds will not displace the existing financial commitment to training. The Company provides many training opportunities through its Learning, Training and Development (LTD) services organization. Ongoing training consists of new employee orientation, technical skills development, and soft skills enhancement through team building and leadership training. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

ETP funding will help the Company balance its sizable commitment to Engineering staff and assist Boeing in relocating work statements and bringing jobs to California.

#### ➤ Training Infrastructure

Training will commence immediately upon approval of this Agreement. The Boeing LTD is an established service that provides standardization, enrollment, training, and tracking services. The Company has identified specific members of its Engineering Operations Staff to ensure that training administration and documentation adheres to ETP requirements.

### **LMS**

Boeing will use its Learning Management System to document training. Staff has reviewed and approved the 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:

**ADVANCED TECHNOLOGY**

- + Product Engineering Process & Application
- + Basic Geometry and EBOM (Engineering Bill of Material)
- + ENOVIA V5 Essentials
- + CATIA V5/ENOVIA LCA Product Design Workshop
- + Prod Data Def Workshop for V4-V5 Program
- + CATIA V5 Foundations for Aerospace Designers
- + PLM1032 Selection of Structural Analysis Methods
- + SEU0017 Freebody Diagrams for Aerospace Structures
- + SEU0016 Load Paths for Aircraft Structures
- + BCS (Boeing Communication System) Training 101
- + Airline Technical Operations and Fleet Management
- + Propulsion Airplane 101
- + FAA Standardization Seminar
- + Structures Technical Knowledge
- + Detailed FAR Part 25 for Structures
- + ARit Training: FAA Regulations, Policy and Guidance: Structures
- + Structures Appendix I: Delegation and Retention
- + Structures Means of Compliance (MOC)
- + Electrical Design Technical Training
- + Electrical Design Wire Flammability Training
- + Developing FMEA (Failure Modes and Effects Analysis)
- + Introduction to Fault Tree Analysis
- + Using Maintenance Tasks in System Safety Assessments

**CBT Hours**

0 - 44

**COMMERCIAL SKILLS**

- + Aviation Safety 101 [0.3 hours]
- + Airplane Certification: Compliance with Airworthiness Regulations [0.2 hours]
- + TR012896 Aircraft Familiarization Overview [8 hours]
- + Airline Support Manager Training [2 hours]
- + Airplanes 101 - Module 1: Principles of Flight [1 hour]
- + Airplanes 101 - Module 2: Airplane Requirements [1 hour]
- + Airplanes 101 - Module 3: Designing an Airplane [1 hour]
- + Airplanes 101 - Module 4: Airplane Structures [1 hour]
- + Airplanes 101 - Module 5: Airplanes Systems [1 hour]
- + Airplanes 101 - Module 6: Aviation Safety [1 hour]
- + Airplanes 101 - Module 7: Airplane Flight Test [1 hour]
- + Airplanes 101 - Module 8: Production and Delivery System [1 hour]
- + EASA (European Aviation Safety Agency) CS25 Delegation Training [1.5 hours]
- + EASA Post Type Validation Guidelines [2 hours]
- + Major/Minor Training for New DAEs (Class 2 Struct) [0.5 hours]

- ✚ Regulatory Administration Guidance and BPM Knowledge [1 hour]
- ✚ AR (Authorized Representative) Authority [1 hour]
- ✚ Major Minor Process [3 hours]
- ✚ Test Witnessing [0.5 hours]
- ✚ Conformity [0.5 hours]
- ✚ Notification of Authorized Representative Travel to Other Countries to perform ODA (Organization Designation Authorization) functions [0.5 hours]
- ✚ Compliance Summary Report Guidelines [1 hour]
- ✚ Undue Pressure & ODA Unit Member Independence [0.5 hours]
- ✚ CP101 – Process Overview: Certification Plans [0.5 hours]
- ✚ CP204 – Certification Plan Process Roles: Authorized Representative [0.5 hours]
- ✚ CP310 – Certification Plan: Method of Compliance (MOC) Discussion [1 hour]
- ✚ CP314 – Certification Plan: Technical Specialist Review [0.5 hours]
- ✚ RFC (Request for Conformity) System Training WSSO (Web Single Sign On) Login [0.5 hours]
- ✚ RFC System Training for Drafter & Submitter Roles [1 hour]
- ✚ Airplane Certification: Introduction to Airplane Certification [0.2 hours]
- ✚ Airplane Certification: Roles and Responsibilities [0.2 hours]
- ✚ Airplane Certification: Project Management and Planning [0.2 hours]
- ✚ Airplane Certification: Certification Requirements [0.2 hours]
- ✚ Airplane Certification: Major/Minor Determination Process [0.2 hours]
- ✚ Airplane Certification: Certification Plans [0.2 hours]
- ✚ Airplane Certification: Compliance with Airworthiness Regulations [0.2 hours]
- ✚ Airplane Certification: Regulatory Issues Management (RIM) [0.2 hours]
- ✚ Airplane Certification: Foreign Validation [0.2 hours]
- ✚ Airplane Certification: European Aviation Safety Agency [1 hour]
- ✚ Detailed FAR Part 25 for Structures [1 hour]
- ✚ Regulatory Knowledge - 14 CFR Part 21, 25, & 183 [1 hour]
- ✚ TR009659 Electrical Design Means of Compliance [2 hours]
- ✚ TR009654 Electrical Design Major/Minor Criteria Training [2 hours]

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



## RETRAINEE - JOB CREATION

### Training Proposal for:

**Alta Newport Hospital, Inc. dba Newport Specialty Hospital**

**Agreement Number: ET15-0377**

**Panel Meeting of:** January 22, 2015

**ETP Regional Office:** San Diego

**Analyst:** M. Ray

### PROJECT PROFILE

Contract Attributes:	SET Job Creation Initiative Priority Rate Retrainee Medical Skills Training	Industry Sector(s):	Healthcare  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Orange	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: 2,354	U.S.: 3,500	Worldwide: 3,500
Turnover Rate:	0%		
Managers/Supervisors: (% of total trainees)	N/A		

### FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$307,966		\$0	\$0		\$307,966

In-Kind Contribution:	100% of Total ETP Funding Required	\$477,275
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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 Priority Rate Medical Skills Training	MS - Didactic, MS - Clinical with Preceptor, Computer Skills, Continuous Improvement	37	8 - 200	0	\$918	\$20.55
				Weighted Avg: 51			
2	Retrainee SET Priority Rate Medical Skills Training Job Creation Initiative	MS - Didactic, MS - Clinical with Preceptor, Computer Skills, Continuous Improvement	100	8 – 300	0	\$2,740	\$13.35
				Weighted Avg: 137			

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

Job Number 2 (Job Creation): \$13.35 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

Up to \$2.55 per hour may be used to meet the Post-Retention Wage for Job Number 1 and up to \$1.35 for Job Number 2.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Job Number 1: Incumbent		
Registered Nurse (RN)		16
Licensed Vocational Nurse (LVN)		21
<b>Job Number 2: Retrainee – Job Creation</b>		
Registered Nurse (RN)		22
New Graduate Registered Nurse (New Grad RN)		16
Licensed Vocational Nurse (LVN)		22
New Graduate Licensed Vocational Nurse (New Grad LVN)		12
Certified Nursing Assistant (CNA)		9
Respiratory Therapist (RT)		12
Surgical Technician		4
EKG Technician		3



## **INTRODUCTION**

Acquired by Alta Hospitals System, LLC (Alta) ([www.altacorp.com](http://www.altacorp.com)) in May 2014, Alta Newport Hospital, Inc. dba Newport Specialty Hospital (Newport Hospital) is licensed to operate as a general acute care facility to provide services to the patient population in Orange County. Alta, founded in 1998 and headquartered in Los Angeles, operates a network of facilities in Los Angeles, Hollywood, Van Nuys, and Norwalk. Although each hospital operates autonomously, all facilities are currently participating in an active ETP project (ET14-0231 – approved December 2013 Panel) under Alta. This will be Newport Hospital's first ETP project and is targeted for Newport Hospital only.

Prior to the acquisition, Newport Hospital operated as a long-term acute care facility with a pediatric sub-acute care unit. In April 2013, the Hospital's previous owner, Pacific Health Corporation (Pacific Health), announced closure of its three Southern California hospitals including Newport Hospital. Pacific Health eliminated 147 workers as it closed Newport Hospital's long-term acute care services; however, kept its Pediatric Sub-Acute Unit open and operational to continue providing sub-acute care to 32 pediatric patients until the acquisition was completed.

Now, Newport Hospital's 177-bed facility's primary function will be to provide short-term acute care services such as inpatient diagnostic and therapeutic services for a variety of medical conditions, both surgical and non-surgical, to more than 75,000 residents of Tustin, Santa Ana, Orange, and surrounding communities. As the only provider of pediatric sub-acute care within a 40-mile radius, Newport Hospital will also continue to provide respiratory, educational, and rehabilitative services to children with multiple, complex, or profound disabilities that cannot be cared for in a less restrictive environment.

Newport Hospital is eligible for ETP funding under Special Employment Training (SET) for frontline workers.

## **PROJECT DETAILS**

Newport Hospital anticipates re-opening its closed acute care services in late January 2015. The majority of the new Hospital's patient volume will be short stay, acutely ill patients. To support patient demands, the Hospital plans to expand their range of services offered to include services in general acute care, nuclear medicine, occupational therapy, physical therapy, respiratory care, social, speech pathology, general surgery, medical-surgical, diagnostic, outpatient, cardiology, rehabilitation, and pediatric sub-acute care.

As the Hospital transitions into a fully operational acute care facility, Newport Hospital must undergo major internal changes to better serve the community. To this end, the Hospital has developed the following strategic action plan including an extensive recruitment plan, technological advances, and process improvements that will necessitate comprehensive training for both incumbent and newly-hired workers:

- Newport Hospital invested approximately \$1.7M in the implementation of new equipment that will include: hospital-wide integrated monitoring system, "Smart" intravenous (IV) pumps, automated external defibrillator (AED) monitors, non-heat sterilizers, endoscope sterilizers, anesthesia machines/monitors, endoscopes, and bronchoscopes. The Hospital is also revamping its interior landscape including installation of new computer work stations as well as new hospital beds in critical care and medical-surgical units with overbed and bedside tables. The implementation of new equipment has started and will

incrementally continue over the next 8 to 12 months to ensure fluid transition to newer technologies.

- Attract, train, and retain adequate supply of healthcare workers to meet healthcare needs for every patient. The relatively small pool of available skilled healthcare professionals forced the Hospital to promote a pilot project to train and retain new graduate and novice nurses rather than experienced nurses. The Hospital has developed an extensive New Graduate Program for its new graduate RNs and LVNs to address the ongoing shortages of skilled healthcare workers in California.

This project will train 37 incumbent RNs and LVNs (Job Number 1), and 100 newly-hired RNs, (including New Graduate RNs), LVNs (including New Graduate LVNs), CNAs, RTs, Surgical Technicians, and EKG Technicians (Job Number 2) to enhance the quality of patient care and increase the ability of the Hospital to meet the healthcare demands of the community.

The Panel has established a higher reimbursement rate (\$22) for nurse upgrade training, recognizing the higher cost of delivery for the Clinical Preceptor model. This rate applies to both the Didactic and Preceptor modes of delivery. The standard class/lab rate for priority industries (\$18) will apply to Computer Skills and Continuous Improvement training. (See Curriculum)

### **Retrainee - Job Creation**

In support of job creation, the Panel offers 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. The trainees in Job Number 2 must be hired within the three-month period prior to Panel approval or during the term of contract. As a condition of contract, Newport Hospital represents that these trainees will be hired into "net new jobs."

Newport Hospital currently employs 54 full-time employees to support its existing Pediatric Sub-Acute Unit. With the opening of the Hospital's acute care services, Newport Hospital is committed to hiring 100 new employees (Job Number 2). These new employees will support the new Medical-Surgical, Telemetry, Intensive Care, Emergency, Laboratory, Radiology, and other specialty units of the Hospital.

### **Training Plan**

**Medical Skills Training (75%):** All trainees will need significant MS training specific to facility protocols for multiple areas of patient care in the short-term acute care environment. For this project, approximately 137 will participate in Medical Skills (MS) training. Trainees will utilize one or both didactic and clinical with preceptor training methodologies as it pertains to their job function. All trainees will receive one or more modules of MS Didactic training in advanced medical care to understand clinical processes to ensure competency and maximize patient safety.

New Graduate RNs and LVNs as well as newly-hired experienced nurses are projected to participate in MS Clinical with Preceptor training. Incumbent nurses will also receive this training as they have previously been limited to assignment in the Pediatric Sub-Acute Unit, the last remaining department left open upon the demise of Pacific Health. This training will enable the incumbent nurses to upgrade their skills and abilities to function in an acute care hospital environment with patients of varying ages and illnesses. Trainees will be assigned to a specific hospital unit where they will complete Clinical with Preceptor Skills training under an assigned

“preceptor.” This training is critical to ensure nurses have clinical hands-on skills prior to being assigned their own patients.

**Computer Skills (12%):** Training for the Hospitals’ EMR software system will be provided to all newly-hired and incumbent trainees. This training is vital for healthcare staff to perform their job duties as all patient data must be entered into the system, and staff must be able to competently navigate this complex software. Training will provide trainees with skills to use the system to its fullest level of functionality and maximize productivity. Training topics in Microsoft Office/Excel (Intermediate and Advanced) and PBAR Tracking skills will enhance efficiency, reduce errors, and improve customer service.

**Continuous Improvement (13%):** Training will be provided to all occupations. Topics in Customer Service, Communication Skills, and Conflict Resolution training will focus on performance and quality of care improvements. Teamwork will enable trainees to effectively collaborate with other healthcare professionals within the facility.

### **Commitment to Training**

Newport Hospital 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. This is Newport Hospital's first year in operation since receiving the license to operate; however, the Hospital projects an annual training budget of more than \$100,000.

#### ➤ Training Infrastructure

Newport Hospital plans to contract with an administrative subcontractor to assist with ETP project administration. In addition, the Hospital will have designated staff members to oversee the training as well as collect and submit training rosters to the administrative subcontractor for data entry into the ETP systems.

### **Impact/Outcome**

ETP funding will be the primary financial catalyst for Newport Hospital to implement an extensive training program for 100 Job Creation newly-hired workers as well as 37 incumbent workers. Funding will improve workforce competency and increase retention of qualified healthcare workforce. Workers will experience increased job satisfaction due to an improved work environment, empowered by education and evidence-based practice. The proposed funding will contribute to the ability of Newport Hospital to sustain its newly awarded licensure as a general acute care hospital, while progressively meeting the healthcare needs of the community.

### **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.

### **Priority Industry Wage Modification**

For trainees employed in a priority industry, the Panel may modify the SET wage up to 25% below the statewide average hourly wage. Newport Hospital requests the wage modification from \$27.40 to \$20.55 for trainees in Job Number 1.

**Training Hours Limitation**

Retraining hours are capped at 200 hours per trainee. Newport Hospital requests a modification of the cap up to a maximum of 300 training hours for New Graduate RNs and LVNs only. With the shortage of experienced nurses in the community, the Hospital must often hire inexperienced graduate nurses who are typically not prepared to assume sole responsibility for patient care. In order for New Grad RNs and LVNs to meet hospital requirements for patient care and promote the above mentioned strategic plan, these trainees will receive up to 416 hours of training to complete a New Graduate Program (116 hours will be at the Hospital's expense).

Through this program, 22 New Grad RNs and 16 LVNs are expected to train heavily on Medical Skills in Didactic and Preceptor training in Pediatric Advanced Life Support, Basic Life Support, Advanced Cardiac Life Support, Safety for Life, Infection Control, Restraints, EKG and Cardiac Monitoring, Blood Borne Pathogens, Patient Fall Prevention, Suicide Counseling, Universal Protocols, Wound Care, and Point-of-Care Testing as well as various Computer Skills and Continuous Improvement Skills training to ensure competency in the acute care environment.

Previous projects with increased max hours have been approved in the past (Quantum Health, Inc. dba Promise Hospital of San Diego ET12-0293). However, Newport Hospital is also requesting this waiver consideration for the New Graduate LVNs as these trainees must complete the New Graduate Program alongside RNs as discussed above.

**Turnover Rate Calculation**

Newport Hospital's year-to-date turnover rate is 3%. Given that the Hospital was acquired on 5/6/14, the turnover rate calculation for the last calendar year is not applicable.

**High Earner Reduction**

The Panel enacted a High Earner Reduction (HER) of new projects for any parent company, including its subsidiaries, divisions, and branches regardless of facility that has earned more than \$1 million in ETP funding over the last five years. The combined proposals of Alta entities within the last five years as reviewed by ETP staff do not reach the \$1 million threshold; therefore, no HER was applied in Job Number 1 funding.

**RECOMMENDATION**

Staff recommends approval of this proposal.

**DEVELOPMENT SERVICES**

Newport Hospital retained National Training Systems, Inc. (NTS) in Ladera Ranch to assist with development of this proposal for a flat fee of \$16,573.

**ADMINISTRATIVE SERVICES**

NTS will also perform administrative services for an amount not to exceed 10% of payment earned.

**TRAINING VENDORS**

To Be Determined

## **Exhibit B: Menu Curriculum**

### **Class/Lab Hours**

Job Number 1: 8 – 200

Job Number 2: 8 – 200

Job Number 2: 8 – 300 (New Graduate RN and LVN only)

Trainees may receive any of the following:

### **MEDICAL SKILLS TRAINING – DIDACTIC**

- Acute Psychiatric Care
- Acute Myocardial Infarction
- Advanced Cardiac Life Support (ACLS)
- Arterial Blood Gas (ABG) Interpretation
- Behavioral Health Nursing
- Basic Life Support (BLS)
- Body Mechanics
- Care of Bariatric Patient
- Care of the Cardiac Patient
- Care of the Burn Patient
- Care of the Families & Siblings of Pediatric Sub-Acute Patient
- Care of the Neurosurgical Patient
- Care of Pediatric Patients (Acute Care, Intensive Care)
- Care of the Stroke Patient
- Central Lines Management
- Chest Tube Care & Management
- Code Blue Response & Procedures
- Critical Care Nursing
- Culture Considerations
- Decontamination Procedures
- Dealing with Difficult Personalities (Family & Patients)
- Diabetes Care & Management
- Dysrhythmia Recognition & Interpretation
- Educating the Patient & Family
- Effective Care Planning
- Effective Documentation
- EKG & Cardiac Monitoring
- Electronic Fetal Monitoring (Beginning & Advanced)
- Emergency Care of the Burn Patient
- Emergency Room Nursing
- Equipment Skills (IV pumps, cardiac telemetry, vital signs, pulse-oximeter, ventilators, specialty beds and mattresses, etc.)
- Evidence Based Practices
- Gastrointestinal Assessment and Management
- Hemodynamic Monitoring
- Identification and Prevention of Aspiration
- Identification and prevention of Urinary Tract Infections
- Identification and Treatment of Sepsis

- Infection Control
- Intra-Aortic Balloon Pump Therapy (IABP)
- Intra-Cranial Pressure Monitoring & Ventriculostomy
- Intravenous (IV) Insertion & Therapy
- Kinetic Therapy
- Labor, Delivery and Postpartum Nursing
- Management of the Renal Transplant Surgical Patient
- Medical/Surgical Nursing
- Medication Administration & Management
- Moderate Sedation
- Neonatal Advanced Life Support (NALS)
- Neonatal/Infant Pain Scale (NIPS)
- Neonatal Intensive Care Unit (NICU) Nursing
- Neonatal Nursing
- Neonatal Resuscitation Provider (NRP)
- New Graduate Nursing
- New Certified Nurse Assistant
- Nurse Orientation Training (for New Grads only)
- Nursing Diagnosis
- Nursing Process
- OB Trauma
- Oncology Nursing
- Orthopedic Nursing
- Ostomy & Continence Care
- Pain Management (Acute & Chronic)
- Patient Assessment & Care
- Patient Fall Prevention
- Pediatric Advanced Life Support (PALS)
- Pediatric IV/IO Care
- Pediatric Pharmacology
- Peri-Operative Nursing
- PICC Line Insertion
- Pre and Post-Operative Care
- Psychiatric Nursing
- Psychotropic Medications
- Rapid Response
- Renal Assessment & Management
- Respiratory Assessment & Care
- Responding to Pediatric Emergencies in the Pediatric Sub-Acute Population
- Restraints
- Surgical Nursing
- S.T.A.B.L.E.
- Telemetry Nursing
- Total Parenteral Nutrition (TPN)
- Transfer Techniques
- Triage Nursing
- Trauma Nursing
- Ventilator and Tracheotomy Care

- Versant New Graduate Program
- Wound & Skin Care

**MEDICAL SKILLS TRAINING – CLINICAL WITH PRECEPTOR**

- **Behavioral Health/Psychiatric Acute Care Services Unit**
  - Patient Assessment & Care
  - Acute Psychiatric Care
  - Behavioral Health Nursing
  - Electroconvulsive Therapy (ECT)
  - Care of Pediatric/Adolescent Psychiatry Patient
- **Burn Center Unit Training**
  - Emergency Care of the Burn Patient
  - Patient Assessment & Care
  - Care of the Burn Patient
- **Emergency Department Training**
  - Emergency Room Nursing
  - Emergency Care of the Burn Patient
  - OB Trauma
  - Trauma Nursing
  - Triage Nursing
  - Care of Pediatric patients
- **Intensive Care Unit/Critical Care Unit Training**
  - Critical Care Nursing
  - Patient Assessment & Care
  - Intra-Aortic Balloon Pump (IABP) Therapy
  - Intracranial Pressure Monitoring & Ventriculostomy
  - Hemodynamic Monitoring
  - Pre and Post-Operative Care
  - Care of Trauma Patient
  - Management of the Renal Transplant Surgical Patient
  - Ventilator & Tracheotomy Care
- **Long Term Care Unit**  
(Sub-Acute, Skilled Nursing, Transitional Care, & Hospice)
  - Patient Assessment & Care
  - Geriatric Nursing
  - Med/Surg Nursing
  - Pre and Post-Operative Care
  - Orthopedic Nursing
  - Oncology Nursing
  - Hospice Nursing
- **Medical/Surgical Unit Training**
  - Patient Assessment & Care
  - Medical/Surgical Nursing
  - Pre and Post-Operative Care
  - Orthopedic Nursing
  - Management of the Renal Transplant Surgical Patient
  - Oncology Nursing

- **Neonatal Intensive Care Unit (NICU) Training**
  - Patient Assessment & Care
  - Neonatal Resuscitation Provider (NRP)
  - Neonatal Advanced Life Support
  - Neonatal Intensive Care Unit (NICU) Nursing
  - Neonatal/Infant Pain Scale (NIPS)
  - Palliative Care
- **Obstetrics Unit Training**
  - Patient Assessment & Care
  - Antepartum, Labor, Delivery and Postpartum
  - Neonatal Nursing
  - S.T.A.B.L.E.
  - Advanced & Electronic Fetal Monitoring
  - Neonatal Resuscitation Provider (NRP)
  - Neonatal Intensive Care Unit (NICU) Nursing
- **Operating Room and Post-Anesthesia Care Unit (PACU) Training**
  - Patient Assessment & Care
  - Trauma Nursing
  - Care of the Burn Patient
  - Peri-Operative Nursing
  - Pre and Post-Operative Care
- **Pediatric Services Unit**
  - Care of Pediatric Patients (Acute Care, Intensive Care)
  - Integration of the Care Plan
  - IV/IO Skills
  - Medication Administration
  - Pain Management
  - Patient Assessment & Care
  - Pre & Post Operative Care
  - Response to Emergency Situations/Code Blue
  - Ventilator and Tracheostomy Care
  - Wound Assessment & Care
- **Rehabilitation Services Unit Training**
  - Patient Assessment & Care
  - Medical/Surgical Nursing
  - Pre and Post Operative Care
  - Post-Orthopedic Surgery Nursing
  - Post-Trauma Injury Nursing
  - Post-Neurological Injury Nursing
- **Special Care Unit Training**
  - Patient Assessment and Care
  - Critical Care Nursing
  - Ventilator & Tracheotomy Care
  - Hemodynamic Monitoring
  - Total Parenteral Nutrition



- **Surgical Services Unit Training**
  - Patient Assessment & Care
  - Trauma Nursing
  - Surgical Nursing
  - Pre and Post Operative Care
- **Telemetry Unit Training**
  - Care of the Cardiac Patient
  - EKG & Cardiac Monitoring
  - Dysrhythmia Interpretation
  - Telemetry Nursing
  - Pre and Post Operative Care
  - Care of the Neurosurgical Patient
  - Intravenous (IV) Therapy
  - Oncology Nursing

#### **COMPUTER SKILLS**

- Microsoft Office/Excel (Intermediate and Advanced)
- Patient Billing and Accounts Receivable (PBAR) tracking
- Electronic Medical Records Application
- Electronic Care Planning Order Entry

#### **CONTINUOUS IMPROVEMENT**

- Case Management/Discharge Planning
- Charge Nurse Training/Frontline Leadership
- Communications Skills
- Conflict Resolution
- CORE Measures
- Crisis Prevention Intervention (CPI)
- Critical Thinking
- Culturally Appropriate Care
- Customer Service
- Documentation
- Lean Six Sigma
- Organization and Time Management
- Patient and Family Centered Care
- Preceptor Skills (train-the-trainer)
- Performance and Quality Improvement and Procedures
- Team Building
- Utilization Review

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

Exception: For New Grad RN and New Grad LVN (Job Number 2), the reimbursement for retraining is capped at 300 total training hours per trainee, regardless of the method of delivery.



## RETRAINEE - JOB CREATION

Training Proposal for:

**Balfour Beatty Construction, LLC**

**Agreement Number: ET15-0339**

**Panel Meeting of:** January 22, 2015

**ETP Regional Office:** San Diego

**Analyst:** K. Campion

### PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate SET Job Creation Initiative	Industry Sector(s):	Construction Services Green Technology  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	San Diego, San Bernardino, Alameda, Orange, Ventura	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: 376	U.S.: 2,852	Worldwide: 48,000
<u>Turnover Rate:</u>	5%		
<u>Managers/Supervisors:</u> (% of total trainees)	0%		

### FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$350,400		\$0	\$0		\$350,400

In-Kind Contribution:	100% of Total ETP Funding Required	\$656,762
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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 SET	Business Skills, Computer Skills, Continuous Impr., Commercial Skills, HazMat, OSHA 10/30	320	8 - 200	0	\$720	\$20.55
				Weighted Avg: 40			
2	Retrainee Priority Rate SET Job Creation Initiative	Business Skills, Computer Skills, Continuous Impr., Commercial Skills, HazMat, OSHA 10/30	100	8 - 200	0	\$1,200	\$13.70
				Weighted Avg: 60			

**Minimum Wage by County:** Job Number 1: \$20.55 per hour SET Statewide Average Hourly Wage (priority industry); Job Number 2 (Job Creation Wage): \$13.28 per hour for San Diego County; \$12.33 per hour for San Bernardino and Ventura Counties; \$13.35 per hour for Orange County; \$13.70 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 \$3.75 per hour per hour may be used to meet the Post-Retention Wage.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
<b>JOB 1 - RETRAINEES</b>		
Administrative Staff		18
Accountant		34
Marketing Coordinator		14
Estimator I		9
Estimator II		5
Tech Specialist		6
Engineer		42
Safety Staff		9
Scheduler		3
Project Manager I		77
Project Manager II		28

Superintendent I		53
Superintendent II		22
<b>JOB 2 – JOB CREATION RETRAINEES</b>		
Administrative Staff		2
Accountant		10
Marketing Coordinator		2
Estimator		4
Tech Specialist		3
Engineer		25
Safety Staff		2
Scheduler		2
Project Manager		25
Superintendent		25

## **INTRODUCTION**

Balfour Beatty Construction, LLC (Balfour Beatty) [www.balfourbeattyus.com](http://www.balfourbeattyus.com) is a construction management company for private developers and public entities such as K-12 school districts and higher education facilities.

Its parent company (Balfour Beatty Construction Group, Inc.) is headquartered in Dallas, Texas. This project will be administered by the Company's Southwest Division office in San Diego. Balfour Beatty has four additional California facilities in San Bernardino, Emeryville, Irvine and Oxnard; training will occur at these sites (San Diego, Emeryville and Irvine). Balfour Beatty is eligible for ETP funding under Special Employment Training provisions for frontline workers in a priority industry.

## **PROJECT DETAILS**

Balfour Beatty's training requirements are driven by technology advances and customer demand. The construction industry is currently experiencing rapid changes around sustainability, technology, efficiency, and project delivery. Customers now demand increased energy efficiency and other sustainable features, including green-construction. Balfour Beatty must stay current with technological advances in Computer Assisted Drafting (CAD), Building Information Modeling (BIM), and 3D rendering to meet this demand.

Balfour Beatty is also moving into new markets. Although primarily focused on building schools, the Company is beginning to manage construction for more complex projects such as high-rises, mixed-use developments, hospitals, and airports.

### **Retrainee - Job Creation**

Due to a significant backlog of construction projects, meaning work that the Company has been awarded, but construction has yet to start, Balfour Beatty is now ramping up hiring to have enough staff to work on the projected construction projects secured for 2015. The Company projects revenue growth in excess of 50% over the next two years based on construction management projects that they have won. The Company has hired 78 workers in the last 12 months and, under this proposal, is committed to hiring 100 frontline workers in the next two

years, as shown in Job Number 2. To be eligible for reimbursement under this Job Number, the trainees must be hired within the four-month period prior to Panel approval or during the term of contract. 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 also represents that these trainees will be hired into “net new jobs” as a condition of contract.

## Training Plan

The majority of the training will be delivered via class/lab. To ensure that training is provided consistently across all locations, approximately 5% of training hours may be delivered via “virtual classroom” with a real-time interactive instructor. This delivery method qualifies as Class Lab training.

**Business Skills (20%)** – This training will be provided to all occupations in order to upgrade job skills in project management, marketing & business development, front line leadership, effective communication, and change management. Trainees will learn how to work more effectively with internal and external customers. Additionally, trainees will learn the skills needed to effectively identify best practices and ensure project success, as well as, reduce uncertainties that occur during transitions from the preconstruction phase to the construction phase when contracts are issued.

**Computer Skills (23%)** – This training will be provided to all occupations. This training will enable trainees to integrate upgraded software applications and implement advanced capabilities into existing operations with rapid response for clients, provide quick turn around on change orders, and interface reports with existing software platforms. Trainees will learn financial accounting system, estimating software skills and the latest construction software applications to perform essential job duties for construction projects. BIM and CAD software applications will improve the capture, coordination and dissemination of information throughout the organization and provide the latest skills in construction industry computer technologies.

**Continuous Improvement (20%)** – This training will be provided to all occupations in order to minimize wasteful activities in all areas of operations, and improve operational processes. Empowering employees through Frontline Decision Making and Problem Solving will eliminate bottlenecks and improve customer response time. Trainees will learn best management practices on how to contribute to corporate sustainability goals.

**Commercial Skills (20%)** – This training will be provided to all occupations and will be focused on new construction technologies in Green Buildings, upgrading knowledge of construction best practices, construction defects, bidding techniques, building codes, and environmental stewardship.

**Hazardous Materials (2%)** – This training will be provided to Engineers, Project Managers, Superintendents and Safety Staff. Trainees will learn how to handle materials in the safest possible manner to minimize environmental exposure and decrease risk.

**OSHA 10/30 (15%)** – This training will be provided to Engineers, Project Managers, Superintendents and Safety Staff. OSHA 10/30 training is a series of courses “bundled” by industry sector and occupation. It consists of 10 hours of training for journeymen and 30 hours for supervisors or leaders. 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.

## Frontline Worker

Balfour Beatty will be training Project Managers and Superintendents. According to company representatives, even though these occupations are exempt from overtime, their primary job

duties are managing construction projects, not people. Employees in these occupations do not have the authority to hire or fire, and spend more than 50% of their time directly providing services. As such, Project Managers and Superintendents meet the Panel's definition of frontline workers, and these trainees qualify for SET funding.

### **SET Training Wage Modification**

Balfour Beatty requests a modified wage in Job Number 1 for selected Administrative Staff and Accountants. For trainees employed in a priority industry, the Panel may modify the State Average Hourly Wage of \$27.40 per hour by 25% to \$20.55 per hour.

### **Impact/Outcome**

The goal of this training project is to increase employee productivity, efficiency, and job skills so Balfour Beatty can be better positioned for new business opportunities. Trainees may earn the following certifications from this training: Leadership in Energy and Environmental Design (Commercial Skills), Design Build Institute of America (Continuous Improvement), and Certified Construction Managers (Business Skills).

### **Commitment to Training**

Balfour Beatty represents that ETP funds will not displace its existing financial commitment to training. The Company's current training budget is approximately \$150,000 annually for its workforce to cover such topics as OSHA mandated safety training, general safety training, code of conduct, sexual harassment prevention, new hire orientation, basic computer skills training, general operations training, and on-the-job training on an as needed basis. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

This ETP training project will be overseen by the Sustainability Project Manager with assistance from the Division Controller to ensure all training is properly captured for ETP reimbursement. Additionally, a training coordinator will be assigned at each company facility to schedule training. Balfour Beatty will utilize an administrative subcontractor for enrolling and tracking trainees in the ETP online systems.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

### **DEVELOPMENT SERVICES**

Balfour Beatty retained Training Funding Source (TFS) in Seal Beach to assist with development of this proposal for a flat fee of \$7,000.

### **ADMINISTRATIVE SERVICES**

Balfour Beatty also retained TFS to perform administrative services in connection with this proposal for an amount not to exceed 13% of payment earned.

### **TRAINING VENDORS**

To Be Determined

**Exhibit B: Menu Curriculum****Class/Lab Hours  
and E-Learning**

8 – 200

Trainees may receive any of the following:

**BUSINESS SKILLS**

- + Accounting Skills
- + Change Management
- + Client Relations & Effective Communications Skills
- + Frontline Leadership Skills
- + Marketing & Business Development
- + Performance Management / Goal Setting
- + Project Management Skills

**COMPUTER SKILLS**

- + Building Information Modeling (BIM) & Computer Assisted Drafting (CAD) Skills
  - o 360 Field/Glue
  - o Revit
  - o Navisworks
  - o SketchUp
  - o VICO Virtual Construction
- + Constructware
- + Financial Accounting Software Skills
- + Estimating Software Application skills
- + Construction Software & Scheduling Application Skills
- + Marketing Software Application skills
- + Customer Relationship Management (CRM - Oracle)
- + Microsoft Office (Intermediate & Advanced)
- + VEO (Design and Facility Management)
- + Laser Scanning Skills

**CONTINUOUS IMPROVEMENT**

- + Sustainability Concepts & Action Plans
- + Integrated Project Solutions
- + Quality & Process Improvement
- + Problem Solving & Frontline Decision Making Skills

**COMMERCIAL SKILLS**


- + Environmental Stewardship
- + Green Building
- + Leadership in Energy and Environmental Design (LEED)
- + Construction Estimating / Scheduling, & Operations Skills
- + Product Knowledge Skills
- + Zero Harm

### **HAZARDOUS MATERIALS**

 Handling Hazardous Materials

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

 OSHA 10 (requires completion of 10 training hours)

 OSHA 30 (requires completion of 30 training hours)

*Safety Training cannot exceed 10% of total training hours per-trainee, not including Hazardous Materials and OSHA 10/30.*

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery.
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**Training Proposal for:**  
**Thales Avionics, Inc.**

**Agreement Number: ET15-0379**

**Panel Meeting of:** January 22, 2015

**ETP Regional Office:** San Diego

**Analyst:** M. Ray

**PROJECT PROFILE**

Contract Attributes:	Priority Rate Retrainee	Industry Sector(s):	Manufacturing Multimedia/Entertainment  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: 1,200	U.S.: 3,000	Worldwide: 64,000	
<u>Turnover Rate:</u>	3%			
<u>Managers/Supervisors:</u> (% of total trainees)	18%			

**FUNDING DETAIL**

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$277,200		\$0	\$0		\$277,200

In-Kind Contribution:	100% of Total ETP Funding Required	\$610,128
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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	Advanced Technology, Business Skills, Computer Skills, Continuous Improvement	700	8 - 200	0	\$396	\$16.02
				Weighted Avg: 22			

**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

Up to \$2.41 per hour may be used to meet the Post-Retention Wage.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Administrative Support		40
Engineer I		296
Engineer II		100
Inspector I		7
Inspector II		3
Operator		50
Sales I		2
Sales II		2
Technician I		70
Technician II		10
Supervisor		80
Manager		40

**INTRODUCTION**

Founded in 2000, Thales Avionics, Inc. (Thales Avionics) ([www.thales-ifec.com](http://www.thales-ifec.com)) is a manufacturer of interactive in-flight entertainment (IFE) and connectivity systems for the airline industry such as Airbus and Boeing. The Company offers a wide range of cabin systems designed to make flying a more enjoyable experience for passengers and crew before, during, and after flight. Thales Avionics, a subsidiary of Thales USA, Inc. (Thales USA) ([www.thalesgroup.com](http://www.thalesgroup.com)), has four California locations: Irvine, Long Beach, San Jose, and San Francisco. The Company's headquarters in Irvine employs 1,090 and occupies 220,000

square-feet of office, laboratory, and manufacturing space. This project will target training for workers at the Irvine location only.

## **PROJECT DETAILS**

During the 1990s, the demand for better IFE was a major factor in the design of aircraft cabins. In recent years, IFE has been expanded to include in-flight connectivity services such as internet browsing, text messaging, cell phone usage (where permitted), and wireless streaming.

Today, as one of the leaders in In-Flight Entertainment and Connectivity (IFEC) systems, Thales Avionics' continues to produce a complete line of IFEC systems that combines the strengths of earlier generation systems with advanced technologies such as high definition video, solid state hard drives, and faster processors to create an exceptional passenger experience. These advancements push the boundaries of the Company's IFEC systems to achieve exceptional system performance, solid reliability, and optimized flexible design.

The demands for these systems have increased and with the continued advancement in technology, Thales Avionics must keep pace with these demands to remain at the forefront of the marketplace. As a result, the Company's Irvine facility has invested in implementing the following technological advancements and process improvements:

- Replacement of the Company's current Enterprise Resource Planning (ERP) system to the new Systems, Applications, Products (SAP) ERP system. The implementation of the SAP system will significantly impact business processes by creating more efficient work processes. Thales Avionics also plans to upgrade existing software systems during this technological transformation. The nature of its business requires the Company to constantly develop new technologies and processes to ensure employees are well equipped to meet customer demands and anticipate future changes.
- The Company's Irvine facility has hired 200 new workers in the last 18 months. These new workers are inexperienced in modern design and manufacturing methodologies specific to Thales Avionics. As such, the Company has developed a comprehensive training package to be delivered to approximately 700 of its workforce, focusing on product knowledge, process improvement, technical expertise, and leadership development.

In June 2012, the Company's Irvine location opened an on-site Thales University campus. Established by the parent company in 1987 in Paris, France, Thales University was formed to internally design and implement training programs to support all major transformations and international development as one sustainable company. With the help of ETP funding, the Company will not only incorporate Thales USA's mission to deliver structured training programs to its workforce, but will also provide continuous learning improvement to advance skills necessary to support business needs, deliver new innovation, and maneuver into new market segments.

## **Training Plan**

**Business Skills** (30%) – Training will be offered to all job occupations. Course topics will cover communication, leadership, customer service, time management, business negotiation, and change management will provide trainees with skills to accurately measure performance, foster better accountability, and effectively communicate.

**Computer Skills** (30%) – Training will be offered to all job occupations. A significant amount of ERP training will provide trainees with the ability to streamline processes to perform their job

faster and more efficiently. Extensive ERP training will include Customer Portals, Supplier Portals, and Supplier Management Tools. Software and hardware systems training will allow trainees to become more effective after they learn to use and apply the latest versions of these systems.

**Continuous Improvement (30%)** – Training will be offered to all job occupations. Course topics such as Agile Practices, Work Package Management, Lean, and Six Sigma training provide trainees with skills necessary to continually improve productivity. Project Manager training will provide Managers with the skillset required to manage all the current transformation projects. Continuous improvement training will enable trainees to successfully maintain and manage increased business needs.

**Advanced Technology (10%)** — Thales Avionics will provide Advanced Technology (AT) training to its Engineers and select Managers to address skill gaps in working with highly technical software system and equipment. The training topic will include Application Development for Android. This advanced three-week course focuses on advanced User Interface issues and techniques, animation, structuring and organizing complex applications for efficiency and reliability, accessing Web Services, integrating with third party libraries, background applications, content providers, and tying into and replacing applications which comes with the device.

The Company is requesting the ETP Advanced Technology rate of \$26 per hour for the AT courses (see Exhibit B). The AT course is far more costly to deliver than less complex, generalized subject matter. The cost for highly skilled, technical trainers, and sophisticated computer software and equipment is estimated to be at least \$2,000 to \$6,000 per day (\$60 to \$80 per trainee hour). Thales Avionics confirms that class size will be capped at 10 trainees to allow in-depth coverage and personal attention from the instructor.

### **Commitment to Training**

Thales Avionics 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. Thales Avionics' current annual training budget per facility is \$700,000 for all training. ETP will allow Thales Avionics to provide in-depth job skills training to meet the Company's overall business needs.

#### ➤ Training Infrastructure

Thales Avionics plans to contract with an administrative subcontractor to assist with ETP project administration. In addition, the Company has designated a number of staff to schedule and oversee the training as well as collect and submit training rosters to the administrative subcontractor for data entry into the ETP systems.

### **Impact/Outcome**

A comprehensive training program has been developed to equip Thales Avionics' workers with the skills needed to achieve overall company business goals. In the coming two years, the Company projects that Thales Avionics will strive to receive ISO certification for Continuous Improvement 9001. Likewise, the Company anticipates that a number of Project Managers will receive different levels of International Public Management Association certifications.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

### **DEVELOPMENT SERVICES**

Thales Avionics retained Training Funding Source (TFS) in Seal Beach to assist with development of this proposal for a flat fee of \$9,500.

### **ADMINISTRATIVE SERVICES**

TFS will also perform administrative services in connection with this proposal for a fee not to exceed 8% 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**

- + Business Plan & Negotiation
- + Coaching
- + Communication Skills
- + Creativity & Innovation
- + Customer Service
- + Financial
- + Change Management
- + Growing the Service Business
- + Leadership
- + Sales and Negotiation
- + Marketing
- + Team and Time Management

**COMPUTER SKILLS**

- + ERP (Enterprise Resource Planning)
- + SAP (Systems, Applications, Product) ERP
- + Microsoft Office (Intermediate or Advanced)
- + Internet & Web Application Skills
- + Multimedia & Information Technology
- + Database Administrator Skills (includes development, performance, tuning)
- + Cyber Security
- + International Council on Systems Engineering (INCOSE)
- + Certified Systems Engineering Professional (CSEP)
- + Lean Engineering
- + Software Design and Programming
- + Orchestra
- + Hardware Training
- + System Training
- + Primavera Basic Users (Update)
- + Melody Advance for Systems Engineering

**CONTINUOUS IMPROVEMENT**

- + Agile Practices
- + Capture Leader for Complex Bid
- + Bid & Project Training
- + Design Patterns
- + IVVQ Practitioners (Integration Validation Verification Qualification)
- + Supply Chain Training
- + Work Package Management
- + Planning & Scheduling Techniques
- + Project Manager Training
- + Product Engineering
- + Quality Assurance & Supplier Audit
- + Risk & Opportunity Management

- ✚ Scrum Training & Certification
- ✚ q-Pulse
- ✚ ISO (International Organization for Standardization)
- ✚ ESD (Electro Static Discharge)
- ✚ Processes Improvement (Chorus)
- ✚ Lean Training
- ✚ Technical Writing Skills
- ✚ 5S / Six Sigma

### **AT Hours**

0 - 8

### **ADVANCED TECHNOLOGY**

- ✚ Application Development for Android

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

Training Proposal for:

**United Parcel Service, Inc.**

**Agreement Number: ET15-0342**

**Panel Meeting of:** January 22, 2015

**ETP Regional Office:** San Diego

**Analyst:** K. Campion

### PROJECT PROFILE

Contract Attributes:	Critical Proposal Priority Rate Retrainee Job Creation Initiative HUA	Industry Sector(s):	Transportation/Logistics Services  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Statewide	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No International Brotherhood of Teamsters, Western Region Local 104		
Number of Employees in:	CA: 18,507	U.S.: 171,754	Worldwide: 201,450
<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
\$749,576		\$0	\$0		\$749,576

In-Kind Contribution:	100% of Total ETP Funding Required	\$1,350,194
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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 Critical Proposal Priority Rate	Commercial Skills, Management Skills	447	8 - 200	0	\$1,008	\$18.75
				Weighted Avg: 56			
2	Retrainee Critical Proposal Priority Rate Job Creation Initiative	Commercial Skills	325	8 - 200	0	\$920	\$18.75
				Weighted Avg: 46			

**Minimum Wage by County:** Job Number 1: \$16.44 per hour Alameda, Contra Costa, Marin, San Francisco, San Mateo, Santa Clara, and Santa Cruz Counties; \$15.97 in Los Angeles County; \$16.02 in Orange County; \$15.93 in San Diego County; \$15.75 in Sacramento County; \$15.56 in Alpine County; and \$15.07 in all other counties; Job Number 2 (Job Creation Wage): \$13.70 per hour in Alameda, Contra Costa, Marin, San Francisco, San Mateo, Santa Clara, and Santa Cruz counties; \$13.31 in Los Angeles County; \$13.35 in Orange County; \$13.28 in San Diego County; \$13.13 in Sacramento County; \$12.97 in Alpine County; and \$12.33 in all other 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

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>		
Package Driver		293
Supervisor/Manager		154
<b>JOB NUMBER 2</b>		
Package Driver		325

**Critical Proposal**

This proposal for United Parcel Service, Inc. (UPS) is designated as a “Critical Proposal” (see Title 22, California Code of Regulations (CCR) 4402.2.) by the Governor’s Office of Business and Economic Development (Go-BIZ).

UPS is spending over \$200 Million in the building and expansion of facilities across California. The Company is expanding its Menlo Park facility to include a new West Coast Regional Driver training center, called *Integrad*. In addition, due to significant increases in shipping volume, UPS is building a new West Coast International Air Hub in Ontario, is expanding its facilities in Richmond; and has leased a large customer-logistics facility in Mira Loma for its Supply Chain Solutions division. As a result, the Company projects to add over 700 full-time workers across California in the next two years.

## **INTRODUCTION**

UPS is a global leader in logistics, offering a broad range of solutions including: transportation of packages and freight; facilitation of international trade, and deployment of advanced technology. UPS also provides industry-specific customer solutions in the areas of healthcare and e-commerce. UPS services 1.5 million pick-up customers and 7.9 million delivery customers daily. Headquartered in Atlanta, UPS serves more than 220 countries and territories worldwide. The Company has approximately 90 California locations (small-package facilities) and over 18,000 full-time California workers.

UPS currently has two Integrad Package Driver training centers in the United States, located in Maryland and Illinois. Integrad is a driver training program that incorporates technology in the form of virtual reality and simulations, allowing trainees to learn by doing. Sending California employees to Maryland or Illinois is cost prohibitive, thus UPS made a decision to establish a center on the West Coast. This state-of-the-art training facility will help support the Company's planned expansion projects by providing skills for Package Drivers and Supervisor/Managers.

All training under this proposal will be conducted at the new Integrad facility in Menlo Park. Newly-hired and incumbent trainees will come from UPS facilities across California to attend the training. UPS will reimburse all travel expenses.

In the most recent ETP project, ET13-0238, UPS needed training to improve job skills for the launch of new services such as UPS My Choice, UPS Returns Exchange and UPS Returns Pack and Collect. Additionally, UPS needed to upgrade the skills of its sales and marketing force in the areas of high tech, retail, industrial and automotive, services, and healthcare. The Company reported that the majority of the training provided under that Agreement was in Sales and Marketing Skills and Commercial Skills.

There will be no duplication of training topics from ET13-0238. Any training in those topics will be provided at Company expense under this Agreement. For example, UPS will now fund previously ETP-funded Business Skills training in Sales & Marketing Techniques, and training in new Business Services, as well as its standard Commercial Skills Driver training.

### **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.

To support the aforementioned growth of its California shipping volume and expand its existing business capacity in California, UPS has been hiring newly-hired employees to existing functions. The Company projects to hire approximately 700 workers in the next two years, of whom 325 are included in this proposal, as shown in Job Number 2. UPS represents that the Job 2 trainees will be hired into "net new jobs" as a condition of contract. Of the total 325 Job 2 trainees, 155 are "off the street" new hires and 170 trainees have been recently promoted (in the last 90-days) from part-time loader/unloader to full-time Package Drivers. The change from

part-time to full-time is considered a new job under Panel guidelines for Retrainee-Job Creation. This policy favors retention and promotion within the employers' organization.

To be eligible for reimbursement under this Job Number, Job 2 trainees must be hired within the four-month period prior to Panel approval or during the term of contract; or have been promoted from part-time to full-time work during the three-month period prior to Panel approval, or during the term of the contract. [Note: The usual date-of-hire "window period" for this program is three months. In this case, because the proposal was held over due to cancellation of the Panel meeting in December 2014, and the Company has already started hiring, staff recommends extending this period by one additional month.]

## **PROJECT DETAILS**

UPS has discovered that hands-on experience, combined with real-time feedback is critical to an effective Package Driver training program. The Integrad class/lab training methods of *Teach Me, Show Me, Let Me*, have improved overall operations by decreasing accidents, reducing Driver turnover rates from 11% to 3%, and reducing overtime. As a result of these successes, UPS will not only send newly-hired trainees to training, but incumbent workers as well.

### **Training Plan**

All training will be conducted in a classroom or in a simulated, hands-on laboratory. This includes the use of learning stations in a "mock town", and in-car virtual reality simulations. Package Drivers will receive five consecutive days of training (46 training hours) and Supervisor/Managers will receive nine consecutive days of training (90 training hours). Trainees earn a certification at the successful completion of the course.

**Commercial Skills** (93%) – This training will be provided to Package Drivers and Supervisor/Managers with a trainer to trainee ratio of 1:6. There are 4 key areas targeted as part of the Integrad training: 1) Methods and Procedures; 2) Service Performance; 3) Customer Focus; and 4) UPS Professionalism. Trainees will learn proper package delivery methods, ways to improve efficiency, and proper operating methods. Trainees will have hands on Integration Station training in a mock UPS town. Other topics include new skills in technology and upgrades to the Delivery Information Acquisition Device (DIAD), and On Road, Integrated & Optimization Navigation System (ORION), and Customer Service Strategies.

**Management Skills** (7%) – This training will be provided to Supervisor/Managers in how to improve operations, increase customer service, reduce costs and increase efficiencies. Trainees will also be provided leadership skills for working with employees.

### **High Unemployment Area**

Some trainees in both Job Numbers work in a High Unemployment Area (HUA), areas with unemployment rate exceeding average 15%. However, the Company is not asking for a wage or retention modification.

### **Commitment to Training**

UPS reports that ETP funds will not displace existing commitments to training. The Company spends approximately \$8.5 million per year on training for its California workforce that is outside ETP funding including new hire orientation, safety training, sexual harassment prevention, diversity training, ethics, product knowledge training, and on the job training. Additionally, UPS projects spending of approximately \$900,000 per year for hotel and meal reimbursement for California workers who attend the Integrad training.

The training in this proposal will be in new skills and delivered by new methods, not previously provided in California. Training is scheduled to begin in early January 2015. The ETP program will be administered by UPS' Regional Tax Department in Anaheim. All attendance rosters will be maintained in Anaheim. This Tax Department has administered ETP contracts in prior years and is familiar with the program. The Department has a staff of three responsible for enrolling trainees, tracking, coordination of training rosters, and meeting with ETP staff.

### **Substantial Contribution**

UPS is a repeat contractor, but has not earned at least \$250,000 at any one facility in California during the last five years. Therefore, there is no substantial contribution applied on this project.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

### **ACTIVE PROJECTS**

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

Agreement No.	Approved Amount	Term	No. Trainees (Estimated)	No. Completed Training	No. Retained
ET13-0238	\$599,616	1/28/13 – 1/27/15	1,388	824	431

All training ended on 10/27/14. All 824 trainees who have completed training are projected to complete the 90-day retention period by 1/27/15. The Contractor has documented over 39,000 hours of class/lab and CBT training in the ETP on-line tracking system which equates to earnings in excess of the agreement amount of \$599,616. Therefore, the Contractor projects to earn 100% of the Agreement amount, once the retention period is complete.

### **PRIOR PROJECTS**

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET09-0275	Statewide	10/27/08 – 10/26/10	\$1,334,869	\$165,784 (12%)

The Company reports that the term of this Agreement was at the onset and peak of the economic downturn. Shortly after the Agreement was executed in January 2009, all but the most critical training was put on hold because of cost containment issues, UPS experienced a significant and substantial decrease in package volume beginning in early 2009, and continuing until the first quarter of 2012. As a result, trainees were unable to be released for all but the most critical training and the Company earned 12% of the Agreement amount.

UPS did not have the same cost containment issues in the subsequent ETP Agreement (ET13-0238).

**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:

**COMMERCIAL SKILLS**

- ✚ Integrat Driver Service Provider Workshop Skills and Procedures
  - New Integrated Delivery Information Acquisition Training (DIAD)
  - Package Selection Methods/Procedures
  - Customer Service/Package Handling
  - Scheduling/Planning Skills
  - UPS Services/Customer Strategies
  - Integration Stations/mock town deliveries and pickups
  - New Telematics/Technology Skills
  - New On Road Integrated & Optimization Navigation (ORION) Skills
  - New Next Generation Small Sort (NGSS) Technology Skills

**MANAGEMENT SKILLS** (for Supervisor/Managers only)

- ✚ Managing Performance for On Road Management
  - Communication Skills
  - Conducting Assessment/Coaching
  - Management Tools training/loop dispatch/work measurement/operations systems

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.



LOCAL  
UNION

104

Employment Training Panel  
5353 Mission Center Dr, Suite 110  
San Diego, CA 92181

November 4, 2014

Re: UPS ETP Training Program

Dear Sir or Madam:

I am the Western Region Director of the International Brotherhood of Teamsters (IBT) Package Division. Many local unions affiliated with the IBT represent UPS employees throughout California and ten other western states.

The Teamsters are ardent supporters of employee training and we recognize the importance and crucial role that the ETP Training Program plays in the development of our members.

We support UPS in its efforts to secure funding for this training. Specifically, the training done with our members who are full-time package car and tractor-trailer drivers provides them with the knowledge and skills necessary to compete in this very difficult and competitive business environment.

Should you have any questions, please call me at 602-524-1277.

Sincerely,

Andrew A. Marshall  
Western Region Director  
Package Division  
International Brotherhood of Teamsters



## RETRAINEE - JOB CREATION

Training Proposal for:

**Fox Factory Holding Corp.**

**Agreement Number: ET15-0341**

**Panel Meeting of:** January 22, 2015

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

**Analyst:** A. Nastari

### PROJECT PROFILE

Contract Attributes:	Priority Rate Retrainee Job Creation Initiative HUA	Industry Sector(s):	Manufacturing  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	San Diego, Santa Cruz	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: 639	U.S.: 741	Worldwide: 923
<u>Turnover Rate:</u>	16%		
<u>Managers/Supervisors:</u> (% of total trainees)	6%		

### FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$314,936		\$0	\$0		\$314,936

In-Kind Contribution:	100% of Total ETP Funding Required	\$315,000
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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, PL-Mfg Skills	191	8 - 200	0	\$576	**\$15.60
				Weighted Avg: 32			
2	Retarinee Priority Rate Job Creation	Business Skills, Computer Skills, Cont. Imp., HazMat, Mfg. Skills, PL-Mfg Skills	106	8 - 200	0	\$1,900	**\$13.00**
				Weighted Avg: 95			
3	Retarinee Priority Rate Veterans	Business Skills, Computer Skills, Cont. Imp., HazMat, Mfg. Skills, PL-Mfg Skills	5	8 - 200	0	\$704	**\$15.60
				Weighted Avg: 32			

\*Trainees in this Job Number will never be paid less than the statewide minimum wage rate at the end of retention (Final Payment) regardless of the wage expressed in this table.

\*\* This proposal was scheduled to be heard in December. Staff recommends "grandfathering" the CY 2014 wages to ensure there is no detriment caused by the cancellation of December's meeting where, as here, some occupations would not meet CY 2015 wages.

**Minimum Wage by County:** Job Numbers 1 and 3: \$15.60 per hour for San Diego County and \$16.25 per hour for Santa Cruz County.

Job Number 2(Job Creation):\$13.00 per hour for San Diego County and \$13.55 per hour for Santa Cruz 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 \$3.74 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>		
Administrative Staff		20
Production Staff		120
Production Support Staff		15
Professional Staff		8

Engineers 1		5
Engineers 2 & 3		3
Managers		12
Supervisors		8
<b>Job Number 2</b>		
Production Staff		91
Production Support Staff		15
<b>Job Number 3</b>		
Administrative Staff		1
Production Staff		2
Professional Staff		2

## **INTRODUCTION**

Founded in 1974 and headquartered in Scotts Valley, Fox Factory Holding Corp. (Fox) ([www.ridefox.com](http://www.ridefox.com)), and its subsidiary of Fox Factory Inc., designs, engineers and manufactures high performance shock absorbers and racing suspension products. Merchandise is fabricated for mountain bikes, snowmobiles, motorcycles, All-Terrain Vehicles, Utility Terrain Vehicle, off and on-road vehicles and trucks, Sports Utility Vehicles and specialty vehicles. Fox supplies to and services customers consisting of OEM bike and powered vehicle manufactures, military vehicles, race teams, after-market dealers, and distributors of bike and powered vehicle components. Fox sells and distributes its products globally in more than 40 countries.

The Company operates six facilities in California:

- Its headquarters and one machine shop in Scotts Valley;
- One 24/7 machine shop in Watsonville;
- Two separate Inventory, Shipping and Receiving Warehouses in Watsonville; and
- An Off-Road & Military Division Office with manufacturing plant in El Cajon.

ETP-funded training will be provided to all six California facilities.

The experience level of the labor pool, in the regions where Fox does business, is unskilled. This limits the Company's ability to hire new workers. As such, Fox relies on in-house training that allows workers to develop the skills needed to meet manufacturing demands. Training in this proposal will focus on new equipment operations, ISO and company-wide standards.

Fox has experienced a high increase in sales of powered vehicle and mountain bike products. The 2015 mountain bike launch received positive responses, leading to more new releases planned for 2016 and 2017. Additionally, as of October 2014, Fox began providing services for the Flyin'Miata sports car with a new generation of suspension.

## **Job Creation, Growth and Expansion**

The projected growth of its powered vehicle industry and custom designs creates the need for additional training, especially for new employees. Fox plans to hire 106 workers in the occupations of Production Staff and Production Support Staff.

Fox is in the process of completing installation of eight new dyno machines at its operations and assembly facilities. The dyno machines are computerized measuring equipment used to translate data such as friction, force and speed. The machines allow the operators to troubleshoot, verify customer required audits, and demonstrate the developed design, and set internal production processes that meet requirements. This will minimize the risk of failure, used by the automotive supply chain management (Production Part Approval Process).

Fox also recently purchased a new screw machine for small precision parts and a CMM Machine for measuring complex components. Fox is also upgrading several lathes/mills in its Machine Shop.

In December 2014, Fox will install new shock system equipment at its El Cajon manufacturing plant. In 2015, it will further expand operations by creating new production lines to accommodate a \$1 million investment in new equipment for new production.

### **Retrainee - Job Creation**

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.

Fox has committed to hiring 109 new employees under Job Number 2. Trainees must be hired within the four month period prior to Panel approval or during the term of contract. [Note: The usual date-of-hire "window period" for this program is three months. In this case, because the proposal was held over due to cancellation of the Panel meeting in December 2014, and the Company has already started hiring, staff recommends extending this period by one additional month.] The Company also represents that these trainees will be hired into "net new jobs" as a condition of contract.

The estimated number is based on Fox's previous hiring practices. In CY 2013 it hired 184 workers, 100 of whom were on a temporary basis to start. In CY 2014, it has hired 186 workers, 99 of whom were on a temporary basis to start. With the upcoming expansion in CY 2015, Fox plans to hire 106 workers into permanent full-time positions. Hiring will take place for the new production lines in El Cajon; Final Processing department in Scotts Valley; and at the warehouses in Watsonville.

### **Temporary to Permanent**

The trainees in Job Number 2 come under Panel guidelines for "temporary to permanent" employment. Fox 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 Fox. Until then, the Company will not receive progress payments.

### **Veterans Program**

The Panel has established a higher reimbursement rate (\$22 per hour) and other incentives for training California Veterans. In 2012, Fox hired through the Lucas Group Military Transition Career Fair. In 2015, Fox has set a goal of hiring five Veterans who will participate in this training proposal. In 2013, Fox partnered with *Work for Warriors*, (<http://www.msccn.org/WorkforWarriors/CAJobs.html>), a California National Guard pilot program

that matches the skills of unemployed and underemployed National Guard members with the hiring needs of employers.

## **PROJECT DETAILS**

### **Training Plan**

**Business Skills (10%):** Training will be offered to Administrative and Professional Staff to expand Fox's business goals and objectives in growth and customer satisfaction. Training in Effective and Strategic Sales Skills, Facilitation and Effective Negotiations, and Communications are necessary to accomplish Fox's sales goals.

Managers, Supervisors, Leads and Administrative Staff will receive training in Diversity in the Workplace to improve communication.

**Computer Skills (5%):** Training will be offered to Administrative, Production Support and Professional Staff utilize numerous computer programs to record and track operational information and customer database. The spreadsheets are often complex, involving linked information charts and complicated formulas.

Training in the Company's MRP Systems and Advanced Excel will help track operational information, product management, costs and efficiency factors. Training is essential to meet production efficiency and integrate communication within all departments.

Human Resource Information System training is essential for all Administrative Staff, Manager and Supervisors who need to access reports, view and analyze data, financial records, timekeeping systems, applicant tracking system, performance development plans, employee records and managing career growth and development.

Engineers in all levels will receive various CAD/CAM training, Pro E and Solid Works required for machining designs.

**Manufacturing Skills (25%):** Training in new dyno machines will be provided to Production Staff Leads and an additional 10-15 Production Staff will be cross-trained. Machinists Levels 2 and 3 will be trained on the new Screw Machine. QA staff and R&D Machinists will be trained on the new CMM Machine. Remaining Production Staff and Production Support Group will receive a range of includes: Assembly and Manufacturing Practices; Operations on new machinery; Rework; QA Tooling; Production Operations; Inventory Control; Warehouse Operations & Distribution; Forklift Certification; Measurement and Calibration. This training will be essential in meeting production goals, efficiency and measuring employee skill levels.

**Continuous Improvement (15%):** Leadership training will be offered to Leads, Managers and Supervisors to effectively lead workers within departments. Training will include topics such as Team Building, Decision Making Processes, Resource Management, and Process Improvement. In order to establish an efficient and effective workforce, all workers will receive several Continuous Improvement courses as pertinent to their job functions. Production and Production Support Staff will receive training in 5S Standards and Lean Manufacturing to establish a streamlined production line.

During 2015, remodeling of the various departments to support the new lines in production will necessitate training in Kaizen Methodology; Kanban Principals; and Workflow/Measurement; Inventory Control; Pull System, and Organizing Workflow. The training will be delivered to Production and Production Support Staff, along with Managers and Supervisors.

Fox's Production Support Staff, specifically, QC/QA Inspectors and Kaizen Inspectors, required continuous training in Quality Standards, Process Improvement, and Root Cause Analysis. These are critical positions in auditing and inspection of Fox's products required to meet company standards.

**Hazardous Materials (5%)** will be provided to Production Staff and Production Support Staff in FOX's Manufacturing Department will receive training on Material Safety Data Sheets, which provide comprehensive information about a substance or mixture for use in workplace chemical management. Safe and proper handling of Hazmat Materials is important to educate workers while handling various types of coolants, oils, etc., which are used while producing parts and/or assembling parts.

### **Productive Laboratory-Manufacturing (40%)**

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.

Fox requests to deliver a maximum of 40 hours of PL training to 115 Engineers, Production, Production Support Staff. Training will be delivered with a 1:1 trainer-to-trainee ratio and will only be delivered at its Operations facility in Watsonville, the Machine Shop in Scotts Valley and its Offroad Operations in El Cajon. This is consistent with the Panel's guidelines.

PL is necessary to fully apply and implement processes and techniques learned in a class/lab environment. PL allows trainees to adapt to the operations workflow in operating equipment on the production line.

All training and cross-training will be specific to equipment operations in the following areas:

- Assembly Procedures: Oil Fill; Shaft Assembly; Air Spring Assembly; Body Assembly; Shocks Assembly; Shock Hand Dyno Equipment; Product Inspection; Product Packaging; Operations Skills for New Machinery; and
- Final Process: Part Collection; Tumblers; Pistons; and Process Inspection Deburring conducted by Machinists.

Fox uses an internal Assembler Training Plan which measures, tracks, evaluates, and certifies completion of each task throughout manufacturing processes. Each task is scored so Supervisors can identify areas where additional training is required.

Trainers will consist of internal Leads with over six months experience who have demonstrated the ability to be trainers and are proficient in their particular area. Management staff with over two years experience will also provide training and assist in the role of "train the trainer program" for personnel who have demonstrated a high percentage score.

### **Commitment to Training**

Fox commits \$250,000 annually to train its six California facilities. Training includes Manufacturing Processes and Machine Operations, Forklift Operations, Business Processes, Leadership and Management Skills, Safety & Accident Reduction/OSHA requirements, and company-Specific systems & software applications.

Fox delivers over 80 hours of training to new workers in their first 3 months. Afterwards, workers receive an additional 48 hours in continuous improvement or on-going training. Safety training is provided in accordance with all pertinent requirements under state and federal law.

➤ Training Infrastructure

Fox has designated its HR Business Associate as the ETP Program Coordinator who will oversee that the training is scheduled, delivered, and documented via the ETP rosters. The Coordinator will be the main point of contact for both Fox and ETP staff. The Company has also identified 15-20 internal trainers who will schedule and deliver Fox's training plan.

**High Unemployment Area**

All of the occupations being trained appear in the trainee population that work in Watsonville, a High Unemployment Area (HUA) with unemployment exceeding the state average by at least 13.8%. The Company's location in Watsonville qualifies for HUA status under these standards. However, Fox is not asking for a wage or retention modification.

**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**

- Diversity in the Workplace
- Effective Meeting Skills
- Employee Selection and Coaching
- Facilitation/Presentation Skills
- Financial Analysis and Management
- Financial Strategies
- Inventory Control
- Payroll Systems
- Project Management
- Relationship Building Through Sales and Service
- Sales Strategies & Negotiations
- Procurement Skills
- Resource Management
- Product Management

**COMPUTER SKILLS**

- Computer Application Software
- Shop Floor Computer Basics
- Financial Accounting Systems
- CAD/CAM
- ERP and MRP Systems
- FileMaker Database
- Epicor

**CONTINUOUS IMPROVEMENT**

- Quality Standards
- Calibration Maintenance and Skills
- Coaching & Giving/Receiving Feedback
- Communicating Effectively
- Process Improvement/Need for Change
- Implementing Solutions/Statistical Process Control
- Creating & Building Teamwork
- Lean Manufacturing/Thinking
- Kaizen Methodology
- Kanban Principals
- Organizing Workflow & Setting Goals
- Performance Development Plans
- Pull System
- Role of the Lead
- Root Cause Analysis
- Supply Chain Management
- Train-the-Trainer Skills
- Workflow/Measurement

- ISO 9000/Certification
- Forklift Certification
- Logistics
- Leadership
- Team Building

**HAZARDOUS MATERIALS**

- Proper Handling of Hazmat Materials
- Control of Hazmat Waste/Spill
- Material Safety Data Sheets

**MANUFACTURING SKILLS**

- Assembly Procedures
- Blueprint Reading
- Equipment Operations
- Good Manufacturing Practices
- Job Instruction/Analyzing Jobs for Efficiency
- Manufacturing Practices
- Maintenance Procedures
- Operations and Processes
- Production Operations
- Warehousing Operations & Distribution
- Measurement and Calibration
- Operations Skills for New Machinery

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

**Productive Lab Hours**

0-40

**MANUFACTURING SKILLS (Ratio 1:1)**

- New Machinery
- Good Manufacturing Practices
- 5S Standards
- Equipment Operations
- Operations and Processes
- New Product Build Processes
- Analyzing Jobs for Efficiency
- Business Process Re-Engineering
- Re-Work
- Tumblers
- Piston Prep
- Deburring Parts
- Material Handling

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:

**On-Site Manager, Inc.**

**Agreement Number: ET15-0375**

**Panel Meeting of:** January 22, 2015

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

**Analyst:** L. Lai

### PROJECT PROFILE

Contract Attributes:	Retrainee Job Creation Initiative Priority Rate	Industry Sector(s):	Technology/Other  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: 145	U.S.: 191	Worldwide: 192
<u>Turnover Rate:</u>	12%		
<u>Managers/Supervisors:</u> (% of total trainees)	0%		

### FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$233,512		\$0	\$0		\$233,512

In-Kind Contribution:	100% of Total ETP Funding Required	\$346,629
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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	138	8-200	0-1	\$1,044	\$16.44
				Weighted Avg: 58			
2	Retrainee Job Creation Priority Rate	Business Skills Computer Skills	52	8-200	0-1	\$1,720	\$16.00
				Weighted Avg: 86			

**Minimum Wage by County:** \$16.44 per hour for Retrainee and \$13.70 per hour for Job Creation 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

\$0.44 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 – Retrainees</b>		
Accounting		4
Customer Service		69
Website Interface Design Staff		5
Document Design		14
Engineer I		4
Engineer II		15
Engineer III		8
Legal*		4
Marketing		3
Sales		12
<b>Job Number 2 – Job Creation Retrainees</b>		
Customer Service		25
Document Design		6
Engineer I		15
Marketing		1
Sales		5

\*Refers to compliance employees. Does not include attorneys.

## **INTRODUCTION**

Founded in 1999 and headquartered in Campbell, On-Site Manager, Inc. (On-Site) is a cloud-based software provider of solutions for the rental real estate business. The Company provides a full-featured leasing platform for property managers and their renters. Products include software for building websites, processing rental applications and payments, and generating and storing leasing documents. The Company's products also provide lead generation (for property management companies), websites, advertisement syndication, online rental application and document generation, and cloud based file storage and management.

### **Need for Training**

On-Site's training need has been due to its exceptional growth. The Company is testing new products in which, over the next two years, new software will be released every two weeks. The fast pace of product innovation requires employees to be current on all the latest features and enhancements. In addition, the Company recently purchased new communication, marketing, screen-sharing, and conferencing software. The software will help trainees improve communication, presentations, responsiveness, and collaboration. Lastly, customer service has sharply declined due to rapid growth last year given new products and lack of staff training.

### **Retrainee - Job Creation**

The On-Site sales team has secured sales commitments from several medium and large clients to pilot different product suites. The Company will be rolling out new products over the next two years. Several of its existing clients have already committed to new services and products totaling a potential \$1 billion in new revenue for the next several years.

Additionally, the Company grew by 39 employees last year and expects to hire 75 new employees over the next two years. To accommodate the growth, the Company is currently expanding and renovating 9,000 square feet of unused office space in its current location.

The Company is committed to hiring 52 new employees (Job Number 2). The additional staff is needed to expand the Company's capacity to meet growth projections. Although subject to a lower post-retention wage of \$13.55, On-Site Manager will place trainees starting at \$16.00 per hour.

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.

## **PROJECT DETAILS**

**Business Skills** (50%): Training will be offered to all occupations in communication skills, customer service, sales, planning and organization, product knowledge, and project management. Class/Lab training is the preferred method; however, one course will be offered as Computer-Based training. On-Site is initiating a company-wide "five star" customer service platform to create a standardized curriculum with best practices in customer service. Training is critical to support the Company as it improves customer retention, promotes business growth, and competes in the marketplace.

**Computer Skills** (50%): Training will be offered to all occupations with topics specific to trainees' job functions. Courses include various operating and software systems used for coding development, marketing, quality assurance, and text editor expedition modification and

creation. Training will allow employees to utilize and manage systems and resources effectively.

### **Commitment to Training**

The Company's annual training expenditures is approximately \$380,000. Past training includes new-hire orientation, introductory basic skills training, function specific on-the-job training, and compliance 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 Director of Training will oversee and coordinate the ETP Program along with a dedicated team of trainers to schedule training, monitor training status, and enter data into the ETP systems.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

### **DEVELOPMENT SERVICES**

On-Site retained Sierra Consulting Services in Cameron Park to assist with development of this proposal for a flat fee of \$15,000.

### **ADMINISTRATIVE SERVICES**

On-Site also retained Sierra Consulting Services 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**

- Behavior Style Strategies
- Business Fundamentals
- Business Writing
- Conflict Resolution
- Cost Control
- Customer Relationship Management
- Customer Service
- Dealing with Difficult People
- Employee Coaching
- Essential Skills for New Supervisor
- Financial Analysis
- Leadership
- Marketing Skills
- Negotiation Techniques
- Operational Process and Workflow
- Personal Image
- Planning and Organization
- Product Knowledge
- Project Analysis and Specifications
- Project Management and Methodology
- Property and Resource Management
- Relationship Building
- Retaining Customers
- Sales Techniques
- Salesforce
- Strategic Planning
- Time Management
- Train-the-Trainer

**COMPUTER SKILLS**

- Advanced Microsoft Office
- GIT (Version Control Software Tracking System)
- Hipchat (Chat and Screen-Share Software)
- Hubspot (Marketing Software)
- Influtiv (Customer Advocate Program Software)
- JIRA (Ticketing System)
- LINUX (Coding Development and Execution System)
- Oaisys (Call Recording Quality Assurance Software)
- Paycom (Cloud-Based HR Information System)
- Quickbooks (Accounting Software)
- Ready Talk (Screen-Share and Conference Call Software)
- Shortel (Voice Over Internet Protocol)

- Sublime (Advanced Text Editor for Expeditions Modification and Creation)
- TeamVisibility (Cloud-Based Call Recording/Quality Assurance Software)

**CBT Hours**

0–1

**BUSINESS SKILLS**

- Consumer Credit Reporting (1 hour)

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



## RETRAINEE - JOB CREATION

Training Proposal for:

**Sungevity, Inc.**

**Agreement Number: ET15-0372**

**Panel Meeting of:** January 22, 2015

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

**Analyst:** A. Nastari

### PROJECT PROFILE

Contract Attributes:	Priority Rate Job Creation Initiative Retrainee	Industry Sector(s):	Services Green Technology  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: 436	U.S.: 471	Worldwide: 471
<u>Turnover Rate:</u>	3%		
<u>Managers/Supervisors:</u> (% of total trainees)	0%		

### FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$334,776		\$0	\$0		\$334,776

In-Kind Contribution:	100% of Total ETP Funding Required	\$388,945
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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	143	8 - 200	0	\$432	\$17.74
				Weighted Avg: 24			
2	Retrainee Priority Rate Job Creation	Business Skills Computer Skills	195	8 -200	0	\$1,400	\$17.74
				Weighted Avg: 70			

**Minimum Wage by County:** Job Number 1: \$16.44 for Alameda County; Job Number 2(Job Creation): \$13.70 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
<b>Job Number 1</b>		
Design & Engineering Staff		11
Field Managers		16
Rebate and Interconnection Staff		10
Remote Solar Designers		25
Retail Solar Advisors		10
Solar Consultants		23
Technical Sales Staff		48
<b>Job Number 2</b>		
Design & Engineering Staff		14
Field Managers		29
Rebate and Interconnection Staff		10
Remote Solar Designers		36
Retail Solar Advisors		10
Solar Consultants		61
Technical Sales Staff		35



## **INTRODUCTION**

Founded in 2010 and headquartered in Oakland, Sungevity, Inc. (Sungevity) ([www.sungevity.com](http://www.sungevity.com)), provides services to residential homeowners in photovoltaic solar lease and purchase programs. Customers can sign a 20-year lease or purchase a solar system. While Sungevity does not manufacture solar panels, it does market, design, and provides customer support. Sungevity has developed a propriety online system, iQuote. This system allows interested customers to request a quote, and through satellite imagery, can review a rendering of solar panel layout on their roofs, without a home sales visit. The system provides customers estimates of monthly electricity charges. Sungevity uses installers who are experienced in installation processes using efficient and quality techniques.

Sungevity has been expanding its services nationally and globally through a partnership with SunRun, a company that purchases and services the solar panels installed by Sungevity. SunRun also monitors the solar system's performance and guarantees its production. Sungevity also collaborated with Lowe's Home Improvement Centers, providing on-site knowledgeable sales staff to address customer's questions on all aspects of the solar market. The sales staff also guides customers through Sungevity's iQuote system.

Sungevity needs to train existing staff on updates to its iQuote system, recent advancements within the energy conservation industry specific to the benefits of a solar powered system and the options available to customers in design aesthetics resulting from new technological advancements. Sungevity must also train workers on new financial services available through its partnership with SunRun.

### **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.

Sungevity has committed to hiring 195 new employees (Job Number 2). Trainees must be hired within the four-month period prior to Panel approval or during the term of contract. [Note: The usual date-of-hire "window period" for this program is three months. In this case, because the proposal was held over due to cancellation of the Panel meeting in December 2014, and the Company has already started hiring, staff recommends extending this period by one additional month.] These trainees will be hired into "net new jobs" as a condition of contract.

To address business growth needs, Sungevity has been actively expanding its workforce. From 2012 to 2013, the Company doubled its workforce. By 2014, the Company increased its workforce yet another third. Sungevity's past hiring record supports its projected number that it will hire during the Agreement term.

In August 2014, Sungevity opened its second office in Fremont, specifically dedicated to its software development. The newly hired trainees will be placed at its Oakland and Fremont facilities, and Lowe's retail centers throughout California.

## **PROJECT DETAILS**

Sungevity requests ETP funds to assist with the training in the solar technology and Company services, including financial options and installation, Sungevity's iQuote program, and software programs for the design and engineering of custom solar panels. The majority of training will be delivered to newly hired workers, while existing staff will be trained on updated processes and product design. Sungevity must also train workers on SunRun's programs and financial services.

Solar financial packages and services change constantly as new incentives or financing options become available.

## **Green/Clean Operations**

All training will be in Sungevity's green solar operations, technology, and product design required for the sales, marketing, and design of its customized solar projects.

## **Training Plan**

Sungevity will deliver class/lab training in Business and Computer Skills in the following:

**Business Skills** (50%): Training will be offered to all occupations in all aspects of the solar industry, product knowledge, sales skills, and the solar industry standards.

**Computer Skills** (50%): Training will be offered to all occupations in the Company's technologies/software including Jaspersoft, Adobe Pro, ABS, PALO, Showcase Application, Xora, Salesforce, and Google Earth.

## **Commitment to Training**

Sungevity's 2015 training budget is estimated at \$223,350 and \$244,053 for 2016. The budget covers mandatory New Employee Orientation, a 14-hour introduction to Sungevity, solar energy, PV installation and net metering followed by job-specific training. All employees receive product knowledge, updates in solar industry standards, ethics, diversity, company policies and procedures, and elective training in North American Board of Certified Energy Practitioner certification.

Sungevity 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

To ensure a successful ETP project, a dedicated training member has been identified from each department of the following departments: Technical Sales Associate, Retail Solar Advisor, Field/Project Managers, Remote Solar Designer, Rebate & Interconnection, and Solar Consultant. Each department training leader will be responsible for ensuring that new workers receive the training specific to their job functions. Sungevity also has a staff person who will be dedicated to scheduling training, enrolling trainees, tracking training hours, and meeting with ETP staff.

## **Other Resources**

Sungevity is taking advantage of Enterprise Zone (EZ) credits as a pre-profit company. The Company may claim these credits for being located in a specific area zip code. Although the Company qualified for the credits, Sungevity is not yet using them.

## **RECOMMENDATION**

Staff recommends approval of this proposal.

## **DEVELOPMENT SERVICES**

ADP in San Dimas assisted with development of this proposal for a flat fee of \$7,000.

**ADMINISTRATIVE SERVICES**

ADP 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**

- NEC Code Knowledge
- Sungevity Design & Install standards
- Review of DAE Process
- Leading the Call (Tone, Content and Questions)
- Converting Leads and the Opportunity
- Headlands Phone System
- Solar 101
- Clearslide & Headlands
- Solution Selling I – Intro to Sales Philosophy
- Solution Selling II – Intro to Sales Presentation
- Home Energy Use
- Rate Structures & Solar Advantage
- Solution Selling IV – Island 1
- Art of the Soft Close
- Sales Techniques
- Cash Purchase & Solar Lease
- Bill Review
- Solar 101 – Scripting
- Home Review, System Selection
- Gas Analogy & Price Conditioning
- Legal Walkthru I – Lease Agreement
- Legal Walkthru II – Performance Guarantee
- Legal Walkthru III – Cash Contract
- Project Management
- Contracts and Qualifications
- Contract Re-Pricing and Regeneration
- Pricing Methodology
- Underwriting Guidelines
- Fund Specifics
- PV 101 and Introduction into Remote Solar Design (RSD)
- Grid Direct System Terminology
- Sungevity & Solar Abbreviations and Email Protocol
- Introduction to the Lowe's Program
- RSA Training
- Showcase Application
- TSA Training
- Solar Consultants and their Processes
- Expense Report Entry
- Modules & Inverters:
  - ❖ Stringing
  - ❖ Array Layout

- Fire Guidelines
- DC Combiners
- DC Disconnects
  - ❖ Roof Top
  - ❖ Rapid Disconnect at Array
- AC Disconnects
- PV Meters & Monitoring
- Point of Connection:
  - ❖ Order of POC Preference
  - ❖ Load Centers:
    - Existing Tie-In
    - New AC Combiner
    - New w/Transferred Loads

### **COMPUTER SKILLS**

- DAE Tools:
  - ❖ String Sizer
  - ❖ Landscape Modules
  - ❖ Available Modules
  - ❖ Special Order Items
- Introduction to Satellite Data System
- Introduction to CAD:
  - ❖ Tutorial
  - ❖ Set-Up CAD Workstation
  - ❖ Shortcut Commands
  - ❖ Tool Palettes & Dynamic Blocks
  - ❖ Templates
  - ❖ Dimensioning & Annotative Scaling
- DAE Process Flow:
  - ❖ Drafting
  - ❖ Pre-Design
  - ❖ CAP
  - ❖ HVKB
  - ❖ QC
- Intro to Box:
  - ❖ Navigation
  - ❖ Functionality
  - ❖ Sharing
  - ❖ Sync
- Jaspersoft
- Adobe Pro
- ABS Report to Identify the Discrepancy Between Plan Set and as Built
- Showcase Application
- Xora
- Salesforce:
  - ❖ Intro to Salesforce
  - ❖ Salesforce Analytics, Workflow
  - ❖ AHJ & Utility Objects
  - ❖ Project
  - ❖ Iquote

- ❖ System
- ❖ Searches
- ❖ Reports/Dashboards
- ❖ Tasks/Modification of Systems, Arrays and Adders
- ❖ Introduction to Listviews
- ClearSlide
- iQuote
- Google Earth:
  - ❖ Introduction into Solar Access & Sun Paths
  - ❖ Explore Google Earth and GESV
- RSD Tool – Design Tool
  - ❖ Introduction to Remote Solar Design Tool
  - ❖ Modeling Flat Roofs
  - ❖ Gable Design
  - ❖ 2D Modeling
  - ❖ Accurately Estimate SV Solar Access
  - ❖ Pitched Roof Modeling
  - ❖ Max Consumption Designs and RSD limitations
  - ❖ Clay Tile Roof Adder and Calculations

<p>Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery.</p>
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## RETRAINEE - JOB CREATION

### Training Proposal for:

**Sutter Home Winery, Inc. dba Trinchero Family Estates**

**Agreement Number: ET15-0369**

**Panel Meeting of:** January 22, 2015

**ETP Regional Office:** Sacramento

**Analyst:** M. Mazzone

### PROJECT PROFILE

Contract Attributes:	Critical Proposal Priority Rate Retrainee Job Creation Initiative HUA	Industry Sector(s):	Manufacturing Agriculture  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Amador, Napa, San Joaquin	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: 911	U.S.: 1,032	Worldwide: 1,032
<u>Turnover Rate:</u>	10%		
<u>Managers/Supervisors:</u> (% of total trainees)	10%		

### FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$749,700		\$0	\$0		\$749,700

In-Kind Contribution:	100% of Total ETP Funding Required	\$749,700
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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 Critical Proposal Priority Rate	Business Skills, Computer Skills, Cont. Improv., HazMat., Literacy Skills, Mgmt. Skills, Mfg. Skills, PL-Mfg. Skills, OSHA 10, OSHA30	230	8-200	0-40	\$1,440	\$16.88
				Weighted Avg: 80			
2	Retrainee Critical Proposal Job Creation Initiative Priority Rate	Business Skills, Computer Skills, Cont. Improv., HazMat., Literacy Skills, Mgmt. Skills, Mfg. Skills, PL-Mfg. Skills, OSHA 10, OSHA30	100	8-200	0-45	\$1,800	\$16.88
				Weighted Avg: 90			
3	Retrainee Critical Proposal Priority Rate	Business Skills, Computer Skills, Cont. Improv., HazMat., Literacy Skills, Mgmt. Skills, Mfg. Skills, PL-Mfg. Skills, OSHA 10, OSHA30	530	8-200	0-12	\$450	\$15.07
				Weighted Avg: 25			

**Minimum Wage by County:** Job Number 1, \$15.07 per hour for San Joaquin County; Job Number 2, \$12.33 per hour for San Joaquin County; and Job Number 3, \$15.07 per hour for Amador and Napa 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

\$0.27 per hour may be used to meet the Post-Retention Wage for Job Number 3.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Administrative Staff		56
Manager/Supervisor		83
Analyst		78
Maintenance Staff		55



Processing Clerk		27
Marketing Representative		10
Quality Control Specialist		17
Scientist		25
Winery Engineer		13
Lab Technician		18
Production Staff		245
Warehouse Staff		48
Health and Safety Specialist		3
Grower Relations Representative		2
Packaging Specialist		8
Traffic Coordinator		9
Cellar Staff		155
Mechanic		8

## Critical Proposal

This proposal for Sutter Home Winery, Inc. dba Trinchero Family Estates (Trinchero) is designated a "Critical Proposal", as defined in Title 22, California Code of Regulations (CCR) 4402.2, by the Governor's Office of Business and Economic Development (Go-BIZ). Trinchero is expanding within California through the addition of new jobs as a result of the construction of a new facility in Lodi. This project will assist Trinchero to develop new job skills for incumbent workers and newly-hired workers.

## INTRODUCTION

Trinchero (<http://tfewines.com/>) proposes to serve as the lead in a single employer critical proposal contract with its affiliate Sierra Sunrise Vineyards dba Torro D'Oro as follows:

The Sutter Home Winery (<http://www.sutterhome.com/>) originally opened in 1874 in St. Helena and remained in operation until prohibition forced the closing of its doors. In 1948 Sutter Home reopened when the business was purchased by the Trinchero family, who were Italian immigrants from New York City. Sutter Home became a household name when it brought a new type of wine, White Zinfandel, to the market in 1972. Currently, Sutter Home is the second largest family-run winery in the United States.

Trinchero produces 35 different brands of wines which are sold worldwide. Customers include retail grocery chains, club stores, restaurants and establishments where liquor is sold. On a yearly basis Sutter Home produces approximately 20 million cases of wine in there production facilities located in California.

Trinchero is eligible for standard retraining under the out-of-state competition provisions for industrially classified manufacturers retraining current employees. (Title 22, California Code of Regulations (CCR), Section 4416(i).)

## **Need for Training**

A new 650,000 square foot facility is under construction in Lodi. The Lodi facility will be comprised of 2 components – a new bottling facility and an automated warehouse. The Lodi facility will become Trinchero's largest production facility with a fully automated warehousing pallet storage and retrieval system, and 22 loading docks which will become the new shipping point for Trinchero brands.

New production equipment will be installed in the Lodi facility as well as a new automated warehouse system. All staff will require training on the new equipment. Trinchero plans the new bottling lines in Lodi will be operational in April 2015 and the warehouse in August 2015.

In addition, the Lodi plant will begin using a new KHS Pressure-Filler machine. Currently, Trinchero outsources their entire carbonation business due to a lack of equipment. With the new machinery in place, Trinchero will be able to keep high carbonated wines in-house, resulting in reduced costs and increased efficiencies. The KHS Pressure-Filler machine will allow Trinchero to produce high carbonated wine products such as Moscato at the Lodi plant.

Training will also take place in Trinchero locations in Napa, St. Helena, Plymouth and American Canyon. The American Canyon location is being retrofitted to run a flexible bottling line and barrel storage for Trinchero wines and non-Trinchero wines.

Staff from Trinchero locations in Napa County have been offered the opportunity to transfer to Lodi. It is estimated that 330 employees will be required to run the Lodi facility at full capacity and that 230 staff members will transfer to Lodi from other Trinchero locations.

## **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.

Trinchero Family Estates has proposed to hiring 100 new employees (Job Number 2). Trainees must be hired within the three-month period prior to Panel approval or during the term of contract.

All newly-hired staff will be for Trinchero's new production and warehousing facility in Lodi. Hiring will begin in March 2015 to support the plan of the bottling line starting production in April 2015. In August 2015 the warehouse will become operational. At full capacity, the Lodi facility will house 330 workers and an estimated 100 of these workers will be considered net new hires. The remaining staff will transfer from other facilities located in Napa County.

## **Commitment to Training**

Trinchero has an annual training budget of \$600,000 for the Lodi facility, \$160,000 for the Green Island facility, \$250,000 for the St. Helena facility and \$90,000 for the Gateway facility. These training budgets include state mandated safety training, new employee orientation, and sexual harassment prevention 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.

## High Unemployment Area

The 230 trainees in Job Number 1 and the 100 trainees in Job Number 2 work in a High Unemployment Area (HUA), a region with unemployment exceeding the state average by at least 25%. The Company's location in San Joaquin County qualifies for HUA status under these standards. However, Trincherro is not requesting a post-retention wage modification for Job Number 1 or Job Number 2.

## Other Resources

Trincherro is currently utilizing multiple incentives for their new plant which is under construction in Lodi including: New Employee Credit, California Competes and the Economic Development Association (EDA) for San Joaquin County. The EDA is providing a tax credit in the amount of \$340,708.80 to Trincherro for business development in San Joaquin County. Funding provided by the EDA of San Joaquin County will not be used in conjunction with ETP training funds to offset the cost of training.

## PROJECT DETAILS

### Training Plan

Trincherro will provide between 8–200 hours of Class/lab training and between 0–60 hours each of Productive Lab and Computer-based training (CBT).

**Business Skills** (20%): Training will be offered to Production Staff, Administrative Staff, Managers, Supervisors, Marketing Representatives, Processing Clerks, Lab Technicians, Grower Relations Representatives and Scientists. The focus of training will be on the improvement of internal processes to promote administrative efficiency and to provide staff with the knowledge and skills to run the business effectively. Training course topics will include classes such as Supply Chain Management, Customer Service, Business Writing, Wine Education, Assertiveness Training, and Communicating, Influencing and Negotiation Skills.

**Computer Skills** (10%): Training will be offered to all occupations. Staff will receive training on computer software that is essential to their job functions. The Lodi Warehouse Staff will be operating a completely new automated warehousing storage system, which will store pallets, retrieve pallets and send the pallets to shipping. All Warehouse Staff will require training on the new system. Non-warehouse staff will receive job related software training to improve efficiencies and reduce errors. Training topics will include Intermediate/Advanced Microsoft Office, PASware training, HMI Interface, SharePoint Document Storage and MS Project Training.

**Continuous Improvement** (16%): Training will be offered to all occupations to ensure that Trincherro remains competitive in their industry. Lean Manufacturing will be the focus of the training and will include Root Cause Analysis, Lean Manufacturing Methodology, Kaizen Training, Understanding Waste, Value Stream Mapping, 5S, Kanban Control and Six Sigma.

**Management Skills** (15%): Training will be offered to Managers and Supervisors. This training will focus on enhancing the skills of Managers and Supervisors to create a productive work atmosphere to motivate staff, positively lead staff, and coach staff. Training will include Leadership, Coaching, Establishing Performance Objectives, Employee Engagement and Developing High Performance Teams.

**Manufacturing Skills** (15%): Training will be offered to Production Staff, Warehouse Staff and Packaging Staff. Staff will receive training on new equipment that will be used at the new Lodi

facility. Staff at Trinchero's Napa County locations will also receive manufacturing training as new equipment will be used in these facilities as well. Training will include Line Testing Training, Machine Maintenance, Machine Safety, Production Equipment Training, Fork Lift Driving, Problem Solving and Refrigeration Training.

**Literacy Skills (5%):** Training will be offered to occupations Production Staff, Warehouse Staff, Packaging Staff, Maintenance, Mechanic, Vineyard Staff and Traffic Coordinator. Literacy training will focus on staff members whose native language is not English. This will allow all staff to communicate effectively with one another. The training course topic is Vocational English as a Second Language. Literacy Skills training will be directly related to job tasks and will be conducted by a certified instructor.

**Hazardous Materials (5.5%):** Training will be offered only to staff members that come into contact with hazardous materials, specifically Maintenance, Mechanics and Production Staff. The training will focus on the safe handling of hazardous materials and will include course topics Haz Mat ISO Requirements and Emergency Response Team Training.

**OSHA 10/30** - OSHA 10/30 training is a series of courses "bundled" by industry sector and occupation. It consists of 10 hours of training for Production Staff, Warehouse Staff, Packaging Staff and Maintenance and 30 hours for Managers and Supervisors.

### **Productive Laboratory (PL) (13.5%)**

Trainees may produce goods for profit as part of the PL training, in the courses identified under the Curriculum and with no more than 2 trainees per instructor. The instructor must be dedicated to training delivery during all hours of training.

PL training will be offered to Production Staff, Warehouse Staff, Maintenance Staff and job specific Managers and Supervisors. PL training will supplement Class/Lab training to strengthen employees' understanding of how to perform equipment/operations related tasks. At an approximate cost of 81 million dollars, Trinchero has purchased a new automated warehouse system and new bottling line equipment for the Lodi Facility. Job Creation and Retrainee staff at the Lodi facility will receive the same number of Productive Lab training hours as the equipment is brand new to their company. At the Green Island facility, Production Staff will be cross-trained on all equipment used in the bottling line production process. In addition, Trinchero may be required to backfill positions vacated by the employees who transferred to Lodi.

Incumbent staff in Job Number 1 (Lodi) and Job Creation staff Job Number 2 (Lodi) will receive between 0–60 hours of PL training. Incumbent staff in Job Number 3 (Green Island) will receive between 0–20 hours of PL training.

Productive Lab trainers will be subject matter experts and will provide demonstration of the process prior to observing the trainee perform the task. The trainer will observe the trainee for a substantial number of unaided units processed to ensure that no defects or errors are made. Coaching, quizzing and mentoring will be provided by the trainer until the trainee has been determined to be competent in the process. Once a trainee is determined competent in a process, the trainer will sign off on the completion of their PL training.

During PL training, production is expected to be slowed as the trainee will be working with new equipment and required to meet established quality standards. The trainer-to-trainee ratio for PL training will not exceed 1:2.

**Computer Based Training** (CBT) training is capped at 50% of total training hours per trainee. CBT will be provided to supplement Trinchero's curriculum, and is a more convenient means of delivering basic training.

### **Electronic Record Keeping**

Trinchero will use an electronic record-keeping system to document ETP training which has been reviewed and approved by ETP.

### **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**

- + Accounting Skills
- + Customer Service
- + Supply Chain Management
- + Business Writing
- + Brand & Product Knowledge
- + Project Management
- + Managing Conflict
- + Presentation Skills
- + Train-The-Trainer
- + Business Fundamentals
- + Interpersonal Skills
- + Effective Meetings
- + Managing Change
- + Wine Education
- + SWOT Analysis (Strengths, Weaknesses, Opportunities & Threats)
- + Facilitation Skills
- + Presenting to a Multi-Cultural Audience
- + Assertiveness Training
- + Personal Effectiveness
- + Time Management
- + Team Building
- + Maximizing Performance through Inclusion
- + Communicating, Influencing and Negotiation Skills

**COMPUTER SKILLS**

- + Kronos Software Training
- + Success Factors Training
- + Convergence LMS Training
- + Microsoft Office Intermediate and Advanced
- + SAP Training
- + PASware Training
- + HMI Interface Training
- + SharePoint Document Storage Training
- + MS Project Training

**CONTINUOUS IMPROVEMENT**

- + DMAIC Training
- + Kaizen Training
- + Lean Manufacturing Methodology
- + Understanding Waste

- ✚ Value Add versus Non Value Add activities
- ✚ Value Stream Mapping
- ✚ Standardized Work
- ✚ Lean Sigma Yellow Belt
- ✚ Lean Sigma Green Belt
- ✚ Statistics with Minitab
- ✚ Product Quality
- ✚ Quality and Process Control
- ✚ Key Performance Indicators
- ✚ Six Sigma
- ✚ 5S Methodology
- ✚ Creating Continuous Flow
- ✚ Kanban Control
- ✚ 5 Why and Root Cause Analysis

### **HAZARDOUS MATERIALS**

- ✚ Haz Mat ISO Requirements
- ✚ Emergency Response Team Training

### **MANAGEMENT SKILLS (management trainees only)**

- ✚ Employee Engagement
- ✚ Coaching Skills
- ✚ Establishing Performance Objectives
- ✚ Developmental Planning
- ✚ Dynamic Leadership Skills
- ✚ Developing High Performance Teams
- ✚ Key Management Skills

### **MANUFACTURING SKILLS**

- ✚ GMP Training
- ✚ Machine Sanitation
- ✚ Problem Solving
- ✚ SQF Training
- ✚ Equipment Validation
- ✚ Fork Lift Driver Training
- ✚ Effective Warehouse Management
- ✚ PAS Automated Warehouse Training
- ✚ CTVL Training
- ✚ Refrigeration Training
- ✚ Line Testing Training
- ✚ Viticulture Training
- ✚ Production Equipment Training
- ✚ Machine Maintenance
- ✚ Machine Safety

**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

**PL Hours**

0 – 60

**MANUFACTURING (1:3)**

- ✚ Bottling Line Manufacturing
- ✚ Bottling Line Maintenance

**CBT Hours**

0 – 60

**BUSINESS SKILLS**

- ✚ How to Run Meetings Efficiently (30 mins)
- ✚ Leading a Brainstorming Session (30 mins)
- ✚ Developing Team Performance (30 mins)
- ✚ Successfully Running a Training Course (45 mins)
- ✚ Understanding the Process of Conflict (45 mins)
- ✚ A Basic Grounding in Effective People Management ( 1 hour)
- ✚ Monitoring Delegation (30 mins)
- ✚ High-Impact Communication: Shaping your Message (30 mins)
- ✚ Communicating - Connecting to your People (30 mins)
- ✚ How to be Assertive in Difficult Situations (30 mins)
- ✚ Using Different Management Styles for Successful One-to-One Meetings (30 mins)
- ✚ Day-to-Day Management of a Planned Change (30 mins)
- ✚ Supporting your Team Members through Change (30 mins)
- ✚ SAP Navigation Overview( 1 hour)
- ✚ SAP Qualification ( 1 hour)

**MANUFACTURING SKILLS**

- ✚ Tractor and Gondola Safety (30 mins)
- ✚ Water Distribution Systems Operations (25 mins)
- ✚ Hot Work/Welding Safety (25 mins)
- ✚ Accident Investigation (45 mins)
- ✚ Electrical PPE and Arc Flash Safety (45 mins)
- ✚ Sprayer/Duster Training (40 mins)
- ✚ Shop Safety (30 mins)
- ✚ Risk Management Training ( 1 hour)



- ✚ Process Safety Management (40 mins)
- ✚ Personal Protective Equipment (40 mins)
- ✚ Harvester Safety & Operation (30 mins)
- ✚ Gas Monitor Usage (25 mins)
- ✚ Food - Certified Professional Food Manager (30 mins)
- ✚ Hearing Conservation (30 mins)
- ✚ Warehouse Driving Safety (20 mins)
- ✚ Back Injury Prevention (25 mins)

### **CONTINUOUS IMPROVEMENT**

- ✚ Identifying the Root Cause of Performance issues (30 mins)
- ✚ Lean Manufacturing Introduction ( 1 hour)
- ✚ 5S Introduction (1 hour)
- ✚ Standardized Work Introduction (1 hour)
- ✚ DMAIC Problem Solving Introduction (1 hour)

### **HAZARDOUS MATERIALS**

- ✚ Tailgate - Spill Clean-Up and Reporting (20 mins)
- ✚ Corrosives and Irritants (40 mins)
- ✚ Velcorin Spill Team Training (20 mins)
- ✚ Spill Clean-Up and Reporting (25 mins)
- ✚ Radiation Safety – Awareness (30 mins)
- ✚ Ozone Specific Hazcom (20 mins)
- ✚ Laser Safety Specific Hazcom (30 mins)
- ✚ Hazardous Waste (30 mins)
- ✚ Flammable & Combustible Liquids ( 25 mins)
- ✚ Carbon Dioxide Specific Hazcom (25 mins)

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

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

### **CBT hours are capped at 50% of trainee's total training hours**

Literacy Training cannot exceed 45% of total training hours per-trainee  
Safety Training cannot exceed 10% of total training hours per-trainee (This cap does not apply to Hazmat or OSHA 10/30)

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 OSHA 10 and OSHA 30. PL is capped at 60 hours per-trainee.



**Training Proposal for:**  
**Cargo Network Services Corporation dba CNSC Corporation**  
**Agreement Number: ET15-0347**

**Panel Meeting of:** January 22, 2015

**ETP Regional Office:** North Hollywood

**Analyst:** M. Webb

**PROJECT PROFILE**

Contract Attributes:	Priority Rate Retrainee SB <100	Industry Sector(s):	Transportation/Logistics  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Alameda, Contra Costa, Los Angeles, Marin, Orange, Santa Clara, Santa Cruz, San Diego, San Francisco, San Mateo	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>
\$274,176		\$19,040 8%		\$293,216

In-Kind Contribution:	50% of Total ETP Funding Required	\$162,870
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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, HazMat	62	8-200	0	\$693	\$18.00
				Weighted Avg: 36			
2	Retrainee Priority Rate SB<100	Business Skills, Comm Skills, HazMat	250	8-80	0	\$1,001	\$18.00
				Weighted Avg: 36			

**Minimum Wage by County:** Trainees in Job Number 1 and 2 must make the following to meet the ETP minimum wage requirement of \$16.25 per hour for Alameda, Contra Costa, Marin, San Francisco, San Mateo, Santa Clara, and Santa Cruz Counties; \$16.04 per hour for Los Angeles County, \$15.98 per hour for Orange County; and \$15.60 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

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

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Job Numbers 1-2		
Agents		131
Coordinators		131
Supervisors		50

**INTRODUCTION**

Founded in 1985, Cargo Network Services Corporation dba CNSC Corporation (CNSC) is a membership-based trade organization that supports the air cargo industry in the United States. CNSC is a wholly owned subsidiary of the International Air Transport Association (IATA) and is headquartered in Miami, Florida. CNSC is recognized worldwide for its unique skills training in the air cargo sector. The training programs ensure workers are up to date with aviation industry standards that include air navigation services, airline management, aviation law, aviation safety and security, and ground operations.

**PROJECT DETAILS**

CNSC assessments have identified that its member employers need a more knowledgeable workforce with higher skill sets in order to sustain industry changes and mitigate risk. CNSC's training program incorporates practical training techniques that will improve performance,

enhance knowledge and increase skills. CNSC also provides participants with the latest in tools and technology to improve efficiency and provide employers with a competitive advantage.

Each of the eight course titled represent a 40-hour “stand alone” program. Upon completion of each course, trainees will earn an International Air Transport Association (IATA) certificate. Trainees will also have an option to earn a diploma in one of the following programs: Air Cargo Management, Air Cargo Operations, Dangerous Goods Regulations, and Special Cargo. Each diploma program requires completion of two pre-determined courses and two electives (elective courses are not listed in the curriculum).

## Training Plan

The Curriculum developed will teach workers to utilize IATA’s regulation manuals and understand legal requirements and responsibilities of shippers, agents, and airlines. Workers will develop a thorough understanding of aircraft unit load devices (containers, pallets, nets, etc.), learn proper handling of hazardous materials and personnel, and understand the basics of cargo rating and IATA procedures and standards. Courses are delivered by approximately 300 highly qualified instructors who also provide assistance with curriculum development.

**Business Skills (5%):** Training will be offered to all occupations in Cargo Customer Service Excellence. This course helps trainees improve customer satisfaction and establish end-goals.

**Commercial Skills (80%):** Training will be offered to all occupations to improve performance and increase skill set. Trainees will develop a thorough understanding of air cargo procedures and best practices.

**Hazardous Materials (15%):** Training will be offered to all occupations to teach workers processes to follow when handling hazardous materials. Trainees will learn to identify dangerous goods and recognize the hazard/handling labels and documentation requirements for product transportation.

## Commitment to Training

Participating employers will continue to provide training, alongside ETP training, that includes safety, new hire orientation, and other on-the-job training.

CNSC 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

CNSC will use IATA accredited instructors to deliver all training under this Agreement. Training will be scheduled on a monthly basis and will include open enrollment for participating employers. Training will be located at CNSC’s Los Angeles location (near LAX Airport) and at participating employer locations.

CNSC has identified staff members that will handle all administration duties. Most staff members have prior experience administering a similar state-funded program in Florida. Staff will schedule training sessions, meet with participating employers, and train local instructors/personnel staff on ETP requirements.

**Training Hours Limitation**

Training hours for small businesses are capped at 60 hours per-trainee. However, each CNSC training course is a minimum of 40 hours. Small businesses in the cargo industry have employees who may need more than one training session to learn new skill sets that will improve job performance. Therefore, to capitalize on training hours, CNSC requests to increase the maximum training hours for small businesses (Job Number 2) to 80 hours. This will allow each employer to train workers in up to two certified programs.

**Learning Management System**

CNSC has requested to utilize their Learning Management System for ETP Recordkeeping. Staff has verified that it meets all ETP requirements and has been approved.

**Marketing and Support Costs**

CNSC markets through various community organizations that include economic development offices, chambers of commerce, and aviation associations. Advertising tools such as print ads, websites, email campaigns, and work groups are also utilized to reach potential employers. With over 615 members located in California, CNSC has developed a communication/internet campaign to target these members for training. Meetings are scheduled two times per year with employers to determine industry needs. The CNSC curriculum is then revised (if needed) so the program can meet employer needs. Also, after each course, CNSC allows employers to assess the effectiveness of training. Two employees have been designated to market and recruit employers under this Agreement; four additional workers will provide assistance as needed.

CNSC is requesting 8% of ETP funding in the proposed agreement for training support activities which include recruitment of participating employers and assessment of employer-specific job requirements. Staff recommends the 8% support costs.

**Tuition Reimbursement**

CNSC 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**

N/A

**ADMINISTRATIVE SERVICES**

N/A

**TRAINING VENDORS**

N/A

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

Job Number 1: 8-200

Job Number 2: 8-80

Trainees may receive any of the following:

**BUSINESS SKILLS**

- Cargo Customer Service Excellence

**COMMERCIAL SKILLS**

- Cargo Documentation and Procedures
- Unit Load Device Handling
- Live Animals Regulations
- Shipping Perishables Cargo
- Temperature Sensitive Cargo Handling (Pharma)

**HAZARDOUS MATERIAL**

- Dangerous Goods Awareness with CFR 49
- Lithium Battery Aware

Note: Reimbursement for retraining is capped at 200 total hours per trainee for Job Number 1 and 80 total hours per trainee for Job Number 2, regardless of method of delivery.
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## Participating Employers in Retrainee Multiple Employer Contracts

Contractor's Name: Cargo Network Services Corporation dba CNSC CCG No.: ET15-0347  
Corporation

Reference No: 14-0724

Page 1 of 4

PRINT OR TYPE IN ALPHABETICAL ORDER

Company: Agility Logistics

Address: 21906 Arnold Center Road

City, State, Zip: Carson, CA 90810

Collective Bargaining Agreement(s): None

Estimated # of employees to be retrained under this Agreement: 25

Total # of full-time company employees worldwide: 400

Total # of full-time company employees in California: 100

Company: American Cargo Service Inc.

Address: 7886 Convoy Court

City, State, Zip: San Diego, CA 92111

Collective Bargaining Agreement(s): None

Estimated # of employees to be retrained under this Agreement: 10

Total # of full-time company employees worldwide: 10

Total # of full-time company employees in California: 10

Company: Cargo Modules LLC

Address: 28123 Ella Road

City, State, Zip: Rancho Palos Verde, CA 90275

Collective Bargaining Agreement(s): None

Estimated # of employees to be retrained under this Agreement: 2

Total # of full-time company employees worldwide: 25

Total # of full-time company employees in California: 5

Company: CEVA Logistics

Address: 18120 Bishop Avenue

City, State, Zip: Carson, CA 90746

Collective Bargaining Agreement(s): None

Estimated # of employees to be retrained under this Agreement: 100

Total # of full-time company employees worldwide: 55,000

Total # of full-time company employees in California: 650

## Participating Employers in Retrainee Multiple Employer Contracts

Contractor's Name: Cargo Network Services Corporation dba CNSC CCG No.: ET15-0347  
Corporation

Reference No: 14-0724

Page 2 of 4

Company: Consolidators International Inc.

Address: 5343 W. Imperial Highway Unit 1000

City, State, Zip: Los Angeles, CA 90045

Collective Bargaining Agreement(s): None

Estimated # of employees to be retrained under this Agreement: 10

Total # of full-time company employees worldwide: 150

Total # of full-time company employees in California: 20

Company: Expeditors International

Address: 5757 Century Blvd.

City, State, Zip: Los Angeles, CA 90045

Collective Bargaining Agreement(s): None

Estimated # of employees to be retrained under this Agreement: 30

Total # of full-time company employees worldwide: 13,900

Total # of full-time company employees in California: 150

Company: K Line Logistics (U.S.A.) Inc.

Address: 19701 S. Vermont Avenue

City, State, Zip: Torrance, CA 90502

Collective Bargaining Agreement(s): None

Estimated # of employees to be retrained under this Agreement: 32

Total # of full-time company employees worldwide: 200

Total # of full-time company employees in California: 32

Company: Ocaso Logistics Solution

Address: 8720 South La Cienega Boulevard

City, State, Zip: Inglewood, CA 90301

Collective Bargaining Agreement(s): None

Estimated # of employees to be retrained under this Agreement: 6

Total # of full-time company employees worldwide: 3,000

Total # of full-time company employees in California: 6



## Participating Employers in Retrainee Multiple Employer Contracts

Contractor's Name: Cargo Network Services Corporation dba CNSC CCG No.: ET15-0347  
Corporation

Reference No: 14-0724

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Company: Ocean Knight Shipping Inc.

Address: 19516 S. Susana Rd.

City, State, Zip: Rancho Dominguez, CA 90221

Collective Bargaining Agreement(s): None

Estimated # of employees to be retrained under this Agreement: 10

Total # of full-time company employees worldwide: 300

Total # of full-time company employees in California: 20

Company: OIA Global

Address: 373 Van Ness Avenue

City, State, Zip: Torrance, CA 90501

Collective Bargaining Agreement(s): None

Estimated # of employees to be retrained under this Agreement: 32

Total # of full-time company employees worldwide: 90

Total # of full-time company employees in California: 32

Company: Oriental Air Transport Services

Address: 901 S. Fremont Ave Ste 168

City, State, Zip: Alhambra, CA 91803

Collective Bargaining Agreement(s): None

Estimated # of employees to be retrained under this Agreement: 8

Total # of full-time company employees worldwide: 200

Total # of full-time company employees in California: 8

Company: Panalpina Inc.

Address: 19900 South Vermont Avenue

City, State, Zip: Torrance, CA 90502

Collective Bargaining Agreement(s): None

Estimated # of employees to be retrained under this Agreement: 50

Total # of full-time company employees worldwide: 14,000

Total # of full-time company employees in California: 150

## Participating Employers in Retrainee Multiple Employer Contracts

Contractor's Name: Cargo Network Services Corporation dba CNSC CCG No.: ET15-0347  
Corporation

Reference No: 14-0724

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Company: Savino Del Bene

Address: 2905 W. El Segundo Blvd. Suite #1

City, State, Zip: Hawthorne, CA 90250

Collective Bargaining Agreement(s): None

Estimated # of employees to be retrained under this Agreement: 30

Total # of full-time company employees worldwide: 1,200

Total # of full-time company employees in California: 56

Company: Schenker Inc.

Address: 2815 El Segundo Blvd.

City, State, Zip: Hawthorne, CA 90290

Collective Bargaining Agreement(s): None

Estimated # of employees to be retrained under this Agreement: 70

Total # of full-time company employees worldwide: 95,000

Total # of full-time company employees in California: 300



**Training Proposal for:**  
**Santa Clarita Community College District**  
**Agreement Number: ET15-0346**

**Panel Meeting of:** January 22, 2015

**ETP Regional Office:** North Hollywood

**Analyst:** M. Webb

**PROJECT PROFILE**

Contract Attributes:	Priority Rate Retrainee SB <100	Industry Sector(s):	Manufacturing Aerospace and Defense Services  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Los Angeles, Santa Barbara, San Luis Obispo, Ventura	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input 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>
\$438,270		\$30,281 8%		\$468,551

<b>In-Kind Contribution:</b>	<b>50% of Total ETP Funding Required</b>	<b>\$526,400</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, Continuous Improvement, HazMat, Literacy Skills, Mgmt. Skills, Mfg. Skills, Adv. Technology	220	8-200	0	\$962	\$15.07
				Weighted Avg: 50			
2	Retrainee	Business Skills, Computer Skills, Continuous Improvement, HazMat, Literacy Skills, Mgmt. Skills, Mfg. Skills, Adv. Technology	25	8-200	0	\$738	\$15.07
				Weighted Avg: 46			
3	Retrainee Priority Rate SB<100	Business Skills, Computer Skills, Continuous Improvement, HazMat, Literacy Skills, Mgmt. Skills, Mfg. Skills, Adv. Technology	120	8-200	0	\$1,946	\$15.07
				Weighted Avg. 70			
4	Retrainee SB<100	Business Skills, Computer Skills, Continuous Improvement, HazMat, Literacy Skills, Mgmt. Skills, Mfg. Skills, Adv. Technology	3	8-200	0	\$1,647	\$15.07
				Weighted Avg. 70			

**Minimum Wage by County:** ETP Minimum Wage: \$15.97 per hour for Los Angeles County; \$15.07 per hour for San Luis Obispo, Ventura and Santa Barbara 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

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

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
JOB NUMBERS 1-4		
Machine Operator		30
Purchasing Agent/Inventory Specialist		25
Inspector		25
Technician		25
Engineer		20
Team Lead		25
Programmer		20
Supervisor		30
Tool Maker		10
Chemist		10
Production Coordinator		20
Designer		10
Model Maker		10
Analyst		25
Assembler		28
Clerk		20
Manager		15
Mechanic		20

## **INTRODUCTION**

Santa Clarita Community College District (Santa Clarita CCD) ([www.canyons.edu](http://www.canyons.edu)) is a two year, fully accredited community college founded in 1969. The district offers students a full range of vocational and academic programs necessary for transfer to a four year institution. Santa Clarita CCD has an enrollment of approximately 31,000 students.

Santa Clarita CCD includes a contract education, Employee Training Institute (ETI), which customizes training and education programs for employers. ETI is also part of the district's Economic Development Division whose main goal is to support economic and community growth in the region. Santa Clarita CCD uses trainers with expertise in particular subject matter (e.g. CNC Programming). ETI works closely with participating employers in an effort to tailor courses to meet the training needs of their workforce.

Participating employers of Santa Clarita CCD are manufacturers in priority industries located in the Santa Clarita Valley. These manufacturers specialize in products such as bio-medical devices, aerospace, medical equipment, fiberglass mold suppliers, and vitamins.

Santa Clarita CCD serves a region that includes Valencia, Saugus, Canyon Country, Stevenson Ranch, Agua Dulce, Newhall, Castaic, and Val Verde. Through ETI, Santa Clarita CCD is also able to serve Antelope Valley and counties such as Ventura, Santa Barbara, and San Luis Obispo.

## **PROJECT DETAILS**

Recent improvements in the economy have resulted in higher demand for skilled workers. To maintain work levels, employers are investing in staff through training to improve overall skill sets. ETP funded training will ensure staff is capable of using the latest technologies and systems found in the industry. As a result, Santa Clarita CCD has received high demand for certification training in SolidWorks, Production and Inventory Management, and Lean Six Sigma. Training sessions delivered by the college will increase efficiency and provide staff with the knowledge and expertise to become high-skilled workers.

Participating employers are preparing for the retirement of current high-skilled staff in the next few years. To remain competitive, employees must acquire higher skill sets to deliver the same level of service as those who will retire. Training will be provided to participants to equip them with the knowledge and expertise to maintain job performance and handle productivity levels. Employers can then continue to provide customers with high quality products at low cost.

Extensive upgrades to computer software programs require training on a continuous basis. The curriculum developed by ETI staff will teach trainees how to use state-of-the-art computer systems. Trainees will utilize Santa Clarita CCD's engineer workstations to learn the latest versions of Computer-Aided Design (CAD) and Computer-Aided Manufacturing (CAM) software programs.

### **Training Plan**

California employers face high demand and competition from not only other states, but overseas as well. To maintain a competitive edge, employees are given a broader range of training to update skills and improve efficiency. ETP funding will provide trainees the opportunity to expand these skill sets to meet demand and improve performance.

**Business Skills (20%):** Training will be offered to all occupations to improve problem solving, project management, and communication skills. Training will expand capabilities and increase efficiency in the workplace.

**Management Skills (5%):** Training will be offered to Managers and Supervisors to better lead staff and improve communication skills. Courses offered include Leadership Skills and Motivation.

**Computer Skills (10%):** Training will be offered to all occupations to ensure staff is up-to date with the latest computer programs used by their employer (manufacturing and aerospace companies). Course topics include Advanced Excel, PowerPoint, and Enterprise Resource Planning Systems.

**Hazardous Materials (5%):** Training will be offered to Assemblers, Chemists, Managers, Mechanics, Model Makers, Supervisors, Team Leads, Technicians, and Tool Makers. Trainees will learn proper techniques and procedures to follow when handling or disposing of hazardous materials used at their facilities.

**Literacy Skills (5%):** Training will be offered to all occupations in which trainees speak English as a second language. Trainees will receive instruction in Manufacturing Skills to guarantee staff understands company processes and equipment operation.

**Manufacturing Skills (20%):** Training will be offered to all occupations to equip trainees with the skills required to run machinery used in the production process. Subjects such as Production and Equipment Operations, Inspection Techniques, and Assembly Procedures will teach trainees to properly operate equipment.

**Continuous Improvement (20%):** Training will be offered to all occupations to improve knowledge in various departments. This training will help reduce the number of errors experienced by Employers, resulting in higher workplace performance.

**Advanced Technology (15%):** Training will be offered to Production Staff, Machine Operators, Engineers, Programmers, Chemists, Designers, and Managers/Supervisors. Training in Unigraphics, Master CAM, and SolidWorks will increase overall technological capabilities for employers.

### **Advanced Technology**

Qualified instructors for Advanced Technology courses require higher rates as well as licensing and annual maintenance contracts for the hardware required to run these programs. Hardware products include free-arm digitizers, laser scanners, and 3-D modeling equipment. There are also specialized computer systems utilized at engineering stations for training such as CAD and CAM.

Occupations to receive Advanced Technology training include Engineers, Production Staff, Machine Operators, Programmers, Chemists, Designers, and Managers/Supervisors.

The trainer-to-trainee ratio is 1:10 for AT, to allow in-depth coverage and personal attention from the instructor.

### **Training Hours Limitation**

Retraining hours for small businesses are capped at 60 hours per-trainee. However, SCCD is asking for a modification of the cap. Small manufacturing businesses in the area, including aerospace and biomedical manufacturing companies, have employees who need advanced technology training in order to remain competitive in the current marketplace. Small businesses have limited resources and ask employees to take on responsibilities as necessary to remain competitive.

Advanced Technology – There are three AT programs offered through the College; two 60 hour programs and one 72 hour program. Therefore, trainees have the opportunity to receive up to 192 hours of training. Although they are a small business, employees of manufacturing companies have the same occupation titles and require the same training as those of a large business; therefore, Santa Clarita CCD would like to offer all three AT training programs to all manufacturing businesses in the area. Advanced Technology programs are also updated to ensure instructors are providing participants with the latest in technology. Santa Clarita CCD requests approval to offer small businesses (Job Numbers 3 and 4) the maximum amount of up to 200 training hours, per-trainee.

### **Tuition Reimbursement**

Santa Clarita CCD 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.

### **Commitment to Training**

Participating employers will continue to provide training alongside ETP training. Training will include orientation, safety, English as a Second Language, sexual harassment prevention, and other on-the-job training.

**Trainer Qualifications**

Santa Clarita CCD instructors are qualified professionals with both industry and teaching experience. Training will take place at the college's campus and participating employer locations. Santa Clarita CCD will deliver all training under this Agreement.

**Training Coordinator**

Instructors of Santa Clarita CCD have extensive industry and programming experience. Instructors are subject matter experts in their field with many years of experience in the curriculum topics listed under this Agreement. All trainers are accomplished in adult education and learning theory.

**Marketing and Support Costs**

Santa Clarita CCD utilizes ETI to customize practical training programs based on the employers needs. ETI has developed a broad network of active connections with professional organizations, non-profit resource groups, managers, and WIA-funded organizations. This is accomplished by reaching out to current and new employers in the area through forum presentations, emails, newsletters, and regular meetings with employers. ETI has also received several requests from agencies and companies who would like their own programs to help meet improvement objectives.

Santa Clarita CCD is requesting an additional 8% of ETP funding in the proposed agreement for training support activities which include recruitment of participating employers and assessment of employer-specific job requirements. Staff recommends the 8% support costs.

**Training Agency Certification**

Training agency eligibility requires certification by an independent third-party, as required for the type of school and course of study. Most schools must also be licensed by the Bureau of Private Postsecondary Education (BPPE), created in statute effective January 1, 2010.

In keeping with the Panel's standards, Santa Clarita CCD is eligible as a training agency based on the following:

- Accredited by the Accrediting Commission for Community and Junior Colleges (ACCJC), Western Association of Schools and Colleges.

**RECOMMENDATION**

Staff recommends approval of this proposal.

**ACTIVE PROJECTS**

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

Agreement No.	Approved Amount	Term	No. Trainees (Estimated)	No. Completed Training	No. Retained
ET13-0299	\$401,488	03/01/13-02/28/15	372	372	197

Based on ETP Systems, 18,077 reimbursable hours have been tracked for potential earnings of \$401,488 (100% of approved amount).



**PRIOR PROJECTS**

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET11-0210	Santa Clarita	04/04/11- 04/03/13	\$398,611	\$396,384 (99%)
ET09-0239	Santa Clarita	10/17/08- 10/16/10	\$465,012	\$397,224 (85%)

**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**

- + Business Performance
- + Business Writing
- + Project Management
- + Communication Skills
- + Negotiating
- + Conflict Resolution
- + Customer Service
- + Inventory Control
- + Business Planning
- + Financial Strategies
- + Merchandising
- + Human Resources Management (interviewing, job descriptions, salary schedules, counseling, performance appraisals, etc)
- + Sales

**COMPUTER SKILLS**

- + Advanced Excel
- + Microsoft Project
- + Adobe
- + Access
- + Advanced PowerPoint
- + MRP/ERP/SAP/Oracle
- + Database Essentials
- + Basic MS Office (For small business employers only)

**CONTINUOUS IMPROVEMENT**

- + Lean Processes and Principles
- + Six Sigma
- + Kaizen Methodology
- + Statistical Process Control
- + Problem Solving
- + Team Building
- + Quality Concepts
- + Total Quality Management
- + ISO
- + Just-In-Time Processes
- + Production Scheduling
- + Value Stream Mapping
- + Decision Making
- + Leadership Skills for Frontline Workers
  - Decision Making
  - Teambuilding
  - Change Management

**HAZARDOUS MATERIALS**

- ✚ Hazardous Materials Handling
- ✚ Hazardous Chemical Cleaning/Handling
- ✚ Hazardous Waste Cleaning
- ✚ Environmental Monitoring and Personal Protection Equipment
- ✚ Hazardous Waste Management and Transportation
- ✚ Environmental Liability and Risk Management
- ✚ Solid Waste Recycling

**MANAGEMENT SKILLS (management trainees only)**

- ✚ Leadership
- ✚ Motivation
- ✚ Administration
- ✚ Coaching

**MANUFACTURING SKILLS**

- ✚ Operations Management
- ✚ Fundamentals of Planning
- ✚ Manufacturing Control
- ✚ Production Operations
- ✚ Parts and Products Manufacture
- ✚ Equipment Operation
- ✚ Assembly Procedures
- ✚ Inventory Control
- ✚ Warehousing
- ✚ Manufacturing Practices
- ✚ Cross-Training in Production Equipment/Skills
- ✚ CNC Machine Operation
- ✚ CNC Programming
- ✚ Geometric Dimensioning and Tolerancing
- ✚ Hydraulics
- ✚ Blueprint Reading
- ✚ Welding
- ✚ Inspection Techniques
- ✚ Shop Math

**LITERACY SKILLS**

- ✚ Advanced Manufacturing for English as a Second Language Learners (EASL)

Literacy Skills must be job related and hours are capped at 45% of a trainee's total training hours

Safety Training cannot exceed 10% of total training hours per-trainee  
**(This cap does not apply to HazMat)**

**AT Hours**

8-200

**ADVANCED TECHNOLOGY (limited ratio 1:10)**

- + Master CAM X (CAD/CAM program)
- + SolidWorks (CAD/CAM program)
- + Reverse Engineering
- + CMMI (Coordinate Measurement Machine Inspection)
- + Rapid Prototyping / Additive Manufacturing
- + Automated Inspection
- + Unigraphics (CAD/CAM program)
- + Advanced Programming
- + CATIA (Computer Aided Three Dimensional Interactive Application, CAD/CAM program)

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery. 10% safety training does not apply to HazMat.

## Participating Employers in Retrainee Multiple Employer Contracts

Contractor's Name: Santa Clarita Community College District

CCG No.: ET15-0346

Reference No: 15-0022

Page 1 of 4

PRINT OR TYPE IN ALPHABETICAL ORDER

Company: Advanced Bionics

Address: 28515 Westinghouse Place

City, State, Zip: Santa Clarita, CA 91355

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 25

Total # of full-time company employees worldwide: 900

Total # of full-time company employees in California: 650

Company: Aerospace Dynamics International, Inc.

Address: 25540 Rye Canyon Road

City, State, Zip: Valencia, CA 91355

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 200

Total # of full-time company employees worldwide: 565

Total # of full-time company employees in California: 565

Company: Air Flow Research Heads, Inc.

Address: 28611 W. Industry Drive

City, State, Zip: Valencia, CA 91355

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 30

Total # of full-time company employees worldwide: 40

Total # of full-time company employees in California: 40

Company: Alfred E. Mann Foundation

Address: 25134 Rye Canyon Loop, #200

City, State, Zip: Valencia, CA 91355

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 5

Total # of full-time company employees worldwide: 80

Total # of full-time company employees in California: 80

## Participating Employers in Retrainee Multiple Employer Contracts

Contractor's Name: Santa Clarita Community College District

CCG No.: ET15-0346

Reference No: 15-0022

Page 2 of 4

Company: Classic Wire Cut Company, Inc.

Address: 28210 Constellation Road

City, State, Zip: Valencia, CA 91355

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 30

Total # of full-time company employees worldwide: 142

Total # of full-time company employees in California: 142

Company: CRISSAIR, Inc.

Address: 28909 Avenue Williams

City, State, Zip: Valencia, CA 91355

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 100

Total # of full-time company employees worldwide: 215

Total # of full-time company employees in California: 215

Company: Lee's Enterprise

Address: 20731 Marilla Street

City, State, Zip: Chatsworth, CA 91311

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 6

Total # of full-time company employees worldwide: 46

Total # of full-time company employees in California: 46

Company: Lockwood Industries Inc. (FRALOCK)

Address: 28525 W. Industry Drive

City, State, Zip: Valencia, CA 91355

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 15

Total # of full-time company employees worldwide: 153

Total # of full-time company employees in California: 151

## Participating Employers in Retrainee Multiple Employer Contracts

Contractor's Name: Santa Clarita Community College District

CCG No.: ET15-0346

Reference No: 15-0022

Page 3 of 4

Company: Meschkat Precision Machining Inc.

Address: 27555 Avenue Scott

City, State, Zip: Santa Clarita, CA 91355

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 4

Total # of full-time company employees worldwide: 28

Total # of full-time company employees in California: 28

Company: Pacific Metal Stampings, Inc.

Address: 28415 Witherspoon Pkwy

City, State, Zip: Valencia, CA 91355

Collective Bargaining Agreement(s):

Estimated # of employees to be retrained under this Agreement: 5

Total # of full-time company employees worldwide: 27

Total # of full-time company employees in California: 27

Company: Remo Inc.

Address: 28101 Industry Drive

City, State, Zip: Valencia, CA 91355

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 40

Total # of full-time company employees worldwide: 156

Total # of full-time company employees in California: 156

Company: Scion Technologies Corp.

Address: 27525 Newhall ranch Road, #2

City, State, Zip: Valencia, CA 91355

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 10

Total # of full-time company employees worldwide: 62

Total # of full-time company employees in California: 62

## Participating Employers in Retrainee Multiple Employer Contracts

Contractor's Name: Santa Clarita Community College District  
Reference No: 15-0022

CCG No.: ET15-0346  
Page 4 of 4

Company: Triumph Actuation Systems-Valencia

Address: 28150 W. Harrison Parkway

City, State, Zip: Valencia, CA 91355

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 1

Total # of full-time company employees worldwide: 197

Total # of full-time company employees in California: 197

Company: W Machine Works, Inc.

Address: 13814 Del Sur Street

City, State, Zip: San Fernando, CA 91340

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 20

Total # of full-time company employees worldwide: 59

Total # of full-time company employees in California: 59

Company:

Address:

City, State, Zip:

Collective Bargaining Agreement(s):

Estimated # of employees to be retrained under this Agreement:

Total # of full-time company employees worldwide:

Total # of full-time company employees in California:

Company:

Address:

City, State, Zip:

Collective Bargaining Agreement(s):

Estimated # of employees to be retrained under this Agreement:

Total # of full-time company employees worldwide:

Total # of full-time company employees in California:





**Training Proposal for:**  
**Santa Ana Chamber of Commerce**  
**Agreement Number: ET15-0310**

**Panel Meeting of:** January 22, 2015

**ETP Regional Office:** San Diego

**Analyst:** S. Godin

**PROJECT PROFILE**

Contract Attributes:	Priority Rate SB <100 Retrainee	Industry Sector(s):	Technology/IT Aerospace and Defense Technology/Other Biotechnology/Life Sciences Manufacturing Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Statewide	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input 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**

<table><tr><td>Program Costs</td></tr><tr><td>\$607,760</td></tr></table>	Program Costs	\$607,760	+	<table><tr><td>Support Costs</td></tr><tr><td>\$42,105 8%</td></tr></table>	Support Costs	\$42,105 8%	=	<table><tr><td>Total ETP Funding</td></tr><tr><td>\$649,865</td></tr></table>	Total ETP Funding	\$649,865
Program Costs										
\$607,760										
Support Costs										
\$42,105 8%										
Total ETP Funding										
\$649,865										
In-Kind Contribution:	50% of Total ETP Funding Required			\$326,000						

**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	Computer Skills Continuous Improvement	157	8-200	0	\$2,224	*\$16.25
				Weighted Avg: 80			
2	Retrainee SB <100	Computer Skills Continuous Improvement	71	8-200	0	\$1,882	*\$16.25
				Weighted Avg: 80			
3	Retrainee Priority Rate	Computer Skills Continuous Improvement	71	8-200	0	\$1,540	*\$16.25
				Weighted Avg: 80			
4	Retrainee	Computer Skills Continuous Improvement	45	8-200	0	\$1,283	*\$16.25
				Weighted Avg: 80			

\*This proposal was scheduled to be heard in December. Staff recommends "grandfathering" the CY 2014 wages to ensure there is no detriment caused by the cancellation of December's meeting where, as here, some occupations would not meet CY 2015 wages.

**Minimum Wage by County:** \$16.25 per hour in Alameda, San Francisco, Contra Costa, Marin, San Mateo, Santa Clara, and Santa Cruz counties; \$16.04 per hour in Los Angeles; \$15.98 per hour in Orange; \$15.59 per hour in Sacramento County; \$15.60 per hour in San Diego; and \$14.90 per hour in all other 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

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

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Technical Analyst, PC/Hardware Technician, Sales Representative, Account Representative		26
System Analyst/Administrator		84
Programmer Analyst		29
Network Engineer/Administrator/Architect		91
Database Administrator/Architect		22
Application Architect		24
Managers/Supervisors		68

## **INTRODUCTION**

This is the eighth proposal for the Santa Ana Chamber of Commerce (SACC or Chamber), ([www.santaanachamber.com](http://www.santaanachamber.com)) formerly called the Greater Santa Ana Business Alliance. SACC has worked since 1889 to bring a higher level of economic prosperity to area business owners, workers, and residents through its business development programs in Orange County. The Chamber works in partnership with and relies upon input from its councils, committees, and task forces to identify and implement strategies and programs that benefit its constituency. These working bodies provide an opportunity for involvement of SACC members and stakeholders with a broad representation of business, government, non-profit and educational entities.

One of the Chamber's major initiatives is workplace development in key industries. SACC has identified sustainable employment opportunities in a handful of priority, technology-driven industries: IT/technology, automotive, business services, construction, healthcare, biotechnology, logistics/transportation, aerospace/defense, manufacturing, and new media.

When the Chamber first began offering ETP-funded training in IT-Computer Skills, its agreements focused on companies in the Greater Orange County Area. These companies had other facilities with the same training needs located throughout California. As such, ETP has allowed SACC the flexibility to train employees located in statewide geographic areas.

Software platforms, network infrastructures and security protocols for IT and digital media are developed and introduced at a rapid rate, often every six months. Employers must consistently maintain a workforce that is up to date with the industry's latest technology advancements. As such, SACC has continued to experience a strong, statewide demand for training in the latest technologies such as Mobile computing, Cloud computing and Virtualization. The proposed training will assist employers in providing better management and administration of their computing infrastructure for critical business applications such as ERP, Finance, Sales Force Automation, and Customer Relationship Management. By implementing higher capacity networks, scalable servers, and database-driven software applications, employers will be able to improve productivity and lower costs.

### **Core Group of Employers**

All participating employers in the core group have been screened for ETP eligibility, including substantial contributions. These employers have also been determined to meet out-of-state competition standards.

The Chamber has requested funding for 344 trainees and has current demand for 208 trainees (61%). The core group of employers consists of sixteen employers: 12 small businesses (75%) and 4 large employers (25%). Thirteen of the sixteen employers belong to priority industries.

## **PROJECT DETAILS**

### **Employer Demand**

The curriculum was developed in direct response to employers for training in Microsoft Windows and Linux Servers, Oracle Databases, SQL Server Databases, VMware Virtualization and Cisco Networking equipment. Programming skills in JAVA/Dot NET/PHP Programming are also in high demand. These technologies power the computing infrastructure and business critical software applications.

In addition to Computer Skills training, a small number of participating employers have requested training in Continuous Improvement topics. As the practice of software development

and IT Service delivery has evolved into a mature, process-driven industry, the need for training in Continuous Improvement skills has become evident. The participating employers report that training in Lean and Agile Software development, Quality Assurance, Project Management and other Continuous Improvement topics will provide IT personnel with the skills to work leaner, meet increased customer demands, and efficiently manage both software development projects and personnel.

### **Curriculum Development**

At the start of the employer recruitment, potential participating employers complete a training needs assessment, identifying new technologies being implemented, critical training needs, and skill deficits. Trainee assessments are conducted to identify specific skill sets needed to meet employer goals and are used to design customized course content. The courses follow a natural progression with early courses serving as pre-requisites for later ones. If employees already possess basic knowledge, they can attend the advanced courses without having to attend the basic course.

At the end of each course, trainees complete a survey evaluating instruction quality, subject matter, and relevance of the coursework to job duties. Employers are surveyed to assess the overall effectiveness of the training program and recommend improvements.

### **TRAINING PLAN**

The proposed training will promote the retention and expansion of California's IT workforce and serve a mix of large and small employers. SACC expects that over 60% of the participating employers in this Agreement will be smalls.

**Computer Skills (95%)** - Training will be delivered to all occupations in topics such as Microsoft Windows 12 Server; Oracle Database Administration; SQL Server Database Administration; Amazon Web Services; Microsoft Exchange Server Administration; Linux; MS SQL Server; Java/Android/iOS/PHP Programming; VMWare Virtualization; Cloud Computing-AWS; Cisco Network Administration; And Quickbooks. The proposed curriculum has been designed for advanced IT professionals who work in the areas of programming, system/network administration, and database design/administration.

**Continuous Improvement (5%)** - System Analysts, Network Administrators, Programmer Analysts and Database Administrators will receive training in Project Management, Lean and Agile Software development and Six Sigma Green Belt training. This training will provide participating employers with the needed skills to work leaner, increase productivity, and meet changing customer demands.

### **E-Learning**

Training will be provided using online meeting software to deliver live, instructor-led e-learning training via the Internet. Classes are comprised of formal lecture and instruction, demonstrations, and interactive hands-on laboratory exercises under the guidance of a live instructor. Trainees access lab servers over the Internet to interactively complete the lab exercises. If the trainee has questions while doing the lab exercises, they can talk to and invite the teacher to view their computer screen remotely and provide assistance. When the instructor takes control of a trainee's desktop, they can project that desktop to the rest of the class to share knowledge and enhance the learning experience.

### **Training Vendor Qualifications**

Training will be provided by Saisoft, a training vendor specializing in delivering IT training using the latest technologies.

**Training Coordinator**

SACC's Vice President of Operations will coordinate the delivery and compliance of the proposed ETP-funded training.

**Substantial Contribution**

SACC serves large and small companies, some of which may have received training in prior ETP contracts. If a large participating employer has received the benefit of training with payment earned in excess of \$250,000 within the past five years, reimbursement for trainees at the same facility will be reduced by 30% to reflect a substantial contribution to the cost of training. Funding for any participating employer previously assessed a substantial contribution will be reduced by 50%. Small businesses with 100 or fewer full-time employees are not subject to this provision.

**Marketing and Support Costs**

SACC reports that it has an extensive database of businesses in IT, software, electronics manufacturing and associated industries that are current and potential members. To reach these businesses, SACC staff will continue to market via the Chamber's website; quarterly e-mails to member companies; trade shows; job fairs; direct mail; in-person visits; web-based seminars; meetings and Chamber events.

SACC will continue to recruit employers and assess employer-specific job training requirements throughout the term of the project. SACC's goal is to focus on priority industries and small businesses. SACC has certified that the participating employers included in its core group of employers have not previously participated in a SACC Agreement. Due to the intensive outreach efforts required to market the program, SACC has requested and ETP staff recommends 8% support costs.

**Commitment to Training**

The core group of employers' current training varies by employer, but generally consists of new-hire orientation, job-specific on-the-job training, product training, soft skills training, and safety training. Employers also state that although they have training programs, they are unable to keep up with the amount and frequency of technical training needed to remain competitive. Small business participating employers state that they are not able to provide significant training to their employees due to a lack of training funds. ETP funding will allow participating employers to offer structured technology training to its IT personnel. The core group of employers has certified that they will continue to provide training to their employees after the completion of ETP-funded training.

SACC represents that training funded under this proposal is supplemental and that ETP funds will not displace the existing financial commitment to training by participating employers. Safety training is provided by the participating employers in accordance with all pertinent requirements under state and federal law.

**Prior Performance**

SACC has completed three projects within the last five years, each earning 99% - 100% of Agreement amount. Project details for these agreements are included in the "Prior Projects" chart on page 6.

## **Electronic Recordkeeping**

SACC will utilize an electronic recordkeeping system designed and programmed to document the E-Learning method of class/lab training. This system has been reviewed and approved by ETP staff.

## **RECOMMENDATION**

Staff recommends approval of this proposal.

## **ACTIVE PROJECTS**

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

Agreement No.	Approved Amount	Term	No. Trainees (Estimated)	No. Completed Training	No. Retained
ET14-0101	\$1,249,867	9/13/13-9/12/15	649	940	640*

\*To date, the ETP tracking system shows 53,702 eligible reimbursable hours for 940 trainees for potential earnings of \$1,238,688.82 (99% of the Agreement amount). Final invoices for 640 trainee placements (\$757,854) are currently in review (61% of the Agreement amount). All training was completed on 9/30/14 and those trainees completed retention by 12/29/14.

## **PRIOR PROJECTS**

The following table summarizes performance by SACC under ETP Agreements completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET12-0241	Santa Ana	12/31/11-12/30/13	\$748,622	\$744,418 (99%)
ET11-0215	Santa Ana	4/04/11-4/03/13	\$399,590	\$399,210 (99%)
ET10-0222	Santa Ana	9/28/09-9/27/11	\$376,047	\$370,508 (98%)

## **DEVELOPMENT SERVICES**

Saisoft, Inc., in Irvine, assisted with the development of this proposal at no cost.

## **ADMINISTRATIVE SERVICES**

Saisoft, Inc. will also perform administrative services for a fee of \$38,972, not to exceed 13% of payment earned.

## **TRAINING VENDORS**

Saisoft, Inc. will provide Computer and Continuous Improvement Skills training for a fee of \$545,616.

## **Exhibit B: Menu Curriculum**

### **Class/Lab/E-Learning Hours**

24-200                      Trainees may receive any of the following:

#### **COMPUTER SKILLS**

- AWS-CC: Cloud cComputing with Amazon Web Services
- MSO-365: Migrating Exchange Server to MS Office 365
- MSW-AZ: Implementing Microsoft SQL Azure
- GOO-AN: Implementing Google Analytics
- GOO-AD: Google Adwords Administration
- MSF-BG: Microsoft Bing Adcenter Administration
- FCB-AD: Facebook Ads Manager Administration
- LIN-AD: LinkedIn AdManager Administration
- MSF-AC: Microsoft Access Programming
- MSF-SPS: Microsoft Sharepoint Designer 2010
- MSF-VS: Microsoft Visio 2010 Administration
- CIT-XA: Citrix XenApp Implementation
- DIS-R1: Disaster Recovery for Information Technology
- IPH-PR: iPhone Programming
- AND-PR: Android Programming
- CIS-NPR: CCNP ROUTE (642-902)
- CIS-NPS: CCNP SWITCH (642-813)
- CIS-NPT: CCNP TSHOOT (642-832)
- MSF-SPA: Microsoft Sharepoint Foundation Administration
- MSF-SPF: Microsoft Sharepoint Foundation
- MSF-SPD: Microsoft Sharepoint Development
- MSF-SPB: Microsoft Sharepoint Business Intelligence
- CPT-SC: CompTIA Security +
- CPT-NW: CompTIA Network +
- SQL-TS: Programming SQL Server with Transact-SQL
- SQL-AD: SQL Server Advanced Topics
- SQL-RS: SQL Server Reporting Services
- SQL-BI: SQL Server Business Intelligence
- MySQL Database Administration
- Apache Web Server Administration
- Common Gateway Interface and Hypertext Preprocessor Programming
- Perl Programming
- Perl Programming - Using Advanced Modules

- Perl Advanced Topics: Serving Pages using HTTPS (Secure Hypertext Protocol) with mod\_ssl
- ORA-SQ: Oracle – Structured Query Language (SQL)
- ORA-PL: Oracle – PL/SQL (Programming Language in SQL)
- DDT-DM: Data Modeling and Database Design
- DDT-LP: Logical and Physical Data Modeling
- MSF-EX: Microsoft Exchange Server Administration
- MSF-SP: Microsoft Sharepoint Server Administration
- MSF-SEC: Designing Security for Microsoft Networks
- MSF-PS: MS Windows Administration with Powershell
- MSF-SA8: Microsoft Windows 2008 Server Administration
- MSF-NA8: Microsoft Windows 2008 Network Infrastructure
- MSF-AD8: Microsoft Windows 2008 Active Directory
- SEC-NI: Securing Network Infrastructure and Communications (Security+ 1)
- SEC-AP: Application, Operational and Organizational Security (Security+ 2)
- SEC-AI: Designing Security Architecture Infrastructures
- SEC-MA: Designing Security Management Infrastructures
- JAV-OO: Object Oriented Programming in Java
- JAV-AP: Application Development in Java
- JAV-AT: Advanced Topics in Java
- CIS-ND1: Configuring Cisco Network Devices I (ICND1 – 640-822)
- CIS-ND2: Configuring Cisco Network Devices II (ICND2 - 640-816)
- CIS-SC: Configuring Scalable Cisco Networks
- CIS-ML: Configuring Multi-layer Switched Cisco Networks
- CIS-RA: Configuring Remote Access Cisco Networks
- CIS-TA: Troubleshooting Advanced Cisco Networks
- PMT: Software Development Lifecycle Project Management
- Information Technology Infrastructure Library Implementation
- Information Technology Infrastructure Library Best Practices
- Network Security – Ethical Hacking
- Network Security – Applied Computer Forensics
- VBS-PR: Programming in VB.NET
- VBS-AS: Programming ASP.NET and ADO.NET using VB.NET
- VBS-EN: Enterprise Application Development in VB.NET
- CSP-PR: Programming in C#
- CSP-AS: Programming ASP.NET and ADO.NET using C#
- CSP-EN: Enterprise Application Development in C#
- MSF-W7: Microsoft Windows7 Administration
- MSF-SP: Microsoft Sharepoint Server Administration
- LIN-SA: Linux System Administration
- LIN-NA: Linux Network Administration
- CRY-RP: Programming Crystal Reports
- DWH-IN1: Data Warehousing Fundamentals



- DWH-IN2: Programming Informatica
- COG-PR1: Implementing Business Intelligence with Cognos
- VMW-AD: VMWare Infrastructure Administration
- OOD-UML: Object Oriented Design and Unified Modeling Language
- CIT-SA: Citrix Presentation Server Administration
- UBU-DS: Ubuntu Linux Desktop Administration
- ORA-DB: Oracle Database Administration
- SQL-SA: SQL Server Database Administration
- SQL-DB: SQL Server Database Design
- MSF-HY: Microsoft Windows Server Hyper-V Administration
- CMP-CL1: Comptia Cloud Essentials (CLO-001)
- CMP-SR1: Comptia Server+ (SKO-003)
- CRY-RP: SAP Crystal Reports 2011
- AGL-SC: Agile and Scrum Software Development Methodology
- PMT-IT: Software Development Lifecycle Information Technology Infrastructure Library - ITIL
- MSF-410: Installing and Configuring Windows Server 2012
- MSF-411: Administering Windows Server 2012
- MSF-412: Configuring Advanced Windows Server 2012 Services
- SAI-467: Designing Business Intelligence Solutions with Microsoft SQL Server 2012
- SAI-466: Implementing Data Models and Reports with Microsoft SQL Server 2012
- SAI-465: Designing Database Solutions for SQL Server 2012
- SAI-464: Developing Microsoft SQL Server 2012 Databases
- SQL-463: Implementing a Data Warehouse with Microsoft SQL Server 2012
- SQL-462: Administering Microsoft SQL Server 2012 Databases
- SQL-461: Querying Microsoft SQL Server 2012
- MSW-AZ: Implementing Microsoft SQL Azure
- QCB-A1: Quickbooks Training

### **CONTINUOUS IMPROVEMENT**

- SSC-GB: Six Sigma Green Belt
- PMT-SK: Project Management Skills
- PMT-MP: Project Management using MS Project
- PMT-SD: Information Technology Project Management

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery.
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## Participating Employers in Retrainee Multiple Employer Contracts

Contractor's Name: Santa Ana Chamber of Commerce  
Reference No: 15-0026

CCG No.: ET15-0310  
Page 1 of 4

Company: Aegir Systems, Inc.

Address: 2151 Alessandro Dr., #211

City, State, Zip: Ventura, CA 93001

Collective Bargaining Agreement(s): No

Estimated # of employees to be retrained under this Agreement: 1

Total # of full-time company employees worldwide: 22

Total # of full-time company employees in California: 22

Company: ARS National Services, Inc.

Address: 201 W. Grand Avenue

City, State, Zip: Escondido, CA 92046

Collective Bargaining Agreement(s): No

Estimated # of employees to be retrained under this Agreement: 15

Total # of full-time company employees worldwide: 445

Total # of full-time company employees in California: 362

Company: Capital Data Corporation

Address: 3600 Madison Avenue, #65

City, State, Zip: North Highlands, CA 95660

Collective Bargaining Agreement(s): No

Estimated # of employees to be retrained under this Agreement: 8

Total # of full-time company employees worldwide: 15

Total # of full-time company employees in California: 15

Company: Cell-Crete Corporation

Address: 135 Railroad Avenue

City, State, Zip: Monrovia, CA 91016

Collective Bargaining Agreement(s): No

Estimated # of employees to be retrained under this Agreement: 5

Total # of full-time company employees worldwide: 57

Total # of full-time company employees in California: 57

## Participating Employers in Retrainee Multiple Employer Contracts

Contractor's Name: Santa Ana Chamber of Commerce  
Reference No: 15-0026

CCG No.: ET15-0310  
Page 2 of 4

Company: Certain, Inc.

Address: 75 Hawthorne Street, #550

City, State, Zip: San Francisco, CA 94105

Collective Bargaining Agreement(s): No

Estimated # of employees to be retrained under this Agreement: 40

Total # of full-time company employees worldwide: 57

Total # of full-time company employees in California: 57

Company: Classic Components Corp.

Address: 23605 Telo Avenue

City, State, Zip: Torrance, CA 90505

Collective Bargaining Agreement(s): No

Estimated # of employees to be retrained under this Agreement: 1

Total # of full-time company employees worldwide: 60

Total # of full-time company employees in California: 60

Company: Crown Media Family Networks

Address: 12700 Ventura Boulevard

City, State, Zip: Studio City, CA 91604

Collective Bargaining Agreement(s): No

Estimated # of employees to be retrained under this Agreement: 2

Total # of full-time company employees worldwide: 159

Total # of full-time company employees in California: 90

Company: Harbor Freight Tools USA, Inc.

Address: 26541 Agoura Road

City, State, Zip: Calabasas, CA 91302

Collective Bargaining Agreement(s): No

Estimated # of employees to be retrained under this Agreement: 1

Total # of full-time company employees worldwide: 25

Total # of full-time company employees in California: 25

## Participating Employers in Retrainee Multiple Employer Contracts

Contractor's Name: Santa Ana Chamber of Commerce

CCG No.: ET15-0310

Reference No: 15-0026

Page 3 of 4

Company: HCL Global Systems

Address: 2880 Zanker Road, #203

City, State, Zip: San Jose, CA 95134

Collective Bargaining Agreement(s): No

Estimated # of employees to be retrained under this Agreement: 3

Total # of full-time company employees worldwide: 1,017

Total # of full-time company employees in California: 50

Company: Hydraulic Controls, Inc.

Address: 4700 San Pablo Avenue

City, State, Zip: Emeryville, CA 94608

Collective Bargaining Agreement(s): No

Estimated # of employees to be retrained under this Agreement: 60

Total # of full-time company employees worldwide: 80

Total # of full-time company employees in California: 80

Company: LivingSocial Inc.

Address: 848 Crestview Drive

City, State, Zip: Millbrae, CA 94030

Collective Bargaining Agreement(s): No

Estimated # of employees to be retrained under this Agreement: 1

Total # of full-time company employees worldwide: 149

Total # of full-time company employees in California: 92

Company: Orange People LLC

Address: 8001 Irvine Center Drive, Ste. 400

City, State, Zip: Irvine, CA 92618

Collective Bargaining Agreement(s): No

Estimated # of employees to be retrained under this Agreement: 22

Total # of full-time company employees worldwide: 40

Total # of full-time company employees in California: 30

## Participating Employers in Retrainee Multiple Employer Contracts

Contractor's Name: Santa Ana Chamber of Commerce

CCG No.: ET15-0310

Reference No: 15-0026

Page 4 of 4

Company: Taos

Address: 121 Daggett Drive

City, State, Zip: San Jose, CA 95134

Collective Bargaining Agreement(s): No

Estimated # of employees to be retrained under this Agreement: 2

Total # of full-time company employees worldwide: 1,000

Total # of full-time company employees in California: 200

Company: Tenacore Holdings, Inc.

Address: 1525 E. Edinger Avenue

City, State, Zip: Santa Ana, CA 92705

Collective Bargaining Agreement(s): No

Estimated # of employees to be retrained under this Agreement: 4

Total # of full-time company employees worldwide: 103

Total # of full-time company employees in California: 103

Company: VTI Instruments Corporation

Address: 2031 Main Street

City, State, Zip: Irvine, CA 92614

Collective Bargaining Agreement(s): No

Estimated # of employees to be retrained under this Agreement: 8

Total # of full-time company employees worldwide: 68

Total # of full-time company employees in California: 68

Company: Western Dental Services, Inc.

Address: 530 South Main Street

City, State, Zip: Orange, CA 92868

Collective Bargaining Agreement(s): No

Estimated # of employees to be retrained under this Agreement: 35

Total # of full-time company employees worldwide: 200

Total # of full-time company employees in California: 70



## Training Proposal for:

# California Field Ironworkers Apprenticeship Training and Journeyman Retraining Fund - Northern California

**Agreement Number: ET15-0916**

**Panel Meeting of:** January 22, 2015

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

**Analyst:** A. Nastari

### PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate Apprenticeship	Industry Sector(s):	Construction  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Statewide	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Turnover Rate:	≤20%		
Managers/Supervisors: (% of total trainees)	≤0%		

### FUNDING DETAIL:

<b>Program Costs</b>	+	<b>Support Costs</b>	=	<b>Total ETP Funding</b>
\$396,340		\$27,375 8%		\$423,715

In-Kind Contribution:	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 Priority Rate Journeyman	Commercial Skills OSHA 10/30	130	8-100	0	\$564	\$33.50
				Weighted Avg: 24			
2	Retrainee Priority Rate Apprentice	Commercial Skills OSHA 10	214	8-210	0	\$1,390	\$20.55
				Weighted Avg: 100			
3	Retrainee Priority Rate Pre-Apprentice	Commercial Skills	15	8-200	0	\$3,529	\$20.55
				Weighted Avg: 150			

**Minimum Wage by County:** Job Number 1: SET Statewide \$27.40 per hour, Job Numbers 2 and 3: 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

All Collective Bargaining Agreements provide health benefits which vary by union locals. Up to \$3.80 per hour in health benefits may be used to meet the Post-Retention Wage for Job Numbers 2 and 3.

**Wage Range by Occupation**

Occupation Titles	Wage Range	Estimated # of Trainees
Job Number 1: Journeyman Ironworkers		130
Job Number 2: Apprentices Ironworkers		214
Job Number 3: Pre-Apprentices Ironworkers		15

**INTRODUCTION**

The California Field Ironworkers Apprenticeship Training and Journeyman Retraining Fund – Northern California (NorCal Ironworkers JATC) [www.universityofiron.org](http://www.universityofiron.org) seeks funding to train Journeyman, Apprentice, and Pre-Apprentice Ironworkers who primarily work in Solano, Contra Costa, San Francisco and Sacramento counties. NorCal Ironworkers JATC operates training centers equipped with the newest training aids and technology in Sacramento, Fresno, San Francisco, San Jose and Benicia.

The training centers are a partnership between four International Brotherhood of Ironworker local unions and signatory employers who are participating in this proposal. (Local 118 in Sacramento, Local 378 in Benicia, Local 155 in Fresno, and Local 377 in San Francisco)

Employers partner with these unions to create and maintain an easily mobilized and highly specialized workforce with a mission to provide customers with high quality, on-time, within budget, and accident-free craftsmanship. Journeymen will train at the San Francisco and San Jose sites while the Benicia, Sacramento and Fresno training facilities will provide a four-year, 800-hour apprenticeship program to apprentices.

Ironworkers are responsible for many aspects of construction:

- 1) build and sometimes dismantle the structural steel framework of pre-engineered metal buildings, single, and multi-story buildings, stadiums, arenas, hospitals, bridges, and wind turbines;
- 2) unload, place and tie reinforcing steel bars (rebar) and post-tensioning systems, which give strength to concrete used in piers, slabs, buildings and bridges;
- 3) load, unload, place and set machinery and equipment and operate power hoists, forklifts, and aerial lifts;
- 4) fasten metal decking, safety netting and edge rails to facilitate safe working practices; and
- 5) historically, mainly worked with wrought iron, but today they utilize many different materials including ferrous and non-ferrous metals, plastics, glass, concrete and composites.

### **Apprentice Pilot**

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 DAS. The Panel provides reimbursement for the Related and Supplemental Instruction (RSI) portion of an apprenticeship training program. RSI is delivered as Class/Lab training and developed with Local Educational Agencies (LEAs). For this proposal, the LEAs are Chabot – Las Positas Community College District, San Leandro Adult School (Benicia), Foothill College (Fresno), and American River College (Sacramento). The program provides reimbursement for up to 200 hours of RSI plus OSHA 10. All training will be delivered by the class/lab method.

For the building trades, where it is not customary for workers to be employed for 90 consecutive days with one employer, the Panel may substitute hours worked for retention. The modified retention period must be no less than 500 hours within 272 days with more than one employer. The NorCal Ironworkers JATC is requesting this modified retention period.

To ensure ETP does not displace Montoya Funds, Apprenticeship Pilot reimbursement is reduced by \$5.00, reducing the priority industry rate from \$18.00 to \$13.00 per hour. The ETP wage for apprentices will be the SET Statewide rate as modified for priority industries (\$20.55 per hour).

### **PROJECT DETAILS**

NorCal Ironworkers JATC will train ironworkers to prepare them to work on the following large Northern California construction projects: the San Francisco Transbay Terminal; the new Apple Campus; five Bay Area refineries, including the Chevron Refinery in Richmond, wind turbines in Rio Vista, Solar Farms in Fresno and the Sacramento Kings Arena in downtown Sacramento. As Journey Level Ironworkers retire and new work develops, there will be a need for more qualified Ironworkers to step into these open positions generating demand for Apprentices. Thus, the training to be provided under this proposal will help meet the need for skilled Ironworkers throughout Northern California.



This proposal will also support the pre-apprentice Women's Welder Ironworkers training program called the Gladiator Program. This unique program creates a bridge for women to enter into a trade that has been traditionally under-represented. NorCal Ironworkers JATC began this program with no funds, only volunteer hours of trainers and the donation of free training materials and space by the JATC. The Gladiator Program was funded previously under Agreement ET13-0909. Of the 12 trainees that participated, 9 women were successful at gaining entry into the apprentice program or are working in the trade.

## **Training Plan**

### **Pre-Apprentice Commercial Skills (100%)**

The Pre-Apprentice program for women will include skills needed to enter the Apprentice program and to be placed on a job. These skills include: welding, green training, traffic flagging and firewatch training. This 150-hour program will be held at the Benicia Training Center. It is expected 15 trainees will participate.

### **Journeyman Commercial Skills (95%)**

The Journey Level program is intended to bring work skills and knowledge up to date, as required by the participating employers and property owners. ETP funds will help to expand employer-driven certification classes, such as the Qualified Rigger course. Ironworkers who attend a Qualified Rigger course must successfully complete a 40-hour Rigging and a 40-hour Crane classes in order to receive the Qualified Rigger/Signalperson card. Ironworkers with this certification increases their chances for employment.

### **Apprentice Commercial Skills (95%)**

The work of Field Ironworker (Field meaning someone who works on physical structures rather than in a shop) is physically demanding. On a job site, iron workers can have several tasks, ranging from rigging and machinery moving to ornamental iron working. For all specialties in the trade (Structural, Reinforcing, Ornamental and Rigging) welding and burning equipment are tools of the trade. Following strict safety and quality standards, Ironworker Apprentices need to learn to build modern structures from the ground up. Apprentices need to learn how to reinforce concrete to creating the steel structure of a building; how steel pillars, supports and shafts are needed to build structures like office buildings and bridges; and how to build steel shafts and grilles to support the concrete used to make tunnels, freeways and industrial buildings.

### **OSHA 10 (5%)**

The Panel recently approved funding for OSHA 10/30 training. This is a series of courses "bundled" by industry sector and occupation. Typically, it is delivered to workers in the building trades. Under this proposal, OSHA 10 will be funded for Apprentices and Journeymen.

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.

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. In other words, six hours of OSHA 10 is not reimbursable and cannot be used to satisfy the minimum hours of training. OSHA 10/30 is not included in the 10% limitation on safety training.

## **Commitment to Training**

Each of the signatory employers contributes to the education training fund. The NorCal Ironworkers JATC certifies that signatory employers will continue to pay into their respective trust funds for Journey Level, Apprentice and Pre-Apprentice training. In addition, employers will continue to provide structured, on-the-job training that meets apprenticeship standards in the form of work processes. ETP funds will supplement and not displace employer contributions to training. Safety training is, and will continue to be, provided by the participating employers in accordance with all requirements under state and federal law.

## **Marketing and Support Costs**

The NorCal Ironworkers JATC is requesting 8% in support costs to fund marketing to employers, recruit apprentices, and conduct ongoing assessments of employer-specific job requirements. There are nine staff people in the NorCal Ironworkers JATC offices that will assist with the marketing, recruitment, needs assessments and scheduling of training. There are five full-time and 12 - 15 part-time trainers who are former or current ironworkers and are experts in the areas that they teach. A third party, Strategy Workplace Communications along with CLF, will provide ETP Contract Administration services.

NorCal Ironworkers JATC and the various local unions will publicize the availability of training through direct mailings, brochures/flyers, personal contacts, telephone calls, public service announcements and e-mail announcements. It will also promote this training program at labor-management meetings and industry assemblies, site visits to local schools, trade shows, industry meetings, and vocational outreach organizations. Staff recommends the 8% in support costs.

## **Tuition Reimbursement**

In accordance with Title 22, CCR, Section 4412.1, NorCal Ironworkers JATC 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.

## **PRIOR PROJECTS**

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET13-0909	Statewide	10/01/2012– 9/30/2014	\$326,942	\$299,815 (92%)

The ETP Tracking system shows a total of 22,704 hours entered for Job Number 1 and 504 hours entered for Job Number 2, for a potential reimbursement of \$415,250, which exceeds the approved amount. To date, NorCal Ironworkers JATC has already earned \$299,815. The Final Closeout invoice was submitted on October 28, 2014 in the amount of \$27,127. When approved NorCal Ironworkers JATC will have earned 100% of the total Agreement amount.

**DEVELOPMENT SERVICES**

The NorCal Ironworkers Fund retained the California Labor Federation in Sacramento and Strategy Workplace Communications in Oakland to assist with development of this proposal at no cost.

**ADMINISTRATIVE SERVICES**

NorCal Ironworkers JATC also retained Strategy Workplace Communications to assist with administrative services in connection with this proposal for an amount not to exceed 13% of payment earned.

**TRAINING VENDORS**

N/A

**Exhibit B: Menu Curriculum****Class/Lab Hours****Job Number 1 (Journeyman)**

8–100 Trainees may receive any of the following:

**COMMERCIAL SKILLS**

- Forklift Training
- Scaffold User
- Scaffold Erector
- Subpart R (Steel Erection)
- Mine Safety and Health Administration (MSHA)
- Lead in Construction
- Post Tensioning Certification
- Rigging Review
- Qualified Rigger
- Blueprint Reading
- Energy Audits
- Welding and Burning
- Proper Installation and Use of Testing and Auditing Materials and Equipment (Green Training)
- Understanding New Technologies and Changes to Industry Standards (Green Training)
- Proper Equipment Set-Up (Green Training)
- Safe Working Practices
- Advanced Welding
- Layout and Instruments
- Architecture Designs and Advanced Plan Reading
- MSAJ (Mine Safety and Health Administration)

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

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

**Job Number 2 (Apprentice)**

8-210 Trainees will receive any of the following:

**COMMERCIAL SKILLS**

- Structural Safe Work Practices, Subpart R Steel Erection
- Rigging Safe Work Practices
- Reinforcing Safe Work Practices
- Architectural Safe Work Practices
- Measurement And Math
- Oxy-Fuel and Welding Safe Work Practices
- Green Construction For Ironworkers
- Mixed Base (Intro To Blueprint & Math)
- Rigging and Forklift Training

- Welding
- Precast / Metal Building (Includes Scaffold User)
- Architectural
- Structural
- Post Tensioning
- Cranes (Includes Scaffold Erector / Dismantler)
- Rebar Detailing
- Blueprint Reading
- Lead In Construction
- Foreman Training
- First Aid/CPR

**OSHA 10 (OSHA CERTIFIED INSTRUCTOR)**

- OSHA 10 (requires completion of 10 hours)

**Job Number 3 (Pre-Apprentice)**

8-200

Trainees will receive any of the following:

**COMMERCIAL SKILLS**

- Green Training
- Firewatch Training
- Traffic Flagging
- Welding I and Welding II

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

Note: Reimbursement for retraining is capped at 100 total training hours per trainee for Job Number 1. Reimbursement for retraining is capped at 210 total hours per trainee for Job Number 2. Reimbursement for retraining is capped at 200 total training hours per trainee for Job Number 3.



**Training Proposal for:**  
**California Manufacturers and Technology Association**  
**Agreement Number: ET15-0353**

**Panel Meeting of:** January 22, 2015

**ETP Regional Office:** Sacramento

**Analyst:** M. Mazzone

**PROJECT PROFILE**

Contract Attributes:	Retrainee Priority Rate SB <100	Industry Sector(s):	Manufacturing Aerospace and Defense Technology/IT  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Statewide	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input 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>
\$607,680		\$42,075 8%		\$649,755

In-Kind Contribution:	50% of Total ETP Funding Required	\$750,000
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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. Impr., HazMat, Mgmt Skills, Mfg. Skills, OSHA 10/30	201	8-200	0	\$1,155	\$14.90*
				Weighted Avg: 60			
2	Retrainee Priority Rate SB <100	Business Skills, Computer Skills, Cont. Impr., HazMat, Mgmt Skills, Mfg. Skills, OSHA 10/30	225	8-100	0	\$1,668	\$14.90*
				Weighted Avg: 60			
3	Retrainee SB <100	Business Skills, Computer Skills, Cont. Impr., HazMat, Mgmt Skills, Mfg. Skills, OSHA 10/30	60	8-100	0	\$705	\$14.90*
				Weighted Avg: 30			

\*This proposal was scheduled to be heard in December. Staff recommends "grandfathering" the CY 2014 wages to ensure there is no detriment caused by the cancellation of December's meeting where, as here, some occupations would not meet CY 2015 wages.

**Minimum Wage by County:** \$16.25 in Alameda, Contra Costa, Marin, San Francisco, San Mateo, Santa Clara, Santa Cruz Counties; \$16.04 in Los Angeles County; \$15.98 in Orange County; \$15.60 in San Diego County; \$15.59 in Sacramento County; \$14.90 in all other 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

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

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Administrative Support Staff 1		20
Administrative Support Staff 2		10
Customer Service and Sales Staff 1		20
Customer Service and Sales Staff 2		10
Manufacturing Production Staff, Technician, Maintenance Staff 1		69
Manufacturing Production Staff, Technician, Maintenance Staff 2		70
Supervisor 1		40

Supervisor 2		7
Manager 1		40
Manager 2		7
Manager 3		3
Engineer 1		100
Engineer 2		20
Engineer 3		10
Analyst 1		50
Analyst 2		10

## **INTRODUCTION**

This is California Manufacturers and Technology Association (CMTA) ([www.cmta.net](http://www.cmta.net)) twelfth ETP-funded project. CMTA is a trade association representing a large number of California's manufacturing, processing, service, and technology-based companies. Headquartered in Sacramento, CMTA has worked closely with its member companies and ETP to implement successful work skills training programs for over 20 years. CMTA's comprehensive advocacy and educational initiatives seek to foster a business environment that will lead to the retention and creation of high-wage, high-skill jobs that will enhance the overall prosperity of California. CMTA promotes training programs and policies that help manufacturers achieve higher performance.

## **PROJECT DETAILS**

CMTA has identified critical needs of California companies. Many industries have a high rate of technological change, and skill gaps have become increasingly wider. Companies must make sure that their employees are up-to-date with the latest technologies. Additionally, manufacturers are increasingly moving towards the production of high value-added products that require complex processes and high-skill workers. Recruitment at all levels of the firm for knowledgeable and skilled employees has been challenging. Lastly, California companies must be able to compete with foreign and domestic competitors. To do so, employers must strive to develop new products and services; increase productivity; and improve product quality, pricing, and customer satisfaction. ETP-funded training is critical to help close skill gaps and to respond to unique employer challenges and growth opportunities.

### **Training Plan**

The proposed training will mainly target manufacturers but will include other industries (aerospace and defense, technology, IT) as well. CMTA serves companies statewide, but the core employers are located primarily in the Los Angeles area.

**Business Skills (10%)** – Training will be offered to all occupations. Administrative Support Staff will focus on skills such as Cost Control and Financial Analysis. Engineers and Technicians will train in Product Knowledge, Project Management, and Business Fundamentals. Customer Service and Sales Staff will be trained to provide information and support to customers.

**Computer Skills (15%)** – Training will be offered to all occupations. Training will provide Analysts, Engineers, and Manufacturing Staff with the skills to become more proficient in the use of software platforms such as Enterprise Resource Planning, database applications, and



Windows software applications. Customer Service and Sales team members will take Microsoft Office training to improve the quality and productivity of everyday assignments.

**Continuous Improvement** (30%) – Training will be offered to all occupations. Trainees will receive the skills necessary to reduce waste and increase productivity and product quality. Engineers will participate in Lean Initiatives such as ISO, Quality, and Statistical Process Controls to remain competitive in California.

**Hazardous Materials** (3%) – Training will provide Manufacturing Staff with the skills necessary to ensure a safe work environment when handling dangerous materials.

**Management Skills** (10%) – Training will provide Managers and Supervisors with Leadership and Managing Change skills to learn techniques to keep the workforce engaged, productive, and focused.

**Manufacturing Skills** (30%) – Training will be offered to Manufacturing Staff, Technicians, and Maintenance Workers in operating and maintaining new machinery and equipment as companies diversify products and move into new markets

### **OSHA 10/30 (2%)**

OSHA 10/30 training is a series of courses “bundled” by industry sector and occupation. The coursework must be approved by, and the instructors must be certified by Cal-OSHA. Training hours may be delivered in a classroom setting or via CBT. When delivery is by CBT all training hours must be delivered in a classroom over a finite number of times, and the vendor must have a certified instructor present to confirm attendance. 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, or in the 50% limitation on CBT.

### **Commitment to Training**

Larger employers have well-established training programs that include courses such as new employee on-boarding, basic job skills, employee diversity, supervisory law, and interviewing skills. Other employers are only able to provide government-mandated training such as safety, compliance, and sexual harassment prevention. Many of the participating employers, especially smaller businesses, do not have structured training programs due to budgetary constraints; classes are generally provided “as needed” and training is often repeatedly delayed. ETP funding will expand industry-specific training to upgrade employee skill sets.

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

#### **➤ Training Infrastructure**

Training will be delivered primarily at employer worksites, with occasional center-based classes for several employers with similar needs. CMTA has partnered with two training subcontractors to deliver topics in Business Skills and Continuous Improvement. Participating employers will also provide qualified trainers who will train their own employees only.

CMTA has three full-time staff for employer marketing and recruitment, training needs assessments, skill gap analyses, trainer recommendations and selection, class scheduling, and all ETP documentation and tracking activities.

**Impact/Outcome**

CMTA training will focus on Lean manufacturing, new technology, process improvement, effective communications, and certification training to standardized job skills and competencies. CMTA has partnered with the National Association of Manufacturers to implement a Skills Certifications System, whose goals are to standardize competencies and basic skills and provide employers with skilled workers for new production and growth opportunities.

Trainees may earn a National Institute for Metalworking Skills (NIMS) certification. The certification sets skill standards for the industry, certifies individual skills against the standards, and accredits training programs that meet NIMS quality requirements

**Marketing and Support Costs**

CMTA will market to an extensive database of current and potential members and other referrals. Marketing activities are done through newsletters, workforce development partnerships (such as the Bay Area Manufacturing Renaissance Council), trade shows, telemarketing, direct mailing, and in-person visits.

CMTA is requesting 8% support costs for the cost associated with employer recruitment; employer worksites visits to determine training needs, curricula design and schedules; and assisting employers with training plan implementation. Staff recommends the 8% support costs.

**Curriculum Development**

CMTA meets with frontline workers, managers, and training staff to understand current business needs and challenges and how companies respond to the challenges. Employers and trainees complete a needs assessment and work with CMTA staff to create a customized curriculum to improve production capacity and operational efficiency. CMTA also conducts course evaluations and surveys with trainees and employers to gauge results of the programs and surveys its members to discern local training requirements.

CMTA relies on research data from the National Association of Manufacturing (NAM) to ensure the curriculum provides the type of training required on a national level. The NAM-endorsed certification system combines traditional education with industry-based requirements. CMTA also surveys its membership to discern local training requirements.

**Training Hours Limitation**

Currently, small businesses are capped at 60 hours of training per trainee. CMTA is requesting a modification to the cap to provide small businesses up to 100 hours of class/lab training per person for Job Numbers 2 and 3. The need for 100 hours cap is based on current small business participating employers' need to train employees on new equipment or new software, and CMTA experiences in prior agreements. Approximately 10% of small business employers require additional hours.

**RECOMMENDATION**

Staff recommends approval of this proposal.

## **ACTIVE PROJECTS**

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

Agreement No.	Approved Amount	Term	No. Trainees (Estimated)	No. Completed Training	No. Retained
ET14-0144	\$1,245,680	9/3/2013 – 9/2/2015	980	856	337

Based on ETP Systems, 55,831 reimbursable hours have been tracked, and \$1,138,215 earned (91% of approved amount). The Contractor projects final earnings of 100% based on training currently committed to by employers and in progress through July 2015.

## **PRIOR PROJECTS**

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET12-0294	Statewide	2/6/2012 – 2/5/2014	\$749,199	\$749,199 (100%)
ET11-0219	Statewide	4/4/2011 – 4/3/2013	\$399,285	\$399,285 (100%)
ET10-0208	Statewide	10/5/2009 – 10/4/2011	\$366,082	\$365,903 (99%)

## **DEVELOPMENT SERVICES**

N/A

## **ADMINISTRATIVE SERVICES**

N/A

## **TRAINING VENDORS**

Custom Corporate Communications in Redondo Beach has been retained to provide Continuous Improvement (Lean and Quality) and Business Skills training for a fee of approximately \$250,000.

Get Kaizened of San Ramon has been retained to provide Continuous Improvement training for a fee of approximately \$100,000.

Sierra Consulting Services in Cameron Park has been retained to provide Business Skills training for a fee of approximately \$100,000.

Other trainers will be identified for ETP record-keeping purposes, as they are retained.

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

8–200 Job Number 1

8–100 Job Numbers 2 and 3

Trainees may receive any of the following:

**BUSINESS SKILLS**

- Business Communication
- Business Fundamentals
- Communication
- Cost Control
- Customer Service
- Financial Analysis
- International Shipping
- Negotiating
- Planning and Organization
- Presentation
- Product Knowledge
- Project Management
- Relationship Building through Sales & Service
- Sales Strategies
- Supply Chain Management
- Time Management
- Writing

**COMPUTER SKILLS**

- Microsoft Office, Intermediate
- Microsoft Office, Advanced
- Enterprise Resource Planning Software
- Database Management
- Accounting Software
- Custom Programming
- Computer Skills for Equipment Maintenance
- CAD/CAM

**CONTINUOUS IMPROVEMENT**

- Benchmarking
- Building Successful Teams
- Interpreting and Analyzing Data
- ISO
- Leadership Skills for Front-Line Workers
- Lean Manufacturing
- Kaizen Methodology
- Performance Management
- Problem Solving
- Root Cause Analysis
- Six-Sigma
- Standard Work
- Statistical Process Control

- Team Problem Solving
- Train the Trainer

**HAZARDOUS MATERIALS**

- Ammonia Training

**MANAGEMENT SKILLS** (for Supervisors/Managers only)

- Leadership Skills
- Managing Change

**MANUFACTURING SKILLS**

- American Welding Society Certified Welder
- Assembly Procedures
- Blueprint Reading
- Certified Manufacturing Engineer
- Certified Manufacturing Technologist
- Certified Quality Engineer
- CNC Operator Certificate
- Cross-Training in Equipment/Production
- Electronics
- Equipment Maintenance
- Equipment Operations
- Forklift Training
- Good Manufacturing Practices (GMP)
- Hydraulics Training
- Industrial Math
- Job Instruction/Analyzing Jobs for Efficiency
- National Institute for Metalworking Skills (NIMS) Certification training
- Welding fundamentals
- Wiring
- Motor Controls
- Production Operations
- Programmable Logic Controllers (PLC)
- Pneumatics
- Shop Math
- Warehousing Operations & Distribution

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

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

Safety Training cannot exceed 10% of total training hours per-trainee (This cap does not apply to Hazmat or OSHA 10/30)

Note: Reimbursement for retraining is capped at 200 total hours per trainee for Job Number 1 and 100 total hours per trainee for Job Numbers 2 and 3, regardless of method of delivery.
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## Participating Employers in Retrainee Multiple Employer Contracts

Contractor's Name: CMTA

CCG No.: ET15-0353

Reference No: 14-0730

Page 1 of 4

PRINT OR TYPE IN ALPHABETICAL ORDER

Company: CAMBRO Foodservice Equipment and Supplies

Address: 5801 Skylab Road

City, State, Zip: Huntington Beach, CA 92647

Collective Bargaining Agreement(s): NA

Estimated # of employees to be retrained under this Agreement: 100

Total # of full-time company employees worldwide: 781

Total # of full-time company employees in California: 243

Company: Dynamic Fabrication

Address: 2615 South Hickory Street

City, State, Zip: Santa Ana, CA 92707

Collective Bargaining Agreement(s): NA

Estimated # of employees to be retrained under this Agreement: 16

Total # of full-time company employees worldwide: 16

Total # of full-time company employees in California: 16

Company: Filger Manufacturing

Address: 133 Calle de Industrias

City, State, Zip: San Clemente, CA 92672

Collective Bargaining Agreement(s): NA

Estimated # of employees to be retrained under this Agreement: 20

Total # of full-time company employees worldwide: 20

Total # of full-time company employees in California: 20

Company: J&M Manufacturing

Address: 430 Aaron Street

City, State, Zip: Cotati, CA 94931

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 10

Total # of full-time company employees worldwide: 17

Total # of full-time company employees in California: 17

## Participating Employers in Retrainee Multiple Employer Contracts

Contractor's Name: CMTA

CCG No.: ET15-0353

Reference No: 14-0730

Page 2 of 4

Company: Measurement Specialties, Inc.

Address: 20630 Plummer Street

City, State, Zip: Chatsworth, CA 91311

Collective Bargaining Agreement(s): NA

Estimated # of employees to be retrained under this Agreement: 60

Total # of full-time company employees worldwide: 3000

Total # of full-time company employees in California: 200

Company: NBTY Acquisition LLC DBA Leiner HEA

Address: 7366 Orangewood Ave.

City, State, Zip: Garden Grove, CA 92841

Collective Bargaining Agreement(s): NA

Estimated # of employees to be retrained under this Agreement: 200

Total # of full-time company employees worldwide: 17,000

Total # of full-time company employees in California: 654

Company: NBTY Manufacturing LLC

Address: 5115 E. La Palma Ave.

City, State, Zip: Anaheim, CA 92807

Collective Bargaining Agreement(s): NA

Estimated # of employees to be retrained under this Agreement: 200

Total # of full-time company employees worldwide: 17,000

Total # of full-time company employees in California: 654

Company: Seal Science

Address: 17131 Daimler

City, State, Zip: Irvine, CA 92614

Collective Bargaining Agreement(s): NA

Estimated # of employees to be retrained under this Agreement: 60

Total # of full-time company employees worldwide: 97

Total # of full-time company employees in California: 90

## Participating Employers in Retrainee Multiple Employer Contracts

Contractor's Name: CMTA

CCG No.: ET15-0353

Reference No: 14-0730

Page 3 of 4

Company: Silpac

Address: 1850 Russell Ave.

City, State, Zip: Santa Clara, CA 95054

Collective Bargaining Agreement(s): NA

Estimated # of employees to be retrained under this Agreement: 20

Total # of full-time company employees worldwide: 20

Total # of full-time company employees in California: 20

Company: T Hazegawa USA Inc.

Address: 14047 East 183<sup>rd</sup> St.

City, State, Zip: Cerritos, CA 90703

Collective Bargaining Agreement(s): NA

Estimated # of employees to be retrained under this Agreement: 60

Total # of full-time company employees worldwide: 82

Total # of full-time company employees in California: 74

Company: TR Manufacturing

Address: 45757 Northport Loop West

City, State, Zip: Fremont, CA 944538

Collective Bargaining Agreement(s): NA

Estimated # of employees to be retrained under this Agreement: 60

Total # of full-time company employees worldwide: 114

Total # of full-time company employees in California: 110

Company: VM Services, Inc.

Address: 1051 S. East Street

City, State, Zip: Anaheim, CA 92805

Collective Bargaining Agreement(s): NA

Estimated # of employees to be retrained under this Agreement: 60

Total # of full-time company employees worldwide: 13000

Total # of full-time company employees in California: 350



## Participating Employers in Retrainee Multiple Employer Contracts

Contractor's Name: CMTA

CCG No.: ET15-0353

Reference No: 14-0730

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Company: VM Services, Inc.

Address: 6701 Mowry Ave,

City, State, Zip: Newark, CA 94560

Collective Bargaining Agreement(s): NA

Estimated # of employees to be retrained under this Agreement: 100

Total # of full-time company employees worldwide: 13,000

Total # of full-time company employees in California: 350

Company:

Address:

City, State, Zip:

Collective Bargaining Agreement(s):

Estimated # of employees to be retrained under this Agreement:

Total # of full-time company employees worldwide:

Total # of full-time company employees in California:

Company:

Address:

City, State, Zip:

Collective Bargaining Agreement(s):

Estimated # of employees to be retrained under this Agreement:

Total # of full-time company employees worldwide:

Total # of full-time company employees in California:

Company:

Address:

City, State, Zip:

Collective Bargaining Agreement(s):

Estimated # of employees to be retrained under this Agreement:

Total # of full-time company employees worldwide:

Total # of full-time company employees in California:



## Training Proposal for:

# Fresno, Madera, Kings & Tulare Counties Electrical Industries Joint Apprenticeship and Training Committee

**Agreement Number: ET15-0917**

**Panel Meeting of:** January 22, 2015

**ETP Regional Office:** Sacramento

**Analyst:** M. Mazzone

## PROJECT PROFILE

Contract Attributes:	Apprenticeship Retrainee Priority Rate SB <100	Industry Sector(s):	Construction  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Fresno, Madera, Kings, Tulare	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No International Brotherhood of Electrical Contractors (IBEW) Local 100		
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>
\$297,000		\$20,520 8%		\$317,520

In-Kind Contribution:	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 Priority Rate Journeyman	Business Skills, Commercial Skills, Computer Skills, OSHA 10/30	75	8-200	0	\$564	\$34.20
				Weighted Avg: 24			
2	Retrainee Apprenticeship	Commercial Skills OSHA 10	99	8-210	0	\$2,780	\$20.55
				Weighted Avg: 200			

**Minimum Wage by County:** ETP SET (Priority Industry) wage: \$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

Health benefits may be used to meet the Post-Retention Wage in Job Number 2.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
<b>Job Number 1</b>		
Journeyman Inside Wireman (Electrician)		75
<b>Job Number 2</b>		
Apprentice Inside Wireman (Electrician)		99

**INTRODUCTION**

Fresno, Madera, Kings & Tulare Counties Electrical Industries Joint Apprenticeship and Training Committee (Fresno Electrical JATC) (<http://www.fresnojatc.org/>) provides up-to-date skills training and secures high-quality job opportunities for its members. The Fresno Electrical JATC is governed by a Board of Trustees comprised of labor and management representatives, and is a joint effort of the International Brotherhood of Electrical Workers (IBEW) Local 100 and the National Electrical Contractors Association (NECA). All trainees are members of IBEW Local 100 located in Fresno, Madera, Kings and Tulare Counties (Region).

## **PROJECT DETAILS**

### **Need for Training**

Fresno Electrical JATC trains electricians who install power, lighting, sound, communications, and other electrical equipment in commercial, industrial and residential buildings. This proposal will help fund both Journeyman and Apprentice Electrician training. The Journeyman program is designed to bring worker skills up-to-date as required by California Code of Regulations, Title 24, (California Building Standards) and is governed by the California Building Standards Commission.

Title 24 standards is updated and published every three years. The most recent edition was released January 1, 2014 with an effective date of July 1, 2014. Due to the changes in Title 24, there are new requirements in California's advanced lighting controls acceptance testing. The changes have affected electricians throughout the state as installation and compliance requirements have changed.

In addition to the new regulations, the construction industry is undergoing significant changes as it shifts to "green" building. Building green comes with higher quality standards, increased material cost, and more advanced technology. Experienced journeymen require training to utilize new products, reduce waste and to continue improving efficient working standards. The demand for energy efficient construction has increased significantly and is the future of the industry.

The Apprentice training will prepare trainees with the skills to replace retiring Journeyman Electricians and accommodate the increased need for Electricians in the Region. Through direct engagement of the unionized employers, the apprenticeship program is uniquely designed to place its graduates directly into "learn-while-you-earn" apprenticeships that provide a quality wage and entry into a rigorous trade education leading to a lifelong career within the local community.

### **Employer Demand**

Currently, there are several work projects in the Region that will require Electrician Apprentices and Journeymen.

- 60 Megawatt solar project in Mendota (Fresno County)
- 2 – 20 Megawatt solar projects in Corcoran (Kings County)
- 200 Megawatt solar project beginning May 2015 in Tranquility (Fresno County)
- Expansion to the Court House in Hanford (Kings County)
- Expansion to the Waste Water Treatment plant (City of Fresno)
- Construction of High-Speed Rail in Spring 2015 (Fresno/Madera/Kings counties)

Training is required to be employed on these public and private works projects. Without the proposed training, Fresno Electrical JATC will not be able to help its employers meet the quickly changing needs of the highly competitive construction industry.

### **Apprenticeship Pilot**

Apprenticeship programs were established in California under the Shelley-Maloney Act of 1939. The Panel is authorized to fund Apprentice training so long as it does not displace any other

source of government funds, or replace an existing apprenticeship program approved by the Division of Apprenticeship Standards (DAS). The Pilot provides reimbursement for the Related and Supplemental Instruction (RSI) portion of an apprenticeship-training program. RSI is delivered as class/lab training.

Under the Pilot, ETP will fund RSI that under a curriculum that is developed with a Local Educational Agency (in this case Fresno Unified School District) and is approved by DAS. ETP will also reimburse “ancillary” training that the program sponsor deems necessary for current industry needs. ETP will reimburse up to 200 hours per-trainee for Apprentices (plus 10 for OSHA) and up to 200 hours per-trainee for Journeymen.

Additionally, for the building trades, where it is not customary for workers to be employed for 90 consecutive days with one employer, the Panel may substitute hours worked for retention. The modified retention period must be no less than 500 hours within 272 days with more than one employer. The JATC is requesting this modified retention period.

To ensure ETP does not displace Montoya Funds, the reimbursement rate is reduced by \$5.00 (from \$18.00 to \$13.00 per hour). Journeymen may also be trained under the Pilot at a “blended” rate of \$22 per hour, which is mid-way between the standard and Small Business priority industry rate (from \$18.00 to \$26.00 per hour).

ETP funding will only apply to apprentices in Year 2+ to ensure commitment. For ease of program administration, the post-retention wage will be SET statewide wage as modified for Priority Industry: \$20.55.

### **Retention Rate**

According to reports published by the DAS for the five-year period 2008 - 2012, the average apprenticeship completion rate for Fresno Electrical JATC is 68.95%. This rate exceeds the Commercial Electrician Industry average at 49.80% placing the JATC above the industry average.

The Fresno Electrical JATC takes responsibility for placing Apprentices with employers and keeping them working. The school graduated 20 Apprentices in 2014 and will graduate 10 in 2015.

## **PROJECT DETAILS**

Fresno Electrical JATC, with input from both labor and management representatives, has customized the national electrical curriculum to address the local needs of its members, participating employers and the industry. The union was directly involved in the development of this curriculum and training plan and is in full support of the training for its members.

Journeyman Electricians (Job Number 1) will receive between 8–200 hours of class/lab training. Apprentices (Job Number 2) will receive between 8–210 hours of class/lab training.

### **Journeyman Training**

**Commercial Skills (80%)** – Green training is the focus of the program because of the demand for energy efficient construction methods and technologies. Training will cover energy-efficient technologies and products such as green building materials, solar photovoltaic panels, new motor controls, advanced welding, green materials testing and audit equipment. Journeymen will also receive training on meeting Title 24 compliance requirements.

**Computer Skills (5%)** – Training will incorporate changes in software programs due to the industry moving towards energy-efficient construction practices. Electricians will receive job specific software training including: AutoCAD, Scheduling and Planning system and Job Tracking.

**Business Skills (5%)** - Electricians are faced with understanding new national building codes and green practices; following certification guidelines; using more collaborative bidding and project development practices; meeting budgets; and implementing green solutions in traditional work environments. Training will give tools to plan, organize and manage construction projects to complete them efficiently and on time. Training will also include team-building and leadership skills to lead teams.

**OSHA Skills 10/30 (10%)** - OSHA 10/30 training is a series of courses “bundled” by industry sector and occupation. It consists of 10 hours of training for journey-level and 30 hours for frontline 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.

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.

### **Apprentice Training**

**Commercial Skills (90%)** - Inside Wireman Apprentices learn to install, maintain and repair various types of electrical and electronic equipment. Trainees will also learn to install connect and test: electrical wiring systems for lighting, heating, air conditioning and sound and communications in any building or structure.

**OSHA 10 (10%)** - Electricians work under extremely dangerous conditions which require considerable physical effort on the part of the apprentice to do lifting, climbing, crouching, and working in cramped areas. There is the potential for injury or death for themselves and other people in the work area vicinity. The participating employers and property owners need electricians to undergo additional training to ensure that their skills are up to date and that they can perform their work efficiently and safely.

### **Commitment to Training**

There are over 40 employers that contribute to the JATC and all participating employers are subject to Unemployment Insurance fund contributions. Each participating employer is bound by the collective bargaining agreement to contribute to the JATC fund and this contracted amount is not affected by the ETP funds being requested.

The JATC has four full-time and six part-time trainers assisting with the training. The trainers are former or current members of the trade and some have received Master Certification status by the National Joint Apprenticeship and Training Committee. The training center is a state-of-the-art facility and promotes a highly productive training environment.

### **Marketing and Support Costs**

The Fresno Electrical JATC is requesting 8% support costs to assist in the recruitment, employer outreach, and assessment of employer-specific job requirements.

Marketing is done through direct mailings, informational flyers, personal contacts, telephone calls, public service announcements, emails, and Fresno Electrical JATC website. Class information will be disseminated throughout the year to all Apprentice and Journeyman Electricians within the jurisdiction as well as to the electrical contractors who employ them. Application announcements for the Apprentice program are sent to local, state and federal agencies as well as to local high schools, community colleges, and community-based organizations.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

### **DEVELOPMENT SERVICES**

California Labor Federation (Workforce Economic Development) and Strategy Workplace Communications in Oakland assisted with development at no charge.

### **ADMINISTRATIVE SERVICES**

Strategy Workplace Communications will also perform administrative services for an amount not to exceed 13% of payment earned.

### **TRAINING VENDORS**

To Be Determined

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

8 – 200 (Job 1)

**Journeyman Training**

Trainees may receive any of the following:

**COMMERCIAL SKILLS**

- Codeology
  - ❖ National Electrical Code
  - ❖ Other Recognized Standards (Installation Changes)
  - ❖ Plan, Build and Use
  - ❖ Related Standards (Mandatory and Permissive Rules)
  - ❖ Special Occupancies and Equipment
  - ❖ Arc Flash
- Analog/Digital Circuit (AC/DC) Principles
  - ❖ Math for Electricians
  - ❖ Ohm's Law
  - ❖ Generators
  - ❖ Inductance/Reactance
  - ❖ Series/Parallel Circuits
- Grounding
  - ❖ Grounding and Bounding
  - ❖ National Electrical Code Article 100-Definitions and Provisions
  - ❖ National Electrical Code Article 110-Requirements
  - ❖ National Electrical Code Article 90-Introduction
  - ❖ National Electrical Code Article Chapters 1-4
  - ❖ Significant Changes to National Electric Code
- Fire Alarm Systems and Installations
  - ❖ Definitions and Systems
  - ❖ Initiating Devices and Notification Systems
  - ❖ National Electrical Code and Installation Requirements
  - ❖ Start Up and Check Out Procedures
  - ❖ National Fire Protection Act, 1972 (NFPA 72)
- Fire Life Safety
  - ❖ National Electrical Code (Relating to Fire Alarms)
  - ❖ National Electrical Code Article 725
  - ❖ National Electrical Code Article 760
  - ❖ NFPA 72
  - ❖ Principles of Electronics
- Industrial Motor Control
  - ❖ Control Relays and Timers
  - ❖ Jogging and Plugging Controls
  - ❖ Manual Starters and Magnetic Coils
  - ❖ Push Buttons, Selector Switches and Mechanical Devices
  - ❖ Solid State Electronic Devices
  - ❖ Variable Frequency Drives



- Programmable Logic Control
  - ❖ Developing Ladder Programming
  - ❖ Introduction to Programmable Equipment
  - ❖ Programming Programmable Logic Controllers
  - ❖ Using Timers and Counters in Logic Programs
  - ❖ Writing a Program
- Electrical Design
  - ❖ 3 and 4-Way Switching
  - ❖ Design of Electrical Circuits
  - ❖ Magnetic Motor Control and the Code
  - ❖ LonWorks and Building Automation
  - ❖ Transformers and the Code
- Voice, Data and Video
  - ❖ Audio Distribution
  - ❖ CCTV Security Surveillance
  - ❖ Computer Networking
  - ❖ Fiber Optics
  - ❖ Telephonic Interconnect
- Industry Specific Skills
  - ❖ Solar Panel Installation
  - ❖ Solar Photovoltaics
  - ❖ Building Automation Systems
  - ❖ Confined Space Entry
  - ❖ Specialized Tools
  - ❖ Conduit Bending
  - ❖ Rigging and Lifting
  - ❖ Firestop Installation
  - ❖ Blueprints and Schematics
  - ❖ Work Flow and Resources
  - ❖ Proper Installation and Use of Testing and Auditing Materials and Equipment (Green Training)
  - ❖ Understanding New Technologies and Changes to Industry Standards (Green Training)
  - ❖ Proper Equipment Set-Up (Green Training)
  - ❖ Safe Working Practices
  - ❖ Advanced Instrumentation and Motor Controls
  - ❖ Programmable Logic Controllers
  - ❖ Advanced Welding
  - ❖ Architecture Designs and Advanced Plan Reading
  - ❖ Management and Monitoring of Materials
  - ❖ Testing Materials and Equipment–Proper Set-Up and Use (Green Training)
  - ❖ Understanding Changes to Industry Standards (Green Training)
- California Advanced Lighting Control Program (CALCTP)
  - ❖ Advanced Lighting Control Systems
  - ❖ Lighting Control Strategies
  - ❖ Line Voltage Switching Controls
  - ❖ Low Voltage Switching Control

- ❖ Dimming Controls
- ❖ Occupancy Sensors
- ❖ Photosensors
- CALCTP Acceptance Testing
- Electric Vehicle Infrastructure Training Program

### **BUSINESS SKILLS**

- Teambuilding Skills
- Green Awareness Training and Green Certifications
- Leadership Skills
- Customer Service Skills
- Conflict Resolution
- Problem Solving
- Decision Making Skills
- Inventory Checklist
- Advanced Time Management
- Filling Out Work Documents and Reports Accurately
- Project Management
- Creating Project Bids

### **COMPUTER SKILLS**

- Auto Computer-Aided Design
- Job Tracking System
- Scheduling & Planning Jobs
- **OSHA 10/30 (Certified OSHA Instructor)**
- OSHA 10 (requires completion of 10 hours)
- OSHA 30 (requires completion of 30 hours)

### **Class/Lab Hours**

8 - 210

### **Apprentice Training**

Trainees may receive any of the following:

### **COMMERCIAL SKILLS**

- Safety
  - ❖ General Job-Site Safety Awareness
  - ❖ First Aid/CPR Certification
  - ❖ Emergency Procedures
  - ❖ Compliance with OSHA, NFPA and EPA Regulations
  - ❖ Substance Abuse Awareness
- Tools, Materials and Handling
  - ❖ Proper Care and Use of Hand and Power Tools
  - ❖ Proper Rigging Methods
  - ❖ Proper Digging Techniques
  - ❖ Proper Use of Motorized Equipment; Platform Lifts, Fork-Lifts and Bucket Trucks
  - ❖ Proper Material Lifting and Handling

- Math
  - ❖ Appropriate Mathematical Calculations to Solve for Related Problems
- Electrical Theory
  - ❖ Basic Electro -Magnetic Principals
  - ❖ Ohm's Law
  - ❖ AC/DC Theory
  - ❖ Series, Parallel and Combination Circuits
  - ❖ Characteristics of Circuits; Voltage, Current, Power, Resistance, Impedance, Capacitance and Reactance
  - ❖ Theory of Superposition and Solving for Multiple Voltage-Sourced Circuits
  - ❖ Operation and Characteristics of Three-Wire Systems
  - ❖ Operation and Characteristics of Three-Phase Systems
  - ❖ Use of Electronics in the Electrical Industry
  - ❖ Code Requirements
  - ❖ National Electrical Code and Local Codes
- Conductors
  - ❖ General Characteristics
  - ❖ Conductor Installation Codes and Techniques
  - ❖ Methods for Selecting Proper Size and Type of Conductors
- Conduit and Raceways
  - ❖ Terms Associated with Conduits and Raceways
  - ❖ Procedures for Laying Out Various Types of Bends
  - ❖ Procedures for Making Proper Bends when Fabricating Conduits
  - ❖ Conduit Support Systems Recognized by Code
- Lighting Systems
  - ❖ Function, Operation and Characteristics of Various Lighting Systems
  - ❖ Lighting Distribution and Layout
- Installation and Connection of Fixtures
  - ❖ Over-Current Devices
  - ❖ Function, Operation and Characteristics of Over-Current Protection Devices
  - ❖ NEC Requirements for Over-Current Protection Devices
  - ❖ NEC Requirements for Ground-Fault and Arc-Fault Protection
- Grounding Systems
  - ❖ Functions, Operation and Characteristics of Grounding Systems
  - ❖ Sizing, Layout and Installation of Grounding Systems
  - ❖ Insulation and Isolation
  - ❖ Proper Grounding and Bonding Techniques
  - ❖ Special Circumstances

- Services and Distribution Systems
  - ❖ Function, Operation and Requirements for Various Panel Boards and Switch Gear
  - ❖ Grounding Requirements
  - ❖ Code Requirements
- Prints and Specifications
  - ❖ Creation of Blueprints Plans and Specification
  - ❖ Use of Blueprints, Plans and Specification
  - ❖ Recognizing Information Contained within Blueprints
- Motors, Motor Controllers and Process Controllers
  - ❖ Function, Operation and Characteristics of Motors (AC, DC, Dual-Voltage)
  - ❖ Proper Motor Installations
  - ❖ Motor Controllers, Control Circuits and Control Devices
  - ❖ Control Transformers, Switches and Relays
  - ❖ Instrumentation, Process Control Systems and Devices
- Generation and Power Supplies
  - ❖ Principles of Generating Electricity
  - ❖ Principles of Alternative Energy Generating Systems
  - ❖ Installation and Maintenance of Uninterruptible Power Supplies
  - ❖ Installation and Maintenance of Emergency Battery Systems
- Transformers
  - ❖ Function, Operation and Characteristics of Transformers
  - ❖ Selection and Installation of Transformer Types
  - ❖ Transformer Grounding Techniques
  - ❖ Harmonics and Power Quality
- Electrical Testing
  - ❖ Steps Used for Various Testing Processes
  - ❖ Proper Selection and Use of Test Meters
  - ❖ Utilizing the Results of Testing Procedures
- Specialty Systems
  - ❖ Fire Alarms
  - ❖ Security Systems
- CALCTP
  - ❖ Advanced Lighting Control Systems
  - ❖ Lighting Control Strategies
  - ❖ Line Voltage Switching Controls
  - ❖ Low Voltage Switching Control
  - ❖ Dimming Controls
  - ❖ Occupancy Sensors
  - ❖ Photosensors
- Electric Vehicle Infrastructure Training Program

**OSHA 10 (Certified OSHA Instructor)**

- OSHA 10 (requires completion of 10 hours)

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

Note: Reimbursement for Job Number 1 training is capped at 200 total training hours per trainee. Reimbursement for Job Number 2 Apprenticeship training is capped at 210 total training hours per trainee. Safety training cannot exceed 10% of total training hours for any individual trainee. This 10% safety training cap does not apply to OSHA 10/30 training.



**Amendment Proposal #1 for:**  
**El Camino Community College District,**  
**Center for Applied Competitive Technologies (CACT)**  
**Agreement Number: ET14-0800**

**Panel Meeting of:** January 22, 2015

**ETP Regional Office:** North Hollywood

**Analyst:** L. Vuong

**CURRENT PROJECT PROFILE**

<p>Contract Type:</p> <p style="margin-left: 40px;">Retrainee</p> <p style="margin-left: 40px;">Priority/Retrainee</p> <p style="margin-left: 40px;">HUA - Retrainee</p> <p>Counties Served:</p> <p style="margin-left: 40px;">Statewide</p> <p>Union(s):</p> <p style="margin-left: 40px;"><input checked="" type="checkbox"/> Yes   <input type="checkbox"/> No</p>	<p>Industry Sector(s):</p> <p style="margin-left: 40px;">Transportation/Logistics</p> <p style="margin-left: 40px;">Services</p> <p style="margin-left: 40px;">Green Technology</p> <p>Repeat Contractor:</p> <p style="margin-left: 40px;"><input checked="" type="checkbox"/> Yes   <input type="checkbox"/> No</p> <p>Priority Industry:</p> <p style="margin-left: 40px;"><input checked="" type="checkbox"/> Yes   <input type="checkbox"/> No</p>
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Current Contract Term: August 5, 2013 to August 4, 2015

Current Funding	In-Kind Contribution
\$375,000	\$378,836

**AMENDMENT FUNDING**

Requested Funding	Support Costs	Amendment Funding	In-Kind Contribution
+\$75,240	+\$5,240	+\$80,480	+\$81,217

Total Funding
\$455,480

**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	Advanced Tech, Comm. Skills	470	4-200	0	\$904	\$14.69
				Weighted Avg: 47			
2	Priority/Retrainee HUA	Advanced Tech, Comm. Skills	30	4-200	0	\$1,020	\$11.02
				Weighted Avg: 53			

**Minimum Wage by County (Benchmark):**

Job Number 1: \$16.03 per hour for Alameda, Contra Costa, Marin, San Francisco, San Mateo, Santa Clara and Santa Cruz Counties; \$16.00 per hour for Los Angeles County; \$15.88 per hour for Orange County; \$15.63 per hour for Sacramento County; \$15.45 per hour for San Diego County; and \$14.69 per hour for all other counties.

Job Number 2 (HUA): \$11.02 per hour for Kern, Riverside, San Bernardino, and Ventura 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

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

Wage Range by Occupation	
Occupation Title	Wage Range
Mechanic	
Operator	
Engineer I	
Engineer II	
Driver	
Maintenance Worker	
Shop Lead	
Technician	
Manager/Supervisor I	
Manager/Supervisor II	
Firefighter	
Police Officer, Sheriff Deputy	
Highway Patrol Officer	
Fire Department Paramedic	

## **INTRODUCTION**

Founded in 1946, El Camino Community College District, Center for Applied Competitive Technologies (El Camino CACT) is a two-year community college offering academic and vocational education programs. The district established the Center for Applied Competitive Technologies to advance California's economic growth and global competitiveness through education, training, and services that contribute to continuous workforce development, technology deployment, and business development. El Camino CACT provides customized training, workshops, and technical assistance to employers. El Camino CACT is funded by ETP as a public training agency. Participating employers for this proposal are in mass transit, alternative fuels, transportation maintenance, and fleet services.

### **AB 118**

This proposal is funded under the Alternative and Renewable Fuel and Vehicle Technology Program (ARFVTP) created in 2007 pursuant to AB 118. This program is administered by ETP in partnership with the California Energy Commission (CEC). 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, fire districts, and law enforcement agencies.

## **AMENDMENT DETAILS**

The initial training plan was conservative, and now funds have almost been depleted with still more training needed. El Camino CACT is requesting additional AB118 funding in the amount of \$75,240. The additional funding will allow current trainees to cover a full range of CEC-approved training topics and keep up with changes in technology.

With five months of training still remaining in the contract term, El Camino CACT is confident that they can earn the increased amount. Trainees are going through an aggressive training plan, including multi-day and multi-week classes (8 hours per day, 5 days per week). El Camino also recruited a new participating employer, the Bay Area Rapid Transit District. There are no other changes to the Agreement.

## **RECOMMENDATION**

Staff recommends approval of this Amendment.

## **CURRENT CONTRACT PERFORMANCE**

The following table summarizes performance by El Camino CACT under the current ETP Agreement(s):

Agreement No.	Approved Amount	Term	No. Trainees (Average)	No. Completed Training	No. Retained
ET14-0800 (AB 118)	\$375,000	08/05/2013 – 08/04/2015	500	18	18
ET14-0217	\$1,260,646	11/25/2013 – 11/24/2015	1,093	161	161



ET14-0800 (AB 118): As of December 16, 2014, the ETP Contract Status Report shows that 366 trainees have been enrolled, 18 trainees completed training and retention; and 348 trainees are still in training. The ETP Class/Lab Tracking System shows a total of 12,559 eligible hours for potential earnings of \$286,350 (76% of the Agreement amount).

ET14-0217: Based on ETP Systems, 1,115 trainees have been enrolled, 161 trainees completed training and retention; and 948 trainees are still in training. To date, 43,061 reimbursable hours have been tracked for potential earnings of \$912,954 (72% of the Agreement amount). The Contractor projects final earnings of 100% based on training currently committed to by employers and in progress to the end of the training period (08/23/15).



**Panel Amendment #1 Proposal for:**  
**Hayward Pool Products, Inc., a Division of Hayward Industries, Inc.**  
**Agreement Number: ET13-0392**

**Panel Meeting of:** January 22, 2015

**ETP Regional Office:** North Hollywood

**Analyst:** M. Paccarelli

**CURRENT PROJECT PROFILE**

Contract Type:	Priority/Retrainee HUA Job Creation	Industry Sector(s):	Manufacturing	
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	Priority Industry:	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Current Contract Term:	May 24, 2013 to May 23, 2015	Substantial Contribution:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

**CURRENT FUNDING**

Current Funding
\$198,080

**AMENDMENT FUNDING**

Requested Funding	Total Funding
+\$67,800	\$265,880

**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/Retrainee HUA	Mfg. Skills, Computer Skills, Continuous Imp.	240	24-200	0	\$1,062	\$16.00
				Weighted Avg: 59			
2	Priority/Retrainee HUA Job Creation	Mfg. Skills, Computer Skills, Continuous Imp.	10	24-200	0	\$1,100	\$10.01
				Weighted Avg: 55			

**Minimum Wage by County:** \$16.00 per hour in Job Number 1 and \$10.01 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

Up to \$3.75 per hour may be used to meet the Post-Retention Wage in Job Number 1.

Up to \$0.51 per hour may be used to meet the Post-Retention Wage in Job Number 2.

\*Bonus: Production Staff may use up to \$.48 per hour from bonuses to meet Post-Retention Wages.

**INTRODUCTION**

Founded in 1923, Hayward Pool Products, Inc., a division of Hayward Industries, Inc. (Hayward), is a manufacturer of fluid control equipment, including custom engineering applications for advanced recirculation systems for residential swimming pools.

The Company manufactures environmentally-friendly products with very high energy-efficient ratings. Products include a full line of state-of-the-art pumps, filters, heaters, and automatic pool cleaners. Customers include Pool Water Products, Leslie's, Superior Water Products, SCP Distributors, and California Pool Products.

**AMENDMENT DETAILS**

Hayward is focusing on a Lean Initiative to improve processes and reduce costs in manufacturing products that were previously outsourced to China. Hayward also added a new product line from a new company purchased this year.

With its recent acquisition and new product offerings, Hayward has determined that current trainees need additional training. The Company is requesting to increase the weighted average per trainee by 15 hours, from 44 to 59 in Job Number 1 and from 40 to 45 hours in Job Number 2. This will increase the Average Cost per Trainee from \$792 to \$1,062 in Job Number 1 and from \$800 to \$1,100 in Job Number 2. This Amendment will also increase the Agreement amount by \$67,800 from \$198,080 to \$265,880.

Based on the current data on the ETP Online Tracking System, Hayward had delivered hours sufficient to earn 100% of current funding. This Amendment will allow trainees to continue training in this Agreement. Trainees have been scheduled for additional 15 hours in two to five days. Lean/Kaizen training will be completed by the end of February 2015. There will be no change to the average number of trainees, curriculum or trainee wages.

### **RECOMMENDATION**

Staff recommends approval of this Amendment.

### **CURRENT CONTRACT PERFORMANCE**

The following table summarizes performance by Hayward under the current ETP Agreement:

Agreement No.	Approved Amount	Term	No. Trainees Enrolled	No. Completed Training	No. Retained
ET13-0392	\$198,080	05/24/13 – 05/23/15	311	1	0

Based on the ETP Online Tracking System, Hayward has provided 13,138 training hours (100% of the total training hours).



**Amendment Proposal #5 for:**  
**J & R Film Co., Inc. dba**  
**Moviola Digital Arts Institute**  
**Agreement Number: ET14-0221**

**Panel Meeting of:** January 22, 2015

**ETP Regional Office:** North Hollywood

**Analyst:** M. Paccarelli

**CURRENT PROJECT PROFILE**

Contract Type: Retrainee  
Priority/Retrainee  
SB <100

Industry Sector(s): Multimedia/Entertainment  
Technology/Other

Counties Served: Los Angeles

Repeat Contractor: ☒ Yes ☐ No

Union(s): ☐ Yes ☒ No

Priority Industry: ☒ Yes ☐ No

Current Contract Term: November 25, 2013 to November 24, 2015

Current Funding	In-Kind Contribution
\$420,336	\$320,000

**AMENDMENT FUNDING**

Requested Funding	Support Costs	Amendment Funding	In-Kind Contribution
+\$104,000	+\$7,200	+\$111,200	+\$84,579

Total Funding
\$531,536

**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		
3	Priority/Retrainee	Advanced Technology	60	24-200	0	\$2,224	\$16.00
				Weighted Avg: 80			
4	Priority/Retrainee SB <100	Advanced Technology	40	8-80	0	\$2,224	\$16.00
				Weighted Avg: 80			

**Minimum Wage by County:** \$16.00 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

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

**INTRODUCTION**

J & R Film Co., Inc. dba Moviola Digital Arts Institute (Moviola) ([www.moviola.com](http://www.moviola.com)) is a private, for-profit, training and educational center. Moviola has a state-of-the-art facility, engineered to merge the latest advances in digital projection and sound design with the latest hardware and software technology.

The Institute caters primarily to businesses in the priority multimedia/entertainment industry sector in the Hollywood area, but also has clients throughout the State. It provides training for employers from several areas of the entertainment industry: production, post-production, technical support, consulting, distribution, news, advertising, new media, and equipment sales and rental.

**AMENDMENT DETAILS**

Moviola is requesting an additional \$111,200 in funding for current trainees. (See table above showing the weighted average hours of training from 40 to 80 (Job Numbers 3 & 4) and the cost of trainee from \$1,112 to \$2,224.) This will allow current trainees to receive more training.

Participating employers are requesting more training to keep pace with changes in technology. Many are changing processes and investing in automated systems and software to increase productivity, efficiency and accuracy. In particular, participating employers are requesting more hours for Avid and Apple Software. Moviola is the only authorized school (outside of Avid) to provide Avid Certified Support Rep (ACSR) testing and certification. It is also an Apple Certified Training Center.

According to Moviola, motion picture production vendors continually release new versions of their programs and hardware to support advancing technology: Avid Media Composer 6 updated to Avid Media Composer 7; Apple Final Cut Pro 7 updated to Apple Final Cut Pro X; Avid Pro Tools 9 updated to Avid Pro Tools 10; and Adobe CS Suite (Photoshop, Illustrator) updated to Adobe Cloud. Moviola has upgraded to the latest industry software and hardware and editing techniques and has also modernized its classroom computer equipment with the latest Mac Pro Computers at a cost of \$30,000 in order to give trainees the most up-to-date training.

In this Amendment, Moviola is also requesting to increase the Range of Hours in Job Number 4 from 8-60 to 8-80. Due to the complex nature of training provided by Moviola, additional training hours are required for highly technical professionals employed by companies with less than 100 full-time employees such as 3D Artists, Animators, Camera Operators, Digital Lab Technicians, Game Designers, Web Developers, Media Producers, and Software Engineers that work in the digital media industries.

In summary, this Amendment will increase the amount of funding from \$420,336 to \$531,536. Based on the current data on the ETP Online Tracking System, Moviola has delivered hours sufficient to earn 71% of current funding. Based on the training schedule, hours delivered will exceed current funding at the beginning of January 2015. With seven months remaining in the contract term, Moviola is confident that they can earn the increased amount. There will be no change to the average number of trainees, curriculum or trainee wages.

### **RECOMMENDATION**

Staff recommends approval of this Amendment.

### **SUMMARIZE PRIOR MODIFICATIONS**

- Revision 1: Added an alternate retention period
- Revision 2: Added course topics to the curriculum
- Revision 3: Added training funds in Job Numbers 1 and 2
- Revision 4: Added new Job Numbers 3 and 4 and redistributed funds between job groups

### **CURRENT CONTRACT PERFORMANCE**

The following table summarizes performance by Moviola under the current ETP Agreement:

Agreement No.	Approved Amount	Term	No. Trainees (Average)	No. Completed Training	No. Retained
ET14-0221	\$420,336	11/25/13 – 11/24/15	239	57	57

Based on ETP Systems, Moviola has provided 10,708 hours for a potential earning of \$297,682 (71% of the Agreement amount).



**Amendment Proposal #1 for:**  
**Riverside Community College District, Office of Economic  
Development**  
**Agreement Number: ET15-0211**

**Panel Meeting of:** January 22, 2015

**ETP Regional Office:** San Diego

**Analyst:** K. Campion

**CURRENT PROJECT PROFILE**

Contract Type:	Priority/Retrainee	Industry Sector(s):	Manufacturing
	Priority/SB<100		Transportation/Logistics
	HUA - Retrainee		Warehousing
Counties Served:	Riverside, San Bernardino, Imperial, San Diego, Orange, Los Angeles	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Priority Industry:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

Current Contract Term: August 24, 2014 to August 23, 2015

Current Funding	In-Kind Contribution
\$374,800	\$359,600

**AMENDMENT FUNDING**

Requested Funding	Support Costs	Amendment Funding	In-Kind Contribution
+\$350,800	+\$24,316	+\$375,116	+\$359,600

Total Funding
\$749,916



**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	Business Skills, Continuous Impr., Computer Skills, Mfg. Skills, OSHA 10/30	558	8-200	0	\$770	\$14.90
				Weighted Avg: 40			
2	Priority/SB<100	Business Skills, Continuous Impr., Computer Skills, Mfg. Skills, OSHA 10/30	288	8-60	0	\$1,112	\$14.90
				Weighted Avg: 40			

**Minimum Wage by County:** \$14.90 per hour for Riverside, San Bernardino and Imperial Counties; \$15.60 per hour for San Diego County; \$15.98 per hour for Orange County; and \$16.04 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

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

Wage Range by Occupation	
Occupation Title	Wage Range
Shipping Clerk	
Operator	
Engineer 1	
Engineer II	
Production Worker 1	
Production Worker 2	
Shop Helper	
Maintenance Worker I	
Maintenance Worker II	
Shop Lead	
Technician	
Administration Staff	
Supervisor	
Manager	

**INTRODUCTION**

Riverside Community College District (Riverside CCD) ([www.rccd.edu](http://www.rccd.edu)) is comprised of three colleges: Moreno Valley College, Norco College, and Riverside City College. Riverside CCD's Office of Economic Development (OED) and Customized Training Solutions department creates

and markets specialized, customized training to businesses across Southern California. Riverside CCD works primarily with manufacturing, transportation and logistics, distribution, aerospace, engineering, and healthcare companies.

The College partners with the Western Riverside Council of Governments, local Workforce Investment Boards, the Inland Empire Economic Partnership, and local Chambers of Commerce whose mission it is to stimulate a diversified and strong economic climate in the service area.

This proposal was originally presented before the July 25, 2014 Panel meeting in the amount of \$749,770. In consideration of ETP Fiscal Year 2014/2015 funding constraints, the Panel asked Multiple Employer Contractors (MEC) to return for consideration at the August 22, 2014 Panel meeting. The proposal was approved in August and cut by 50%.

However, the Panel stated they would allow the MECs to return this Fiscal Year for the remaining funding up to the maximum cap of \$750,000, so long as they would show performance of at least 70%. [Note: the Contractor requested a one-year term date, (August 24, 2014 to August 23, 2015)].

### **AMENDMENT DETAILS**

Riverside CCD has documented 72% in eligible Class/Lab training hours as reported in the ETP Online Tracking System. Riverside CCD is implementing an aggressive training plan, sending up to 30 instructors out to individual employer sites to train. Training typically takes two to three months with each trainee receiving approximately 40 hours.

Riverside CCD still has demand for training through June 23, 2015 which is why it is requesting to restore the 50% cut in funding from August 2014. Additionally, the Contractor requests a one-month extension to the current Agreement term date, extending the Agreement to a 13 month term.

By this Amendment:

- The Agreement amount is increased by \$375,116 (from \$374,800 to \$749,916);
- The estimated number of trainees is increased by 397 (from 449 to 846); and
- The end term date is extended by one month (from 8/23/2015 to 9/23/2015)

### **RECOMMENDATION**

Staff recommends approval of this Amendment.

### **CURRENT CONTRACT PERFORMANCE**

The following table summarizes performance by Riverside CCD under the current ETP Agreement:

Agreement No.	Approved Amount	Term	No. Trainees (Average)	No. Completed Training	No. Retained
ET15-0211	\$374,800	8/24/2014– 8/23/2015	449	40	0

Training commenced on 9/02/14 and is ongoing for 239 trainees. An additional 40 trainees have recently completed their training and are in the 90-day retention period. The ETP class/lab tracking system reflects that Riverside CCD has documented over 12,000 hours of eligible training hours which equates to potential earnings of approximately \$268,469 (72%).

Riverside CCD is currently working with approximately 38 participating employers who continue to have training demands into 2015. The College has an aggressive training plan with its employers: the majority of the training is delivered in no less than eight hour training sessions, which allows the College to quickly see performance under the ETP Agreement.

### **ACTIVE PROJECTS**

The following table summarized performance by Riverside CCD under an active ETP Agreement:

Agreement No.	Approved Amount	Term	No. Trainees (Estimated)	No. Completed Training	No. Retained
ET13-0281	\$877,876	1/28/2013-1/27/2015	901	739	*692

\*The Contractor has placed 692 trainees with earnings of \$801,493 to date (93%), and projects 47 more placements totaling 100% earnings, when the final invoice is submitted in February 2015. Riverside CCD has documented over 39,000 hours of eligible class/lab training in approximately 19 months of training.

## DELEGATION ORDER



### Training Proposal for:

**ABCO Technology, Inc.**

**Agreement Number: ET15-0370**

**Approval Date:** January 6, 2015

**ETP Regional Office:** North Hollywood

**Analyst:** M. Reeves

### PROJECT PROFILE

Contract Attributes:	Retrainee SB <100 Priority Rate	Industry Sector(s):	Manufacturing Services Wholesale Trade  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Los Angeles, Orange, Ventura, Riverside, San Bernardino, San Diego	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input 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>
\$90,360		\$6,273 8%		\$96,633

In-Kind Contribution:	50% of Total ETP Funding Required	\$85,500
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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	Advanced Tech., Computer Skills	45	8-200	0	\$1,925	\$18.00
				Weighted Avg: 100			
2	Retrainee SB <100 Priority Rate	Advanced Tech., Computer Skills	6	8-60	0	\$1,668	\$18.00
				Weighted Avg: 60			

**Minimum Wage by County:** \$16.04 per hour for Los Angeles County; \$15.98 per hour for Orange County; \$15.60 per hour for San Diego County; and \$14.90 per hour for Riverside, San Bernardino and Ventura 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

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

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
<b>Job Numbers 1 and 2</b>		
Systems/Network Engineer		20
Network Security Administrator		20
Office Administration Staff		6
Database Administrator/Developer		5

## INTRODUCTION

ABCO Technology, Inc. (ABCO) ([www.abcototechnology.com](http://www.abcototechnology.com)) was founded in 2000 as a vocational school specializing in computer training. ABCO currently provides basic and advanced training and certification courses in Information Technology (IT). The School's training courses cover network and database administration, web development, and programming for various industries including manufacturing, aerospace, healthcare, banking, and high technology. Located in Los Angeles, ABCO serves employers in Los Angeles, Orange, Ventura, Riverside, San Bernardino, and San Diego counties.

The core participating employers in this proposal represent large and small businesses that meet the Panel's out-of-state competition standards and represent Panel priority sectors. This core group accounts for at least 80% of the requested funding.

## **PROJECT DETAILS**

Recent technological changes have led companies to switch to cloud-based platforms, new server technology, and the use of portable electronic devices. Microsoft, Cisco and other vendors issue periodic updates to their operating systems, software, and related products. Employers must respond by continually updating their IT hardware and software, which necessitates updating the skills of their workers. All of these changes require training to enable employees to operate successfully in an environment of new platforms and applications.

### **Training Plan**

**Advanced Technology (80%)** – Training will be offered to Systems/Network Engineer, Network Security Administrator, and Database Administrator/Developer. These occupations are responsible for design, operation, administration, security, and troubleshooting of networks, systems, hardware and software. This training will help IT professionals improve technical skills with multiple platforms, effectively troubleshoot network issues, and address the specific infrastructure needs.

Due to the added costs associated with specialized training on expensive network equipment and sophisticated software, ABCO is requesting AT reimbursement of \$26 per hour for several courses for IT professionals. This level of training involves significant computer operating time, costly textbooks and training material, and expert instructors who earn up to \$45 per hour. The 1:10 trainer-to-trainee ratio will be maintained for AT training to allow for in-depth coverage of complex course material and personal attention from the instructor.

**Computer Skills (20%)** – Training will be offered to Office Administration Staff to enhance business support skills. These courses will include Intermediate and Advanced Microsoft Word, Excel, PowerPoint, Outlook, and Access training.

### **Curriculum Development**

ABCO performs a needs assessment for each employer to define trainee roles and job duties using industry standard certifications as guidelines. The curriculum has been prepared according to job and company requirements, as provided by the employer.

ABCO receives program feedback through trainee and employer evaluations, as well as through meetings with members of its Program Advisory Committee (PAC). These PAC meetings provide valuable information regarding labor market conditions. During course delivery, students are encouraged to fill out evaluation forms describing their learning experience, including instructor effectiveness and relevancy of the material.

### **Trainer Qualifications and Training Coordination**

ABCO uses no outside vendors and all school trainers are required to hold IT certifications in the subjects they teach. Instructors must have at least three years of work experience and strong mastery of the material as assessed by the Director of Education and faculty.

Training will begin upon ETP approval and will take place at either the School's facility (50% center-based) or at employer worksites (50%). ABCO personnel will coordinate all employer marketing, recruitment, assessment, and training activities. The School has a team of four employees that will be responsible for employer contact, class scheduling, and all ETP-related project coordination and administration.

**Impact/Outcome**

Upon completion of training, trainees may apply and test for various CompTia, Cisco, and Microsoft computer certifications. ABCO offers testing on campus and strongly encourages all students to complete a series of practice exams prior to attempting actual certification exams.

**Marketing and Support Costs**

ABCO markets its programs via the School's website, catalogs, brochures, fliers, blogs, and social media. ABCO staff also markets directly via personal visits and presentations to company managers interested in the ETP program. ABCO continuously conducts outreach activities to employers in the community and attendees at trade shows. The School also works with the South Bay Workforce Investment Board to train and help unemployed individuals.

ABCO also allocates resources to perform needs assessments and ongoing curriculum customization. The School is requesting support costs to fund extensive marketing efforts and the recruitment of additional participating employers. Staff believes 8% Support Costs are justified for the reasons set forth above.

**Substantial Contribution**

ABCO serves large and small companies, some of which may have received training in prior ETP contracts. If a large participating employer (over 100 full-time employees) has received the benefit of training with payment earned in excess of \$250,000 within the past five years, reimbursement for trainees at the same facility will be reduced by 15% to reflect that employer's substantial contribution to the cost of training. Funding for any employer that has previously been assessed a substantial contribution will be reduced by 30%. Small businesses with 100 or fewer full-time employees (Job Number 2) are not subject to this provision.

**Training Agency Certification**

Training agency eligibility requires certification by an independent third-party, as required for the type of school and course of study. Most schools must also be licensed by the Bureau of Private Postsecondary Education (BPPE), created in statute effective January 1, 2010. ABCO is BPPE approved.

**Tuition Reimbursement**

ABCO 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.

**Commitment to Training**

Participating employers currently provide company-wide training in basic job skills, basic computer skills, leadership, project management, Six Sigma, and other continuous improvement methods such as Enterprise Resource Management. The companies targeted for training in this proposal have very limited budgets and ETP funding will allow employers to meet training needs that surpass current internal resources.

ETP funds will not displace the existing financial commitment to training of participating employers. Safety training is provided by the participating employers in accordance with all pertinent requirements under state and federal law.

**RECOMMENDATION**

Staff recommends approval of this proposal.

**ACTIVE PROJECTS**

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

Agreement No.	Approved Amount	Term	No. Trainees (Estimated)	No. Completed Training	No. Retained
ET13-0306	\$30,240	04/02/13 – 04/01/15	21	13	13

Based on ETP Systems, 1146 reimbursable hours have been tracked for potential earnings of \$29,796 (99% of approved amount). The Contractor has submitted the final closeout invoice and is projected to earn 99% of the approved contract amount.

**PRIOR PROJECTS**

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET09-0150	Los Angeles	11/03/08 – 11/02/10	\$198,071	\$22,267 (11%)

During the term of this contract, ABCO's primary obstacles to better performance were: (1) the School's inexperience in marketing and selecting viable participating employers; (2) subsequent lack of employer commitment to training; (3) class scheduling problems; (4) the economic downturn; and (5) ABCO's general lack of knowledge and understanding of ETP requirements.

As demonstrated by the School's 99% earnings on its most recent ETP Agreement, ABCO now fully understands ETP program requirements and has developed better strategies for recruiting employers and assessing their training needs and commitment. ABCO has selected a dedicated ETP representative that has been with the school for several years. In addition, an experienced school counselor has been added to the ETP Team to assist in all operations. These representatives work with employers to explain the program, assess training needs, and complete Participating Employer Certification Statements.

To help ensure continued success, ABCO has carefully screened the core companies recruited for this program. Each employer's commitment to workplace improvement through employee training must be established before a company will be considered. ABCO has asked employers to select and enroll only those employees they believe are committed to enhancing their performance and longevity with their company.

**DEVELOPMENT SERVICES**

N/A



**ADMINISTRATIVE SERVICES**

N/A

**TRAINING VENDORS**

N/A

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

8 – 200 (Job Number 1)

8 – 60 (Job Number 2)

Trainees may receive any of the following:

**ADVANCED TECHNOLOGY**

- ✚ CompTia A+ Certification 2011 Objectives
- ✚ Cisco Certified Network Associate
- ✚ Microsoft Certified Solutions Expert 2012: Server Infrastructure
- ✚ Oracle Database Administrator and Database Developer

**COMPUTER SKILLS**

- ✚ Microsoft Office Excel – Levels 2 & 3
- ✚ Microsoft Office Word – Levels 2 & 3
- ✚ Microsoft Office Power Point – Level 2
- ✚ Microsoft Office Outlook – Levels 2 & 3
- ✚ Microsoft Office Access – Levels 2, 3 & 4

Note: Reimbursement for retraining is capped at 200 total training hours per trainee for Job Number 1 and 60 total training hours per trainee for Job Number 2, regardless of the method of delivery.

## Participating Employers in Retrainee Multiple Employer Contracts

Contractor's Name: ABCO Technology, Inc.

CCG No.: ET15-0370

Reference No: 14-0686

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Company: Broad PC, Inc.

Address: 1525 S. Broadway, 1st Floor

City, State, Zip: Los Angeles, CA 90015

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 6

Total # of full-time company employees worldwide: 7

Total # of full-time company employees in California: 7

Company: Denso Products and Services Americas, Inc.

Address: 3900 Via Oro Avenue

City, State, Zip: Long Beach, CA 90810

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 30

Total # of full-time company employees worldwide: 140,000

Total # of full-time company employees in California: 487

Company: Ducommun Incorporated

Address: 23301 Wilmington Avenue

City, State, Zip: Carson, CA 90745

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 15

Total # of full-time company employees worldwide: 3,200

Total # of full-time company employees in California: 1,000

**DELEGATION ORDER**



**Retrainee – Job Creation  
Training Proposal for:  
Accent Computer Solutions Inc.**

**Small Business  $\leq$  \$50,000**

**ET15-0328**

**Date Approved:** December 24, 2014

**ETP Regional Office:** North Hollywood

**Analyst:** M. Webb

**CONTRACTOR**

- Type of Industry: Technology/IT Services  
Priority Industry: ☒ Yes ☐ No
- Number of Full-Time Employees  
California: 39  
Worldwide: 43  
Number to be trained: 43  
Owner ☒ Yes ☐ No
- Out-of-State Competition: NAICS Code Eligible
- Special Employment Training (SET): ☐ Yes ☒ No
- High Unemployment Area (HUA): ☐ Yes ☒ No
- Turnover Rate: 10%
- Repeat Contractor: ☐ Yes ☒ No

**FUNDING**

- Requested Amount: \$44,720
- In-Kind Contribution: \$69,750

**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, Mgmt Skills	39	8-60	0	\$780	\$14.90
				Weighted Avg: 40			
2	Retrainee SB<100 Priority Rate Job Creation Initiative	Business Skills, Computer Skills, Mgmt Skills	4	8-60	0	\$780	\$14.90
				Weighted Avg: 40			

- Reimbursement Rate: Job #'s 1 and 2: \$26 SB Priority
- County(ies): San Bernardino
- Occupations to be Trained: Administration Staff, Engineers, Managers, Owner, Sales Staff, Supervisors, Technicians
- Union Representation: ☐ Yes  
☒ No
- Health Benefits: \$1.40 per hour

**SUBCONTRACTORS**

- Development Services: Training Refund Group in Irvine assisted with development at no cost.
- Administrative Services: Training Refund Group will also provide administrative services for a fee not to exceed 13% of payment earned.
- Training Vendors: To Be Determined

**OVERVIEW**

Founded in 1987, Accent Computer Solutions Inc. (ACS) ([www.accentonit.com](http://www.accentonit.com)), is an information technology (IT) solutions provider, working to resolve clients' IT issues. ACS serves small- to medium-sized businesses and organizations in the Southern California area and outside California. The Company provides both on-site and call services to its clients. It also makes recommendations and provides services that look at the root cause of problems to ensure that issues are rectified completely.

## **Need for Training**

To remain competitive, ACS must remain up-to-date with new technologies and hardware systems. Software vendors continue to upgrade products to bring the best solutions to clients. As a result, ACS must ensure that employees are familiar with the latest software programs and technologies.

In addition to technical training, ACS has identified other areas that require improvement such as communication, problem solving, and leadership. To increase efficiency, ACS has developed a training plan to better handle technical calls in order to provide a competitive cost model and provide clients with the highest level of customer service.

Training in the IT industry remains an on-going process as new software updates are developed on a consistent basis. The Company has developed a training plan that will ensure staff utilizes best practices in the industry to be more effective and to increase efficiency.

## **Retrainee-Job Creation**

Businesses strive to utilize the latest technologies and systems and look to companies such as ACS for IT solutions. As a result, ACS's client base has continued to grow within the last few years. To meet demand, ACS has committed to hiring 4 new employees over the next year (Job Number 2). Training in Business and Computer Skills will be delivered to educate new staff on ACS repair services and programming.

As an incentive for companies that commit to hiring, training for newly hired employees will be reimbursed at a higher rate, and trainees may be subject to lower post-retention wages. ACS 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**

Training will be delivered to staff via Class/Lab and E-Learning (Videoconference and GoToMeeting).

**Business Skills (43%)** - Training will be offered to Technicians, Managers, Sales Staff, and Supervisors. Trainees will learn how to be effective communicators. Training topics include communication skills, business writing skills, marketing, and customer service.

**Computer Skills (52%)** - Training will be offered to all occupations to improve skills in MS Office, database technology, and computer repair and programming. Training will equip staff with knowledge and skill sets required to resolve IT problems.

**Management Skills (5%)** – Training will be offered to Managers and Supervisors to enhance leadership skills and better motivate staff. Courses delivered include Managing a High Performance Workplace, Coaching/Motivating Employees, and Supervisory and Management Skills.

## **RECOMMENDATION**

Staff recommends approval of this proposal.

**Exhibit B: Menu Curriculum****Class/Lab, E-Learning, Videoconference Hours**

8-60

Trainees may receive any of the following:

**BUSINESS SKILLS**

- Budgeting and Planning
- Business Plans
- Business Processes
- Customer Service Best Practices
- Sales
- Marketing
- Product Knowledge
- Project Management

**COMPUTER SKILLS**

- Computer Networking
- Computer Repair
- Database Development and Management
- Integrated Sales/Marketing Software
- Network Administration
- Operating System Programming Language
- Programming Languages
- Project Management Software/Tools
- Security Programs
- Support Desk
- System Design
- Telephone Systems
- VoIP
- Website Development

**MANAGEMENT SKILLS** (Managers and Supervisors only)

- Supervisory and Management Skills
- Change Management
- Coaching/Motivating Employees
- Conflict Management for Managers
- Leadership for Managers
- Managing a High Performance Workplace

Note: Reimbursement for retraining is capped at 60 total hours per trainee, regardless of method of delivery.
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DELEGATION ORDER



**Retrainee - Job Creation  
Training Proposal for:  
Alpine Corporation**

**Small Business  $\leq$  \$50,000**

**ET15-0359**

**Approval Date:** December 9, 2014

**ETP Regional Office:** North Hollywood

**Analyst:** E. Wadzinski

**CONTRACTOR**

- Type of Industry: Manufacturing
  - Number of Full-Time Employees
    - California: 29
    - Worldwide: 39
    - Number to be trained: 30
  - Out-of-State Competition: NAICS Code Eligible
  - Special Employment Training (SET): ☐ Yes ☒ No
  - High Unemployment Area (HUA): ☒ Yes ☐ No
  - Turnover Rate: 15%
  - Repeat Contractor: ☒ Yes ☐ No
- Priority Industry: ☒ Yes ☐ No
- Owner ☒ Yes ☐ No

**FUNDING**

- Requested Amount: \$46,800
- In-Kind Contribution: \$28,800



**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 HUA	Business Skills, Computer Skills, Continuous Impr, Mfg Skills	27	8-60	0	\$1,560	\$12.03
				Weighted Avg: 60			
2	Job Creation Initiative Priority Rate Retrainee SB<100 HUA	Business Skills, Computer Skills, Continuous Impr, Mfg Skills	3	8-60	0	\$1,560	\$10.03
				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 regardless of the wage expressed in this table.

- Reimbursement Rate: Job #'s 1 and 2: \$26 SB Priority
- County(ies): Los Angeles
- Occupations to be Trained: Buyer, Assistant Buyer, Warehouse Staff, Customer Service Representative, Telemarketer, Manager, Accounting Staff, Owner
- Union Representation: ☐ Yes  
☒ No
- Health Benefits: Job #1: \$3.03 per hour, Job #2: \$0.65 per hour

**SUBCONTRACTORS**

- Development Services: Jewish Vocational Services in Los Angeles will develop the project for a flat fee of \$5,000.
- Administrative Services: Jewish Vocational Services will also provide administration for a fee not to exceed 13% of earned funds.
- Training Vendors: To Be Determined

**OVERVIEW**

Alpine Corporation (Alpine) ([www.alpine4u.com](http://www.alpine4u.com)), founded in 1999, designs, manufacturers, and distributes lawn and garden products. The Company is headquartered in the City of Commerce and serves many different segments of the market from mid-level retailers (such as Ace Hardware and True Value) to a variety of independent merchants (i.e., gift shops, grocery stores, catalog companies, garden centers, and pond supply stores). The Company has

another location in China that supports manufacturing operations and oversees the design, production, and quality of its products.

### **Retrainee - Job Creation**

Alpine's product line has expanded (in a short time) from one initial product (pond tubing) to over 4,000 different items such as fountains, garden décor, landscape lighting, benches, and figurines. Its products are designed in-house with many inventions patented including its Rainforest solar lighting line.

Recently, Alpine reorganized its business and internal processes, with assistance from a consulting firm that analyzed operational procedures and financial controls, in order to improve operations. It resulted in an increase in efficiency and production, the fostering of new products, and improved pricing. As a result, Alpine experienced rapid growth in the last two years and expects more growth. The Company has already expanded sales goals for the next year.

In order to support Alpine's goal of increasing sales, the Company intends to hire three employees. The employees will fill newly created positions in the sales division as an Assistant Buyer, Customer Service Representative and Telemarketing Representative. Alpine 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 for newly-hired employees will be reimbursed at a higher rate and trainees will be subject to a lower post-retention wage.

### **Training Plan**

This will be Alpine's second ETP Agreement. Training under the first Agreement focused on the Company's new ERP business software, Office Master System (OMS). The software is used to process and access data in real time by integrating all company functions, including sales, purchasing, accounting, customer service, shipping, and receiving. OMS also manages product availability from remote suppliers to customers through warehouse facilities.

For this proposal, Alpine will continue to train on the OMS software to learn more advanced features and capabilities. Training will also focus on its reorganization to become more efficient. Expanding product lines require the need for more training to remain viable with companies who are consolidating the number of competitors in the industry. Alpine currently invests significant time and money in training; however, it needs assistance due to budget constraints as a small business company. With ETP funds, Alpine will be able to offer an extended training program to its employees.

**Business Skills** (30%) – Training will be provided to Management, Sales and Office Staff in order to improve effective communication, deliver exceptional customer service, enhance skills in marketing, and sell and promote Alpine's products and services. The main objective of training is to create a professional and positive mindset aimed towards growth and sustainability of the organization.

**Computer Skills** (30%) – Training will be provided to Office Staff in an effort to teach the importance of empirical data and how to collect and present data in a form allowing managers to make sound business decisions. Spreadsheets will be utilized to track, inform and analyze a wide range of data. By developing a better understanding of what OMS offers and how it can grow with the Company, employees will be able to extrapolate the empirical data needed to make better operational decisions.

**Continuous Improvement (15%)** – Training will be provided to all occupations in order to promote continuous improvement in approach and work performance. Employees will be instructed on how to look for improvements in company operation and analyze how those improvements can impact the bottom-line, both in short-term expenses and long-term savings. By developing better understanding of why we need improvements, employees will be better able to adapt to changes and participate in higher level discussions to develop and implement changes.

**Manufacturing Skills (25%)** – Training will be offered to Warehouse and Management Staff in order to create a work environment where employees can be more versatile and aid the company by cross training on multiple pieces of equipment. This will allow Alpine to handle challenges better when vacations, extended leave of absences, and/or equipment failures occur. In addition, advanced skills in manufacturing, packaging, and maintenance will promote consistently excellent performance.

### **High Unemployment Area**

All trainees work in a High Unemployment Area (HUA) with unemployment exceeding the state average by at least 15%.

#### ➤ Wage Modification

Alpine is requesting a post-retention hourly wage modification for Job Number 1 trainees to \$12.03 per hour and for Job Number 2 (Job Creation) trainees to \$10.03 per hour, which are 25% below the ETP Minimum Wage.

### **RECOMMENDATION**

Staff recommends approval of this proposal with the HUA wage modification.

### **ACTIVE PROJECTS**

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

Agreement No.	Approved Amount	Term	No. Trainees Enrolled	No. Completed Training	No. Retained
ET14-0111	\$40,248	08/05/2013-08/04/2014	34	23	23

Based on the ETP Online Tracking System, Alpine has recorded 1,920 eligible hours (100% of the Agreement amount). A Final Closeout Invoice has been submitted to ETP on 9/2/14 with 100% projected earnings.

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

8–60

Trainees may receive any of the following:

**BUSINESS SKILLS**

- Customer Relations
- Identifying Customer Needs
- Resolving Customer Complaints
- Telephone Skills
- Telemarketing Skills and How to Win a Customer
- Product Knowledge
- Financial Strategies
- Customer Relations
- Identifying Customer Needs
- Resolving Customer Complaints
- Project Management

**COMPUTER SKILLS**

- Training on Enterprise Resource Planning (ERP) System
- Intermediate or Advanced Microsoft Office (Word Excel Powerpoint)
- Design Software Photoshop

**CONTINUOUS IMPROVEMENT**

- General Accounting
- Payroll
- Cost Accounting
- Project Management
- Identifying Customer Needs

**MANUFACTURING SKILLS**

- Forklift
- Material Handling
- Project Management
- Inventory Control and Sales Forecasting, Using ERP Software “Office Master System” (“OMS”)

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:**

**B.H.K.H., Inc. dba Henson's Fix Auto Escondido**

**Small Business  $\leq$  \$50,000**

**ET15-0366**

**Approval Date:** January 12, 2015

**ETP Regional Office:** San Diego

**Analyst:** S. Godin

**CONTRACTOR**

- Type of Industry: Services
- Priority Industry: ☐ Yes ☒ No
- Number of Full-Time Employees
  - California: 25
  - Worldwide: 25
  - Number to be trained: 16
- Owner ☒ Yes ☐ No
- Out-of-State Competition: No OSC
- Special Employment Training (SET): ☒ Yes ☐ No
- High Unemployment Area (HUA): ☐ Yes ☒ No
- Turnover Rate: 6%
- Repeat Contractor: ☐ Yes ☒ No

**FUNDING**

- Requested Amount: \$19,910
- In-Kind Contribution: \$13,000

**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		
01	Retrainee SB <100 SET	Business Skills, Commercial Skills, Computer Skills, Continuous Improvement, Hazardous Materials, PL Commercial Skills	11	8-60	0	\$1,210	\$27.09
				Weighted Avg: 55			
2	Retrainee SB<100 Job Creation Initiative SET	Business Skills, Commercial Skills, Computer Skills, Continuous Improvement, Hazardous Materials, PL Commercial Skills	5	8-60	0	\$1,320	\$13.00
				Weighted Avg: 60			

- Reimbursement Rate: Job #'s 1 & 2: \$22 SB Non-Priority
- County(ies): San Diego
- Occupations to be Trained: Administrative Support, Estimator, Technician, Parts/Production Staff, Detailer/Painter, Owner, Manager/Supervisor
- Union Representation: ☐ Yes  
☒ No
- Health Benefits: Job #'s 1 & 2: \$2.89 per hour

**SUBCONTRACTORS**

- Development Services: Synergy Management Consultants in Grass Valley assisted with development for a flat fee of \$1,400.
- Administrative Services: Synergy Management Consultants will also provide administration services for 13% of earned ETP Funds.
- Training Vendors: To Be Determined

## **OVERVIEW**

Originally formed as Henson & Son Collision Repair in 1984, this small family owned business joined the Fix Auto Group as an independently owned franchise in 2012. Now known as B.H.K.H., Inc., dba Henson's Fix Auto Escondido (FAE) (<http://www.fixauto.com/escondido>), the Company specializes in automotive collision and repair, including the sales of associated parts and accessories. FAE currently employs 25 full time workers. FAE is eligible for Special Employment Training (SET) funding for frontline workers.

## **PROJECT DETAILS**

FAE reports that training is being driven by the Company's strategic plan to increase revenues, raise efficiency levels, and provide a higher level of customer satisfaction at competitive prices. To meet this goal, the company must update the product knowledge and technical skill sets of its employees, and implement standard operating procedures and process improvements.

Increased demand for vehicles made from lighter metals and recent technological advances in alternative fuel systems have changed the way auto body repairs are done and how repair costs are estimated. Technicians must be able to work with these metals and understand how body repairs differ based on the metal composition of the vehicle. Key training areas include repair of automobiles that utilize metals such as Boron and ultra-high strength steels and composites, as well as damage assessment for newer technology vehicles. Technicians will also receive technical training to meet standards established by the Inter-Industry Conference on Auto Collision Repair (I-CAR), Automotive Service Excellence, and Original Equipment Manufacturers Association (OEMs).

FAE recently began participating in a Direct Repair Program (DRP) as a preferred provider with State Farm Insurance Company and is currently negotiating to become a preferred provider for both Mercury and USAA Insurance. Participating in a DRP provides a streamlined and more efficient process for FAE, the insurance carrier, and the customer. Preferred provider status allows FAE to act on behalf of the insurance carrier; eliminates the need for the carrier's adjuster to make a trip to the body shop and prepares an estimate; and eliminates FAE's wait for repair approval. DRP participation gets rid of unnecessary steps, reduces cycle time, and contains costs.

Each insurance carrier has specific repair guidelines. Estimators and Technicians must have the product knowledge and technical skills to complete estimates and repairs per each carrier's specific criteria to maintain DRP status. The majority of the insurance carriers also require yearly technical skills upgrade training and recertification of DRP Technicians, Estimators, and Administrative Support Staff. Although the amount of training varies by carrier, most insurers require Technicians and Estimators to complete a minimum 40 hours of industry specific training each year on the latest repair technology.

Training on updates to the various software programs used by FAE and updates to each DRP insurance carrier's software will enable employees to navigate the various system components used for estimating, job costing, production planning, and customer communication. Estimators and Administrative Support will also receive training on the latest updates to the proprietary software used by each insurance carrier.

### **Retrainee - Job Creation**

FAE states that its newly acquired Direct Provider status with State Farm Insurance and current negotiations with Mercury and USAA Insurance has the potential to increase revenue and work

orders by up to 35% over the next two years. The new role of a DRP makes formal training critical to managing growth and remaining profitable. To support its business expansion plans, FAE anticipates increasing its full time workforce (net increase) by adding at least 5 additional full time employees (1 Technician, 1 Estimator, 1 Parts/Production Worker, 1 Detailer and 1 Administrative Support Staff). These new workers will require extensive training to develop the requisite skills needed to facilitate projected growth.

Trainees must be hired within the three month period prior to Panel approval or during the term of the contract. Under the Job Creation Initiative, trainees for SET-funded projects are subject to the ETP minimum wage for new-hires, rather than the SET wage. The Company also represents that these trainees will be hired into "net new jobs" as a condition of contract.

## Training Plan

ETP-funded training will allow FAE to provide formal structured training to upgrade the skills of its incumbent and newly hired workers, and promote the professional development of its team members.

**Business Skills** - Training will be offered to all occupations focusing on internal and external customer relationship building, negotiation skills, and presentation and communication skills. This training will also provide workers with industry-specific claims processing techniques.

**Commercial Skills** – Training will be offered to Technicians, Estimators, Parts/Production Workers, Detailers/Painters, and selected Frontline Managers. Training will cover automotive service and repair skills, new vehicle technologies, aluminum and hybrid repair, alternative fuel vehicle maintenance, and extended I-CAR credentials for collision centers. This training will teach Estimators how to accurately estimate damage and create repair plans for Technicians.

**Computer Skills** – Training will be offered to all trainees enabling them to navigate the Company's software systems used to track costs and production flow, schedule service, and connect regularly with customers and insurance carriers. Estimators will receive extensive training on all estimating software used by FAE.

**Continuous Improvement** – Training will be offered to all occupations. Continuous Improvement topics are designed to promote teamwork throughout the organization, streamline processes, and improve quality, cycle time, and cost efficiency.

**Hazardous Materials** – This training will be offered to Technicians, Detailer/Painters, and Parts/Production Workers on the safe handling and disposal of hazardous materials.

**Productive Lab – Commercial Skills** – Under the Panel's PL guidelines, trainees may produce goods or perform services for profit as part of the training. The FAE trainer to trainee PL ratio will be no more than 1:3. The trainers are in-house subject matter experts exclusively dedicated to instruction for the entire reported training time.

Productive Lab (PL) training is necessary because many employees enter the automotive collision repair industry lacking the hands-on technical skills to perform tasks at an optimal level. Therefore, certain elements of training must take place in a PL setting to ensure that workers reach the required level of proficiency. Approximately 11 Technicians and Estimators (incumbent and newly-hired) will each receive up to 20 hours of PL-Commercial Skills.

The tasks and competencies associated with the proposed PL training support the Company's expressed business needs for training. PL training will be provided to both newly-hired and



incumbent technicians/mechanics and estimators. The proposed PL training will involve the use of resistance spot welders, MIG (metal inert gas) welders, frame rack and measuring system, paint spray guns, paint spray booths, various hand tools, and estimating software.

Training assignments will include collision repair and painting, welding of structural parts, measuring frames and uni-body structures, aluminum repair, mechanical components, uni-body alignment, and advanced vehicle diagnosis and repair, and estimation of repair costs. Trainers will demonstrate specific repair methods and then observe trainees, correcting for errors, ensuring safe and correct techniques are used. Trainers will certify trainees on the aforementioned tasks once the trainees are deemed competent. At the conclusion of PL training, trainees will be competent in the various vehicle repair technologies and estimates included in the PL curriculum, and will be able to meet minimum productivity standards. Trainers will be experienced journey level Technicians/Mechanics and/or senior level Estimators solely dedicated to training delivery during all hours of instruction.

### **Special Employment Training (SET) / Frontline Worker**

Under Special Employment Training (SET), companies are 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. Small Business SET projects may train top-level executives, including Managers and Supervisors. Owners are also eligible for training under the the SET program in Small Business SET projects with 50 or fewer employers.

### **Wages: Use of Commissions and Bonuses to Meet ETP Wages for Job 1 Trainees**

FAE has both a formal Commission Plan and Bonus Plan. Commissions are calculated and paid twice monthly. Bonuses are calculated and paid monthly. FAE requests to use commissions and bonuses to meet the post retention wage of \$27.09 for Job 1 trainees.

Per Title 22, CCR, Section 4418(b): *"The Panel may use commission earnings to determine a trainee's hourly wage, if there is a reliable history of commission payment by the employer and if actual payment can be verified. As used herein, "commission" means a percentage or proportion of the sale price, for services rendered in the sale of goods or services, paid to employees whose principal job duty is sales."*

Per Section 4418(c): *"The Panel may include bonuses in determining a trainee's hourly wage, if there is a reliable history of bonus payment by the employer and if actual payment can be verified. Bonuses are paid in addition to any other compensation and are normally paid to reward extraordinary work or induce continued employment."* Bonuses may be used to meet the ETP minimum wage requirement if: (1) the employee's base wage is at least the State minimum wage; (2) criteria for earning bonuses is documented; and bonuses are a normal recurring part of an employee's compensation.

FAE requests to use commissions to meet the Post-Retention wage of \$27.09 for the occupational titles of Technician and Estimator in Job Number 1. Commissions for these occupations are based on a percentage of services rendered and sold and company profits.

Technicians- FAE reports that its Technicians receive a variable commission based on a percentage of FAE's labor rate, number and type of cars receiving services, and the level of expertise of the Technician or Mechanic, plus years of service. The base hourly rate for technicians is \$19.50. FAE reports that monthly commissions were at least \$11.43 per hour for the last 11 consecutive months (1/1/14 – 11/1/14).

Estimators – These trainees earn both monthly commissions and bonuses. Earnings for this occupation are 100% commission based and calculated based upon negotiated vehicle repair costs and company profits. FAE reports that commissions were at least \$30.29 per hour for the last eleven consecutive months (1/1/14 – 11/1/14) for this group. Estimators also earn monthly bonuses based on exceeding monthly performance benchmarks and providing a high level of customer satisfaction (rewarding extraordinary work). Although this group also earned bonuses of at least \$2.18 per hour (for the same time period) they will not be needed to meet or exceed the SET wage of \$27.09.

Contract Term Limitation - Although a small business, the project includes a Job Creation hiring component. FAE states that the 5 job creation trainees will be hired over a two year period. A 24-month Agreement term will allow FAE to complete all training and retention.

### **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**

- Customer Care Skills
  - Customer Retention
  - Customer Engagement
  - Customer Relationship Building
- Advanced Sales & Marketing Skills
  - Suspecting, Prospecting & Closing
  - Sales Account Management
  - Advanced Closing Techniques
  - Sales Procedures & Strategies
- Negotiation Skills
- Conflict Resolution
- Communication Skills
- Presentation Skills

**COMMERCIAL SKILLS**

- I-CAR Collision Repair Certification Skills
- Refinishing Skills
  - Trim & Hardware
  - Surface Preparation
  - Vehicle Priming/Sealing
  - Paint Spray Guns Maintenance & Set-up
  - Corrosion Protection Process
  - Sand, Buff & Detail
  - Color Theory & Tints
  - Blending Techniques
  - New Technologies
- Structural Repair
  - Unibody Alignment
  - Three dimensional measuring
  - Repair & replacement of Outer Body Panels
  - High Strength Steels
  - Aluminum Repair Processes
  - MIG Welding Skills
  - Straightening Structural Damage
  - Glass Replacement
  - Pillars, rocker Panels, Rails, Front Structures & Floor Pan Replacement
  - Heating Cooling and AC Systems
  - Steering & Suspension Systems
  - Advanced & Hybrid Vehicle Systems
  - Composite materials & Bonding Techniques

- Non-Structural Vehicle Repair Skills
  - Remove & Install Trim & Hardware
  - Adhesive Bonding
  - Diagnose Wind Noise & Water Leaks
  - Aluminum Cosmetic Damage
  - Spot Welding
  - Composite Repair
- Estimating Skills
  - Steering & Suspension System Damage Analysis
  - Damage on non-drivable vehicles
  - Flood & Fire Damage Analysis
  - Damage on non-drivable vehicles
  - Electrical/Mechanical Systems
  - Stationary glass
  - Advanced Materials
  - Advanced Vehicle Systems
  - Hail, theft & vandalism damage
- Vehicle Operation, Maintenance, & Troubleshooting
- Alternative Fuel & Hybrid Vehicle Repair Diagnostics
- Service Procedures & Scheduling
- Product Knowledge
- OEM Knowledge/Skills

### **COMPUTER SKILLS**

- Summit Software
  - Job Costing
  - Production Flow
  - Production Planning - ETA Times & Dates
  - Internal & External Customer Communication
- Michell & Michell Repair Center Software
- Nugen IT
- Audatex Software
- CCC Info Systems Software
- Alldata Software
- Microsoft Office Suite

### **CONTINUOUS IMPROVEMENT SKILLS**

- Teambuilding
- Root Cause Analysis
- Kaizen Event Strategy & Implementation
- Lean Concepts
- Standard Operating Procedures
- Leadership Skills for Frontline Workers
- Process/Quality Improvement
- Problem Solving/Decision Making Skills
- Inventory Control

### **HAZARDOUS MATERIALS HANDLING**

- Completing Material Safety Data Sheets (MSDS)
- Volatile Organic Compound (VOC) Tracking
- Emergency Clean-up
- Registration, Evaluation, Authorization & Restriction of Chemical Substances

### **Productive Lab Hours**

0-20

### **COMMERCIAL SKILLS (Ratio 1:3)**

- Body filler methods
- Structural resistance spot welding
- MIG Brazing techniques
- Color Tinting
- Spraying/ Blending techniques
- Measuring vehicle structures
- Alignment process for unitized Vehicles
- Estimating repair & collision repairs
- Estimating System Software Skills
- Estimating DRP 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.
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**Training Proposal for:  
Basic VI Technology Inc.**

**Small Business  $\leq$  \$50,000**

**ET15-0331**

**Approval Date:** December 4, 2014

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

**Analyst:** R. Jackson

**CONTRACTOR**

- Type of Industry: Manufacturing
  - Number of Full-Time Employees
    - California: 32
    - Worldwide: 32
    - Number to be trained: 21
  - 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
- Priority Industry: ☒ Yes ☐ No
- Owner ☒ Yes ☐ No

**FUNDING**

- Requested Amount: \$20,202
- In-Kind Contribution: \$16,170

**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	PL-Mfg Skills, Business Skills, Mfg Skills, Continuous Impr	21	8-60	0	\$962	\$16.25
				Weighted Avg: 37			

- Reimbursement Rate: \$26 SB Priority
- County(ies): Santa Clara
- Occupations to be Trained: Owner, Production Staff, Shipping and Receiving, Purchasing, Administrative Staff.
- Union Representation: ☐ Yes  
☒ No
- Health Benefits: Up to \$1.95 per hour

**SUBCONTRACTORS**

- Development Services: Assured Incentive Group in San Clemente developed the proposal for a flat fee of \$2,200.
- Administrative Services: Assured Incentive Group will also assist with administration for a fee not to exceed 13% of earned funds.
- Training Vendors: ISO Ready Quality Assurance in Concord will deliver Continuous Improvement courses for a fee of \$11,000.

**OVERVIEW**

Basic VI Technology Inc. (Basic VI) is a small manufacturing business established in 1980 and based in San Jose. The Company provides custom high precision machined parts for medical, computer, and aerospace industries. Basic VI makes custom precision metal shafts, lead screws, threaded parts, fiber custom connectors, and adjustment rings. For example, parts for ATM's, cell phone recycling machines, inkjet re-filler machines, and optometry machines have been manufactured using its machines (laser, lathe, and Swiss screw machines). Current clients include Carl Zeiss, Miasole, Delta Design and Aurora Flight Systems.

Basic VI must train its workforce in order to compete with out-of state competitors. Its customers are demanding shorter runs and more problem solving design at no additional cost and are submitting competitive bids. The Company needs to cross-train its staff and provide quality assurance skill upgrades. These upgrades will make processes more efficient.

Additionally, because products have to meet certain industry quality standards, many medical, computer, and aerospace clients require AS9100 and ISO standards certifications.

## **Training Plan**

Training will be delivered by in-house subject matter experts and one identified vendor (ISO Ready Quality Assurance).

**Manufacturing Skills** - Training will be offered to Production Staff. Trainees will cross-train in machine operations to build and maintain specialized manufacturing skills. Training will increase capabilities, throughput, cost savings through waste reduction, and cycle time reductions.

**Continuous Improvement** - Training will be offered to all occupations in an effort to develop efficiency. Staff will be able to make decisions and take immediate action, resulting in greater attention to detail, error reduction, revision controls, greater compliance, and a reduction in customer response time. ISO training will be provided to all occupations to ensure quality standards are met for various customer and industry requirements. The training aims to improve performance related to tracking, sourcing, pricing, and documenting materials. Topics shall include Lean 5s, Kaizen, Root Cause Analysis, ISO 9001:2008 & AS9100C.

**Business Skills** – Due to ISO certification requirements, Purchasing, Administrative Staff, and Owners need training to better understand and execute contract reviews, supplier management, customer service, document control and inventory control.

## **Productive Laboratory**

Productive Lab – Manufacturing Skills training will be offered to seventeen Production Staff and will constitute no more than 50% of an individual's ETP training hours. No employee will be trained solely by the Productive Lab method. During Productive Lab, trainees will learn how to safely operate machines and inspect work products. This training is not possible in a simulated lab environment due to the nature of the work itself, which is production based using live equipment for client orders. The trainer-to-trainee ratio will be limited 1:1 and training will be capped at 24 hours per trainee.

Basic VI's Production Staff Leads will deliver the Productive Lab training. The leads have five or more years of experience and will evaluate competencies for junior staff.

## **RECOMMENDATION**

Staff recommends approval of this proposal.



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

8-60 Trainees may receive any of the following:

**CONTINUOUS IMPROVEMENT**

- ISO 9001:2008/ AS9100C QMS
- ISO Internal Audits
- Lean Manufacturing
- Inspection Techniques & Requirements
- Production Workflow
- Project Management
- Shipping & Receiving

**MANUFACTURING SKILLS**

- 3-& 4-Axis Milling
- Standard Milling Techniques
- CNC Screw Machine Set Up & Operations
- Conventional Lathes Manufacturing
- Precision Grinding & Deburring
- Materials Management
- Shipping & Receiving

**BUSINESS SKILLS**

- Inventory Control
- Contract Review
- Communications
- Supplier Management
- Customer Service

**Productive Lab**

0-24

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

- 3-& 4-Axis Milling
- Standard Milling Techniques
- CNC Screw Machine Operations
- Conventional Lathes Manufacturing
- Precision Grinding

Note: Reimbursement for retraining is capped at 60 total hours per-trainee, regardless of method of delivery. Productive Lab is capped at 24 hours per trainee.

**DELEGATION ORDER**

**Training Proposal for:**  
**Betts Company**  
**Agreement Number: ET15-0354**

**Approval Date:** December 4, 2014**ETP Regional Office:** Sacramento**Analyst:** M. Mazzone**PROJECT PROFILE**

Contract Attributes:	Retrainee Priority Rate HUA Job Creation Initiative	Industry Sector(s):	Manufacturing  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Alameda, Fresno, Los Angeles, Sacramento, San Bernardino, San Joaquin	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: 256	U.S.: 256	Worldwide: 256
<u>Turnover Rate:</u>	8%		
<u>Managers/Supervisors:</u> (% of total trainees)	9%		

**FUNDING DETAIL**

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$98,388		\$0	\$0		\$98,388

In-Kind Contribution:	100% of Total ETP Funding Required	\$136,000
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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 Impv, Mfg. Skills, Literacy Skills, PL-Mfg. Skills	168	8-200	0	\$378	\$14.90
				Weighted Avg: 21			
2	Retrainee Priority HUA	Business Skills, Computer Skills, Continuous Impv, Mfg. Skills, Literacy Skills, PL-Mfg. Skills	38	8-200	0	\$378	\$11.17
				Weighted Avg: 21			
3	Retrainee Priority HUA Job Creation	Business Skills, Computer Skills, Continuous Impv, Mfg. Skills, Literacy Skills, PL-Mfg. Skills	27	8-200	0	\$760	* \$9.14
				Weighted Avg: 38			

\* 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 1: Alameda \$16.25, Fresno \$14.90, Los Angeles \$16.04, Sacramento \$15.59, San Bernardino \$14.90 and San Joaquin \$14.90.

Job 2: Fresno and San Joaquin \$11.17.

Job 3: Fresno \$9.14.

**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

\$1.95 per hour may be used to meet the Post-Retention Wage for Job Numbers 1 - 3.

**Wage Range by Occupation**

Occupation Titles	Wage Range	Estimated # of Trainees
Administrative Staff		24
Sales Staff		34
Production Staff (Job No. 1)		41
Production Staff (Job No. 2)		25
Production Staff (Job No. 3)		22
Mechanic		21
Warehouse Staff (Job No. 1)		8

Warehouse Staff (Job No. 2)		8
Warehouse Staff (Job No. 3)		5
Driver (Job No. 1)		11
Driver (Job No. 2)		5
Maintenance Staff		5
Engineer		3
Manager		7
Supervisor		14

## **INTRODUCTION**

Established in Fresno in 1868, Betts Company, (Betts) [www.betts1868.com](http://www.betts1868.com), is a sixth generation family owned business. Prior to the 1900's, Betts manufactured steel springs for carriages, streetcars, and wagons of every kind. As the automotive industry developed, Betts was at the forefront of development and manufacturing of springs for the automobile.

Currently, Betts services a multitude of industries through three divisions – Spring Manufacturing, Truck Parts and Service, and Vehicle Component Manufacturing. The industries served include: trucking, automotive, agriculture, oil and gas, mining, military, and construction. Approximately 37% of Betts' products are sold to out-of-state businesses such as Freightliner, Volvo, Mack, and Kenworth.

Betts is eligible for standard retraining under the out-of-state competition provisions for industrially classified manufacturers retraining current employees.

## **Need for Training**

Betts' main goal is to remain competitive with out-of-state competition and to retain their reputation for quality and service. To improve competitiveness, Betts has made substantial investments into new equipment and software. The new equipment and software will foster improvements in efficiency, increase productivity, and allow staff to react faster to customer needs.

During the prior ETP contract, Betts focused on Phase 1 of a lean transformation program. All Phase 1 training was completed during the prior contract or after retention. In the current proposal, Betts plans on instituting a more advanced, Phase 2, lean transformation program. Phase 2 will further develop staff production efficiencies and allow for added waste reduction. To support the rollout of the Phase 2 lean transformation, Betts has purchased a new Enterprise Resource Planning (ERP) system which will allow for greater control of inventory. The ERP system will be in use by the beginning of 2015. Training in this proposal will not duplicate the training in Bett's prior contract as Phase 2 is more advanced and will build on the Phase 1 training.

In addition to the new software, Betts has purchased new machinery including a brake press, robotic welder, and grinder. This machinery will be installed in the 4<sup>th</sup> quarter 2014 and will be used in production during the 1<sup>st</sup> quarter 2015. A new coiler machine will also be purchased in the 4<sup>th</sup> quarter of 2015 and will be used in production by the end of the quarter. The cost of the new machinery is approximately \$1.425 million.

Training will take place at one of the multiple Betts facilities located throughout California including: Fresno, Manteca, Fontana, Sacramento, San Leandro, and Santa Fe Springs.

### **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.

Betts has committed to hiring 27 new employees (Job Number 3). Trainees must be hired within the three-month period prior to Panel approval or during the term of contract. These trainees will be hired into "net new jobs" as a condition of contract.

Betts is in a tremendous growth mode which is requiring the Company to add new equipment in the amount of \$1.5 Million to increase capacities and expand services, which subsequently will require the addition of 27 New Hire employees during the course of this contract. Betts is aggressively taking steps to secure a larger market share. In May of 2012, Betts started contract ET12-0403 with 157 fulltime employee trainees. The number of fulltime employees to be trained in this proposal is 233, with future new hires causing the number to possibly increase further.

## **PROJECT DETAILS**

### **Training Plan**

Betts will provide between 8-200 hours of Class/lab and between 0-10 hours of Productive Lab training.

**Business Skills** (10%): Training will be offered to Administrative Staff, Sales Staff, Managers and Supervisors. The focus of training will be on the identification of customer needs and the management of the business short and long term. Training course topics will include Total Account Development, Fiscal Management Strategies, Strategic Planning, and Growth Management.

**Computer Skills** (20%): Training will be offered to all occupations. The focus of computer skills training will center on the Company's new ERP system to promote better decision making and planning. Administrative Staff, Engineers, Production Staff, Managers and Supervisors will also receive job specific software training to improve production efficiency, quality, and customer service. Training topics will include ERP, SolidWorks, CRM, ADP HR Software and Advanced Microsoft Office.

**Continuous Improvement** (10%): Training will be offered to all occupations as Betts will be starting Phase 2 of a lean transformation program. Phase 2 will build on the training received in the prior ETP contract. The training will focus on advanced concepts of defect reduction to improve production capabilities. Training will include Advanced Quality Control.

**Manufacturing Skills** (30%): Training will be offered to all occupations and will expand on the training received in Phase 1 (prior contract) of lean manufacturing training. The lean Manager will lead the Phase 2 training which will focus on lean concepts and principles, process mapping, kaizen, and waste identification and reduction. Manufacturing Skills training course topics are Advanced Lean Manufacturing (Phase II) and Production Equipment Operation and Maintenance.

**Management Skills** (10%): Training will be offered to Managers, Supervisors and Management trainees. The training will focus on enhancing the skills of Managers and Supervisors regarding their ability to create a productive work atmosphere motivate staff,

positively lead staff, and coach staff. Training will include Leadership, Coaching, Motivation, Facilitating a Collaborative Work Culture, and Supervisor Development.

**Literacy Skills (10%):** Training will be offered to Production Staff, Warehouse Staff, Drivers and Mechanics to bridge the communication gap in the workplace. For many Betts employees English is their second language and it is common that an interpreter is needed. Supervisors will assess staff members training needs and a credentialed ESL instructor will be brought in to Betts to train staff in commonly used terms in the workplace and on workplace directions. Training course topics will include Vocational ESL, Basic Math, Reading and Comprehension Skills.

### **Productive Laboratory**

Training will be offered to all Production Staff and job specific Managers and Supervisors. PL training will supplement Class/Lab training to strengthen employees' understanding of how to perform equipment/operations related tasks. At a total cost of approximately \$1.3 million, Betts has purchased a hydraulic brake press, robotic welder, coiler and grinder. Staff will receive hands on training in the operation of the above stated machinery.

Incumbent workers in Job Number 1 and Job Number 2, and newly hired employees in Job Number 3 will receive between 0-20 hours of PL training.

The trainer will be an expert in the course topic and will provide demonstration of the process prior to observing the trainee perform the task. Coaching and mentoring will be provided by the trainer until the trainee has been determined to be competent in the area. During PL training, production is expected to decrease by 20-30% and items that have been determined defective by quality control will be scrapped.

The trainer-to-trainee ratio for PL training will not exceed 1:2. Betts is requesting this higher trainer-to-trainee ratio to increase the efficiency of the technical training. Each piece of machinery that PL training will take place with is new to the business and staff have no experience with their operation. In addition, a group of 2 trainees may encounter a different issue during PL training and will be able to learn from each other's experiences.

### **Commitment to Training**

Betts currently has an annual training budget of \$75,000 which includes state mandated safety training, new employee orientation and sexual harassment prevention training.

Betts 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.

### **High Unemployment Area**

The 38 trainees (Job Number 2) and 37 trainees (Job Number 3) work in a High Unemployment Area (HUA), a region with unemployment exceeding the state average by at least 25%. The Company's locations in Fresno and San Joaquin Counties qualify for HUA status under these standards.

Betts is requesting a wage modification to \$11.17 per hour for 38 trainees in (Job Number 2) and to \$9.14 for 37 trainees in (Job Number 3).

## **Temporary to Permanent Hiring**

A portion of the trainees in Job Number 3 (12 trainees of 27) come under Panel guidelines for “temporary to permanent” employment. Betts 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 Betts. Until then, Betts will not receive progress payments.

## **RECOMMENDATION**

Staff recommends approval of this proposal.

## **PRIOR PROJECTS**

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET12-0403	Fresno	05/28/12- 05/27/14	\$169,560	\$107,968 (64%)

ET12-0403 – Betts only completed 64% of the approved contract amount. The contractor’s underperformance was in large part caused by not having a training schedule for all training locations. There was a lack of communication between department heads, which caused training inconsistencies throughout the company. It also proved difficult to implement training in the smaller locations statewide with trainers being located at the headquarters in Fresno.

Betts has remedied the situation by developing a comprehensive training plan for all locations. Trainers will travel to the outlying locations on set dates to provide training. In addition, Betts will train staff that is not located at headquarters using videoconference.

With experience gained from the first contract, a comprehensive training schedule, a set person in charge of coordinating ETP approved training and the use of videoconferencing technology to make training easier to deliver, Betts expects to complete 100% of the requested funding. Betts Company’s Production Manager is coordinating all ETP training and has been in constant contact with department heads to set training dates. Betts has assigned an internal representative to assist the Production Manager with the ETP administrative responsibilities. The representative will work directly with the administrative subcontractor who handled the administrative duties on the prior contract.

At this time, all training dates have not been set in stone as much of the training depends on when the new machinery is delivered, which will be between December 2014 and April 2015. Training at the outset of this proposal is expected to be intense due to the new equipment.

## **DEVELOPMENT SERVICES**

Betts retained Strategic Business Solutions LLC in Visalia to assist with development of this proposal for a flat fee of \$5,750.

## **ADMINISTRATIVE SERVICES**

Betts also retained Strategic Business Solutions LLC to perform administrative services in connection with this proposal for a fee not to exceed 13% of the 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**

- ❖ Total Account Development
- ❖ Fiscal Management Strategies
- ❖ Strategic Planning
- ❖ Growth Management

**COMPUTER SKILLS )**

- ❖ ERP System Training
- ❖ SolidWorks Software Training
- ❖ CRM (Customer Relationship Management) Software
- ❖ Advanced Microsoft Office
- ❖ ADP HR Software

**CONTINUOUS IMPROVEMENT**

- ❖ Advanced Quality Control Training

**MANUFACTURING SKILLS**

- ❖ Advanced Lean Manufacturing (Phase II)
- ❖ Production Equipment Operation and Maintenance

**MANAGEMENT SKILLS**

- ❖ Leadership Skills
- ❖ Coaching Skills
- ❖ Motivational Skills
- ❖ Facilitating a Collaborative Work Culture
- ❖ Supervisor Development

**LITERACY SKILLS**

- ❖ Vocational ESL
- ❖ Basic Math, Reading & Comprehension Skills
- ❖ English as a Second Language (ESL)

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

**E-Learning Hours**

0-200

**COMPUTER SKILLS**

- ❖ ERP System Training
- ❖ SolidWorks Software Training
- ❖ CRM (Customer Relationship Management) Software
- ❖ Advanced Microsoft Office
- ❖ ADP HR Software

**CONTINUOUS IMPROVEMENT**

- ❖ Advanced Quality Control Training

**MANUFACTURING SKILLS**

- ❖ Advanced Lean Manufacturing (Phase II)
- ❖ Production Equipment Operation and Maintenance

**MANAGEMENT SKILLS**

- ❖ Leadership Skills
- ❖ Coaching Skills
- ❖ Motivational Skills
- ❖ Facilitating a Collaborative Work Culture
- ❖ Supervisor Development

**Productive Lab Hours**

0-20

**PL MANUFACTURING SKILLS (1:2 Ratio)**

- ❖ Hydraulic Brake Press – 230PF+10
  - Set-up & Calibration (2 hours)
  - Brake Press Operation to meet Quality Control Standards (3 hours)
  - Brake Press Maintenance (1 hour)
- ❖ Coiler – Waffios FSE-93
  - Programming of Electric Controls (3 hours)
  - Coiler Operation to meet Quality Control Standards (5 Hours)
  - Coiler Maintenance (1 hour)
- ❖ Grinder – Bennett EG-36H
  - Grinder Setup and Calibration (1 hour)
  - Grinder Operation to meet Quality Control Standards (2 hours)
  - Changeover and Maintenance (1 Hour)

- ❖ Robotic Welder
  - Robotic Welder Setup and Calibration (1 hour)
  - Robotic Welder Operation to meet Quality Control Standards (2 hours)
  - Changeover and Maintenance (1 Hour)

<p>Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery. PL is capped at 20 hours per-trainee.</p>
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**DELEGATION ORDER**



**Retrainee - Job Creation  
Training Proposal for:  
Casco Contractors, Inc.**

**Small Business  $\leq$  \$50,000**

**ET15-0332**

**Approval Date:** December 8, 2014

**ETP Regional Office:** San Diego

**Analyst:** M. Ray

**CONTRACTOR**

- Type of Industry:
  - Construction
  - Services
  - Priority Industry: ☒ Yes ☐ No
- Number of Full-Time Employees
  - California: 52
  - Worldwide: 52
  - Number to be trained: 57
  - Owner ☒ Yes ☐ No
- Out-of-State Competition: No OSC
- Special Employment Training (SET): ☒ Yes ☐ No
- High Unemployment Area (HUA): ☐ Yes ☒ No
- Turnover Rate: 10%
- Repeat Contractor: ☐ Yes ☒ No

**FUNDING**

- Requested Amount: \$42,276
- In-Kind Contribution: \$61,921

**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 Priority Rate SB <100	Business Skills, Commercial Skills, Computer Skills, Continuous Improvement, Hazardous Materials, OSHA 10, OSHA 30, PL - Commercial Skills	52	8-60	0	\$728	\$20.32
				Weighted Avg: 28			
2	Retrainee SET Priority Rate SB <100 Job Creation Initiative	Business Skills, Commercial Skills, Computer Skills, Continuous Improvement, Hazardous Materials, OSHA 10, OSHA 30, PL - Commercial Skills	5	8-60	0	\$884	\$13.32
				Weighted Avg: 34			

- Reimbursement Rate: Job #'s 1 & 2: \$26 SB Priority
- County(ies): Orange
- Occupations to be Trained: Installer, Senior Installer, Project Lead, Administrative Support, Owner
- Union Representation: ☐ Yes  
☒ No
- Health Benefits: Job #1: \$2.32 per hour Job #2: \$0.32 per hour

**SUBCONTRACTORS**

- Development Services: Training Funding Source (TFS) in Seal Beach assisted in the development of this application 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**

A woman-owned company, Casco Contractors, Inc. (Casco) ([www.cascocontractors.com](http://www.cascocontractors.com)) was founded in December 2000. Located in Irvine, Casco is a general contractor specializing in commercial tenant improvement construction. The Company also provides property maintenance services to customers such as Southern California Edison, El Pollo Loco, Marriott, Kerstin Florian, Irvine Company, Square Milner, Regus, Coldwell Banker and Richard Ellis (CBRE), Real Office Centers (ROC), and Sempra Energy.

Casco states that in the construction industry, companies are faced with projects that typically end with an overwhelming amount of incomplete and sub-par work. This translates to delays and higher costs for Casco. To address this issue, Casco has developed specific company-wide program objectives to prevent rework as well as set high quality standards to compete in the construction and property maintenance industry. One of their primary initiatives is its Zero Punch List program: an industry-first program that offers incentives to superintendents for turning over a completely accurate project, with the goal of eliminating the need for a punch list.

As part of the Zero Punch List program, the Company has also committed to implement the following technological and process improvements that will assist the Company to support all aspects of project delivery:

- **Software Systems** – In January 2015, Casco will implement its new construction management software system, Procore Construction. The system is designed to accelerate and improve construction project management by providing project team members with the up-to-date information needed to make timely decisions to keep projects moving forward.

In addition, the Company is currently upgrading its existing accounting software, Master Builder. This system connects all departments of the Company, encompassing the entire construction cycle including accounting, estimating, project scheduling and management, job costing, and service management to reduce mistakes and keep information current and accurate.

- **Organizational Changes** – Casco is committed to making organizational changes by: 1) creating human resources and architectural departments; 2) adding directors to each department; and 3) developing and improving policies and procedures to support its continued business growth.

## **Retrainee - Job Creation**

Casco's business has grown in the past two years to 19% and 13%, respectively. Company representatives state that there's an increase in demand from Casco's existing customers to remodel space. To respond to this demand, Casco must continue to expand its existing business capacity by adding newly-hired workers to existing functions within Casco's workforce. As such, Casco projects to hire five new employees. The Company has committed to hiring five newly-hired trainees (Job Number 2): three Installers and two Administrative Support Staff. 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. Job Creation trainees need only meet the New Hire Minimum Wage by county.

## **Special Employment Training / Minimum Wage Modification**

Under SET, the Company is not required to demonstrate out-of-state competition. Trainees must be earning at least the statewide average hourly wage at the end of the retention period.

For trainees employed in a priority industry, the Panel may modify the SET Wage (\$27.09) up to 25% below the statewide average hourly wage to \$20.32. The Company is requesting a wage modification to train entry-level workers in lower wage occupations (Job Number 1) to provide opportunities for promotion, wage increases, and long-term job security.

## **Training Plan**

**Business Skills** – Training will be provided to all job occupations in the areas of communication, product knowledge, and customer relations to give employees the skill set to effectively implement customer solutions to ensure seamless complete profitable projects.

**Commercial Skills** – Training will be offered to Installers to develop their skills in all processes and procedures. Training will focus on the delivery of the Zero Punch List program to successfully implement the Company's business goal. Course topics in Installation Procedures, Equipment Operations, Field Operational Procedures, and Walk-Through Procedures will enable trainees to deliver better building services for customers.

**Computer Skills** – Training will be offered to all job occupations in the new and upgraded software systems. Training will allow workers to streamline processes and improve responsiveness to customers.

**Continuous Improvement** – Training will be offered to all occupations. Course topics in Process Improvement, Team Building, Problem Solving, and Decision Making will provide trainees skills necessary to improve productivity and increase company profitability.

**Hazardous Materials** – Training will be offered to Installers. Training in Explosives, Flammable Liquids, Gases, and Toxic/Infectious Substances handling will help employees to effectively manage waste/spill operations and prevent injury.

## **Productive Laboratory – Commercial Skills**

The Panel allows 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.

Casco requests PL training in Commercial Skills topics such as Trenching, Excavation, Concrete and Masonry, Equipment Operations, Field Operational Procedures, Installation Procedures, Job Costing, Site Logistics, and Zero Punch List. PL Training will be delivered with a 1:1 Trainer-to-Trainee ratio to approximately 23 existing and newly-hired Installers. Trainees may receive all their training hours in PL-Commercial Skills (up to 24 hours) or a combination of class/lab including PL hours. Training will be specific to type of equipment and/or process to ensure trainees receive a broader understanding of the entire construction process.

Trainers will be qualified and/or machine-certified to instruct and deliver the course content and material. Trainers are responsible for directing the operations and instructions as well as providing immediate feedback to the trainee as work is performed.

**OSHA 10/30**

OSHA 10/30 training is a series of courses “bundled” by industry sector and occupation. It consists of 10 hours of training for journeymen and 30 hours for supervisors. It may also be delivered to frontline workers if specifically required by the job order.

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.



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

8 - 60      Trainees may receive any of the following:

**BUSINESS SKILLS**

- + Change Management
- + Budgeting Skills
- + Coaching Skills
- + Collaboration
- + Communication
- + Conflict Management
- + Construction Finance
- + Construction Procedures
- + Customer Application for Payment
- + Customer Satisfaction
- + Developing New Opportunities
- + Leadership
- + Planning Skills
- + Performance Management
- + Product Knowledge
- + Risk Management

**COMMERCIAL SKILLS**

- + Competent Person, Trenching
- + Competent Person, Excavation
- + Concrete and Masonry
- + Equipment Operations
- + Field Operational Procedures
- + Installation Procedures
- + Job Costing
- + Materials Handling and Storage
- + Power Tool Use and Guarding
- + Ramset
- + Scaffold Erection Guidelines
- + Scaffold Awareness
- + Signs, Signals, and Barricades
- + Site Logistics
- + SWPPP (Storm Water Pollution Prevention Program)
- + Trenching and Excavation Awareness
- + Underground Utility
- + Walk Through Procedures
- + Work Zone Procedures
- + Zero Punch List

**COMPUTER SKILLS**

- + New and Upgraded Software Training
- + Sage
- + Master Builder
- + Microsoft Office
- + Omni-form
- + On Center (on screen take off)

- ✚ Laptop Interface with Casco System
- ✚ Microsoft Project
- ✚ Upgraded Master Builder
- ✚ Time Tracking
- ✚ New Pro Core Construction Management Software

### **CONTINUOUS IMPROVEMENT**

- ✚ Process Improvement
- ✚ Productivity Improvement
- ✚ Quality Systems and Procedures
- ✚ Team Building
- ✚ Problem Solving
- ✚ Decision-making

### **HAZARDOUS MATERIALS**

- ✚ Explosives
- ✚ Flammable Liquids
- ✚ Gases
- ✚ Hazard Communication (HazCom)
- ✚ Material Safety Data Sheet (MSDS)
- ✚ Toxic and Infectious Substances

### **OSHA 10 (CERTIFIED INSTRUCTOR)**

OSHA 10 (Requires completion of 10 hours)

### **OSHA 30 (CERTIFIED INSTRUCTOR)**

OSHA 30 (Requires completion of 30 hours)

### **Productive Lab**

0 – 24

### **PRODUCTIVE LAB – COMMERCIAL SKILLS** (Ratio: 1:1)

- ✚ Competent Person, Trenching
- ✚ Competent Person, Excavation
- ✚ Concrete and Masonry
- ✚ Equipment Operations
- ✚ Field Operational Procedures
- ✚ Installation Procedures
- ✚ Job Costing
- ✚ Ramset
- ✚ Scaffold Erection Guidelines
- ✚ Signs, Signals, and Barricades
- ✚ Site Logistics
- ✚ SWPPP (Storm Water Pollution Prevention Program)
- ✚ Underground Utility
- ✚ Work Zone Procedures
- ✚ Walk Through Procedures
- ✚ Zero Punch List

Note: Reimbursement for retraining is capped at 60 total hours per-trainee, regardless of method of delivery.

# DELEGATION ORDER



## Training Proposal for: Douglas Steel Supply, Inc.

**Small Business  $\leq$  \$50,000**

**ET15-0316**

**Approval Date:** November 18, 2014

**ETP Regional Office:** North Hollywood

**Analyst:** E. Fuzesi

### **CONTRACTOR**

- Type of Industry: Services  
Wholesale Trade  
Priority Industry: ☒ Yes ☐ No
- Number of Full-Time Employees  
California: 91  
Worldwide: 91  
Number to be trained: 84  
Owner ☒ Yes ☐ No
- Out-of-State Competition: Customers Outside CA
- Special Employment Training (SET): ☐ Yes ☒ No
- High Unemployment Area (HUA): ☒ Yes ☐ No
- Turnover Rate: 6%
- Repeat Contractor: ☒ Yes ☐ No

### **FUNDING**

- Requested Amount: \$39,312
- In-Kind Contribution: \$34,449

**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, Computer Skills, Cont. Impr., Literacy Skills, Mgmt Skills, Mfg. Skills, OSHA 10/30	57	8-60	0-30	\$468	\$15.97
				Weighted Avg: 18			
2	Retrainee SB <100 Priority Rate HUA	Cont. Impr., Literacy Skills, Manufact. Skills, OSHA 10	27	8-60	0-30	\$468	\$11.98
				Weighted Avg: 18			

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 and 2: \$26 SB Priority
- County(ies): Los Angeles
- Occupations to be Trained: Office Staff, Sales Staff, Shop Staff, Driver, Owner, Supervisor/Manager
- Union Representation: ☐ Yes  
☒ No
- Health Benefits: Job #'s 1 and 2: \$3.63 per hour

**SUBCONTRACTORS**

- Development Services: N/A
- Administrative Services: N/A
- Training Vendors: New Horizons Computer Learning Center of Culver City has been retained to provide training for a fee of \$4,740.

**OVERVIEW**

Douglas Steel Supply, Inc. (DSS), founded in 1972, is a steel service center that specializes in custom sheet and coil products. DSS processes all materials in-house, using slitting, leveling and roll-forming lines for various commercial and private manufacturing industries such as precision metal stamping, computer cabinetry, electronic enclosure, home hardware, and steel office furniture manufacturing. Customers include KeyTronics, North American Pet, and Quality Fab Tech. Headquartered in Los Angeles on a 128,000 square foot property, DSS serves states west of the Rockies (including California) and Mexico. DSS is also planning to open a warehouse in Texas.

The steel industry has been impacted by the decline of the building and housing industry during the economic downturn in 2008. The decline created less need for steel service centers, especially in the Los Angeles area. Those surviving, face tighter regulations and tougher competition.

Industries have started to ensure regulatory compliance from suppliers by requiring Restriction of Hazardous Substances certifications and material declarations through online reporting and documentation, a training need, addressed under Regulatory Chemicals (Commercial Skills) and Product Knowledge (Business Skills). To meet these demands, DSS is also implementing stricter regulations and standards for higher levels of quality throughout the supply chain. DSS has been tightening its internal processes, establishing roles and clear expectations for all personnel, seeking more effective and efficient problem solving methods, while encouraging positive and creative thinking to expand business. In addition, DSS recently implemented Just-in-Time delivery.

## **Training Plan**

This will be DSS's second ETP Agreement. In the First Agreement, the Company began to pursue an engaged, transparent, and proactive business culture fueled by prospects for growth through the Company's newly acquired ISO Certification. For this proposal, ETP training funds will allow DSS to become more efficient and to provide more responsive customer service. The Company's goal is to increase sales and profitability while maintaining excellent customer satisfaction ratings and increased market share. The Company will utilize Class/Lab and Computer-Based Training to train its workers.

**Business Skills (20%)** – Training will be offered to Owner, Supervisor/Manager, Sales Staff and Office Staff to improve communication and customer service, and enhance skills in marketing, selling and promoting DSS's products and services.

**Commercial Skills (10%)** – Training will be offered to Owners, Supervisor/Manager, Sales Staff, Office Staff and Drivers to ensure departments stay up-to-date with industry-related requirements and best business practices. Truck driving essentials will keep our drivers be informed of best ways to avoid collisions, prepare for long drives and appropriately deal with road hazards. Metallurgy training will provide sales reps with product knowledge to help provide for customers' needs. General Accounting will help management with the backgrounds of costs and profits, and enhance skills in the basic principles, concepts, and accounting practice, recording, and financial statement preparation.

**Computer Skills (5%)** – Training will be offered to Owner, Supervisor/Manager, Sales Staff and Office Staff to keep employees up-to-date with technological advances that can increase efficiency and productivity. Microsoft Office programs, such as Word or PowerPoint, training will provide skills needed to present information and data to customers in an attractive and accessible format. With Excel, trainees will learn the importance of empirical data and how to collect/present data in a form to make sound business decisions. This use of spreadsheets can also be utilized to track and analyze a wide range of data. Training in the Company's internal program, Genesys, will allow employees to fully utilize the inventory and accounting systems by conducting research, running specific reports, and extrapolating data needed to make cost-effective decisions.

**Continuous Improvement (15%)** – Training will be offered to all staff to promote a positive and engaged approach to improvement and growth. Training will teach employees to solve problems, improve processes and streamline operations. Employees will learn to discuss and implement changes and be more adaptable to change.

**Literacy Skills (5%)** – Training will be offered to Drivers and Shop Staff because a large portion of shop personnel speak mainly Spanish. This training will provide employees with basic English speaking and writing skills to facilitate communication between shop and office personnel. Training will allow for a more comprehensive exchange of ideas within the organization.

**Management Skills (15%)** – Training will be offered to Owner and Supervisor/Manager in Leadership, Project Management and Succession Planning. Training in Motivation and Coaching will aid employees in achieving a level of excellence that they may not be able to obtain without effective managers. Project Management training will arm trainees with the organizational and planning skills needed to see a project through to its success, presenting an example of effective follow-through for the rest of the company.

**Manufacturing Skills (25%)** – Training will be offered to Owner, Supervisor/Manager, and Shop Staff to create a work environment where employees can be more knowledgeable and versatile on multiple pieces of equipment. Advanced skills in slitting, leveling, packaging and maintenance are needed to promote consistently excellent performances and maintain safe practices. Electrical Engineering will allow DSS to save costs by utilizing in-house personnel instead of outsourcing. Lean Manufacturing.

**OSHA 10/30 (5%)** – Owner, Supervisor/Manager, and Shop Staff will receive the basics of occupational safety and health. Employees will learn basic practices of identifying, reducing, eliminating, and reporting hazards associated with their work. The course will highlight safety in the workplace and prepare employees to proactively approach safety issues.

OSHA 10/30 training is a series of courses “bundled” by industry sector and occupation. It consists of 10 hours of training for staff and 30 hours for supervisors. Completion of the training results in a certificate. To ensure that each trainee receives certification, ETP will only consider payment earned upon completion of the full 10-hour or 30-hour course.

### **High Unemployment Area**

DSS is located in a High Unemployment Area (HUA), a region with unemployment exceeding the state average by at least 25%. The Company’s facility in Los Angeles County qualifies 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 for trainees in Job Number 2. The Company is requesting the HUA wage modification to \$12.03 per hour for Job Number 2 only.

### **Contract Term Limitation**

Small businesses are limited to a 12-month Agreement but may request a 24-month term with justification. DSS is requesting a 24-month term. The additional 12 months will enable the Company to train at a slower pace while adequately preparing for everyday production demands.

### **RECOMMENDATION**

Staff recommends approval of this proposal, including the post-retention wage modification.

**ACTIVE PROJECTS**

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

Agreement No.	Approved Amount	Term	No. Trainees Enrolled	No. Completed Training	No. Retained
ET13-0259	\$98,670	12/21/12-12/20/14	88	85	TBD

DSS has provided 1,725 reimbursable training hours which amounts to \$44,850 (45%). DSS's projected low performance is due to the following factors:

- From the start of the ETP program, DSS was going through several changes within the organization. Specifically, the Company was undergoing a lawsuit that eventually created a change of ownership. As DSS managed the defense of the lawsuit and the subsequent transition, there was a lack of internal leadership and guidance related to the ETP training, much of which was due to consultant turnover of JVS, the administrative consultant of the project.
- During this time of transition, a Quality Assurance (QA) Manager was hired to support the ISO program and assume the role of ETP training coordinator. Because she was new to the ETP process, she had to take some time to become familiar with the program. Once she was familiar, she had to review the training plan and adjust it to fit the Company's new direction. Consequently, the Company did not start training until the second year of its term.

The QA Manager implemented administrative tools that helped the Company under ET13-0259. The Contract was not a success; however, the tools helped the Company deliver a large amount of training in a short amount of time. These tools helped organize the training process and simplified how trainees signed up. These tools will help the Company succeed in the proposed contract:

- Create a set schedule for department training that will provide structure and less flexibility for those who fall behind training requirements;
- Publicize training schedules and provide copies for all department heads and supervisors;
- Engage and inform employees and holding managers accountable for training their teams;
- Continue progress evaluations and leadership input.

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

8-60 Trainees may receive any of the following:

**BUSINESS SKILLS**

- Business Performance
- Communication Skills
- Conflict Management
- Customer Service
- Marketing
- Product Knowledge
- Project Management
- Sales

**COMMERCIAL SKILLS**

- Accounting
- Equipment Operations
- Internet Security
- Metallurgy
- Regulatory Chemicals
- Shipping/Delivery
- Truck Driving Essentials

**COMPUTER SKILLS**

- Email
- Genesys Administration
- Microsoft Office

**CONTINUOUS IMPROVEMENT**

- Decision Making
- ISO Training
- Lean Manufacturing
- Organizational Skills
- Problem Solving
- Process Improvement
- Statistical Analysis
- Strategic Planning
- Teambuilding

**MANAGEMENT SKILLS (Managers & Supervisors Only)**

- Coaching Procedures
- Decision Making
- Leadership
- Motivation
- Project Management

**MANUFACTURING SKILLS**

- Crane/Forklift
- Electrical Engineering
- Lean Manufacturing



- Maintenance
- Packaging
- Production Operations
- Propane Safety
- Warehouse Process Control

**LITERACY SKILLS**

- Vocational English as a Second Language

Literacy Skills cannot exceed 45% of total training hours per trainee

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

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

**CBT Hours**

0-30

**BUSINESS SKILLS**

- Delivering Presentations (1 hr 35 min)
- Effective Public Speaking (1 hr)
- Pitching Projects and Products (45 min)
- Sales Skills (2 hrs)

**COMPUTER SKILLS**

- Advanced Formulas and Functions (5 hrs)
- Advanced Spreadsheet Training (6 hrs)
- Creating Charts/Tables (3 hrs)
- Shortcuts (1 hr)
- Spreadsheet Essential Training (6 hrs)

**CONTINUOUS IMPROVEMENT**

- Achieving Goals (1 hr)
- Productivity (2 hrs)
- Time Management Fundamentals (1 hr)

**MANAGEMENT SKILLS**

- Conflict Resolution Fundamentals (1 hr)
- Delegating Tasks to Your Team (1 hr)
- Leadership Fundamentals (6 hrs)
- Leading Productive Meetings (1 hr)
- Managing Project Schedules (1 hr)
- Managing Small Projects (1 hr)
- Project Management Fundamentals (2 hrs)
- Thinking like a Leader (1 hr)

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.
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**DELEGATION ORDER**



**Retrainee – Job Creation  
Training Proposal for:  
EMSolutions Inc.**

**Small Business  $\leq$  \$50,000**

**ET15-0327**

**Approval Date:** 11/14/14

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

**Analyst:** A. Nastari

**CONTRACTOR**

- Type of Industry: Manufacturing
  - Number of Full-Time Employees
    - California: 14
    - Worldwide: 14
    - Number to be trained: 20
  - Out-of-State Competition: NAICS Code Eligible
  - Special Employment Training (SET): ☐ Yes ☒ No
  - High Unemployment Area (HUA): ☐ Yes ☒ No
  - Turnover Rate: 10%
  - Repeat Contractor: ☐ Yes ☒ No
- Priority Industry: ☒ Yes ☐ No
- Owner ☒ Yes ☐ No

**FUNDING**

- Requested Amount: \$19,708
- In-Kind Contribution: \$12,740

**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, Cont. Improv., HazMat, Literacy Skills, Mfg. Skills	14	8 - 60	0	\$884	\$16.25
				Weighted Avg: 34			
2	Retrainee SB <100 Job Creation Initiative Priority Rate	Business Skills, Computer Skills, Cont. Improv., HazMat Literacy Skills, Mfg. Skills	6	8 - 60	0	\$1,222	\$13.55
				Weighted Avg: 47			

- Reimbursement Rate: Job #'s 1 & 2: \$26 SB Priority
- County(ies): Alameda
- Occupations to be Trained: Administrator, Assembler, Buyer, Engineer, Inventory Controller, Machine Operator, Owner, Programming Technician, Project Scheduler, Quality Inspector, Sales/Marketing Staff
- Union Representation: ☐ Yes  
☒ No
- Health Benefits: Job #'s 1 & 2: \$1.80 per hour

**SUBCONTRACTORS**

- Development Services: N/A
- Administrative Services: N/A
- Training Vendors: N/A

**OVERVIEW**

Founded in 2007 in Fremont, EMSolutions Inc. (EMSolutions), is an electronics contract manufacturing company that provides prototype and production of PCB assembly components. The products are used by manufacturers of semiconductors, wireless communication, networking and security products, as well as medical devices. The Company also manufactures

test (evaluation) boards used by engineers of Memory/Storage devices in testing their latest PC flash memory controllers. EMSolutions' products require precision assembly customized to clients' specifications per complex blueprints provided to EMSolutions' Engineers.

### **Expansion and 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.

From 2012 to present, EMSolutions has experienced an increase in customer demand for prototyping and manufacturing of evaluation boards, and reference boards, which has resulted in increased revenue of close to 55% from its 2013 fiscal year. EMSolutions expanded its workforce from eight workers in 2013 to its current employ of 14. EMSolutions plans to hire an additional six workers during the next six months who will participate in the Company's proposed ETP training plan. Therefore, Job Number 2 will be allocated for the training of six new workers.

The Company also purchased two new machines, one for its production floor and one for advanced inspection usage. The management team has determined that in order to accommodate the increase in production demands, new equipment, and additional workforce, it must expand its facility into an adjacent building. Upon completion of the move in September 2014, EMSolutions plans to add two more Surface Mount Technology (SMT) lines in order to increase production capacity required to support a higher turnout of products. The lines should be operational by early 2015. EMSolutions finds that Original Equipment Manufacturers (OEMs) are researching and developing manufacturing processes with local suppliers rather than offshore out-sourcing, thereby reducing time constraints, shipping costs, and language barriers.

In order to meet its expanded business demands, EMSolutions must upgrade the skills of its workforce across all departments. Manufacturing processes and procedural training is required in technical and electronics components, operation of SMT and Automatic Optical Inspection equipment, continuous improvement training in ISO required for documentation traceability and record retention, and computer software programs in Microsoft Office Suite, CAM/CAD viewer, and mechanical software required to analyze project details submitted by its customers.

EMSolutions must further provide training in Vocational Literacy Skills. It reports that 40% of its workforce does not read or speak English. Vocational skills are essential for the Company to continue its growth. Training will consist of Team Communication Skills, Blueprint reading, and manufacturing standards. The Company also represents that these trainees will be hired into "net new jobs" as a condition of contract.

### **Training Plan**

In this proposal, EMSolutions will train its Administrator, Assemblers, Buyers, Engineers, Inventory Controller, Machine Operators, Owners, Programming Technician, Project Scheduler, and Quality Inspectors in Business, Computer, Continuous Improvement, Hazardous Materials, Literacy Skills, and Manufacturing Skills. Some training in Computer and Manufacturing Skills will be delivered by EMSolutions' owners. The Company will acquire vendors to deliver training in Continuous and Computer Skills.

**Business Skills:** Training will be provided to Administrators, Buyers, Project Managers, and Sales/Marketing Staff in Presentation, Communication, Negotiation, Customer Service, Project and Priorities Management skills. The training is required in order to expand its market and sales capabilities.

**Continuous Improvement:** Training will be delivered to all occupations, including Owners, who will receive training in Lean Manufacturing, ISO 9001:2008, 5 S Methodology, and PCB

Assembly and Electronics Manufacturing Quality Standards. The training is required in order to meet and maintain standards require by EMSolutions' customers.

**Computer Skills:** Training will be offered to Administrators, Buyers, Project Managers, and Sales/Marketing Staff, in intermediate/advanced Microsoft Office Suite and Microsoft Project programs. Engineers will receive training specific to CAD, CAM, and Gerber software.

**Literacy Skills:** Training in vocational English for the workplace will be offered to Assemblers, Operators, Programming Technicians, and Quality Inspectors in order to expand communication within the production floor, provide a clearer understanding of procedural requirements, and understand customers' specifications in to order reduce rework. The needs are based on internal assessments conducted by the workers' management team.

**Hazardous Materials:** Training will be offered to Assemblers, Machine Operators and Quality Inspectors in the proper handling and elimination of materials used in the manufacturing of EMSolutions products.

**Manufacturing Skills:** Training will be offered to all occupations specific to their job functions. Administrators, Buyers, Project Managers, Quality Inspectors, Sales and Markeing staff need to have an overview of the products, the Company's manufacturing capabilities and manufacturing time frames in order to address customers' questions. Assemblers will receive training in the Soldering of Electronic components, IPC-A-610 - Acceptability of Electronics Assemblies and Blueprint Reading. Machine operators will receive updated and new manufacturing processes skills in the Company's SMT and AOI machines as well as maintenance procedures.

### **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 and Communication skills
- + Price Analysis and Negotiation skills
- + Customer Service
- + Priorities Management
- + Project Management
- + Vendor Qualification
- + Purchasing
- + Inventory Control

**COMPUTER SKILLS**

- + CAM, CAD and Gerber software operation and viewing
- + SMT Programming Training
- + Production Software
- + Microsoft Project Software training
- + Microsoft Office Suite training
- + Troubleshooting internal network

**CONTINUOUS IMPROVEMENT**

- + Communication Skills
- + ISO 9001:2008
- + PCB Assembly and Electronics Manufacturing Quality Standards
- + 5 S Methodology
- + Understanding Lean Manufacturing

**HAZARDOUS MATERIALS**

- + Ways of properly disposing solder paste, flux, other remaining manufactured material
- + How to handle hazardous material

**MANUFACTURING SKILLS**

- + Surface Mount Technology Training
  - o Machine Set up
  - o SMT Printing Machine
  - o SMT Pick and Place Machine
  - o Reflow Oven
  - o Comprehension of set up sheets, SMT program sheet, documentation from customers such as assembly programs and written instructions
- + Machine Training
  - o AOI Machine
  - o X Ray and Microscope Operations
  - o Wave Machine
  - o Solder Pot Machine

- Board Cleansing Machine
- ✚ Blueprint reading (Drawings, Gerber files, Mechanical files and others)
- ✚ SMT Programming
- ✚ Material Handling Procedures
- ✚ ESD protection
- ✚ Quality Testing
- ✚ Soldering and Inspection
- ✚ The Basics of Identifying Various Electronics Components
- ✚ Training of IPC-A-610, Acceptability of Electronics Assemblies Training
- ✚ Production Process

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

### **LITERACY SKILLS**

- ✚ Vocational English (Communication, Blueprint Comprehension, Reading and Understanding Procedures, Manufacturing Standards)

Literacy Training cannot exceed 45% 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:  
Excalibur Engineering, Inc.**

**Small Business  $\leq$  \$50,000**

**ET15-0368**

**Approval Date:** January 12, 2015

**ETP Regional Office:** San Diego

**Analyst:** S. Godin

**CONTRACTOR**

- Type of Industry: Engineering
  - Number of Full-Time Employees
    - California: 27
    - Worldwide: 28
    - Number to be trained: 32
  - 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
- Priority Industry: ☒ Yes ☐ No
- Owner ☒ Yes ☐ No

**FUNDING**

- Requested Amount: \$35,880
- In-Kind Contribution: \$25,000



**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	Business Skills, Commercial Skills, Computer Skills, Continuous Impr, HazMat	27	8-60	0	\$1,040	\$15.98
				Weighted Avg: 40			
2	Retrainee Priority Rate SB<100 Job Creation Initiative	Business Skills, Commercial Skills, Computer Skills, Continuous Impr, HazMat	5	8-60	0	\$1,560	\$13.32
				Weighted Avg: 60			

- Reimbursement Rate: Job #'s 1 and 2: \$26 SB Priority
- County(ies): Orange
- Occupations to be Trained: Technical Staff, Administrative Support, Sales Rep, Distribution/Warehouse Staff, Owner, Manager/Supervisor
- Union Representation: ☐ Yes  
☒ No
- Health Benefits: Job #1 only: \$1.00 per hour

**SUBCONTRACTORS**

- Development Services: Training Funding Source (TFS) in Seal Beach will develop the project for a flat fee of \$2,500.
- Administrative Services: TFS will also assist with administration for a fee not to exceed 13% of earned funds.
- Training Vendors: To Be Determined

**OVERVIEW**

Formed in 1989 and located in Irvine, Excalibur Engineering, Inc. (Excalibur) ([www.excaliburengineering.com](http://www.excaliburengineering.com)) is a full-service, business-to-business company in the electronic test equipment industry. Its services include calibration, repair, rental and sales of a variety of new and reconditioned electronic test equipment. Examples of its products include optical test sets, spectrum and network analyzers, Bluetooth devices, test stations, signal generators, logic analyzers, accelerometers, and oscilloscopes. The products are used in telecommunication, automotive, biotechnology, microelectronics and aerospace applications.

## **PROJECT DETAILS**

The proposed Agreement is Excalibur's third small business proposal within the past five years. Past projects included training in financial accounting software and the implementation of Vantage, an integrated software system (CRM). Vantage was used for a year before the Company moved to a proprietary system on which its employees were trained in its most recent ETP Agreement. Past training also focused on internal procedures, sales and marketing strategies to capture new customers, and customer service. Trainees will not be subjected to duplicate training.

Excalibur states that competition from larger out-of-state calibration companies has continued to increase. In order to remain competitive, the Company must become innovative, and staff must be better trained.

Excalibur recently received its ISO 17025 certification which allows the Company to calibrate electronic test equipment to higher tolerances and frequencies (up to 50GHz). This allows the Company to conform to tighter performance specifications. Certification also creates a specialized market niche for Excalibur and enables it to expand its customer base, servicing a wider variety of calibration and electronic test equipment. The Company also expanded its product offerings by adding mid-range distribution lines to its sales channels. The new lines offer lower-cost products targeted to budget minded customers and provide long-time customers with additional test equipment purchase options.

Additionally, the Company will need to train its staff on a variety of skills needed to support newly acquired distribution channels; and program, calibrate, and repair highly automated testing equipment.

### **Retrainee – Job Creation**

Excalibur's recent ISO 17025 accreditation has added new distribution channels to its business. It will also provide an opportunity for Excalibur to expand its marketing efforts with the potential to increase its customer base and number of accounts by an additional 15%-25% over the next two years.

To support the above stated increase in distribution channels, Excalibur has committed to hiring five employees, two Technical Staff, a Sales Rep, an Administrative Support, and a Manager/Supervisor (Job Number 2). The new workers will require extensive training to develop the requisite skills needed to facilitate projected growth.

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 occupations. Sales Reps will receive advanced sales/marketing skills and product knowledge to address the Company's expanded customer base and new distribution channels with acumen. Sales Reps will also receive skill sets needed to close and up-sell a higher percentage of sales calls. All occupations will receive communication and customer/vendor relationship improvement skills training to improve interactions with both internal and external customers.

**Commercial Skills** – Training will be offered to Technical Staff. Technical Staff will receive technical skill sets needed to calibrate and repair electronic test equipment to customer

specifications. Technical Staff will also be trained to program automated calibration software, verify results, compare accuracies, and develop written procedures for data recording. Training will also provide skills in measurement uncertainties/accuracies used to calibrate test equipment to higher frequencies and specifications.

**Computer Skills** – Training will be offered to all occupations. Training will be delivered on revisions to the Company's proprietary software system and Microsoft Office Suite, Adobe Suite, and File Maker software. Select Managers and Administrative Support will receive training in skills related to website management.

**Continuous Improvement** – Training will be offered to all occupations. A variety of training topics will build upon the skills acquired in the previous ETP Agreements. Training will further streamline processes and improve efficiencies throughout the organization and give workers the effective leadership and critical thinking skills needed to manage performance and process improvements, think strategically, and set appropriate goals for themselves and the organization. Training will allow both frontline workers and managers/supervisors to lead process improvement teams and manage and direct the work of subordinates.

**Hazardous Materials** – Training will be offered to Technical Staff, Distribution/Warehouse and Managers on the safe handling and disposal of hazardous materials.

## **RECOMMENDATION**

Staff recommends approval of this proposal.

## **PRIOR PROJECTS**

The following table summarizes performances by Excalibur under ETP Agreements that were completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET11-0330	Irvine	6/21/11-6/20/13	\$46,800	\$46,800 (100%)
ET09-0160	Irvine	7/07/08-7/06/10	\$49,816	\$46,345 (93%)

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

8-60

Trainees may receive any of the following:

**BUSINESS SKILLS**

- Customer Care Skills
  - Customer Retention
  - Customer Engagement
  - Customer /Vendor Relationship Building
- Advanced Sales & Marketing Skills
  - Suspecting, Prospecting & Closing
  - Sales Account Management
  - Advanced Closing Techniques
  - Sales Procedures & Strategies
- Negotiation Skills
- Conflict Resolution
- Communication Skills
- Presentation Skills
- New Product Knowledge

**COMMERCIAL SKILLS**

- Equipment Calibration
- Equipment Troubleshooting & Repair
- Technical Data Procedures
- Warehouse & Distribution Operations
- Inventory Control

**COMPUTER SKILLS**

- Customer Relationship Management (CRM) Proprietary Software
- Website Development & Management
- Microsoft Office Suite
- Adobe Suite
- File Maker Software

**CONTINUOUS IMPROVEMENT**

- Quality/Process/Productivity Improvement
- Leadership Skills Training
- Lean Concepts
- 5S
- Six Sigma
- Foundations of Kaizen
- Kaizen Events
- Statistical Process Improvement
- Supply Chain Management

**HAZARDOUS MATERIALS**

- Hazardous Materials Handling
- Material Safety Data Sheets

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.

**DELEGATION ORDER**



**Retrainee – Job Creation  
Training Proposal for:  
Green Pine Home Health Care Service, Inc.**

**Small Business  $\leq$  \$50,000**

**ET15-0371**

**Date Approved:** December 31, 2014

**ETP Regional Office:** North Hollywood

**Analyst:** M. Paccerelli

**CONTRACTOR**

- Type of Industry: Healthcare Services  
Priority Industry: ☒ Yes ☐ No
- Number of Full-Time Employees  
California: 30  
Worldwide: 30  
Number to be trained: 52  
Owner ☐ Yes ☒ No
- Out-of-State Competition: No OSC
- Special Employment Training (SET): ☒ Yes ☐ No
- High Unemployment Area (HUA): ☐ Yes ☒ No
- Turnover Rate: 0%
- Repeat Contractor: ☐ Yes ☒ No

**FUNDING**

- Requested Amount: \$49,920
- In-Kind Contribution: \$42,930

**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	Cont. Improv., Computer Skills, MST Didactic, MST Clinical Preceptor	28	8-60	0	\$1,092	\$20.32
				Weighted Avg: 42			
2	Retrainee SB<100 Priority Rate Job Creation Initiative	Cont. Improv., Computer Skills, MST Didactic, MST Clinical Preceptor	24	8-60	0	\$806	\$13.37
				Weighted Avg: 31			

- Reimbursement Rate: Job #'s 1 and 2: \$26 SB Priority
- County: Los Angeles
- Occupations to be Trained: Registered Nurse, Licensed Vocational Nurse, Administration Staff
- Union Representation: ☐ Yes  
☒ No
- Health Benefits: Job Number 1: \$1.76 per hour, Job Number 2: \$0.37 per hour

**SUBCONTRACTORS**

- 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 provide administrative services for a fee not to exceed 13% of payment earned.
- Training Vendors: To Be Determined

**OVERVIEW**

Founded in 2006, Green Pine Home Health Care Service, Inc. (Green Pine) is a residential provider of healthcare services such as wound care, intravenous therapy, diabetic care, catheter care, cardiac and respiratory assessment and care, medication management, pain

management, physical therapy, occupational therapy, speech therapy, medical social workers and cancer care.

Recent changes in the industry with the passing of the Patient Protection and Affordable Care Act (ACA) require Green Pine to train its staff with the new regulations, medical coding and Joint Commission compliance. The Joint Commission accreditation and certification is recognized nationwide as a symbol of quality that reflects an organization's commitment to meeting certain performance standards.

Green Pine is eligible for ETP funding under Special Employment Training (SET) for frontline workers. (Title 22, California Code of Regulations, Section 4409).

### **Retrainee - Job Creation**

Green Pine contracts with over 30 medical groups in Los Angeles County, managing over 100,000 care members and over 10,000 Medicare advantage members assigned through various health plans. This year, Green Pine signed on with additional new contracts and expanding its coverage area, which will double the number of patients. As a result, the Company will need to expand its full-time workforce.

To take on the extra workload and services, Green Pine created new positions and is committed to hiring 24 new employees (22 Nurses and two Administrative Staff) in its California location to serve new patients.

As an incentive for companies that commit to hiring, training for newly hired employees will be reimbursed at a higher rate, and trainees may be subject to lower post-retention wages. 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.

### **Need for Training**

In 2014, millions of Americans attained health insurance coverage under the ACA. This resulted in a significant increase in the number of patients serviced by Green Pine. To keep up with the new regulations and to better serve its patients, Green Pine is requesting ETP funds to train its staff. Training will focus on the following levels of care to meet the patient's needs and plan of care, including the education or instruction of patients regarding their care, treatment, or services.

ETP-funded training will support Green Pine's objective of maintaining a high performance workplace, promoting advanced employee job skills and improving the patient care experience. The proposed training will focus on Patient Care Experience Improvement Project, an initiative to enhance patient care experience, which include communication with doctors and nurses, medications, pain management, quality of discharge instructions, cleanliness of environments, home safety, and infection prevention and control. This proposal will also focus on training the staff on the company's Electronic Medical Record system as well as new equipment which is continuously being updated to ensure efficient and safe patient care delivery. It is crucial to provide education to staff to ensure the proper operation of the equipment prior to its usage.

### **Training Plan**

Green Pine is prepared to begin training upon Agreement approval. Training will be delivered by in-house subject matter experts and training vendors retained during the contract term.

**Medical Skills Training (55%)** – This training will be provided to RN's and LVN's to stay current with Health Insurance Portability and Accountability Act regulations and advance their knowledge to ensure competencies in various medical procedures and enhancement of patient care experience.

**Computer Skills (15%)** – This training will be provided to all occupations. Training will focus on the Kinnser Agency software and database tools to navigate patient charts for specifications and data. Training will be offered to all occupations to ensure all medical staff can navigate the Electronic Medical Recordkeeping system and document patient information electronically.

**Continuous Improvement (30%)** - This training will be provided to all occupations to improve staff's communication and problem solving skills, enabling them to work independently.

### **RECOMMENDATION**

Staff recommends approval of this proposal.



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

8 - 60      Trainees may receive any of the following:

**CONTINUOUS IMPROVEMENT**

- Communication Skills
- Coordination of Care
- Customer Service
- Documentation
- ICD-10 Coding
- Interdisciplinary Team Process
- Problem Solving
- Team Building
- Quality Improvement

**COMPUTER SKILLS**

- Clinical Services Management Systems
- E-solutions
- Kinnser Agency Manager
- OASIS Reporting (Medicare)
- Electronic Medical Records (EMR) Applications
- Microsoft Office Suite (Word, Excel, PowerPoint)
- Patient Billing & Accounts Receivable (PBAR)

**MEDICAL SKILLS TRAINING – DIDACTIC**

- Advanced Cardiac Life Support (ACLS)
- Annual Skills Update
- Arterial Blood Gas (ABG) Interpretation
- Assessing Cardiac Changes
- Assessing Respiratory Function
- Behavior Management
- Body Mechanics
- Cardiac Conditions
- Care of the PleurX Patient
- Central Venous Access Devices
- Dementia Care
- Diabetic Management
- Disaster & Emergency Preparedness
- Electrolyte Imbalance
- Enteral Feeding Tube Management
- Equipment Skills
- Functional Mobility & Ambulation
- Gastrointestinal Assessment & Management
- Incontinence Management (Colostomy Care, Urinary Catheter)
- Infection Control
- Intravenous (IV) Therapy
- Medication Administration & Management

- Neurological Conditions
- Orthopedic Conditions
- Pain Management (Acute & Chronic)
- Patient Assessment & Care
- Patient Fall Prevention
- Patient Transfer Techniques
- Point-of-Care Laboratory Testing
- Respiratory Care
- Tracheotomy Care
- Urinary Management (Foley Catheter, Input/output)
- Wound Management
- Wound Vac Therapy

**MEDICAL SKILLS TRAINING – CLINICAL PRECEPTOR**

- Rehabilitative Services
- Patient Assessment & Care
- Dementia Care
- Diabetic Management
- Enteral Feeding Tube Management
- Equipment Skills
- Infection Control
- Intravenous (IV) Therapy
- Medication Administration & Management

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:  
**GYL Decauwer LLP**

**Small Business  $\leq$  \$50,000**

**ET15-0357**

**Approval Date:** December 11, 2014

**ETP Regional Office:** North Hollywood

**Analyst:** E. Wadzinski

**CONTRACTOR**

- Type of Industry: Services
- Priority Industry: ☐ Yes ☒ No
- Number of Full-Time Employees
  - California: 22
  - Worldwide: 22
  - Number to be trained: 21
- 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: \$24,024
- In-Kind Contribution: \$46,428

**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	21	8-60	0	\$1,144	\$14.90
				Weighted Avg: 52			

- Reimbursement Rate: \$22 SB Non-Priority
- County(ies): San Bernardino
- Occupations to be Trained: Tax Staff, Audit Staff, Support Staff, Supervisor, Manager, Owner
- Union Representation: ☐ Yes  
☒ No
- Health Benefits: N/A

**SUBCONTRACTORS**

- Development Services: Training Refund Group in Irvine developed the proposal at no cost.
- Administrative Services: Training Refund Group will also provide administrative services for a fee not to exceed 13% of earned funds.
- Training Vendors: To Be Determined

**OVERVIEW**

GYL Decauwer LLP (GYL Decauwer) ([www.gyldecauwer.com](http://www.gyldecauwer.com)) is a mid-sized accounting firm established in 1998 in Pomona. The Company is now located in Ontario. The Company provides accounting and business consulting services to small- and mid-sized businesses including auto dealerships, construction and manufacturing/distribution companies, and not-for-profit entities.

**Training Plan**

GYL Decauwer's location in the Inland Empire, a major area of construction, agriculture and dairy, means that it needs to be up-to-date on the latest accounting rules, tax issues, and business plans to best serve these industries. Tax laws and financial regulations are constantly changing. Training will update the Company's required compliance aspects while upgrading staff tax planning strategies to help grow and improve client profits.

In addition, the business has to continue to deliver outstanding value so its client base and business can grow through reputation, high quality work, and strong recommendations. Beyond the basics of accounting and tax, the Company needs to help clients make sound business decisions which require employees to understand solid business principles.

**Business Skills** (80%) – This training will be offered to all occupations. Training will help employees develop skills to provide quality customer service, deliver informed product presentations and recommendations, and manage project assignments efficiently.

**Computer Skills** (20%) – This training will be offered to all occupations. Training will enable employees to create databases, spreadsheets, reports, charts, graphs, and professional presentation materials to manage projects and assignments more efficiently.

### **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**

- Leadership
- Communication
- Presentations
- Proposal Writing
- Time Recording
- Advanced Audit and Tax
- Standardization Practices
- Financial Services
- Client Services
- Practice Management
- Ownership Thinking
- Cross Training
- Billing

**COMPUTER SKILLS**

- Practice Management Software
- Document Software

Note: Reimbursement for retraining is capped at 60 total hours per-trainee, regardless of method of delivery.

**DELEGATION ORDER****Training Proposal for:****Hospitality Industry Training and Education Fund  
dba Hospitality Training Academy****Agreement Number: ET15-0355****Delegation Order Date: 12/17/14****ETP Regional Office:** North Hollywood**Analyst:** M. Paccarelli**PROJECT PROFILE**

Contract Attributes:	New Hire Multiple Barriers SET	Industry Sector(s):	Services  Priority Industry: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Counties Served:	Los Angeles	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No UNITE HERE Local 11		
Turnover Rate:	≤0%		
Managers/Supervisors: (% of total trainees)	≤20%		

**FUNDING DETAIL:**

<b>Program Costs</b>	+	<b>Support Costs</b>	=	<b>Total ETP Funding</b>
\$90,000		\$8,620 12%		\$98,620

In-Kind Contribution:	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	New Hire	Commercial Skills, Business Skills, Job Readiness Skills	10	8-90	0	\$1972	* \$13.31
				Weighted Avg: 90			
2	New Hire Multiple Barriers SET	Commercial Skills, Business Skills, Literacy Skills, Job Readiness Skills	30	8-120	0	\$2,630	* \$13.31
				Weighted Avg: 120			

\* It will be made a condition of contract that the trainees in Job Numbers 1 and 2 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. This is the CY2015 wage, which is slightly lower than the CY2014 wage for new hire training in Los Angeles County. The contract effective date is 2/2015.

**Minimum Wage by County:** \$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

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

### **Wage Range by Occupation**

Occupation Titles	Wage Range	Estimated # of Trainees
Housekeeper/Guestroom Attendant		40

## **INTRODUCTION**

The Hospitality Industry Training and Education Fund dba Hospitality Training Academy (HTA) ([www.lahta.org](http://www.lahta.org)) is a 501(c)(3) non-profit institution and a labor-management partnership/Taft-Hartley Fund, that provides benefits to both employers and the UNITE HERE Local 11 labor union.

HTA was launched in 2009 to connect employers, community college and community groups with the workforce development system and, in so doing, ensure that workers were provided access to the training they needed to qualify for and progress in Los Angeles' hospitality sector. HTA has continued to grow and flourish, expanding its work and reach from primarily hotels and event venues within the vicinity of downtown Los Angeles to other cities and communities



throughout the Greater Los Angeles Area such as the LAX corridor, South Los Angeles, Santa Monica, Hollywood, Long Beach, and the San Fernando/San Gabriel Valleys.

The hospitality sector is the City of Los Angeles' largest job generator, bringing in billions of dollars in revenues and hundreds of millions of dollars in taxes annually. Accordingly, the economic status of the tourism industry directly affects the financial health of Los Angeles and its surrounding areas. Los Angeles is the second most visited city in the U.S. for international travelers and among the top five most visited cities by U.S. residents. Yet, Los Angeles' hospitality sector, when compared to its national counterparts, has lower room rates and delivers a lower share of revenues to employees. Investments in human capital leading to heightened productivity are a critical part of growing Los Angeles' market share in the hospitality industry and increasing its profitability.

HTA has successfully helped over 1,000 new and incumbent workers within the County of Los Angeles to find employment, upgrade their skills, and advance in jobs within the sector. HTA is successfully supplying a well-trained, highly-qualified workforce needed to stay competitive and ensure the region's economic growth in the sector.

In this proposal, training will be targeted towards unemployed individuals who are collecting or have exhausted unemployment benefits within the last 24 months; or unemployed individuals with two or more barriers to employment. Upon completion of training, these trainees will be placed into employment as housekeepers/guest room attendants within union establishments such as Loews Santa Monica Beach Hotel, Beverly Hilton Hotel, JW Marriott/Ritz Carlton at LA Live, and Westin Bonaventure Hotel.

## **PROJECT DETAILS**

HTA provides its hospitality partners with a well-trained workforce. HTA does this by delivering a high level of customer service training which is a key skill in the hospitality industry. This training will help reduce many issues that arise with employees in the industry, including disciplinary problems, and assists employers in growing their businesses by meeting their workforce demands.

Today, hotel guests expect more, and better guest services, which can only be provided by having a well-trained staff. For the hotels to meet these expectations, the HTA's partners need to develop employees who work more independently, execute their job tasks more safely and efficiently, better understand their work duties, are able to respond to problems more effectively, and communicate better in English.

### **Marketing and Support Costs**

HTA is well positioned to find eligible new-hire trainees, place them into well-designed training, and give them the support they need to succeed. The new Vernon Central/LATTC American Job Center will act as a pipeline for bringing new-hire trainees into the proposed ETP-funded training. In addition, drawing on the deep community reach of community and faith-based organizations like Clergy and Laity United for Economic Justice-Los Angeles and neighborhood churches, HTA will bring its new hire program to areas most in need of jobs.

HTA has several methods for conducting outreach and recruitment for the proposed training programs. Through mailings, informational flyers, personal contacts, telephone calls, emails, and the website, class information will be disseminated throughout the year to community partners within the jurisdiction, as well as to the signatory hotels. Application announcements for the program will be circulated to local, state and federal agencies as well as to local community colleges. While some participating employers and new hires have already been recruited, additional recruitment is still needed to support a greater pipeline. In addition, ongoing assessment activities with trainees must occur to ensure quality hospitality training.

For these reasons, HTA is requesting 12% support cost which will cover the costs of recruitment and assessment of individuals for its programs and potential employers for trainee placement. The projected budget costs for personnel alone will exceed the ETP support cost funding and HTA agrees to cover these additional costs. Staff recommends the 12% support costs, which is consistent with Panel policy for a New Hire trainee population.

### **Curriculum Development**

With input from both labor and management representatives, HTA has developed and customized a hospitality curriculum to address the local needs of its members, participating employers and the industry. The union was directly involved in the development of this curriculum and training plan and is in full support of the training plan. All trainees will be placed in union establishments and, upon completion of their 90-day probation period will be eligible for union membership with UNITE HERE Local 11. [Note: By Coincidence this is the same time period as retention for ETP.]

Feedback on the ETP-funded program will come directly from the employers and trainees, as well as from union representatives. It will include workplace performance, customer requests, industry needs, and course evaluations.

### **Training Plan**

**Commercial Skills** (50%) – This training will consist of the daily work skills needed by a housekeeper/guestroom attendant and will be designed to help trainees meet both employers and guest expectations. Accordingly, the trainees will learn how to set up a room efficiently and to meet higher levels of guest expectations. Trainees will also be learning more about the hospitality industry's green initiatives and how to implement this while on the job.

**Business Skills** (10%) – This training will be provided to all occupations and is crucial to achieving increased guest services. HTA will focus on teaching trainees to understand and implement higher guest service skills. With these skills, trainees will be able to improve their guest service performance and elevate their hotels to higher ratings.

**Literacy Skills** (15%) – This training will be provided to all occupations. Without English skills, the trainees will not be able to improve their guest service skills or participate fully in the other training that will be offered to them. HTA has identified the minimum levels of communication skills necessary for the work that trainees will do at the hotels and has developed testing and learning materials customized to meet the hotels' local needs. Literacy Skills training will not exceed 45% of trainee's total training hours in Job Number 1. (see T.22 CCR Section 4420.)

**Job Readiness Skills** (25%) – This training will be provided to Housekeeper/Guestroom Attendant trainees in Job Number 2 who do not have work experience. This will help prepare them for the job market, and increase the likelihood of finding suitable employment at the

completion of training. Literacy Skills and Job Readiness Skills combined will not exceed 50% of the trainee's total hours in Job Number 2. (See T.22 CCR Section 4409 (a)(7).)

### **Commitment to Training**

HTA represents that ETP funds will not displace the existing financial commitment to training of participating employers.

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

#### **➤ Training Infrastructure**

HTA's Executive Director and Director of Administration & Grants will be the main contacts for the duration of the Agreement and will assist with the marketing, recruitment, needs assessments and scheduling of training. The HTA has also hired a vendor to aide in the administration of the ETP program (see Administrative Services).

### **Special Employment Training**

Because this is New Hire training, there is no requirement for out-of-state competition. (T.22, CCR Section 4416(a).) However, Job Number 2 will be funded as SET for trainees with "multiple barriers" to employment in order to extend their hours of training in Literacy Skills and basic Job Readiness Skills. This is because SET Multiple Barrier trainees may receive a combined total of up to 50% training hours in these skills; the other 50% must be in vocational skills. (T.22, CCR Section 4409(a)(7).)

### **Retention Modification**

Due to the cyclical nature of employment in the hospitality industry, HTA is requesting a retention modification including retention to be satisfied by employment of at least 500 hours within 150 days. This is in addition to the full-time employment retention period of 35 hours a week for 90-days.

### **Trainer Qualifications**

HTA has one part-time instructor who will assist with the training, as well as four trainers from UNITE HERE Local 11 and one contracted instructor from the Los Angeles Trade Technical College, Los Angeles Valley College, and Los Angeles Unified School District respectively. All classes will be center-based provided at HTA's new state-of-the-art facility, complete with training rooms and 3 model hotel guest rooms.

### **Tuition Reimbursement**

HTA 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**

The California Labor Federation assisted with the development of this proposal at no cost.

## **ADMINISTRATIVE SERVICES**

HTA retained Strategy Workplace Communications in Oakland to perform administrative services in connection with this proposal for a fee of 13% of payment earned.

## **TRAINING VENDORS**

Los Angeles Trade Technical College (Los Angeles) – Commercial Skills  
Los Angeles Valley College (Van Nuys) – Business Skills  
Los Angeles Unified School District, Division of Adult and Career Education (Los Angeles) –  
Literacy Skills  
UNITE HERE Local 11 (Los Angeles) – Commercial Skills

## **Exhibit B: Menu Curriculum**

### **Class/Lab Hours**

8 – 90 (Job 1)

8 – 120 (Job 2) Trainees may receive any of the following:

### **COMMERCIAL SKILLS**

#### **Room Attendant Skills**

- Introduction to Hospitality Industry
- Overview of Guest Room Features
- Bed Making - Sheets, Pillowcases, Duvets
- Cart Loading
- Cleaning Skills - Toilet, Tub, Mirror, Sink, Amenities
- Vacuuming, Cleaning, Dusting and Polishing Guest Rooms
- Understanding Housekeeping Industry Terms
- Entering the Guest Room
- Ensuring Security of Guest Rooms
- Privacy and Confidentiality of Guests
- Stocking the Cart and Sorting Supplies
- Completing the Required Reporting Forms
- Proper Entry of a Hotel Room – the “Do’s and Don’t’s”
- How to Handle Difficult “Guest Encounters”
- Importance of Following Security, Fire, Safety and Other Emergency Procedures
- Proper Lifting and Bending Techniques
- When to Call for Help; What Do Employees and Guests Do In Case of Emergency
- Handling “Lost and Found” Items

#### **Green Initiatives/Eco-Friendly/Proper Handling of Chemicals/Biohazards**

- Defining “Green” and “Eco-Friendly” and Why is this Important
- Blood Borne Pathogens
- “Safety Data Sheets” for Each Chemical Used
- Safe Storage of Chemicals and Ensuring Proper Ventilation
- Rules on Not Mixing Chemicals, Even if they are the Same Types of Chemicals
- Minimizing Waste and Conserving Resources
- Raising Environmental Awareness and Ensuring “Green” Practices
- Reaching Sustainable Energy Efficiency Goals
- Proper Disposal of Chemicals and Other Items

### **BUSINESS SKILLS**

#### **Customer Service**

- Professionalism in the job
- Importance of maintaining personal grooming and hygiene
- Communication and Tone (Verbal and Non-Verbal)
- Body Language
- Customer Complaints/Handling Difficult Customers

- Team Work
- Cultural Diversity
- Taking Supervision and Constructive Criticism
- Providing a High Level of Customer Service/“Going Above and Beyond”

**JOB READINESS BASIC SKILLS**

*(cannot exceed 50% of the trainee’s total training hours)*

- Getting the Job: Resume, Interviewing, Applications, Communication
- Keeping the Job: Uniform, Body Language, Punctuality, Seniority
- Employer Responsibilities and Worker’s rights

**LITERACY SKILLS (Job Number 2 only)**

*(cannot exceed 45% of total training hours per-trainee)*

**Vocational English As A Second Language**

- Room Attendant Terminology in English
- Hotel Language Versus Everyday Language
- Basic Conversational English with Guests - No Hiding from the Guests
- Understanding “Signal Words” such as Caution, Warning and Danger
- Saying “No” Without Saying “No”
- Completing the Required Reporting Forms

Note: Reimbursement for retraining is capped at 90 total training hours per trainee in Job Number 1 and 120 total training hours per trainee in Job Number 2. Literacy Skills cannot exceed 45% of training hours on a per-trainee basis under Job Number 1. Job Readiness Basic Skills, combined, cannot exceed 50% of training hours on a per-trainee basis under Job Number 2.

# UNITE**HERE!** LOCAL 11

November 17, 2014

Subject: HTA Proposal to Employment Training Panel

Dear Panel Members,

I am writing on behalf of UNITE HERE Local 11 in support of the Hospitality Training Academy's (HTA) ETP application. The training to be provided under the application will greatly enhance the skills of those seeking employment in the hospitality sector.

Should you have any questions, please feel free to contact me at (213) 481-8530, ext. 262.

Sincerely,



Kristin Reeg  
Director of Airports

**MAIN OFFICE**

464 S. Lucas Ave., Suite 201  
Los Angeles, CA 90017  
(213) 481-8530 • Fax (213) 481-0352

**GARDEN GROVE OFFICE**

13252 Garden Grove Blvd., Suite 200  
Garden Grove, CA 92843  
(714) 750-4373 • Fax (714) 750-2683

**AIRPORT OFFICE**

4634 W. Imperial Hwy.  
Inglewood, CA 90304  
(310) 671-0720 • Fax (310) 671-5021

**RETRAINEE - JOB CREATION****Training Proposal for:****Ingram Micro Inc.****Agreement Number: ET15-0324****Approval Date:** November 18, 2014**ETP Regional Office:** San Diego**Analyst:** J. Davey**PROJECT PROFILE**

Contract Attributes:	Retrainee Priority Rate Job Creation Initiative SET	Industry Sector(s):	Services Technology/IT Transportation/Logistics Wholesale Trade Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Alameda, Los Angeles, Orange, Riverside, Sacramento, San Diego, Santa Clara	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: 1,500	U.S.: 4,065	Worldwide: 21,500
<u>Turnover Rate:</u>	4%		
<u>Managers/Supervisors:</u> (% of total trainees)	17%		

**FUNDING DETAIL**

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$80,500		\$0	\$0		\$80,500

In-Kind Contribution:	100% of Total ETP Funding Required	\$121,828
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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 Improvement	75	8-200	0	\$450	\$14.90
				Weighted Avg: 30			
2	Retrainee SET	Business Skills, Computer Skills, Continuous Improvement	15	8-200	0	\$450	\$27.09
				Weighted Avg: 30			
3	Retrainee Job Creation Initiative	Business Skills, Computer Skills, Continuous Improvement	50	8-200	0	\$800	\$12.19
				Weighted Avg: 40			

**Minimum Wage by County:** Job 1: Alameda & Santa Clara Counties - \$16.25/hr.; Los Angeles - \$16.04/hr.; Orange - \$15.98/hr.; Riverside - \$14.90/hr.; Sacramento - \$15.59/hr.; San Diego - \$15.60/hr.

Job 2: Statewide - \$27.09/hr.

Job 3: Alameda & Santa Clara Counties - \$13.55/hr.; Los Angeles - \$13.37/hr.; Orange - \$13.32/hr.; Riverside - \$12.19/hr.; Sacramento - \$12.99/hr.; San Diego - \$13.00/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 \$1.99 per hour may be used to meet the Post-Retention Wage

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Corporate Support/Operations Staff I		13
Corporate Support/Operations Staff II		10
Finance/Accounting Staff I		4
Finance/Accounting Staff II		4
Information Services/Technical Staff I		5
Information Services/Technical Staff II		5
Sales/Marketing Staff I		5

Sales/Marketing Staff II		5
Warehouse/Logistics Staff		10
Managers I		7
Managers II		7
Occupation Titles – Job 2: SET Retrainee	Wage Range	Estimated # of Trainees
Corporate Support/Operations Staff		5
Information Services/Technical Staff		5
Sales/Marketing Staff II		5
Occupation Titles – Job 3: Job Creation	Wage Range	Estimated # of Trainees
Corporate Support/Operations Staff I		5
Corporate Support/Operations Staff II		5
Finance/Accounting Staff I		5
Finance/Accounting Staff II		5
Information Services/Technical Staff I		5
Information Services/Technical Staff II		5
Sales/Marketing Staff I		5
Sales/Marketing Staff II		3
Warehouse/Logistics Staff		5
Managers I		5
Managers II		2

## **INTRODUCTION**

Founded in 1979 and headquartered in Santa Ana, Ingram Micro Inc. (Ingram Micro) is one of the world's largest technology distributors, as well as one of the world's leading technology marketing, sales, and logistics companies. Ingram Micro creates value in the markets it serves by extending the reach of its technology partners, capturing market share for resellers and suppliers, creating innovative solutions comprised of both technology products and services. The Company supports global operations through an extensive sales and distribution network throughout North America, Europe, Middle East and Africa, Latin America and Asia-Pacific.

In 2005, Ingram Micro purchased AVAD, LLC, an industry leading distributor of home technology integration solutions for custom installers in the United States. The Company, now a subsidiary of Ingram Micro, will also participate in this training project.

Ingram Micro's headquarters facility in Santa Ana and the AVAD LLC corporate office in Sherman Oaks are eligible for standard retraining. The Ingram Micro Inc. locations in Mira Loma and Elk Grove are eligible for retraining under the Out-of-State Competition Provisions as a computer and computer equipment and software merchant to their customers located inside and outside of California. The remaining Avad LLC locations in Irvine, Livermore, Van Nuys, San Diego, and San Jose are to be funded under the Special Employment Training (SET) funds targeting frontline workers for AVAD's local Branch Sales Offices.

Job Number 1 trainees are employed at Ingram Micro's Santa Ana headquarters facility, the Mira Loma Distribution Center, AVAD LLC's corporate facility in Los Angeles, and the Ingram Micro Logistics Center in Elk Grove. Job 2 SET trainees will be trained at AVAD LLC's locations in Irvine, Livermore, Van Nuys, San Diego, and San Jose. Job Number 3, Newly-Hired retrainees will be employed at Ingram Micro's and AVAD LLC's centers at all nine locations identified for training in this proposal.

## **PROJECT DETAILS**

As a global company, Ingram Micro is continually expanding its products and services to new and existing customers. The global opportunity around cloud services continues to grow rapidly as businesses and consumers move to secure, anywhere, anytime computing. As a global organization, Ingram Micro Cloud is strategically aligned with the future of technology. The Ingram Micro Cloud Marketplace is a transactional online marketplace for channel partners and IT professionals to educate themselves, browse, buy, deploy and manage a comprehensive suite of cloud services with ease and efficiency directly from Ingram Micro.

The Company is expanding Ingram Micro Cloud, which features more than 200 solutions and 70 vendors, into a worldwide services organization to accelerate the adoption of cloud services. It now operates in approximately 170 countries and is clearly differentiated by its people, processes and platform. The new Ingram Micro online marketplace will adopt a global platform that is built to enhance the marketplace's capabilities and introduce a new series of cloud management services.

As part of its growing cloud services, Ingram Micro implemented a global organizational realignment earlier this year to more effectively align multiple business units and functional teams on a global level. Now that the Company has team members in the desired roles and organizational structures aligned globally, Ingram Micro must focus on building a greater global mindset through training. Team members now have peers in, and direct reports in other countries and regions.

In 2014 and 2015 the Company is focused on building frontline workers' ability to operate more effectively in its global work environments to ensure that team members are productive, engaged, and fully understand how to best function under the new organizational structure. Many of Ingram Micro's managers in California now manage more direct reports in other countries worldwide. This new management structure requires Ingram Micro to further advance their ability to coach, manage, train, and develop team members from afar with consideration of different cultural barriers and needs. In early 2015 the Company will be developing and delivering a manager development program for all managers throughout the organization to develop of these new skill sets.

Additional training initiatives include advanced strategic selling programs for its sales staff to support a more advanced, long-term approach to working with customers. The sales training programs will focus on detailed identification of relationships with customers, understanding the full competitive landscape and value proposition, and working to advance the Company's ability to influence the customer's success.

The Company intends to continue to broaden and migrate its capabilities in specialty product and service offerings across its global footprint. It will be critical for Ingram Micro to continue its capabilities and adaptability to new business models to make the Company a valued business partner with opportunities for growth and increased profitability.

## Prior Training

In the first project, training was to be conducted at the Elk Grove facility distribution center in Business, Computer, Continuous Improvement, Management and Literacy skills. However, they were unable to complete the project due to a reduction in staff resulting from the downturn in the economy at that time (see Prior Project Table).

In the second project, Ingram Micro's Santa Ana corporate and Mira Loma distribution center sought ETP funding primarily for a major SAP ERP system implementation that ran into delays and was eventually scrapped until the technical issues are resolved and the system can be fully implemented. However, the company was able to conduct other training for its workforce but performed at less than 70%. However, the Company did use a significant amount of ETP funding to provide training programs to help improve employee job knowledge and expertise. The Company saw a direct impact to the level of engagement of its associates relative to advancing their skills in a variety of areas based on their job roles and specific development plans.

For this third project, Ingram Micro will primarily focus on new business needs as described below. In addition, the Company will also provide new product training begun in the last project that was not delivered to those in need of training. SAP ERP training will be given to only key staff, such as Information Services/Technical Staff.

## Retrainee - Job Creation

In support of job creation, the Panel offers 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.

Ingram Micro has committed to hiring 50 new 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.

Ingram Micro has acquired several companies in the past few years and needs to increase hiring new employees to support to these new facilities and functions. Training these new employees in skills such as business strategies, customer service/support, distribution/logistics/supply chain, and industry best practices will allow them to successfully integrate into the Ingram Micro business culture. In addition, to support the development and roll out of the new products and services, the Company must continue to add new employees. This will allow Ingram Micro to take on additional customers in the midst of its current growth pattern. The 50 Newly-hired retrainees that will be hired during the term of the Agreement represent 3.3% of the current California workforce.

## Training Plan

Ingram Micro will provide a customized range of skills that will give its employees the ability to transition to its new global organizational structure, provide its clients a broader set of services and improve the overall skill level of its employees. Trainees will receive class/lab instruction in the following skills:

**Business Skills (50%):** This training will be offered to all trainee occupations and will provide supplemental business skills in areas such as business strategies, customer service/support, distribution/logistics/supply chain, industry best practices and new/upgraded products and services. This training will improve the ability of the workforce to provide better customer service and improve overall business management.

**Computer Skills (20%):** This training will be offered to all trainee occupations and will provide necessary supplemental computer skills in areas such as business information/data warehouse skills, intermediate/advanced Microsoft Office, and SAP. This training will enable the Company to properly use, manage, and improve the efficiency of these systems.

**Continuous Improvement (30%):** This training will be offered to all trainee occupations. The goal of Continuous Improvement Skills training is to improve the Company's efficiencies and productivity by implementing improved processes throughout the organization. It will be important for all occupations to receive training in areas such as creative/critical thinking, developing leaders, collaboration/innovation, and process/performance improvement in order for them to work efficiently in the growing and changing Ingram Micro environment and have the necessary skills to perform their job function.

### **Commitment to Training**

Ingram Micro provides on-going training including anti-harassment, OSHA safety training, new hire orientation, stress management, basic computer skills, performance management skills and other training. The Company expects to invest \$1.5 million in training for 2014 in California.

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.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

### **PRIOR PROJECTS**

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET09-0504	Elk Grove	4/1/09 – 3/31/11	\$73,872	\$0
ET12-0419	Santa Ana, Mira Loma, Elk Grove	6/30/12 – 6/29/14	\$154,836	\$81,157 (52.5%)

*See prior performance above for explanation.*

ET09-0504: Ingram Micro reports that training in its first ETP project was scheduled to be delivered at its Elk Grove facility. Company representatives at the Elk Grove facility report that they were unable to conduct any fundable training due to the downturn in the economy at that time. The Elk Grove facility had to reduce employee count shortly after the term of the Agreement began and was unable to release the remaining employees for training due to greater workload at reduced staffing levels.

ET12-0419: This project was developed to deliver training primarily for the implementation of a new SAP system. Due to implementation issues in other regions of the world, the Company decided to put the U.S. SAP implementation on hold, thereby reducing the amount of training Ingram Micro provided to its frontline workforce. The administration of the ETP project was also reassigned to the Learning & Development team after the SAP implementation was cancelled.

Ingram Micro will take the following steps to insure improved performance in this new proposal:

- SAP ERP implementation will not be the major focus of this training project. Instead the Company will focus on supplemental training to support its global realignment and Cloud services.
- With the experience gained in the previous ETP project, Ingram Micro's Learning and Development team now understands the ETP program, including project administration, tracking and training eligibility, and is now poised to effectively manage this next ETP project.
- The Company has reduced the funding request by almost 50% to be more in-line with what was earned in the previous ETP Agreement, which will also allow this Agreement to be more successful.
- The Elk Grove distribution and logistics center has stabilized its workforce so that training will lead to a more successful outcome.

### **DEVELOPMENT SERVICES**

Ingram Micro retained Training Funding Partners in Tustin to assist with development of this proposal for a flat fee of \$6,900.

### **ADMINISTRATIVE SERVICES**

Training Funding Partners 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

**Exhibit B: Menu Curriculum****Class/Lab/E-Learning Hours**

8 - 200

Trainees may receive any of the following:

**Business Skills**

- Business Strategies
- Communication/Feedback/ Conflict Resolution
- CPIM (Certified in Production and Inventory Management) Certification
- CSCP (Certified Supply Chain Professional) Certification
- Customer Service/Support
- Distribution/Logistics/Supply Chain
- Finance/Accounting
- Industry Best Practices
- Negotiation/Influence
- New technologies Presentation Skills
- New/Upgraded Products/Technologies/Services
- Strategic Selling

**Computer Skills**

- Business Information/Data Warehouse Skills
- Cisco VoIP
- Cloud Computing
- Customer Relations Management (CRM) System
- Intermediate/Advanced Microsoft Office
- Microsoft Outlook
- SharePoint
- Systems/Programming/Technical Skills

**Continuous Improvement Skills**

- Collaboration/Innovation
- Creative/Critical Thinking
- Developing Leaders
- Increased Productivity/Efficiency
- ISO Training
- Leading Change
- Motivation/Engagement
- Process/Performance Improvement
- Quality Assurance/Quality Control
- Six Sigma
- Statistical Process Control

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

**DELEGATION ORDER**



**Retrainee – Job Creation  
Training Proposal for:  
Klean Kanteen, Inc.**

**Small Business  $\leq$  \$50,000**

**ET15-0337**

**Approval Date:** November 21, 2014

**ETP Regional Office:** Sacramento

**Analyst:** W. Sabah

**CONTRACTOR**

- Type of Industry: Manufacturing
- Priority Industry: ☒ Yes ☐ No
- Number of Full-Time Employees
  - California: 50
  - Worldwide: 50
  - Number to be trained: 52
- 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: \$49,816
- In-Kind Contribution: \$52,655



**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, Mfg Skills, Mgmt Skills, PL-Mfg Skills	44	8-60	0-10	\$1,014	\$14.90
				Weighted Avg: 39			
2	Retrainee Job Creation Initiative SB <100 Priority Rate	Business Skills, Computer Skills, Continuous Impr, Mfg Skills, Mgmt Skills	8	8-60	0-10	\$650	\$12.50
				Weighted Avg: 25			

- Reimbursement Rate: Job #'s 1 and 2: \$26 SB Priority
- County(ies): Butte County
- Occupations to be Trained: Sales Staff, Customer Service Staff, Managers  
Administrative Staff, Operations Staff
- Union Representation: ☐ Yes  
☒ No
- Health Benefits: Job #1: \$2.41 per hour; Job #2: \$2.00 per hour

**SUBCONTRACTORS**

- Development Services: N/A
- Administrative Services: N/A
- Training Vendors: To Be Determined

**OVERVIEW**

Klean Kanteen, Inc. (Klean Kanteen) ([www.kleankanteen.com](http://www.kleankanteen.com)), founded in 2004 and located in Chico, is a family owned business that provides customers with high-quality stainless steel goods that replace a lifetime of single-use items. The Company manufactures reusable and organic customized products such as steel bottles, cups and tumblers that are Co-branded to meet their customer's unique specifications. Klean Kanteen's customer are located throughout the United States and include Amazon, Whole Foods, REI and Peet's Coffee.

**Need for Training**

Consumers are demanding more reusable and organic products, creating a large demand for Klean Kanteen. To meet the demands, Klean Kanteen must improve processes and procedures while developing trainee skills through formal training. The Company also purchased new printing machines and new system modules (to their ERP system) to become

more efficient. The Company purchased Material Requirements Planning (MRP) and Bill of Materials (BOM) software systems to increase efficiency with forecasting, ordering, receiving and managing. In addition, they will integrate Contact Resource Management (CRM) and Electronic Data Interchange (EDI) software systems to improve customer relations.

### **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.

Over the last six years, Klean Kanteen has expanded substantially, increasing its staff from 30 employees to 50 employees. Just this year, sales have increased 25%, and over the next five years, the Company is expecting 12-25% growth each year based on an increase in sales volume and customer demand. To meet this demand, the Company will hire eight new employees and will be moving from a 20,000 sq. ft. facility to a 50,000 sq. ft. facility in April 2015 in order to house 3 new printers, a new forklift, a pallet wrapper, and a bailer.

For this proposal, Klean Kanteen has committed to hiring eight 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.

### **Training Plan**

Training will allow the Company to achieve greater efficiencies, improve business skills and enhance customer satisfaction and will help Klean Kanteen gain an advantage over their competition while fostering growth.

**Business Skills** – Training will be offered to all trainees to improve communication skills, increase proficiency and improve productivity. Training will include course topics such as Communications Skills, Customer Service Skills, Developing Sales/Marketing Strategies and Inventory Control. Training will support the Company’s growth strategies to increase sales and improve customer service.

**Computer Skills** – Training will be offered to all trainees to expand and enhance their skill set in their upgraded internal software system. Training will include topics such as Microsoft Office (Intermediate/Advanced), MAS 2014 Material Resource Planning, MAS 2014 Bill of Materials, Sales Forecasting and EDI which will enable employees to utilize computer applications to collect and analyze data, develop performance metrics, and manage processes efficiently.

**Continuous Improvement** – Training will be offered to all trainees to maintain quality, improve efficiency and reduce waste. Training will provide trainees with the skills to analyze and improve production processes, solve problems, and implement sustainable processes and include topics such as Lean Enterprise, Process Improvement, Strategic Planning, Quality Systems Management and Quality Inspection.

**Manufacturing Skills** - Training will be offered to Operations Staff. Training topics will include Inventory Control, Cross-Training, Warehousing, Sourcing & Logistics and Special Production Equipment. Training upgrade trainee skills, improve efficiency and increase production to reduce lead times and waste.

**Management Skills** – Training will be offered to Managers only. Training will include topics such as Project Management, Collaborative Leadership, Supervisor Development, Effective Meetings and Organizational Development. Managers will require training on how to provide effective leadership, improve productivity, and how to motivate staff.

### **Productive Lab (PL)**

Klean Kanteen plans to train three incumbent Operations Staff in PL - Manufacturing Skills on the three new printing machines. The new printing machines will be customized for cylindrical logo applications to co-brand Klean Kanteen's manufactured products. These customized co-branding printing capabilities are highly requested by customers and will increase sales volume by meeting customer demand.

Klean Kanteen will deliver a maximum of 12 hours of PL training per trainee at a trainer-to-trainee ratio of 1:3. Due to the size and cost of the machine, training can only be performed in a live setting and is not available in a simulated lab environment. And, since there are only three trainees and one trainer, training three at one time will be more time efficient.

During PL training, production is expected to decrease. The trainer will perform tasks, provide specific instructions, and observe trainees as they perform the tasks. Trainees will learn to apply multi-color paint to stainless steel products using camera registration, digital software and etching. Trainees will also learn how to utilize software applications, set up machines, and troubleshoot digital issues. Once training is complete, trainees will be able to produce co-branded products on their own.

### **Computer-Based Training (CBT)**

CBT hours are capped at 50% of total training hours per-trainee. Administrative Staff, Customer Service Staff, and Sales Staff routinely use CBT as an efficient delivery method.

### **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**

- Communication Skills
- Conflict Management Skills
- Customer Relationship Management
- Customer Service Skills
- Individual Contributor Development
- Time & Priority Management
- Change Management
- Developing Sales/Marketing Strategies
- Inventory Control
- Logistics
- Project Management

**COMPUTER SKILLS**

- Microsoft Office (Intermediate/Advanced)
- MAS 2014 Material Resource Planning
- MAS 2014 Bill of Materials
- MAS 2014 Work Order
- Sales Forecasting
- Sugar Customer Relationship Management
- MAS 2014 Human Resources Management
- MAS 2014 Business Intelligence
- EDI
- Logistics

**CONTINUOUS IMPROVEMENT**

- Lean Enterprise
- Process Improvement
- Strategic Planning
- Quality Systems Management
- Quality Inspection
- Value Stream Mapping
- Maximizing Team Performance
- Social Media & Marketing
- Managing the Metrics

**MANAGEMENT SKILLS** (for Managers/Supervisors only)

- Facilitating a Collaborative Work Culture
- Time Management
- Planning and Decision Making
- Project Management
- Performance Based Coaching
- Maximizing Team Performance
- Maximizing Strengths
- Leadership Conversations

- Emotional Intelligence
- Organizational Development
- Collaborative Leadership

**MANUFACTURING SKILLS**

- Inventory Control
- Cross-Training
- Warehousing
- Sourcing & Logistics
- Special Production Equipment/Tools

**Productive Lab Hours**

0-12

**MANUFACTURING SKILLS (limited to 1:3 ratio)**

- Cylindrical Screen Print Machine with Optical Registration
- Cylindrical Digital Print Machine
- Cylindrical Laser Etch Machine

**CBT Hours**

0-10

**COMPUTER SKILLS**

- Microsoft Office (Intermediate/Advanced) (5 hours)

**CONTINUOUS IMPROVEMENT**

- Time Management (5 hours)

<p>Note: Reimbursement for retraining is capped at 60 total hours per-trainee, regardless of method of delivery. PL is capped at 12 hours per-trainee. CBT is capped at 50% of total training hours, per-trainee.</p>
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**DELEGATION ORDER**



**Training Proposal for:  
Lusive Decor**

**Small Business  $\leq$  \$50,000**

**ET15-0358**

**Approval Date:** December 8, 2014

**ETP Regional Office:** North Hollywood

**Analyst:** M. Webb

**CONTRACTOR**

- Type of Industry: Manufacturing  
Services  
Priority Industry: ☒ Yes ☐ No
- Number of Full-Time Employees  
California: 62  
Worldwide: 62  
Number to be trained: 60  
Owner ☒ Yes ☐ No
- Out-of-State Competition: Competitors outside of CA
- Special Employment Training (SET): ☐ Yes ☒ No
- High Unemployment Area (HUA): ☒ Yes ☐ No
- Turnover Rate: 16%
- Repeat Contractor: ☐ Yes ☒ No

**FUNDING**

- Requested Amount: \$49,920
- In-Kind Contribution: \$36,495

**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, Manufacturing Skills	45	8-60	0	\$832	\$16.04
				Weighted Avg: 32			
2	Retrainee Priority Rate SB<100 HUA	Business Skills, Computer Skills, Continuous Improvement, Manufacturing Skills	15	8-60	0	\$832	\$12.03
				Weighted Avg: 32			

- Reimbursement Rate: Job #'s 1 & 2: \$26
- County(ies): Los Angeles
- Occupations to be Trained: Administration Staff, Designer, Manager, Owner, Production Staff
- Union Representation: ☐ Yes  
☒ No
- Health Benefits: Job #1: \$1.04 per hour Job #2: \$1.03 per hour

**SUBCONTRACTORS**

- Development Services: California Manufacturing Technology Consulting in Torrance assisted with development at no cost.
- Administrative Services: California Manufacturing Technology Consulting will also provide administrative services for a fee not to exceed 13% of payment earned.
- Training Vendors: To Be Determined

**OVERVIEW**

Founded in 2002, Lusive Décor (Lusive)(www.lusive.com), is a design-based manufacturing firm headquartered in Los Angeles. The Company designs, manufactures, installs, and ships custom lighting fixtures to clients in the US and over seas. Other services include consultation and management services. Lusive is well known for its authentic, hand-crafted products, designed with modern manufacturing and project management techniques.

The Company utilizes “just-in-time” manufacturing processes to develop and deliver products to clients. Clients include large hospitality companies such as Hilton, Starwood, Marriot, Westin, Omni, and Hard Rock Hotels. Lusive’s development team works with architectural companies to

develop their design specifications from concept to completion/installation. Consultation services include assistance in cost planning, designing to budget, expediting fabrication and on-time delivery methods.

The lighting industry has seen significant changes in technologies geared toward energy conservation and management such as green energy power supplies and LED lamps. To remain competitive, the Company has developed internal initiatives that will improve employee skill sets and offer clients better lighting solutions to meet their needs. Training provided will update staff on new technologies to maintain client levels and compete with large national brands. This will be Lusive Décor's first ETP Agreement.

## **Training Plan**

To meet demand, Lusive will upgrade employee skill sets to gain efficiencies, maximize effectiveness, and guarantee customer satisfaction. Curriculum has been developed to streamline operations and meet increased work levels. Trainees will learn to implement new methods such as Five (5)S and Lean Enterprise to reduce waste and unnecessary steps currently used when designing or building products. By doing so the Company will lower the number of errors and reduce cost.

**Business Skills:** Training will be offered to Administrative Staff and Managers to improve customer service skills. Courses provided to staff will also enhance overall effectiveness with tools such as QuickBooks and financial statements.

**Computer Skills:** Training will be offered to all occupations to ensure staff is capable of executing job duties using Lusive's manufacturing resource planning tools. Courses include Five S, Leadership Skills, and Lean Enterprise. Training in this area will increase staff knowledge and information sharing efforts.

**Manufacturing Skills:** Training will be offered to Production Staff, Designers, and Managers to ensure that workers are knowledgeable in the technical aspects needed to improve product quality, meet industry standards, and meet customer demand. Training in Machine and Tool Operation and Production Tracking will ensure products are being built efficiently with minimal errors.

**Continuous Improvement:** Training will be offered to all occupations to improve time management and organization. Courses delivered will provide trainees with the skills to problem solve and improve team building.

## **HUA**

The 15 trainees in Job Number 2 work in Los Angeles County, a High Unemployment Area (HUA) with unemployment exceeding the state average by at least 25%. 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. The Company requests the full 25% wage modification (from \$16.04 to \$12.03) for these trainees.

## **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**

- Customer Service
- Financial Statements
- QuickBooks

**COMPUTER SKILLS**

- Outlook
- BaseCamp
- Computer Aided Design (CAD)
- PowerPoint Presentation Skills
- Website Design & Maintenance
- Enterprise Resource Planning (ERP)
- Intermediate Word
- Advanced Word
- Intermediate Excel
- Advanced Excel
- Asana

**CONTINUOUS IMPROVEMENT**

- Time Management & Organizational Skills
- Peak Performance/Process Improvement
- Project Management
- Teams, Team Management & Team Building
- Five S
- Leadership Skills
- Lean Enterprise
- Communication Skills

**MANUFACTURING SKILLS**

- Machine and Tool Operation
- Tool and Tool Corral Organization
- Soldering
- Electrification
- Crating, Packing and Shipping
- Shop Systems
- Maintenance
- Blueprint Reading
- Production Tracking

Note: Reimbursement for retraining is capped at 60 total training hours per trainee, regardless of the method of delivery.
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**Training Proposal for:**  
**Marton Precision Manufacturing, LLC**

**Small Business  $\leq$  \$50,000**

**ET15-0361**

**Approval Date:** December 5, 2014

**ETP Regional Office:** San Diego

**Analyst:** J. Davey

**CONTRACTOR**

- Type of Industry: Manufacturing
- Number of Full-Time Employees
  - California: 37
  - Worldwide: 37
  - Number to be trained: 31
- Priority Industry: ☒ Yes ☐ No
- Out-of-State Competition: NAICS Code Eligible
- Special Employment Training (SET): ☐ Yes ☒ No
- High Unemployment Area (HUA): ☐ Yes ☒ No
- Turnover Rate: 9%
- Repeat Contractor: ☐ Yes ☒ No
- Owner ☒ Yes ☐ No

**FUNDING**

- Requested Amount: \$16,926
- In-Kind Contribution: \$20,161

**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 Improvement, Manufacturing Skills	31	8-60  Weighted Avg: 21	0	\$546	\$15.98

- Reimbursement Rate: \$26 SB Priority
- County(ies): Orange
- Occupations to be Trained: Maintenance Staff, Operations Staff, Production Staff, Quality Assurance Staff
- Union Representation: ☐ Yes  
☒ No
- Health Benefits: \$2.00 per hour

**SUBCONTRACTORS**

- Development Services: Training Refund Group, Irvine, assisted with development for a flat fee of \$1,000.
- Administrative Services: Training Refund Group will also provide administrative services for an amount not to exceed 13% of payment earned.
- Training Vendors: To Be Determined

**OVERVIEW**

Founded in 1986 and located in Fullerton, Marton Precision Manufacturing, LLC (Marton) (martoninc.com), is a premier CNC precision machining company. Marton specializes in large 5-axis milling, Vertical Turret Lathe turning, and thin wall and high speed machining. Marton serves a number of diverse markets including Aerospace, Space & Satellite, Defense, Scientific Instruments, Medical and the Oil & Energy industries. Training will take place at the Company's sole facility in Fullerton.

**Training Plan**

The various industries Marton serves constantly change with the development of new technologies and process improvement requirements. It is critical that Marton initiate operational improvements and train its employees to remain competitive in this dynamic industry. In addition, Marton is currently looking to establish a stronger presence in the Aerospace and Satellite markets and will need to train its workers to provide quality products at competitive prices. Training is targeted to address two needs: the specific, technical job requirements of clients, and changing industry requirements.

Training is expected to help the Company reduce costs, save time, provide quality products, and become more efficient in its processes. To remain competitive in its industry, Marton must becoming a high performance workplace. Training will provide new skill sets to workers in all departments and help the Company achieve operational and company objectives.

**Business Skills** - Training will be offered to all occupations to improve time management skills. Trainees will also receive accounting, sales forecasting, business planning and time management training to support the Company as it continues to grow and compete.

**Computer Skills** - Training will be offered to Production Staff in the Company's software systems to manage complicated production equipment more effectively and meet customer requirements in a timely manner.

**Continuous Improvement** - Training will be offered to all occupations and focus on quality and process improvement to reduce costs, identify and resolve problems, and provide better quality products.

**Manufacturing Skills** - Training will be offered to all occupations in manufacturing procedures, equipment maintenance, and technical processes. Training in production processes will upgrade worker's production efficiency and increase productivity.

### **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
- Time Management
- Sales Forecasting
- Business Planning
- Leadership Skills

**COMPUTER SKILLS**

- Multi Direct Numerical Control
- Master Computer-Aided Design 7

**CONTINUOUS IMPROVEMENT SKILLS**

- Process Improvement
- Six Sigma
- Quality Control & Assurance Procedures

**MANUFACTURING SKILLS**

- Advanced Coordinate Measuring Machine
- Manufacturing Technical Processes
- Blue Print Reading and Schematics
- Geometric Tolerancing
- Equipment Maintenance

Note: Reimbursement for retraining is capped at 60 total hours per-trainee, regardless of method of delivery.

**DELEGATION ORDER****Training Proposal for:****Moldex-Metric, Inc.****Agreement Number: ET15-0343****Approval Date:** December 4, 2014**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:	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: 268	U.S.: 289	Worldwide: 473
<u>Turnover Rate:</u>	12%		
<u>Managers/Supervisors:</u> (% of total trainees)	10%		

**FUNDING DETAIL**

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$96,480		\$0	\$0		\$96,480

In-Kind Contribution:	100% of Total ETP Funding Required	\$112,560
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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, Computer Skills, Continuous Imp., Mfg. Skills	134	8-200	0	\$720	\$16.04
				Weighted Avg: 40			

**Minimum Wage by County:** \$16.04 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 \$2.79 per hour may be used to meet the Post-Retention Wage.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Administrative Staff		22
Operations Support Staff		15
Engineering Staff		12
Production/Maintenance Staff		71
Manager/Supervisor		14

**INTRODUCTION**

Moldex-Metric, Inc. (Moldex) ([www.moldex.com](http://www.moldex.com)) is a manufacturer of hearing and respiratory protection products. The Company's products include disposable and reusable ear plugs and respirators. These products are specifically designed and engineered for industrial worker safety where respiratory and hearing protection is necessary.

With competitors such as 3M and Honeywell, the Company must continually improve its operations and bring new products to market to remain competitive. Moldex is taking steps to increase its organizational flexibility and the following objectives are driving the current need for training:

- Implement new proprietary product lines,
- Cross-train employees for multiple production functions,
- Implement Lean process improvement techniques,
- Improve overall customer service and response time.

The proposed training will also support the Company's plans to automate its existing product lines. In addition to purchasing new and/or modifying existing production equipment, this automation shift will include adding a Bar Coding System to help manage inventory and provide smoother lot control. The Company's goal is to have these planned improvements in place by the end of the second quarter of 2015.

Moldex has two major product groups: Ear Protection and Respiratory Protection. Currently, employees typically learn one sub-production area within a major product group. In order to increase productivity and flexibility, the Company plans to cross-train employees to different functions, enabling Moldex to be more efficient at meeting customer demand.

Moldex has several client companies that have adopted the Lean logic of carrying fewer inventories; therefore, the Company must increase its response time to customer orders. The proposed Lean Manufacturing training is designed to reduce product cycle time through improved supply chain management.

## **PROJECT DETAILS**

### **Training Plan**

**Business Skills** (6%) – Training will be offered to Managers, Administration and Engineering Staff. This training will focus on improving communication with customers and reducing project lead times.

**Computer Skills** (8%) – Training will be offered to Administration Staff and Operations Support Staff. This training is designed to help workers become more proficient in the use of the Company's enterprise resource planning (ERP) system. In addition to ERP training, some workers will receive training on Microsoft Office (Intermediate and Advanced) applications to improve front office productivity.

**Continuous Improvement** (32%) – Training will be offered to all occupations. The Company will be implementing Lean concepts to reduce waste in its operations by standardizing work, resolving process issues, and reducing throughput times.

**Manufacturing Skills** (54%) – Training will be offered to Production/Maintenance Staff. This training will equip workers with the skills and knowledge to operate and maintain equipment (Molding machines and Pouch machines), ensure product quality, and decrease product development time.

### **Commitment to Training**

Moldex spends approximately \$50,000 annually on training. The Company currently provides new hire orientation and some on-the-job training. Safety training is 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**

Kirkpatrick Enterprises International (KEI) in Valencia assisted with development of this proposal at no charge.

## **ADMINISTRATIVE SERVICES**

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

## **TRAINING VENDORS**

KEI will also provide Continuous Improvement training for an amount to be determined.

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

8-200

Trainees may receive any of the following:

**BUSINESS SKILLS**

- Business Communication Skills
- Project Management
- Advanced Customer Relationship Skills

**COMPUTER SKILLS**

- System Networking and Controls
- Intermediate and Advanced Microsoft Office
- Enterprise Resource Planning (ERP)

**CONTINUOUS IMPROVEMENT**

- Lean Manufacturing/6 Sigma
- Total Productive Maintenance
- Leadership Skills for Frontline Workers
- Problem Identification and Resolution

**MANUFACTURING SKILLS**

- Production Equipment Usage
- Equipment Maintenance Skills

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

**Training Proposal for:**

**Moreno Valley Collision, Inc. dba  
Fix Auto Moreno Valley**

**Small Business  $\leq$  \$50,000**

**ET15-0380**

**Approval Date:** December 30, 2014

**ETP Regional Office:** San Diego

**Analyst:** S. Godin

**CONTRACTOR**

- Type of Industry: Services
- Priority Industry: ☐ Yes ☒ No
- Number of Full-Time Employees
  - California: 22
  - Worldwide: 22
  - Number to be trained: 18
- Owner ☒ Yes ☐ No
- Out-of-State Competition: No OSC
- Special Employment Training (SET): ☒ Yes ☐ No
- High Unemployment Area (HUA): ☒ Yes ☐ No
- Turnover Rate: 6%
- Repeat Contractor: ☐ Yes ☒ No

**FUNDING**

- Requested Amount: \$16,896
- In-Kind Contribution: \$13,000

**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		
01	Retrainee SB <100 SET HUA	Business Skills, Commercial Skills, Computer Skills, Cont. Imp., HazMat, PL Commercial Skills	15	8-60	0	\$880	\$14.90
				Weighted Avg: 40			
2	Retrainee SB<100 Job Creation Initiative SET HUA	Business Skills, Commercial Skills, Computer Skills, Cont. Imp., HazMat, PL Commercial Skills	3	8-60	0	\$1,232	\$11.17
				Weighted Avg: 56			

- Reimbursement Rate: Job #'s 1 & 2: \$22 SB Non-Priority
- County(ies): Riverside
- Occupations to be Trained: Administrative Support, Estimator, Technician, Parts/Production Staff, Detailer/Painter, Owner, Manager
- Union Representation: ☐ Yes  
☒ No
- Health Benefits: Job # 1: \$2.22 per hour; Job # 2: \$1.17

**SUBCONTRACTORS**

- Development Services: Synergy Management Consultants in Grass Valley assisted with development for a flat fee of \$1,400.
- Administrative Services: Synergy Management Consultants will also provide administration services for a fee not to exceed 13% of payment earned.
- Training Vendors: To Be Determined

## **OVERVIEW**

Moreno Valley Collision, Inc. dba Fix Auto Moreno Valley (MVC) was originally formed in 2005 ([www.fixautomorenvalley.com](http://www.fixautomorenvalley.com)). This small business joined the Fix Auto Group as an independently owned franchise in 2012. The Company specializes in automotive collision and repair and sales of associated parts and accessories. MVC currently employs 22 full time workers.

## **PROJECT DETAILS**

MVC reports that its need for training is being driven by the Company's strategic plan to increase revenues, raise worker efficiency levels, and provide a higher level of customer satisfaction at competitive prices. To meet this goal, the Company must update the employee product knowledge and technical skill sets, and implement standard operating procedures and process improvements.

Increased consumer demand for vehicles made from lighter metals and recent technological advances in alternative fuel systems has changed the way auto body repairs are done and how repair costs are estimated. Technicians must be able to work with these metals and understand how body repairs differ based on the metal composition of the vehicle. Key training areas include automobile repair that utilize metals such as Boron and ultra-high strength steels and composites, as well as damage assessment for newer technology vehicles. Technicians will also receive technical training needed to meet standards established by the Inter-Industry Conference on Auto Collision Repair (I-CAR), Automotive Service Excellence, and Original Equipment Manufacturer credentials required by most insurers and vehicle manufacturers.

MVC currently participates in Direct Repair Programs (DRPs) as a preferred provider with Geico, Allstate, Esurance, AAA and most recently, USAA. Participating in a DRP provides a streamlined and more efficient process for MVC, the insurance carrier and the customer. Preferred provider status allows MVC to act on behalf of the insurance carrier; eliminates the need for the adjuster to make a trip to the body shop and write an estimate. In addition, the Company does not have to wait for repair approval. DRP participation removes unnecessary steps, reduces cycle time and contains costs.

Each insurance carrier has specific repair guidelines. Estimators and Technicians must have the product knowledge and technical skills to complete estimates and repairs per each carrier's specific criteria to maintain DRP status. The majority of the insurance carriers also require yearly technical skills upgrade training and recertification of Technicians, Estimators and Administrative Support Staff. Although the training varies by carrier, most insurers require Technicians and Estimators to complete a minimum 40 hours of industry specific training each year on the latest repair technology.

Training on revisions to the various software programs used by MVC and updates to each DRP insurance carrier's software will enable employees to navigate the various system components used for estimating, job costing, production planning, and customer communication. Estimators and Administrative Support will also receive training on the latest updates to the proprietary software used by each insurance carrier. Training will be delivered by a combination of training vendors and in-house staff.

## **Retrainee - Job Creation**

MVC states that it experienced an 11% increase in revenue for the period of 1/1/14- 12/17/14 and that its employee count increased from 20 to 22 during the same time period. The Company plans to open a second facility in Riverside County during the fourth quarter of 2015. Based upon its expansion plans, sales volume forecasts, and its new Direct Provider status with USAA, MVC predicts a 20% increase in overall business growth for the next two years. To support its growth plans, MVC will increase its full time workforce, hiring three net new employees included in this proposed ETP Agreement (1 Technician, 1 Estimator and 1 Manager). These new workers will require extensive class/lab and productive lab training to develop the requisite skills needed to facilitate projected growth.

Trainees must be hired within the three month period prior to Panel approval or during the term of the contract. Under the Job Creation Initiative, trainees for SET-funded projects are subject to the ETP minimum wage for new-hires, rather than the SET wage. The Company represents that these trainees will be hired into “net new jobs” as a condition of contract.

## **Training Plan**

ETP-funded training will assist MVC provide formal structured training needed to upgrade the skills of its incumbent and newly hired workers. Training will also promote the professional development of its team members to support sustained, profitable sales growth at its repair facilities.

**Business Skills** - Training will be offered to all occupations and focus on customer relationship building, negotiation skills, and presentation and communication skills. This training will also provide workers with industry-specific claims processing techniques and customer service and engagement skills.

**Commercial Skills** – Training will be offered to Technicians, Estimators, Parts/Production Workers, Detailers/Painters and select Managers. Training will include automotive service and repair skills, new vehicle technologies, aluminum and hybrid repair, alternative fuel vehicle maintenance, and extended I-CAR credentials for collision centers. This training will also teach Estimators and selected Administrative Support Staff how to accurately estimate damage and create repair plans.

**Computer Skills** – Training will be offered to all occupations in the Company’s software systems used to track costs and production flow, schedule service, and connect with customers and insurance carriers. Estimators will receive extensive training on estimating software.

**Continuous Improvement** – Training will be delivered to all occupations. Continuous Improvement topics are designed to promote teamwork throughout the organization, streamline processes, and improve quality, cycle time and cost efficiency.

**Hazardous Materials** – This training will be offered to Technicians, Detailer/Painters and Parts/Production Staff on the safe handling and disposal of hazardous materials.

**Productive Lab – Commercial Skills** – Under the Panel’s Productive Lab (PL) guidelines, trainees may produce goods or perform services for profit as part of the training in the courses identified under the Curriculum. The training will be provided by in-house subject matter experts who are exclusively dedicated to instruction for the entire reported training time.

Many employees enter the automotive collision repair industry lacking requisite “hands-on” technical skills to perform tasks at an optimal level. Due to the nature of vehicle collision repair,

it is essential that certain elements of the proposed training take place in a PL setting to ensure that workers reach required proficiency levels. PL Tasks, competencies and the estimated minutes/hours needed to achieve proficiency for each process/piece of equipment in the PL curriculum have been developed and are included as part of the proposed training plan.

PL training will compliment class/lab training modules listed in the curriculum. PL training will involve the use of resistance spot welders, metal inert gas welders, frame rack and measuring system, paint spray guns, paint spray booths, and various hand tools.

Trainees will receive instruction in collision repair and painting methods, welding of structural parts, measuring frames and uni-body structures, aluminum repair methods, identification of mechanical components, uni-body alignment processes, and advanced vehicle diagnosis and repair. Trainers will certify trainees once competencies are achieved. At the conclusion of PL, trainees will be skilled in the various vehicle repair technologies and able to meet minimum productivity standards.

Approximately 10 Technicians, Painters/Detailers and Estimators will receive up to 24 hours of PL Commercial Skills. Most of the PL training will have a trainer-to trainee ratio of 1:1; however, some repair processes may be performed in teams of up to three. For instance: for the PL Body Filler Methods process, a team of three will be stationed around a full-size vehicle. Each trainee will repair a medium-sized dent on one of the vehicle's steel panels. The trainer is able to give instruction, observe, correct, and provide real time feedback while the team of three trainees simultaneously repairs the vehicle.

### **Special Employment Training/High Unemployment Area**

Under Special Employment Training (SET) companies are not required to demonstrate out-of-state competition. These funds are designated for front-line workers only. To qualify under SET, trainees must be earning at least the statewide average hourly wage at the end of the retention.

All trainees work at the Moreno Valley facility, located in Riverside County. This is a designated High Unemployment Area (HUA), with unemployment exceeding the state average by at least 25%. These HUA trainees qualify for the ETP Minimum Wage of \$14.90 for Riverside County rather than the statewide average hourly wage of \$27.09. MVC has requested this wage modification.

### **Contract Term Limitation**

Although a small business, this project includes a Job Creation hiring component. MVC states that its second facility is scheduled to open during the fourth quarter of 2015. A 24-month Agreement will provide the time needed to train and retain the newly hired employees at the second facility.

### **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**

- Customer Care Skills:
  - Customer Retention
  - Customer Engagement
  - Customer Relationship Building
- Advanced Sales & Marketing Skills:
  - Suspecting, Prospecting & Closing
  - Sales Account Management
  - Advanced Closing Techniques
  - Sales Procedures & Strategies
- Negotiation Skills
- Conflict Resolution
- Communication Skills
- Presentation Skills

**COMMERCIAL SKILLS**

- I-CAR Collision Repair Certification Skills
- Refinishing Skills:
  - Trim & Hardware
  - Surface Preparation
  - Vehicle Priming/Sealing
  - Paint Spray Guns Maintenance & Set-Up
  - Corrosion Protection Process
  - Sand, Buff & Detail
  - Color Theory & Tints
  - Blending Techniques
  - New Technologies
- Structural Repair:
  - Unibody Alignment
  - Three Dimensional Measuring
  - Repair & Replacement of Outer Body Panels
  - High Strength Steels
  - Aluminum Repair Processes
  - MIG Welding Skills
  - Straightening Structural Damage
  - Glass Replacement
  - Pillars, Rocker Panels, Rails, Front Structures & Floor Pan Replacement
  - Heating Cooling and AC Systems
  - Steering & Suspension Systems
  - Advanced & Hybrid Vehicle Systems
  - Composite Materials & Bonding Techniques
- Non-Structural Vehicle Repair Skills:
  - Remove & Install Trim & Hardware
  - Adhesive Bonding



- Diagnose Wind Noise & Water Leaks
  - Aluminum Cosmetic Damage
  - Spot Welding
  - Composite Repair
- Estimating Skills:
  - Steering & Suspension System Damage Analysis
  - Damage on Non-Drivable Vehicles
  - Flood & Fire Damage Analysis
  - Damage on Non-Drivable Vehicles
  - Electrical/Mechanical Systems
  - Stationary Glass
  - Advanced Materials
  - Advanced Vehicle Systems
  - Hail, Theft & Vandalism Damage
- Vehicle Operation, Maintenance & Troubleshooting
- Alternative Fuel & Hybrid Vehicle Repair Diagnostics
- Service Procedures & Scheduling
- Product Knowledge
- OEM Knowledge/Skills

### **COMPUTER SKILLS**

- Summit Software:
  - Job Costing
  - Production Flow
  - Production Planning - ETA Times & Dates
  - Internal & External Customer Communication
- Michell & Michell Repair Center Software
- Nugen IT
- Audatex Software
- CCC Info Systems Software
- Alldata Software
- Microsoft Office Suite

### **CONTINUOUS IMPROVEMENT**

- Teambuilding
- Root Cause Analysis
- Kaizen Event Strategy & Implementation
- Lean Concepts
- Standard Operating Procedures
- Leadership Skills for Frontline Workers
- Process/Quality Improvement
- Problem Solving/Decision Making Skills
- Inventory Control

### **HAZARDOUS MATERIALS**

- Completing Material Safety Data Sheets
- Volatile Organic Compound Tracking
- Emergency Clean-Up
- Registration, Evaluation, Authorization & Restriction of Chemical Substances

**Productive Lab**

0-24

**COMMERCIAL SKILLS**

- Body Filler Methods
- Structural Resistance Spot Welding
- MIG Brazing Techniques
- Color Tinting
- Spraying/Blending Techniques
- Measuring Vehicle Structures
- Alignment Process for Unitized Vehicles
- Estimating Collision Repairs
- Estimating System Software Skills
- Estimating Skills for DRP Processes

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.
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DELEGATION ORDER



**Retrainee - Job Creation  
Training Proposal for:  
Natures Image, Inc.**

**Small Business  $\leq$  \$50,000**

**ET15-0365**

**Approval Date:** January 12, 2015

**ETP Regional Office:** San Diego

**Analyst:** S. Godin

**CONTRACTOR**

- Type of Industry: Services
- Priority Industry: ☐ Yes ☒ No
- Number of Full-Time Employees
  - California: 89
  - Worldwide: 89
  - 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: 13%
- Repeat Contractor: ☐ Yes ☒ No

**FUNDING**

- Requested Amount: \$46,090
- In-Kind Contribution: \$38,458

**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, Commercial Skills, Continuous Impr, HazMatr	55	8-60	0	\$748	\$15.98
				Weighted Avg: 34			
2	Job Creation Initiative Retrainee SB<100	Business Skills, Computer Skills, Commercial Skills, Continuous Impr, HazMat	5	8-60	0	\$990	\$13.32
				Weighted Avg: 45			

- Reimbursement Rate: Job #'s 1 and 2: \$22 SB Non-Priority
- County(ies): Orange
- Occupations to be Trained: Landscaper, Landscape Foreman, Estimator, Project Manager, Manager/Supervisor, Owner, Administrative Support Staff
- Union Representation: ☐ Yes  
☒ No
- Health Benefits: Job #'s 1 and 2: \$2.75 per hour

**SUBCONTRACTORS**

- Development Services: Training Refund Group in Irvine developed the proposal for a flat fee of \$1,000.
- Administrative Services: Training Refund Group also assisted with administration for a fee not to exceed 13% of earned funds.
- Training Vendors: To Be Determined

**OVERVIEW**

Established in the 1995 and based in Lake Forest, Natures Image, Inc. (NII) ([www.naturesimage.net](http://www.naturesimage.net)) is a full-service native habitat restoration/mitigation company serving both private and public clients throughout California. The Company has restored and maintained hundreds of habitat communities, representing thousands of acres, including riparian, coastal sage scrub, freshwater and saltwater marsh, desert, chaparral, oak woodlands and native grasslands. Habitat restoration is crucial to the preservation of both native plant species and wildlife. Through the elimination of invasive species and the re-vegetation and

propagation of native plant species, NII is able to create self-sustaining habitats for threatened and endangered wildlife.

### **Need For Training**

As the California economy recovers, competition for jobs from large out-of-state environmental support services companies has increased. To retain its current clients and successfully secure new accounts, NII must train its staff on critical issues such as impact analysis, habitat restoration, construction monitoring, plant/animal identification, hydro-seeding, site cleanup and preparation, remote watering, and commercial landscaping/irrigation. In addition to these technical skill sets, NII must improve its customer support and project management skills to ensure its clients are satisfied and budgetary requirements are met.

Training is also being driven by the need to implement mobile software technology solutions (identified as a training initiative for 2015) which will allow NII and its customers to access data from the field and respond to requests/questions instantly instead of waiting until staff returns to the office. (Many of NII's projects are located in remote areas.) Training will enable both incumbent and newly hired staff to stay up to date on new device technologies and improve on-time service delivery to NII clients.

### **Retrainee - Job Creation**

The Company was recently awarded \$9,150,000 in new contracts which are slated to begin during the first quarter of 2015. NII also has an additional \$16,000,000 in pending projects which will commence during the term of the Agreement.

To support the above stated expansion of its existing business functions, NII will hire five new employees (Landscapers) during the term of this agreement (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 trainees related to client relations, project management, professional and interpersonal communication, and strategic planning. Training will help improve client relations, provide organizational and project management skills, and improve business processes and services.

**Commercial Skills** – Training will be offered to all trainees. All employees must be knowledgeable of the products and services being offered by NII; and as such, will receive product knowledge skills training. Landscapers, Landscape Foremen, Managers/Supervisors, and Estimators will receive laboratory training in environmental risk assessments, environmental techniques, habitat restoration/planning/studies, wetlands evaluations, wildlife techniques, storm water pollution prevention programs, biological permitting, and energy & environmental design. Field personnel will also be trained to operate heavy machinery and equipment. Training in these topics will provide staff with skills necessary to provide habitat restoration/mitigation on NII projects.

**Computer Skills** - Training will be offered to all occupations. Trainees will receive training in Sage ERP System upgrades, AutoCAD and Geographic Positioning Systems and other mobile technologies that will be used in the field. Training will improve service delivery and offer

expanded services to clients. Microsoft Office Suite training will enable selected personnel to manage projects and create advanced reports and presentations.

**Continuous Improvement** - Training will be offered to all trainees in topics such as leadership, quality improvement strategies, and team building. Training will enable staff to work better in teams, develop important leadership initiatives throughout the Company, and improve the quality of service delivery to internal and external customers.

**Hazardous Materials Handling** – Training will be offered to all trainees. Trainees working with hazardous materials will receive skills training in emergency clean-up procedures and spill, control, and containment of hazardous materials. Training will also be delivered in the reporting protocol for all chemicals and completion of material safety data sheets.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

**Exhibit B: Menu Curriculum****Class/Lab/E-Learning Hours**

8-60

Trainees may receive any of the following:

**BUSINESS SKILLS**

- + Technical Editing and writing
- + Time Management
- + Project Management
- + Marketing Skills
- + Strategic Planning
- + Customer Service
- + Communication Skills

**COMPUTER SKILLS**

- + Industry Software Training
  - o Mobile Time & Attendance Software
  - o CAD (Computer Aided Design)
  - o SAGE Software Upgrades
  - o (GPS) Global Positioning Software Management
- + Microsoft Office Suite

**COMMERCIAL SKILLS CLASSROOM**

- + Biological Permitting
  - o Species allocations
- + Storm Water Pollution Prevention Program (SWPPP)
  - o Planning & Permitting
  - o Proper Installations & Maintenance
- + Wildlife Techniques
  - o Trapping
  - o Surveying
  - o Population Census by Acre
- + Wetlands Evaluation
  - o Plant Density
  - o Biological Diversity
- + Habitat Restoration & Revegetation Planning Studies
  - o Working in Environmental Sensitive Areas
  - o Environmental & Cultural Constraints
  - o Sensitive Species Awareness
  - o Ground Disturbance Awareness
  - o Reporting Requirements
  - o Biological Resources
- + Environmental Techniques
  - o Erosion Control
  - o Wind & Dust Mitigation
- + Environmental Risk Assessment
  - o Erosion Control
  - o Habitat & Wildlife Maintenance

- GovNET CQCA Compliance
- GovNet Environmental Conduct & Ethics
- Cultural Resources & What to Look For
- ✚ California Environmental Quality Act (CEQA)
  - Herbicide use
  - Vehicle use and carbon load
  - Best Management Practices
  - Noise Limitation
- ✚ Equipment Operation
  - Bulldozers
  - Excavators
  - Back Hoes
  - Front End Loaders
  - Line Trimmers
  - Brush Mowers
  - Mastication
  - Backpack Sprayers
  - Chain Saws

### **COMMERCIAL SKILLS LABORATORY CENTER**

- ✚ Product Knowledge & Identification Skills
- ✚ Biological/Habitat Evaluation Skills
- ✚ Plant & Animal Identification/Restoration Techniques
- ✚ Wetlands Evaluation Skills

### **CONTINUOUS IMPROVEMENT**

- ✚ Leadership
- ✚ Quality/Process Improvement
- ✚ Team Building
- ✚ Standard Operating Procedures

### **HAZARDOUS MATERIALS HANDLING**

- ✚ Emergency Clean-up
- ✚ HazMat & Spill Control/Containment
- ✚ Material Safety Data Sheets
- ✚ Registration, Evaluation, Authorization & Restriction of Chemical Substances

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:****Nishimoto Trading Co., Ltd.****Agreement Number: ET15-0363****Approval Date:** January 6, 2015**ETP Regional Office:** North Hollywood**Analyst:** E. Wadzinski**PROJECT PROFILE**

Contract Attributes:	Retrainee Job Creation Initiative	Industry Sector(s):	Wholesale Trade  Priority Industry: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Counties Served:	Los Angeles, San Francisco, 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: 330	U.S.: 770	Worldwide: 1,150
<u>Turnover Rate:</u>	14%		
<u>Managers/Supervisors:</u> (% of total trainees)	3%		

**FUNDING DETAIL**

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$23,500		\$0	\$0		\$23,520

In-Kind Contribution:	100% of Total ETP Funding Required	\$30,560
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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	Business Skills; Commercial Skills; Computer Skills; Continuous Imp.	176	8-60	0	\$120	*\$15.60
				Weighted Avg: 8			
2	Retrainee Job Creation Initiative	Business Skills; Commercial Skills; Computer Skills; Continuous Imp.	15	8-60	0	\$160	*\$15.60
				Weighted Avg: 8			

\*Staff recommends "grandfathering" the CY 2014 wages to ensure there is no detriment caused by the cancellation of December's meeting where, as here, some occupations would not meet CY 2015 wages.

**Minimum Wage by County:** \$16.25 for San Francisco County; \$16.04 for Los Angeles County; \$15.60 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 \$4.22 per hour may be used to meet the Post-Retention Wage

Job Number 1 - Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
<b>Job Number 1</b>		
Customer Service		40
Distribution		40
Administration		20
Supervisor		6
Sales		70
<b>Job Number 2 – Job Creation</b>		
Customer Service		3
Distribution		3
Administration		3
Sales		6

**INTRODUCTION**

Founded in 1912, Nishimoto Trading Co., Ltd. (Nishimoto Trading) ([www.ntcltdusa.com](http://www.ntcltdusa.com)) began as an importer distributing Asian food products to Asian restaurants and grocery retailers in North America. Food products distributed include rice, frozen fish, mushrooms and other dry goods. Nishimoto Trading has successfully grown the business and expanded beyond the

distribution of food products. In addition to food items, the Company now provides a comprehensive range of products, which include kitchenware, household and hair products. The Company is continuing to grow and will have added an estimated 300 new products to its 2014 distribution list.

To remain competitive, meet anticipated growth and customer expectations, Nishimoto Trading recently converted to Oracle E-Business Suite Version 12.1.2. As a result, the Company needs to train employees on the new programs and systems, thereby maximizing system capabilities. New sales strategies are also being introduced and employees will need to learn new product information, strategies, skills and techniques related to pricing, profit calculation, marketing and promotion.

### **Retrainee - Job Creation**

Nishimoto Trading grew sales by 8% in 2014. The Company hired 23 new employees in California within the past 6 months. Nishimoto is planning to hire at a greater pace in the 2015. The Company is projecting continued growth of 10% in 2015.

In addition to their traditional duties and responsibilities, newly hired trainees will learn the roles and responsibilities of various other departments. As the Company continues to grow, it has added an estimated 300 new products to its 2014 distribution list. The Company plans the addition of at least 100 new products in 2015 under Nishimoto Trading's private labels Shirakiku, Mum's and China Sea. As a result, Nishimoto Trading is expanding existing business capacity by adding newly hired employees to existing functions. The Company plans to hire and train an additional 15 new employees in the areas of customer service, distribution, administration and sales.

Job Creation trainees must be hired within the four-month period prior to Panel approval or during the term of contract. Training is reimbursed at a higher rate and trainees are subject to a lower post-retention wage. The Company also represents that these trainees will be hired into "net new jobs" as a condition of contract.

### **PROJECT DETAILS**

#### **Training Plan**

**Business Skills (20%)** - Customer Service, Administration, Supervisor and Sales staff will receive training on new products. Nishimoto Trading needs to strengthen its competitive advantages by training employees on its diversified product base, and develop skills related to market research and sales presentations. These newly acquired skills will allow the Company to increase sales and better serve customers. Other training will include communication, customer service, sales, teambuilding and time management skills. Training will also include leadership, coaching and interpersonal skills to increase operational efficiency.

**Commercial Skills (20%)** Distribution and Sales Staff will receive training in Vehicle Inspection, Inventory Control, warehousing, and shipping and receiving procedures.

**Computer Skills (40%)** – Training will be provided to all occupations. Training will focus on Oracle ERP software, Customer Relationship Management, Order Management, Business Objects Solutions, as well as Inventory Control. In addition, all occupations will be trained in new computer technologies and Intermediate and/or Advanced MS Office applications. These systems have been installed, but are currently not being used and implemented to their full capability and potential.

**Continuous Improvement Skills (20%)** – Training will be provided to all occupations and will focus on quality assurance and profit improvement, as well as increased efficiency in the delivery of product to customers.

### **Impact/Outcome**

Training will provide knowledge of new products and processes; result in a team-based service approach; allow workers to make more decisions independently and solve problems; streamline processes; and provide superior sales strategies, techniques and better customer service.

#### ➤ Training Infrastructure

The Company has hired Training Funding Source to aide in the administration of the ETP program. Nishimoto Trading's Human Resources Manager has been assigned as the main point of contact.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

### **DEVELOPMENT SERVICES**

Training Funding Source in Seal Beach assisted with development of this proposal for a flat fee of \$1,600.

### **ADMINISTRATIVE SERVICES**

Training Funding Source will 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**

8-60

Trainees may receive any of the following:

**BUSINESS SKILLS**

- Coaching
- Communication Skills
- Conflict Management
- Customer Relations
- Goal Setting
- Leadership
- Planning
- Product Knowledge
- Project Management
- Refunds and Exchanges
- Resolving Customer Complaints
- Sales/Marketing
- Time Management

**COMMERCIAL SKILLS**

- Driving and Delivery techniques
- Distribution Procedures
- Equipment Operations
- Food Safety
- Material Handling
- Order Fulfillment
- Vehicle Inspection
- Warehouse Management System
- Warehouse Procedures

**COMPUTER SKILLS**

- Company Database Processes
  - Billing and Order Entry Program
  - Client Information System
  - Customer Relationship Management System
  - Inventory System
  - Enterprise Resource Planning
- Information Technology System
- Internet Tools
- Web Design
- MS Office (Intermediate or Advanced)

**CONTINUOUS IMPROVEMENT**

- Goal Setting
- Profit Improvement
- Quality Control/Assurance
- Team Building

Note: Reimbursement for retraining is capped at 60 total training hours per trainee, regardless of the method of delivery.

**DELEGATION ORDER**

**Training Proposal for:**  
**Oil-Dri Corporation of America**  
**Agreement Number: ET15-0352**

**Approval Date:** December 4, 2014

**ETP Regional Office:** North Hollywood

**Analyst:** M. Paccerelli

**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:	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: 73	U.S.: 750	Worldwide: 800	
<u>Turnover Rate:</u>	9%			
<u>Managers/Supervisors:</u> (% of total trainees)	12%			

**FUNDING DETAIL**

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$48,960		\$0	\$0		\$48,960

In-Kind Contribution:	100% of Total ETP Funding Required	\$53,584
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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, Mgmt Skills	68	8-200	0	\$720	\$14.90
				Weighted Avg: 40			

**Minimum Wage by County:** \$14.90 per hour in 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

**Up to \$2.40 per hour may be used to meet the Post-Retention Wage**

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Mill/Packaging/Operator		21
Hauloff/Quality Control Staff		5
Loader		3
Miner/Trucker		5
Maintenance Staff		14
Office Support Staff		4
Team Leader		8
Supervisor		2
Manager		6

**INTRODUCTION**

Founded in 1941, the Oil-Dri Corporation of America (Oil-Dri) ([www.oildri.com](http://www.oildri.com)) is a manufacturer of cat litter and supplier of specialty absorbent products for industrial, automotive, agricultural, horticultural and specialty markets. Its diversified markets contribute to Oil-Dri's uniqueness in the absorbent clay manufacturing industry. The Company's product line includes Cat's Pride®, Jonny Cat® as well as a variety of private label cat litters for major marketers and retailers.

To remain competitive, Oil-Dri is adding a new product line this year and investing \$1.2 million in the installation of new equipment (Jug Line 107 Scoopable Cat Litter and Processing Lines Automation). The Company is requesting ETP funds to train employees in the operation of the new systems and equipment impacting the areas of safety, quality and productivity.

The proposed training will help employees transition from the now defunct production models to those that support the new equipment and processes. This will be structured training that will provide workers the best opportunity for success during this transition and standardize operations. This is Oil Dri's first ETP Agreement.

## **PROJECT DETAILS**

Historically, the bulk of Oil-Dri's training has been provided via on-the-job resulting in less than optimal results. In particular, it did not achieve standardization of work practices. The proposed training should allow the employees to become more effective and efficient in work tasks. There is an emphasis in Continuous Improvement, to foster a culture of problem solvers.

### **Training Plan**

**Manufacturing Skills (85%)** – Training will equip all Production workers with the skills needed for equipment operation, preventive maintenance, production line operations and mining. Training will enable staff to understand manufacturing requirements, eliminate errors and perform more effectively in a manufacturing environment.

**Business Skills (8%)** – Training will be provided to all occupations in coaching, performance management, inventory control, teambuilding and production scheduling. Training will provide the necessary skills to improve team centricity, internal controls and data management.

**Computer Skills (1%)** – Training will be provided to all occupations in METHOS software, which focuses on maintenance management and company financial benefits. Training will also provide Office Support Staff with the skills to become proficient in the use of Microsoft Office.

**Continuous Improvement (4%)** – Training will be provided to all occupations and focus on 5S, GEMBA, process mapping, SPC Charting and visual management to improve quality, productivity and standardization within the company.

**Hazardous Materials (1%)** – Training will be provided to Operators and Miners to ensure safety precautions take place when handling hazardous materials.

**Management Skills (1%)** – Training will be provided to Managers and Supervisors in leadership, coaching and performance management skills to enable more effective leaders in a high performance workplace.

### **Commitment to Training**

Oil-Dri spends approximately \$60,000 annually in training for New Hire Orientation, OSHA, Federal and State Regulations such as Environmental Protection Agency regulations, and on-the-job training in the operation of motor vehicles, forklifts and equipment. Safety training is, provided in accordance with all pertinent requirements under state and federal law.

#### **➤ Training Infrastructure**

The Company has hired The IM Group to aide in the administration of the ETP program. Oil-



Dri's Human Resources Manager has been assigned as the main point of contact.

### **High Unemployment Area**

All 56 trainees work in a High Unemployment Area (HUA) with unemployment exceeding the state average by at least 15%. The Company's locations in Kern County qualify for HUA status under these standards. However, Oil-Dri is not asking for a wage modification.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

### **DEVELOPMENT SERVICES**

The IM Group in Fairfield, CT assisted with development of this proposal for a flat fee of \$2,875.

### **ADMINISTRATIVE SERVICES**

The IM Group in West Hollywood will 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:

**MANUFACTURING SKILLS**

- ✚ Construction Equipment Operations
- ✚ Conveyor Repair
- ✚ Crane Operator Certification
- ✚ Electrical Troubleshooting & Maintenance
- ✚ GE Phonics & Robotic Repair
- ✚ Mill Operator
- ✚ Mining Basics
- ✚ Pneumatics
- ✚ Preventive Maintenance
- ✚ Production Line – Jug, LB, Kit Kat Tray, 305/306 and 307
- ✚ Programmable Logic Controller
- ✚ Welding

**BUSINESS SKILLS**

- ✚ AIQ Advocate Boot Camp
- ✚ Facilitators Training
- ✚ Insights
- ✚ Inventory Control
- ✚ Teambuilding
- ✚ Production Scheduling
- ✚ Problem Solving
- ✚ Decision Making

**COMPUTER SKILLS**

- ✚ METHOS Software
- ✚ KRONOS Software
- ✚ Microsoft Office (Advanced & Intermediate)  
Word, Excel, Access, PowerPoint



**CONTINUOUS IMPROVEMENT**

- ✚ 5 Why
- ✚ 5S
- ✚ 8D – Problem Solving
- ✚ GEMBA
- ✚ Process Mapping
- ✚ Quality Assurance
- ✚ Situation Appraisal
- ✚ SPC Charting/Testing
- ✚ Standard Operating Procedures
- ✚ Visual Management

**HAZARDOUS MATERIALS**

- ✚ HazMat Material & Management

**MANAGEMENT SKILLS** (Managers/Supervisors Only)

-  Coaching and Performance Management
-  Leadership Skills

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

**DELEGATION ORDER**

**Training Proposal for:**  
**Oldcastle BuildingEnvelope, Inc.**

**Agreement Number: ET15-0351**

**Approval Date:** December 1, 2014

**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:	Alameda, Los Angeles	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Painters & Allied Trades District Council 36 Local Union 636		
Number of Employees in:	CA: 286	U.S.: 3,757	Worldwide: 4,674
<u>Turnover Rate:</u>	14%		
<u>Managers/Supervisors:</u> (% of total trainees)	6%		

**FUNDING DETAIL**

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$97,812		\$0	\$0		\$97,812

In-Kind Contribution:	100% of Total ETP Funding Required	\$110,629
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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, Cont. Imp., HazMat, Mgmt Skills, Mfg Skills	209	8-200	0	\$468	\$16.04
				Weighted Avg: 26			

**Minimum Wage by County:** \$16.25 per hour for Alameda and \$16.04 per hour for Los Angeles 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 \$4.25 per hour may be used to meet the Post-Retention Wage.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Administrative Staff Level 1		10
Administrative Staff Level 2		5
Production/Glass Staff		111
Maintenance Staff		11
Lead Production/Operator Staff		38
Shipping/Receiving Staff		10
Class A Driver		12
Manager/Supervisor Level 1		6
Manager/Supervisor Level 2		6

**INTRODUCTION**

Oldcastle BuildingEnvelope, Inc. (Oldcastle) ([www.oldcastlebe.com](http://www.oldcastlebe.com)) designs and manufactures glass and aluminum for exterior building envelopes. The Company also provides custom-engineered curtain walls, window walls, architectural windows, storefront systems, doors, skylights, and architectural glass. A few major projects include Glass and Aluminum for Paragon Outlets, Sutter Medical in Sacramento, Campus buildings for UC Davis, Bellarmine College Preparatory in San Jose, Interior Glass for Google Tech Building in Mountain View, a Luxury Residential Apartment in San Francisco, and a Glass Stairwell for Stanford Law Building. This will be Oldcastle's first ETP Agreement.

The Company operates two locations in California, Los Angeles and Fremont. Both facilities are subsidiaries of CRH plc in Ireland. Oldcastle Inc., headquartered in Texas, is the North American arm of CRH with 21 locations nationwide. It is comprised of three branches; Materials, Distribution, and Building Products-Oldcastle BuildingEnvelope, Inc. is a division of Building Products. In 2010, Oldcastle Inc. changed the name of the California facilities to Oldcastle BuildingEnvelope, Inc.

## **PROJECT DETAILS**

Oldcastle is undergoing an initiative to become ISO 9001:2008 compliant. The intent of the initiative is to document processes and procedures, with a long term goal of having these processes become repeatable, predictable, consistent and efficient. Documentation and controlled processes are new to the organization and workforce, as they previously relied heavily on historical knowledge.

Oldcastle's training will permit the organization to focus on Lean Manufacturing principles, documentation, improved processes, and new equipment. Employees will receive training to better understand manufacturing practices and become more efficient. In addition, the Company will make a significant investment (approximately \$3.5 million) in new furnace equipment, and anticipates hiring new employees to support its business needs and growth. Oldcastle is forecasting a 10% growth in the next fiscal year.

### **Training Plan**

Oldcastle 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 facilities.

Classroom/Laboratory and Videoconference will be provided as follows:

**Business Skills (1%):** Training will be offered to Administrative Staff and Managers/Supervisors. Training topics include contract management, production goal planning and project management. Trainees will learn how to add innovation to the workplace, setup standard business practices, operational processes, and product knowledge to better deliver customer service.

**Commercial Skills (1%):** Training will be offered to Lead Production/Operators and Manager/Supervisor. Trainees will learn critical skills in metal braising and welding, space requirements and procedures. Training is customized to specific work projects and will allow trainees to work more effectively with partners and governmental entities, and improve job skills and productivity.

**Computer Skills (2%):** Training will be offered to all occupations. Training will include various software programs that are used daily to increase proficiencies. Trainees will learn new internal software to improve job performance.

**Continuous Improvement (4%):** Training will be offered to all occupations. Trainees will learn both basic and advanced Continuous Improvement to keep processes moving efficiently throughout the plant with a low error rate. This training will not only implement technical efficiency, but also communicate the value of time and movement saving efforts.

**Hazardous Materials (1%):** Training will be offered to Production/Glass Staff, Lead Production/Operators and Managers/Supervisors. Training is required for handling and

processing of chemicals primarily used in the soldering processes and manufacturing of glass products.

**Management Skills (1%):** Training will be offered to Managers/Supervisors. Training will include skills designed to support the workforce's ability to perform their jobs.

**Manufacturing Skills (90%):** Training will be offered to Production/Glass Staff, Maintenance Staff, Lead Production/Operators, and Managers/Supervisors to optimize manufacturing equipment, maintenance, and warehouse skills. With frequent upgrades it is important to ensure that all affected workers receive training to keep pace with technology, perform their jobs in a safe manner to meet production needs.

### **Impact/Outcome**

Oldcastle anticipates that approximately 90 Production/Glass Staff, Maintenance Staff and Lead Production/Operator Staff will be Forklift certified after completion of training in Manufacturing Skills.

### **Commitment to Training**

Oldcastle's current training budget is \$110,000 for two California facilities. The Company provides training in general health and safety, basic job-specific skills, federal and state mandated training, ergonomics, hazardous materials handling, basic machine operations, forklift operations, systems training, supervisory skills, harassment prevention, sales training, and other requested training. Training is normally job specific, but may include companywide initiatives that affect the entire workforce. Training is done via classroom, on-the-job and computer-based.

ETP funding will allow Oldcastle to provide more training topics so employees become more efficient and learn new skills. ETP funding will also allow Oldcastle to train a greater number of employees to make a significant impact on operational improvement. Oldcastle will also be able to implement changes throughout the organization to meet its goals. After the completion of the ETP program, Oldcastle is committed to continuing the quality and frequency of employee training and development activities.

### **Training Infrastructure**

Training will begin upon Panel approval, and will take place at its two California facilities provided by expert in-house trainers. Oldcastle has designated a Human Resources Manager at each facility responsible for coordinating and conducting training, collecting and filing signed rosters, and sending to their third party administrative services, The IM Group. The Company also designated one main staff to oversee all responsibilities between two facilities.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

### **DEVELOPMENT SERVICES**

The IM Group in Fairfield, Connecticut assisted with development of this proposal for a flat fee of \$7,000.

## **ADMINISTRATIVE SERVICES**

The IM Group in West Hollywood will perform administrative services for a fee not to exceed 10% 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**

- Contract Management
- Goals, Planning & Project Management
- Innovation in the Workplace
- Business Practice Standards
- Operational and Business Process Training
- Product Knowledge for Customer Service Excellence

**COMMERCIAL SKILLS**

- Confined Spaces (Space Requirement, Unsafe Practices)
- HotWorks (Welding, Proper Techniques & Procedures)

**COMPUTER SKILLS**

- AS/400 Software
- Faciliworks Software
- Kronos Software
- Lotus Notes Software
- Surpass Software
- Ultipro Software

**CONTINUOUS IMPROVEMENT**

- Infinity QS Training
- ISO9001:2008
- Just-In-Time Production
- Process Improvement
- Operational Leadership
- Problem Solving Tools
- Process and Quality Improvement
- Productivity Analysis
- Root Cause Analysis
- Standard Operating Procedure

**HAZARDOUS MATERIALS**

- Hazardous Materials Management

**MANAGEMENT SKILLS** (Managers/Supervisors Only)

- Coaching for Front Line Supervisors
- Leadership

**MANUFACTURING SKILLS**

- Glass Handling
- Manufacturing Process
- Forklift Training (Techniques & Procedures)
- Preventative Maintenance
- Equipment

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

Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery.
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## Painters & Allied Trades District Council 36

Grant Mitchell

Business Manager

DRYWALL FINISHERS, FLOORLAYERS, GLAZIERS, PAINTERS, TRADESHOW & SIGNCRAFT

June 25, 2014

To whom it concern:

Painters and Allied Trades District Council 36 on behalf of Glaziers, Architectural Metal and Glass Workers Local Union 636 is in full support of Oldcastle BuildingEnvelope's proposal to participate in the Employment Training Panel (ETP). The training provided will have a positive impact on the employees and Oldcastle BuildingEnvelope. We are committed to partnering with the employer in setting and achieving the training goals. We recognize that continued training and development of skills is an investment in the current and future workforce.

Should you have any questions regarding this matter please do not hesitate to contact me.

Sincerely,

Ana M. Hanson  
Executive Assistant

C: Grant Mitchell, BM/ST  
Rene Real, Bus. Representative  
Lina Ingalls, Oldcastle BuildingEnvelope

## DELEGATION ORDER



**Training Proposal for:**  
**Parmatech Corporation**  
**Agreement Number: ET15-0321**

**Approval Date:** 11/18/14

**ETP Regional Office:** Sacramento

**Analyst:** M. Mazzone

### **PROJECT PROFILE**

Contract Attributes:	Retrainee Priority Rate	Industry Sector(s):	Manufacturing  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Sonoma	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: 100	U.S.: 400	Worldwide: 400
<u>Turnover Rate:</u>	4%		
<u>Managers/Supervisors:</u> (% of total trainees)	8%		

### **FUNDING DETAIL**

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$56,088		\$0	\$0		\$56,088

In-Kind Contribution:	100% of Total ETP Funding Required	\$71,320
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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. Improv., Mfg. Skills, Literacy Skills, PL-Mfg. Skills	82	8-200	2-6	\$684	\$14.90
				Weighted Avg: 38			

**Minimum Wage by County:** \$14.90 Sonoma 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 \$2.96 per hour may be used to meet the Post-Retention Wage.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Production Technicians		49
Administrative Staff		4
Managers		5
Supervisors		2
Engineers		10
Process Technicians		4
Production Lead		8

**INTRODUCTION**

Founded in 1973, Parmatech Corporation (Parmatech) is a leading supplier of custom manufactured metal injection molding components. Metal injection molding is a low cost, high volume manufacturing process that produces parts to near net shape, reducing or eliminating the need for secondary and machining operations. The process technology excels in small parts of complex shape, enabling part manufacturing that may be prohibitive or impossible to make with conventional technologies. Parmatech's customers include aerospace, electronics, telecommunications, and medical industries.

## **NEED FOR TRAINING**

Parmatech operates in a global marketplace and many competitors are offshore. To meet global competition, employees must be trained on Lean manufacturing practices with a focus on continuous improvement, waste reduction and talent development.

The Company grew 60% between 2011 and 2013. A large part of this growth is related to New Product Introduction (NPI). The Company is looking to improve its NPI process and reduce the time for development by 50%. To meet this goal, Parmatech has redesigned jobs and began implementing self-directed work teams to empower its workforce, and thus provide managers and engineers opportunities to redesign processes.

## **PROJECT DETAILS**

**Business Skills** (9%): Training will be offered to Managers and Engineers. Training will include strategic planning and project management. Training will focus on planning and New Product Introduction processes.

**Literacy Skills** (2%): Training will be offered to Production Technicians. Training will include English as a Second Language.

**Manufacturing Skills** (21%): Training will be offered to Production Supervisors, Engineers, Production Technicians, and Process Technicians. Training will include topics such as solidworks, GDT, certified quality technician/calibration, process validation, and equipment maintenance.

**Continuous Improvement** (59%): Training will be offered to all occupations. Training will include Lean manufacturing, Toyota Kata, Root Cause Analysis, 5S, leadership, and team building. Training is intended to implement lean manufacturing to improve processes and reduce waste, develop leadership, and establish self-directed teams.

## **Computer-Based Training**

Training on pivot tables and access database will be offered to Administrative Staff, Engineers, Supervisors and Production Technicians. Microsoft Office training will be offered to Production Technicians with limited computer experience. Approximately 10 employees will receive Computer-Based Training up to 6 hours per employee.

## **Productive Laboratory (9%)**

The Panel recently adopted regulations to authorize reimbursement for training delivered in a Productive Laboratory (PL) setting. The instructor must be dedicated to training delivery during all hours of training.

Approximately 20 Production and Process Technicians will receive a maximum of 16 hours of PL-Manufacturing training. The ratio of trainer to trainee will not exceed 1:2.

Training will include in setting up (8-16 hours), operating (8-16 hours), and maintaining/ cleaning (8-16 hours) molding machines, furnaces, mixing equipment, and solvent extraction equipment.

Trainers will cover items listed on a checklist and rate performance to provide feedback and communicate expectations. The checklist will also be used to assess employees at intervals until the task is performed independently per company policies and procedures.

### **Commitment to Training**

Parmatech's annual training budget is \$31,600. Training has been provided to Production Leads, Supervisors, Managers, Engineers, and Production Technicians in safety orientation, CPR/AED, forklift, HazMat, and material handling courses as well as ongoing manufacturing and business skills development.

Parmatech 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

Training is scheduled to begin November 24, 2014. Four internal staff will be responsible for implementing and administering this project.

### **Impact/Outcome**

This training proposal intends to complete the following certifications for some trainees:

- American Society of Quality (ASQ) Certification
- ASQ Certified Calibration Technician
- Certification for ISO Internal Auditor

### **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**

- Strategic Planning
- Project Management

**CONTINUOUS IMPROVEMENT**

- Lean Manufacturing
- Toyota Kata
- Root Cause Analysis
- 5S
- Leadership
- Team Building

**MANUFACTURING SKILLS**

- Developing Standard Work
- Solidworks
- GD&T
- Certified Inspector
- Certified Quality Technician
- Certified Quality Calibration
- Process Validation
- Capacity Utilization
- ISO Internal Auditor
- Equipment Maintenance and Controller Training

**LITERACY SKILLS**

- ESL

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

**Productive Lab Hours**

8 - 16

**MANUFACTURING SKILLS (1:2 Ratio)**

- Equipment Set-up (Molding Machines, Furnaces, Solvent Extraction Equipment, High Speed Mixer)
- Equipment Operation
- Equipment Maintenance and Cleaning



**CBT Hours**

2 – 6

**COMPUTER SKILLS (CBT)**

- Using Pivot Tables (2)
- Access Database (2)
- Microsoft Office (2)

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. PL is capped at 16 hours per-trainee.



**Retrainee – Job Creation**  
**Training Proposal for:**  
**Partners in Control, Inc. dba Enterprise Automation**

**Small Business  $\leq$  \$50,000**

**ET15-0333**

**Approved Date:** November 19, 2014

**ETP Regional Office:** San Diego

**Analyst:** K. Campion

**CONTRACTOR**

- Type of Industry: Services  
Engineering  
Priority Industry: ☒ Yes ☐ No
- Number of Full-Time Employees  
California: 20  
Worldwide: 20  
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: 0%
- Repeat Contractor: ☐ Yes ☒ No

**FUNDING**

- Requested Amount: \$31,200
- In-Kind Contribution: \$52,800

**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, Commercial Skills	20	8 - 100	0	\$1,040	\$16.25
				Weighted Avg: 40			
2	Retrainee Priority Rate SB<100 Job Creation Initiative	Business Skills, Computer Skills, Commercial Skills	5	8 - 100	0	\$2,080	\$33.00
				Weighted Avg: 80			

- Reimbursement Rate: Job #'s 1 & 2: \$26 SB Priority
- County(ies): Orange, Contra Costa
- Occupations to be Trained: Engineer, Project Manager, Management Staff, Administrative Staff, Business Development Staff, Owner
- Union Representation: ☐ Yes  
☒ No
- Health Benefits: N/A

**SUBCONTRACTORS**

- Development Services: N/A
- Administrative Services: N/A
- Training Vendors: To Be Determined

**OVERVIEW**

Headquartered in Irvine, Partners in Control, Inc. dba Enterprise Automation (EA)(www.eaintegrator.com) is a small engineering company that provides all phases of system integration services for industrial water systems, including design consultation, specification development, panel design, programming, data network design, virtualization, testing and documentation. EA also has a small satellite office in Walnut Creek, which allows the Company to serve both Northern and Southern California customers.

The core of the Company is composed of mechanical, electrical and chemical Engineers who must have knowledge of electrical systems, mechanical systems, industrial systems, system networking, automation and system programming to be effective in their jobs. However, the Company has found that most Engineers are trained in one discipline and lack the comprehensive skills required by EA. As a result, the Company found that new Engineers and some current workers aren't prepared to ensure high quality solutions for clients. Coupled with these challenges, EA has grown significantly in the last few years. The Company hired 12 new

Engineers in the last 24 months. Therefore, EA must provide formal, class/lab, technical skills to effectively manage its growth and ensure quality work.

### **Retrainee - Job Creation**

EA has a current six-month backlog of work for its current engineers. Additionally, the Company projects increased new business orders over the next two years. EA cannot accept any new business unless it has Engineers to complete the work so it must increase its business capacity by adding newly hired employees to existing functions.

The Company projects to hire 10 new Engineers in the next 12 months, of which five are included in this proposal (Job Number 2). Trainees must be hired within the three-month period prior to Panel approval or during the term of contract. 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 also represents that these trainees will be hired into “net new jobs” as a condition of contract.

### **Training Hours Modification Request**

EA requests an increase in the maximum training hours for small business from 60 to 100. The Company reports that its engineering services are highly specialized and involve knowledge of various engineering practices that are not included in any university or degree programs. As a result, EA must provide the necessary technical skills training to ensure that all workers have the program knowledge and various engineering methods to be effective in their jobs.

All newly hired trainees (Job Number 2) and approximately eight incumbent workers will be involved in a four week, intensive training effort, to ensure Engineers obtain required skills prior to being assigned projects. Upon hire, newly hired trainees will receive approximately 80 hours of class/lab training within the first four weeks and then an additional 20 hours of training thereafter during the term of the Agreement. The aforementioned eight incumbent, experienced Engineers will also be trained alongside the newly hired workers in groups of two, so as not to disrupt production. The first four-week training session is scheduled for January 2015, and a second session is planned for July 2015.

EA has found that this comprehensive training effort for both newly hired and experienced workers is the only way to ensure its Engineers and Project Managers are fully-trained in all aspects of the business, and can provide the highest quality solutions to ensure customer satisfaction.

### **Training Plan**

All training will be conducted via class/lab in the following types of training:

**Business Skills** – Training will be provided to all occupations. Trainees will learn Communication Skills, Sales & Marketing Skills, Project Management Skills and Leadership Skills to improve interactions with customers and collaborate with others, and be able to manage multiple engineering projects and critical timelines.

**Computer Skills** – Training will be provided to Engineers and Administrative Staff. Engineers need critical, software application skills in programming, networking and systems. Administrative staff will be provided with MS Office training.

**Commercial Skills** – Training will be provided to Engineers and Project Managers to ensure all trainees have the requisite skills for Engineering specifications, testing, technologies, documentation and all phases of system integration services.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

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

8 – 100

Trainees may receive any of the following:

**BUSINESS SKILLS**

- Communication Skills
- Sales & Marketing Skills
- Project Management
- Coaching/Mentoring & Leadership Skills

**COMPUTER SKILLS**

- Software Technical Application Skills
  - ❖ Ampla
  - ❖ Think and Do
  - ❖ Supervisor Control & Data Acquisition Software
  - ❖ Historian
  - ❖ Microsoft 360
  - ❖ Programmable Logic Controller Programs
  - ❖ Remote Desktop Program
  - ❖ Electronic Tools
  - ❖ SQL Server Reporting
  - ❖ Windows 8.1
  - ❖ Wonderware Product Line
  - ❖ Schneider Electric Product Line
  - ❖ Citect Product Line
  - ❖ Manufacturing Execution Systems
- System Networking Skills
- Virtualization, VMware, ESXi
- MS Office Application Skills

**COMMERCIAL SKILLS**

- Engineering Controls & Methodologies
- Engineering Standards, Practices and Job Specific Procedures
- Project Set-Up, Execution and Deployment
- Specification Writing, Reading and Interpreting
- Factory & Site Acceptance Testing (FAT, SAT)
- Site Documentation and Inspection
- Project and System Documentation
- Operation & Management Documentation and Training the End-User
- Electrical Wiring Skills

Note: Reimbursement for retraining is capped at 100 total hours per-trainee, regardless of method of delivery.



**Training Proposal for:**  
**Platinum Signers, LLC dba Green Dragon Property**  
**Preservation**

**Small Business  $\leq$  \$50,000**

**ET15-0362**

**Approval Date:** January 7, 2015

**ETP Regional Office:** North Hollywood

**Analyst:** J. Romero

**CONTRACTOR**

- Type of Industry:

Services

Priority Industry: ☐ Yes ☒ No

- Number of Full-Time Employees

California: 15

Worldwide: 15

Number to be trained: 15

Owner ☒ Yes ☐ No

- Out-of-State Competition:

No OSC

- Special Employment Training (SET):

☒ Yes ☐ No

- High Unemployment Area (HUA):

☒ Yes ☐ No

- Turnover Rate:

10%

- Repeat Contractor:

☐ Yes ☒ No

**FUNDING**

- Requested Amount:

\$13,200

- In-Kind Contribution:

\$21,600

## **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 SET HUA	Business Skills, Computer Skills, Literacy Skills, Commercial Skills	15	8-60	0	\$880	\$11.17
				Weighted Avg: 40			

- Reimbursement Rate: Job #1: \$22 SB Non-Priority
- County(ies): San Bernardino
- Occupations to be Trained: Administrative Staff, Supervisor, Lawn Technician, 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 2009, Platinum Signers, LLC dba Green Dragon Property Preservation (Green Dragon), ([www.greendragonpropertypreservation.com](http://www.greendragonpropertypreservation.com)) provides gardening, landscape design, lawn maintenance and aeration, handyman, and tile and grout cleaning services for residential and commercial properties such as Walgreens, Lowes, RE/MAX, Wells Fargo, Bank of America, Coldwell Banker to name a few.

To remain competitive, continued development of the Company's workers, is required. In addition, Green Dragon is continuously searching for ways to conserve water and energy. The proposed training will provide skills and knowledge in the proper use of trenchers, installing irrigation systems and the use of irrigation system timer controls.

Training is essential to the success of the Company, and will encourage individual employee development and raise employees' confidence and competence in performing their jobs properly, resulting in overall business improvement.



## **Modifications**

### **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 retention period.

### **High Unemployment Area**

The trainees in this proposal work in San Bernardino County, 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. Green dragon is requesting a wage modification from the standard SET wage to the reduced standard wage used for HUA.

### **Training Plan**

The Company is ready to start training upon approval of the Agreement. The Company has qualified in-house trainers, employees of Green Dragon, with expertise in the occupations being trained. The Company also has designated office staff to administer this project, schedule and capture training effectively.

**Business Skills:** This training will be offered to Administrative Staff and Supervisors. Trainees will receive new skills that are designed to support the workforce's ability to perform their jobs which will focus on product and process improvement efforts. Training will include project evaluation, customer service, team building, payroll, invoicing and collecting payment.

**Commercial Skills:** Training will be provided to all occupations and will include training on various handyman services such as drywall installation, sprinkler repair/trouble shooting, irrigation systems (PVC), SOD installation, hardscape installation, tree and shrub planting/pruning.

**Computer Skills:** This training will be offered to Administration Staff and Supervisor. Training will provide trainees with the skills needed to operate and navigate various web-based software applications and related technical processes to provide better service to clients.

**Literacy Skills:** This training will be delivered to select Administration Staff and Lawn Technicians to improve understanding of processes and procedures in performing their jobs. This training will be limited to 45% of each trainee's total training hours.

## **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 Evaluation
- Invoicing Customer
- Accounts Receivable
- Teambuilding
- Customer Service
- Decision making
- ADP/Payroll

**COMMERCIAL SKILLS**

- Drywall Installation
- Sprinkler Repair/Troubleshoot
- Irrigation Systems (PVC)
- SOD Installation (Grass)
- Hardscape Installation
- Tree and Shrub Planting/Pruning
- Lighting Installation

**COMPUTER SKILLS**

- Microsoft Office (Advanced/Intermediate)
- SPINE Report
- Fleet Mactics
- Quicken/Bookkeeping
- FileZilla
- Vendor Portals

**LITERACY SKILLS**

- Basic English Language Skills

Literacy Training cannot exceed 45% of total training hours per-trainee  
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.
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DELEGATION ORDER



**Retrainee - Job Creation  
Training Proposal for:  
Precision Swiss Products, Inc.**

**Small Business  $\leq$  \$50,000**

**ET15-0336**

**Approval Date:** 11/13/14

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

**Analyst:** A. Nastari

**CONTRACTOR**

- Type of Industry: Manufacturing
  - Number of Full-Time Employees
    - California: 61
    - Worldwide: 61
    - Number to be trained: 46
  - 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
- Priority Industry: ☒ Yes ☐ No
- Owner ☐ Yes ☒ No

**FUNDING**

- Requested Amount: \$47,840
- In-Kind Contribution: \$26,000

**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	Business Skills, Computer Skills, Continuous Improvement, HazMat, Manufacturing Skills	43	8 - 60	0	\$1,040	\$16.25
				Weighted Avg: 40			
2	Retainee Job Creation Priority Rate SB<100	Business Skills, Computer Skills, Continuous Improvement, HazMat, Manufacturing Skills	3	8 - 60	0	\$1,040	\$13.55
				Weighted Avg: 40			

- Reimbursement Rate: Job #'s 1 & 2: \$26 SB Priority
- County(ies): Alameda
- Occupations to be Trained: Assembly Staff, Finishers, Front Office Staff, Machinists, Operations Staff, Quality Inspectors, Supervisors
- Union Representation: ☐ Yes  
☒ No
- Health Benefits: Job #'s 1 & 2: \$1.60 per hour

**SUBCONTRACTORS**

- Development Services: N/A
- Administrative Services: N/A
- Training Vendors: N/A

**OVERVIEW**

Founded in 1976, Precision Swiss Products (PSP), specializes in high-precision manufacturing of miniature and micro-machined parts and assemblies for the Aerospace, Medical, and Energy industries. PSP's engineers design products to customers' specifications which are produced using its state-of-the-art manufacturing equipment. PSP is a supplier of original equipment manufacturers (OEM) Fortune 500 companies. The Company designs and manufactures Aerospace parts used in aircraft fuel systems, tray tables, and braking gear assemblies. The Medical Device parts are used in cochlear implants, dentistry surgery, endoscopy and soft tissue fasteners.

This is PSP's second ETP Proposal since 2011. During the previous Agreement, much of its curriculum focused on development of nano and solar products. From design and manufacturing processes to customer service skills, these were new areas for PSP requiring the use of new technologies. ETP funds also assisted PSP with training its workforce in ISO and AS standards required to meet manufacturing and aerospace compliance. In this proposal, a portion of PSP's curriculum will address updated standards, which require process changes of the Company's Quality Management System to meet new requirements.

In the previous Agreement, the Company also began its move to paperless manufacturing and was successful in establishing internal processes. However, the project was deferred due to a shortage of capital preventing the Company from purchasing electronic tablets required to implement paperless manufacturing company-wide.

In this proposal a portion of the training will allow PSP to continue its paperless goal by providing training in the use of tablets, scanners, bar codes, touch screen technology, and integrated software systems. It will also include new equipment operation, certifications for AS 9100 in Aerospace and ISO 13485 in Medical Device processes, and business skills necessary for the sales and marketing of PSP's new products.

### **Job Creation**

In this proposal, more emphasis will be on training of new machines/equipment, software and audit compliance. The Company is now in a growth mode, as evidenced by a 34.5% increase in revenues over the last eight months compared to the same period in 2013. The growth results from PSP's existing clients ordering newer and higher quantities of parts, and the acquisition of four new large local customers. To maintain competitiveness, provide higher quality manufacturing, and expand capabilities, PSP acquired the following equipment within the past six months:

- 1 – STAR CNC automatic type Lathe
- 2 – Haas Milling machines
- 1 – Hwacheon Lathe
- 1 – Matsura Milling machine
- Electronic Tablets for Paperless Manufacturing

Within the upcoming year, PSP will invest in the following tools to improve efficiencies:

- Machine Program tracking software
- MasterCam Software to improve machine programming capabilities

As a result of acquiring a contract with a new large aerospace customer for the manufacturing and assembly of tray tables, PSP recently established an assembly department. PSP will now offer this value added service to its existing client base.

PSP needs to hire three workers in the occupations of Finishers to bring out-sourced process in-house, update its document control and ERP software programs, and improve its processes. PSP must establish a cross-trained workforce to prevent delayed shipments when key occupations are not available.

### **Training Plan**

PSP is certified under AS 9100 in Aerospace and ISO 13485 in Medical Devices, which requires PSP undergoes annual regulatory audits to maintain its certification. Additionally, during the

past six months, PSP's customers and potential customers conducted audits against these same stringent standards requiring evidence that the manufacturing staff be properly trained and have the skills to produce high quality parts on a repeatable manufacturing process basis to remain a qualified approved supplier.

In order to maintain its certifications and meet the demand, PSP must continuously ensure its processes are updated per certification requirements and then train new workers and retrain existing staff to ensure that processes are implemented and followed according to current ISO standards. Therefore, continuous improvement and manufacturing skills training is required for its manufacturing and support staff. Cross-training in all areas is required for a flexible workforce.

PSP will deliver training that will transition the Company into a fully computer-aided, paperless, manufacturing environment by using electronic tablets, scanners, bar codes, touch screen technology, and integrated software systems. These changes will impact many of PSP employees including sales, engineering, programming, estimating, accounting, manufacturing, scheduling, quality inspection, and shipping.

**Business Skills:** Training will be offered to Front Office Staff in PSP's Accounting and Payroll processes and systems. The training is required to improve the processes and develop financial strategies to analyze the financial return of different options relating to PSP's business decisions. Training in Customer Service, Sales and Marketing is essential in communicating with clients regarding PSP's products, customization, and turn-out time. Supervisors will receive training in Project Management to improve inventory control processes.

**Computer Skills:** Training will be offered to Assembly Staff, Finishers, Machinists, Operations Staff, Quality Inspectors and Supervisors in skills necessary to provide critical updates to PSP's ERP system to properly record job flow, job costs and data for future quotes and job processes. Front Office Staff's training will be specific to improving accessibility to data required for business analysis. Training in an updated version of MS Office Suite (Word, Excel, Outlook, PowerPoint) will be offered to Quality Inspectors, Front Office Staff, and Operations Staff.

All staff will receive training in the use of Electronic tablets for the implementation of PSP's manufacturing workflow tracking processes as required by Paperless Manufacturing. Training in the Company's Machine Program tracking software will be offered to Machinist, Operations Staff, Quality Inspectors, and Finishers. Machinists will receive training in MasterCam software which will improve programming capabilities.

**Manufacturing Skills:** Training in CNC Programming, Machine Operations and Maintenance will be provided to Machinists, Operations Staff, Quality Inspectors and Supervisors. Assembly Staff and Finishers will be cross-trained in operation processes in order for PSP to develop its flexible workforce.

**Continuous Improvement:** Training in Quality Management will be provided to Quality Inspectors so they can identify defective parts early in the manufacturing process. The remaining staff will receive training in Process Improvement to ensure root causes of any non-conformances are identified in order to develop corrective action plans to either change or improve a process and if needed retrain staff. They will also ensure best practices are shared across all departments and PSP's clients. All occupations will receive training in updated AS 9100 and ISO 13485 processes, which also requires that improvements are documented to ensure successful outcomes are continual. Supervisors require this training to ensure staff is involved in problem solving meetings ensuring all disciplines are represented and contributing to resolving the root cause of the issues.

**Hazardous Materials:** Training will be provided to Assembly Staff, Finishers, Machinists, Operations Staff, Quality Inspectors and Supervisors to ensure they have the skills necessary on the procedures and processes required for the handling, storage and disposal of hazardous materials.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

### **PRIOR PROJECTS**

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET09-0489	Milpitas	2/27/2009 – 2/26/2011	\$74,880	\$59,116 (79%)

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

8 – 60

Trainees may receive any of the following:

**BUSINESS SKILLS**

- + Customer Service
- + Sales and Marketing
- + Accounting/ Payroll Systems
- + Financial Strategies
- + Inventory Control
- + Time and Task Management
- + Conflict Resolution
- + Communication Skills
- + Project Management

**COMPUTER SKILLS**

- + E2 Shop Software (ERP)
- + “Traveler” - Paperless Manufacturing Process
- + Document Control and Processing
- + Outlook 360
- + Quality Management System

**CONTINUOUS IMPROVEMENT**

- + Process Improvement
- + Quality Management Processes
- + ISO 13485
- + AS 9100
- + Managing Change
- + Listening and Communicating with Workers
- + Managing Effective Teams

**HAZARDOUS MATERIALS**

- + Proper handling of all chemicals used/ stored in manufacturing process

**MANUFACTURING SKILLS**

- + CNC machine operations:
  - o Drills/ Tooling
  - o Lathes
  - o Milling
  - o Screw Machines
- + CNC Programming
- + Assembly Processes and Documentation

Note: Reimbursement for retraining is capped at 60 total hours per-trainee, regardless of method of delivery.



**DELEGATION ORDER**



**Training Proposal for:  
Ridge Communications, Inc.**

**Small Business  $\leq$  \$50,000**

**ET15-0329**

**Approval Date:** November 13, 2014

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

**Analyst:** R. Jackson

**CONTRACTOR**

- Type of Industry:
  - Services
  - Technology/Other
  - Communication
  - Priority Industry: ☒ Yes ☐ No
- Number of Full-Time Employees
  - California: 31
  - Worldwide: 44
  - Number to be trained: 29
  - Owner ☒ Yes ☐ No
- Out-of-State Competition: NAICS Code Eligible
- Special Employment Training (SET): ☐ Yes ☒ No
- High Unemployment Area (HUA): ☐ Yes ☒ No
- Turnover Rate: 6%
- Repeat Contractor: ☒ Yes ☐ No

**FUNDING**

- Requested Amount: \$27,898
- In-Kind Contribution: \$18,241

**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, Commercial Skills, PL-Commercial Skills	29	8-60	0	\$962	\$16.25
				Weighted Avg: 37			

- Reimbursement Rate: \$26 SB Priority
- County(ies): Contra Costa
- Occupations to be Trained: Owner, Technicians, Supervisor, Administrative Staff
- Union Representation: ☐ Yes  
☒ No
- Health Benefits: N/A

**SUBCONTRACTORS**

- Development Services: N/A
- Administrative Services: N/A
- Training Vendors: To Be Determined

**OVERVIEW**

Established in 2002, Ridge Communications, Inc. (RCI) is a telecommunications company based in San Ramon. The Company provides services including network site development, network deployment, site design, land use planning, site acquisition and network performance evaluation to the wireless-carrier industry. RCI also installs cabling, amps, duplexers, DAS node cabinets and other new technology to support wireless-carriers efforts to improve network performance.

**Training Plan**

Workforce training assessments revealed supplemental training needs for each occupation included. In this proposal, the training is customized for the Company's fast changing technological and competitive business environment. Customer networks are becoming more sophisticated, requiring new processes and the use of new equipment. While RCI has benefited from ETP funding previously, this training plan contains new courses developed for newly acquired equipment. Staff job duties will broaden to include new tasks across three main areas of operation: installations; site acquisitions; and testing.

Also, the training plan will provide frontline workers with skills to better respond to unique demands by clients requiring more complex designs and new services. While some training topics in this proposal are the same as topics in the previous contract, they will not be provided to any trainee who was trained in those topics under prior Agreement. Training will support RCI's strategic business plan.

**Business Skills** – Training will be offered to all occupations. RCI's employees interact with clients and vendors in a rapidly changing telecommunication industry. Business skills training will enable the Company to provide services required to maintain existing and gain new business from the carriers.

**Computer Skills** – Training will be offered to all occupations. Employees utilize carrier software, internal software and various MS Office Suite files. It is critical that all employees are trained on the various programs. Additionally, training for Supervisors and Technicians in Radio Frequency design software will enable efficient troubleshooting in the field.

**Commercial Skills** – Training will be offered to all occupations. Training will increase worker knowledge of radio frequencies, fiber developments, cabling systems, and design and installation criteria. RCI has responded to industry demands by expanding job classifications and responsibilities, requiring staff to possess additional skills. Continuous Improvement will improve efficiency and quality of installation services.

### **Productive Laboratory-Commercial Skills**

Productive Lab (PL) training will be given to Junior Technicians. An estimated eight trainees will produce installation or test services as part of the training. This training cannot be provide in a simulated lab environment due machinery costs and nature of the work, which is installation-based using live equipment for client ordered destinations. The trainer-to-trainee ratio will be 1:1 and training capped at 24 hours per trainee.

RCI's Lead Technicians will deliver the PL training. Each trainer has four or more years of experience, is a subject matter expert and will evaluate competencies for Junior Technicians.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

### **ACTIVE PROJECTS**

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

Agreement No.	Approved Amount	Term	No. Trainees Enrolled	No. Completed Training	No. Retained
ET13-0220	\$32,760	11/19/2012-11/18/2014	*33	*27	*27

\*ETP's Online system shows 1,271 training hours. The invoice history shows \$24,570 paid to date with some individuals remaining to be reviewed and/or invoiced. Invoice history shows \$31,253 potentially earned (95% of the approved contract amount). However, two individuals also remain active and show eligible hours and may be invoiced, which would raise the total earnings to 100%.

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

8-60

Trainees may receive any of the following:

**BUSINESS SKILLS**

- ✦ Project Trackers
- ✦ Leadership
- ✦ Real Estate and Planning

**COMPUTER SKILLS**

- ✦ Microsoft Office Suite
- ✦ Operating Systems (Globe – Finance System)
- ✦ Verizon Software Systems
- ✦ Wireless Applications and Security
- ✦ iBWave RF Design
- ✦ Engineering Propagation Analysis, Atoll
- ✦ Cable/Fiber Testing
- ✦ Splicing and OTDR Testing
- ✦ Equipment and Procedure Safety

**COMMERCIAL SKILLS**

- ✦ Distributed Antenna System Deployment
- ✦ Equipment Installation
- ✦ C7 Low Voltage Electrical
- ✦ C10 Electrical
- ✦ Radio Frequency Engineering

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

**PL Hours**

0 – 24

**COMMERCIAL SKILLS (ratio 1:1)**

- ✦ Distributed Antenna System Deployment
- ✦ Equipment Installation
- ✦ C7 Low Voltage Electrical
- ✦ C10 Electrical
- ✦ Radio Frequency Engineering

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: **Robert Mann Packaging Inc.** Agreement Number: ET15-0356

**Approval Date:** January 5, 2015

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

**Analyst:** A. Nastari

#### PROJECT PROFILE

Contract Attributes:	Priority Rate Job Creation Initiative HUA	Industry Sector(s):	Manufacturing Agriculture  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Monterey, San Diego, Santa Barbara, Santa Cruz, Ventura	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: 173	U.S.: 173	Worldwide: 173
<u>Turnover Rate:</u>	9%		
<u>Managers/Supervisors:</u> (% of total trainees)	11%		

#### FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$84,500		\$0	\$0		\$85,580

In-Kind Contribution:	100% of Total ETP Funding Required	\$94,400
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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	10	8 - 200	0	\$540	*\$14.90
				Weighted Avg: 30			
2	Retrainee Priority Rate Job Creation Initiative	Business Skills, Computer Skills, Cont. Imp., Literacy Skills, Mfg. Skills	17	8 - 200	0	\$1,000	*\$12.19
				Weighted Avg: 50			
3	Retrainee Priority Rate HUA	Business Skills, Computer Skills, Cont. Imp., Literacy Skills, Mfg. Skills	117	8 - 200	0	\$540	*\$11.50
				Weighted Avg: 30			

\*Staff recommends "grandfathering" the CY 2014 wages to ensure there is no detriment caused by the cancellation of December's meeting where, as here, some occupations would not meet CY 2015 wages.

**Minimum Wage by Counties:** Job Number 1: \$14.90 for Santa Barbara County; \$15.60 for San Diego County

Job Number 2(Job Creation): \$12.19 for Monterey, Santa Barbara and Ventura counties; \$13.00 for San Diego County; \$13.55 for Santa Cruz County

Job Number 3(HUA): \$11.17 for Monterey and Ventura counties; \$12.19 for Santa Cruz 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 Numbers 1-3

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
<b>Job Numbers 1</b>		
Customer Service Staff		1
Managers I		5
Managers II		1
Production Lead		1
Sales Staff		2
<b>Job Number 2-Job Creation</b>		
Production Lead		1
Administrative Staff		1
Customer Service Staff		1
Maintenance Staff		3

Manager I		1
Production/Quality Technician Staff		10
<b>Job Number 3-HUA</b>		
Administrative Staff		7
Customer Service Staff		4
Maintenance Staff		6
Managers I		12
Managers II		3
Production/Quality Technician Staff		75
Production Lead		7
Sales Staff		3

## **INTRODUCTION**

Founded in 1971 and headquartered in Salinas, Robert Mann Packaging Inc. (RMP) is a manufacturer of food-safe packaging products. Merchandise includes flexible and rigid plastic items for fresh produce (such as melons, broccoli and lettuce), laminated/waxed bulk bins, and molded polystyrene box products for the meat and seafood packing industry. The Company also manufactures corrugated trays and plastic clamshells for the strawberry industry, corrugated boxes and bouquet sleeve bags for the floral industry, and industrial packaging (pizza boxes.) RMP operates 13 facilities in California, five of which are located directly on the clients' premises to provide real-time customized products. RMP also operates a facility in Arizona and one in Mexico. All of RMP's California facilities will participate in ETP-funded training.

RMP's in-house designers customize packaging products per clients' specifications. Raw materials are processed through a die cutting process, and art work is applied for box printing and identification. RMP's packaging has focused primarily on manufacturing for agricultural usage, resulting in a seasonal business model. However, RMP is expanding into the seafood, meat and industrial packaging products, which would allow for year round manufacturing.

### **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.

RMP has committed to hiring 17 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.

To address its business growth into new industries and products. RMP plans to hire approximately 17 workers for Production/Quality Technician, Maintenance, Administrative and Customer Service Staff. RMP will place the workers throughout its facilities which have adequate space to house the additional workers.

## **PROJECT DETAILS**

The food packaging industry has set stringent requirements to grade food packaging products, through a food safety quality program (British Retail Consortium (BRC)) Global Standards. The

program certifies clean, contamination free packaging. Major customers require Letters of Guarantee certifying implementation of food safety packaging processes. Although RMP recently passed its annual BRC Global Standards certification process, it must continue to train new employees as hired to remain BRC compliant. ETP-funded training provided to newly hired workers will be in a structured format, rather than on-the-job as currently delivered.

Additionally, the Company set a goal for 2014 to reduce equipment set-up time, reduce scrap, reduce time-to-market, and create a versatile workplace through the introduction of Lean Manufacturing Principles. Therefore, in August 2014, RMP contracted with Manex Consulting to assess and design a Root Cause Corrective Action plan, implement a develop a core group of trainers, consisting of Managers, Supervisors, Production Leads, and Quality Technicians who will receive "Train-the-Trainer" skills to deliver Lean Manufacturing concepts.

RMP purchased a corrugated die cutting and printing machine center which has allowed it to bring in a key part of its supply chain in-house, providing better control of its box making processes. RMP's move to design new industrial packaging such as and seafood products It is also redesigning and updating strawberry packaging. RMP needs to train and cross-train in new and updated die cutting processes, specifically for industrial products, redesigned strawberry packaging, and seafood products. It will also train in manufacturing operations of ink printers, box makers, and cross-train across all equipment operations.

## Training Plan

**Business Skills (5%):** Training will be provided to Managers, Administrative and Sales Staff in Business Planning, Customer Service, Communication Skills, Negotiation Skills, and Sales and Marketing Skills which are required when interfacing with customers and suppliers. The training will address RMP's new products and offerings, including advanced packaging materials and design capabilities.

**Computer Skills (5%):** RMP plans to update its ERP system in 2015. The ERP is used for scheduling, inventory control, purchasing and delivery of customer's products. Therefore, RMP will need to update Quality Technicians, Managers, and Production Leads, Administrative and Sales Staff skills.

**Continuous Improvement (40%):** Training will be offered to Quality Technicians, Production Staff, Production Leads and Managers in Lean Manufacturing, Root Cause Corrective Action, and Six Sigma Methodologies to reduce process variations. Training will then be followed by 5s Workplace Organization and Standard Work the foundation for implementing Lean processes. The remaining occupations will receive Basic Lean Manufacturing and Terminology to implement processes required to improve quality, while reducing errors and costs.

Administrative Staff's Lean office processes will be specific to increasing order accuracy and reducing errors. Standardization of process flow from receipt of an order, to data entry, to shipment will improve efficiencies in reducing scrap costs, thereby meeting customer demands in an accurate and timely manner.

In an effort to maintain low turnover, Production Leads and Managers will receive training in Conflict Resolution, Interpersonal Skills Development, Effective Leadership and Team Building Skills, as well as Coaching and Mentoring skills.

All occupations will receive updated skills in BRC Global Standards required to maintain its certification.



**Literacy Skills** (10%): Training in Comprehension and Oral skills will be delivered to its diverse workforce based on informal assessments conducted with department Managers. Quality Technicians, Production and Maintenance Staff require skills to accurately comprehend, implement, and practice BRC Food Safety Standards, Operating Procedures, Process Improvement, and ERP processes.

**Manufacturing Skills** (40%): Training will be provided to Quality Technicians, Production Leads, Managers, Production and Maintenance Staff. Training will consist of basic manufacturing operations including the new Die Cutting machine, Ink Jet Printing, Box Wax Applications, and all equipment operation. Additional manufacturing skills may include, System Integration Processes, Troubleshooting Testing/Reliability, Warehouse Inventory Procedures, Workflow/Scheduling, Maintenance Skills, Pneumatics, Electrical Systems, Air Systems and Schematic Documentation.

Additionally, proper handling, spill control, proper labeling, record keeping and disposal of RMP's water based inks is required to ensure safety compliance.

### **Temporary to Permanent**

The trainees in Job Number 2 come under Panel guidelines for "temporary to permanent" employment. The RMP may 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 the RMP. Until then, RMP will not receive progress payments.

### **High Unemployment Area**

Trainees in Job Numbers 2 and 3 work in High Unemployment Areas (HUA) with unemployment exceeding the state average by at least 9%. The Company's locations in Monterey, Santa Cruz and Ventura counties qualify for HUA status under these standards.

#### ➤ Wage and Retention 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. RMP is requesting a wage modification for Job Number 3 only from \$14.90 to \$11.50 in Monterey and Ventura; and from \$16.25 to \$12.19 in Santa Cruz.

### **Commitment to Training**

RMP has an annual budget of \$18,500 per facility dedicated to Hazard Analysis and Critical Control Point, BRC, Good Manufacturing Processes and OSHA. It also allows for training in job specific skills to increase efficiencies.

RMP 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

RMP has identified its HR Manager responsible for ETP administration. An additional staff person will conduct the ETP data entry processes. RMP will schedule training 30 days in

advance in order to provide managers sufficient time to plan its production cycles. The management team will have access to a monthly status report providing the number of hours required and completed on a per trainee basis. RMP has also acquired the services from Manex which is already currently delivering some of its Continuous Improvement curriculum to establish its core-group of trainers.

### **Green/Clean Operations**

RMP is committed to environmental preservation by using raw materials that are Food Safe, renewable, recyclable, sustainable, and, when available, biodegradable. Therefore, it must ensure that its suppliers also meet RMP's same high quality standards of safety, quality, and environmental commitment.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

### **DEVELOPMENT SERVICES**

Manex Consulting (Manex) in San Ramon, assisted with development of this proposal at no cost RMP. However, Manex will receive a flat fee under its "marketing contract" with California Manufacturing Technology Consulting (CMTc) located in Torrance, the prime contract holder with ETP. CMTc holds the master contract with ETP and has subcontracted for work in Northern CA with Manex.

### **ADMINISTRATIVE SERVICES**

N/A

### **TRAINING VENDORS**

Manex will also provide Continuous Improvement training.

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

8 – 200

Trainees may receive any of the following:

**BUSINESS SKILLS**

- Business Plans
- Customer Service
- Communication Skills
- Developing Sales Strategies
- Developing Marketing Strategies
- Finance for Medium-Sized Manufacturers
- Interpersonal Skills
  - Conflict Resolution
  - Effective Team Building
  - Effective Report Writing
- Inventory Control
- Listening Skills
- Negotiating Skills
- New Product Introduction
- Presentations
- Strategic Planning

**COMPUTER SKILLS**

- Accounting Systems
- Computer Networking/Support Systems
- Communications Systems
- Database Management
- ERP Training
- Spreadsheets/Advanced Excel and Access Training
- Website Development and Maintenance

**CONTINUOUS IMPROVEMENT**

- 5S: Sort, Set, Shine, Standardize, Sustain
- BRC Quality and Audit Principles
- Basic Quality Tools
- Continuous Improvement Skills/Lean Manufacturing
- Creative Problem Solving Skills
- Cycle-Time Reduction Techniques
- Interpreting & Analyzing Data
- BRC Food Safety
- Leadership Skills for Front Line Workers
- Mentoring and Coaching
- Maintenance (TQM)
- Process Control/Process Improvement
- Process/Product Handling
- Production Scheduling
- Production Operations/Workflow
- Project Management
- Standard Operating Procedures

**MANUFACTURING SKILLS**

- Manufacturing/Printing Operations
- Blueprint Reading
- Chemical Usage and Handling
- Facilities Management
- Forklift Safety/Operations
- Quality Control and Final Quality Assurance
- Set-Up Reduction
- Shipping/Receiving
- Special Machines/Inspections
- Statistics Skills for Operations
- Testing Techniques
- Warehousing Operations/Distribution

**LITERACY SKILLS**

- Comprehension Skills:
  - Communicating Common Work-Related Instructions
  - Equipment Operation Language
  - Job Related Vocabulary & Phrases
  - Multi-Cultural Communication
  - Shop Floor Language
  - SPC Language
  - Understanding Common Work-Related Instructions
  - Understanding Schematics Used On-the-Job
- Oral Skills:
  - Basic Grammatical Structure
  - Presentation Skills
  - Pronunciation
  - Vocational Vocabulary and Phrases
  - Basic Writing Skills
  - Completing Job-Related Forms
  - Computer Skills
  - Reading Comprehension
- Basic Math:
  - Applying Math to Job Functions

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

**DELEGATION ORDER**

**Retrainee – Job Creation  
Training Proposal for:  
Saputo Cheese USA Inc.  
Agreement Number: ET15-0349**

**Approval Date:** December 4, 2014

**ETP Regional Office:** Sacramento

**Analyst:** M. Mazzone

**PROJECT PROFILE**

Contract Attributes:	Priority Rate Retrainee Job Creation Initiative HUA	Industry Sector(s):	Manufacturing  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Tulare, Stanislaus	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No General Teamsters Local 386		
Number of Employees in:	CA: 1,100	U.S.: 3,300	Worldwide: 12,700
<u>Turnover Rate:</u>	6%		
<u>Managers/Supervisors:</u> (% of total trainees)	0%		

**FUNDING DETAIL**

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$99,632		\$0	\$0		\$99,632

In-Kind Contribution:	100% of Total ETP Funding Required	\$320,255
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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	Commerical Skills, Continuous Impr, Mfg Skills	146	8-200	0	\$504	\$15.00
				Weighted Avg: 28			
2	Retrainee Priority Rate	Commerical Skills, Continuous Impr, Mfg Skills	14	8-200	0	\$432	\$18.75
				Weighted Avg: 24			
3	Retrainee Priority Rate Job Creation Initiative	Commerical Skills, Continuous Impr, Mfg Skills	25	8-200	0	\$800	\$15.00
				Weighted Avg: 40			

**Minimum Wage by County:** **Job Numbers 1 and 2:** \$14.90 per hour for Stanislaus and Tulare counties; **Job Number 3:** \$12.19 per hour for Stanislaus and Tulare 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

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Cheese/Whey Production Staff		74
Cheese/Whey Production Staff (Job Creation)		25
Quality Control Staff		14
Laboratory Staff		6
Process Safety Management Staff		4
Maintenance Staff		30
Packing/ Shipping Staff		32

**INTRODUCTION**

Saputo Cheese USA, Inc. (Saputo) was founded in 1957 as a cheese production plant in Montreal, Canada. The Company steadily grew in response to the popularity of pizza in North America and eventually became the largest producer of cheese and whey products in Canada. Headquartered in Lincolnshire, IL, Saputo has a worldwide presence with facilities in the United States, Canada, Argentina, Germany and the United Kingdom. The Company's customers include Round Table Pizza, Papa Murphy's Pizza, Wal-Mart, Sam's Club, Costco, and an array of grocery chains. Saputo has seven production facilities located in California; only two (Newman and Tulare) facilities will participate under this proposal.

## **PROJECT DETAILS**

Saputo's training goal is to improve competitiveness in the cheese and whey industry by developing production capabilities. In Saputo's prior contract, its Tulare plant started an aggressive training plan to upgrade front-line worker knowledge and skills to increase productivity and efficiency. After the completion of training, the Tulare plant assessed its progress and decided that a Phase II training plan will help it accomplish new production and quality goals. Extensive training will be provided in quality procedures to provide the most comprehensive data collection and quality control testing in the cheese industry.

The Newman plant was not included in the prior contract. Training at this plant will be the same type of training provided in Phase I training at Tulare plant. Training will focus on the quality and production process to improve efficiencies. Both facilities will also include training for maintenance employees. Maintenance staff will attain the skills necessary to independently repair and maintain production equipment, significantly reducing or eliminating outsourcing.

### **Retrainee - Job Creation**

Saputo has committed to hiring 25 new employees at the Tulare plant (Job Number 3). The Company is in a growth mode with increased in sales at the Tulare plant in excess of 5%. In addition, over \$225,000 has been invested in new equipment for the Tulare plant in the packaging and whey departments in order to increase capacities. The Tulare plant has purchased new production equipment including a Shaker Conveyor System (to be installed Dec. 2014) and a Mettler Toledo Safeline Metal Detection System (installed Nov. 2014). In other areas, training is being used to optimize equipment performance and capacities as well. For the Newman Plant, cheese volume production will be increased to over 9 million pounds per year more than previous years.

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

**Commercial Skills (20%):** Training will be offered to Maintenance Staff and will focus on the maintenance, repair, and troubleshooting of components and production equipment. The training will allow Saputo to reduce the amount of outsourcing to outside vendors for machine maintenance and repair. All training will be under the course topic Production Equipment Maintenance and Repair.

**Continuous Improvement (40%):** Training will be offered to all occupations and will allow staff to further improve the production process by reducing wastes and increasing efficiencies. Also, Saputo plans on providing the most comprehensive data collection and quality control testing in the cheese industry. The training courses will include Food Manufacturing Quality Control (Sampling/Testing/Monitoring), Team Building, Process Improvement Training and Advanced Forklift Driving.

**Manufacturing Skills (40%):** Training will be offered to all occupations. Saputo has purchased new production and packaging equipment, which will require job specific staff to receive training. Job creation staff will be educated on the overall cheese and whey production process. In

addition, production, packing/shipping, quality control and PSM staff will receive training to emphasize sanitation, temperature controls, microbiological standards, metal detection, and safe handling to insure that the highest quality product is produced. Training courses will include Food Product Safety, Cheese/Whey Production Process, Advanced Packaging for Cheese Production, and Production Equipment Safe Operation and Maintenance.

### **Commitment to Training**

Saputo currently has an annual training budget of \$30,000, which is allocated to each plant and includes training such as state mandated safety training, new employee orientation and sexual harassment prevention training. Saputo 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.

### **High Unemployment Area**

The 14 trainees in Job Number 2 work in a High Unemployment Area (HUA), exceeding the state average by at least 25%. The Company's location in Stanislaus County qualifies for HUA status under these standards. Saputo is not asking for a wage modification.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

### **PRIOR PROJECTS**

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET12-0371	Tulare	05/01/12- 04/30/14	\$151,200	\$151,200 (100%)

### **DEVELOPMENT SERVICES**

Saputo retained Strategic Business Solutions, LLC in Visalia to assist with development of this proposal for a flat fee of \$5,750.

### **ADMINISTRATIVE SERVICES**

Saputo also retained Strategic Business Solutions, LLC 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:

**COMMERCIAL SKILLS**

- ❖ Production Equipment Maintenance and Repair
- ❖ Ammonia Refrigeration Systems maintenance
- ❖ PLC/VFD (Gauges and Measurement Equipment)
- ❖ Industrial Equipment Electrical/Electronics
- ❖ Rotary Valve, Pump, and Burner maintenance and repair

**CONTINUOUS IMPROVEMENT**

- ❖ Food Manufacturing Quality Control  
(Sampling/Testing/Monitoring)
- ❖ Advanced Forklift Training
- ❖ Team Building
- ❖ Process Improvement Training

**MANUFACTURING SKILLS**

- ❖ Food Product Safe Handling, Packaging, and Storage
- ❖ Cheese/Whey Production Processes
- ❖ Cheese Production Advanced Packaging Solutions
- ❖ Production Equipment Safe Operation
  - Shaker (Vibratory) Conveyor System
  - Mettler Toledo Safeline Metal Detection System

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

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



# GENERAL TEAMSTERS LOCAL UNION NO. 386

*The Counties of Stanislaus, Merced, Mariposa, and Yosemite National Park, California  
Affiliated With The International Brotherhood of Teamsters*

**Principal Officer**

Jeff Berdion  
Secretary-Treasurer

**Executive Board**

Dave Parks  
President

John Costa  
Vice President

Mark Stout  
Recording Secretary

**Trustee's**

Carlos Ortega  
Bill Stewart  
Hector Zamora

**Business  
Representatives**

Gaylord Phillips  
Dave Parks  
John Costa  
Rene Leyva  
Bryan Ronngren

Wendel J. Kiser  
Memorial Building

1225 13th Street  
Modesto, CA 95354  
Phone (209) 526-2755  
Fax (209) 526-9485

[www.teamsters386.org](http://www.teamsters386.org)

June 5, 2014

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

RE: ETP Training Program

International Brotherhood of Teamsters, Local 386, represents the bargaining unit comprised of approximately 105 employees at the Saputo Cheese USA, Inc. plant located in Newman, California.

IBT Local 386 is an ardent supporter of employee training and recognizes the importance and crucial role the ETP Training Program plays in the development of our members.

We strongly recommend and support Saputo Cheese USA, Inc. in their efforts to secure funding for training. The training program will provide our members with knowledge and skills needed to meet operational demands, which in turn will increase promotional opportunities and provide a more secure work environment for the future.

Should you have any questions, please don't hesitate to contact me at (209) 526-2755 ext.18.

Sincerely,

Rene Leyva  
Business Representative  
Teamsters Local 386

RL/cmb

**DELEGATION ORDER**

**Retrainee – Job Creation**  
**Training Proposal for:**  
**Simpson Strong-Tie Company Inc.**

**Agreement Number: ET15-0330**

**Approved Date:** November 5, 2014

**ETP Regional Office:** Sacramento

**Analyst:** M. Mazzone

**PROJECT PROFILE**

Contract Attributes:	Retrainee Priority Rate Job Creation Initiative HUA	Industry Sector(s):	Manufacturing  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	San Joaquin	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Communication Workers of America Local Union 9415; The International Association of Sheet Metal, Air, Rail and Transportation Workers, SMW Local Union No. 104		
Number of Employees in:	CA: 450	U.S.: 1,500	Worldwide: 2,000
<u>Turnover Rate:</u>	6%		
<u>Managers/Supervisors:</u> (% of total trainees)	11%		

**FUNDING DETAIL**

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$26,160		\$0	\$0		\$26,160

In-Kind Contribution:	100% of Total ETP Funding Required	\$27,000
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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 Improvement; Manufacturing Skills	40	8-200	0	\$504	\$15.00
				Weighted Avg: 28			
2	Retrainee Priority Rate Job Creation Initiative	Continuous Improvement; Manufacturing Skills	5	8-200	0	\$1,200	\$14.90
				Weighted Avg: 60			

**Minimum Wage by County:** Job Number 1: \$14.90 for San Joaquin County

Job Number 2 (Job Creation/HUA): \$11.17 for San Joaquin 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
Operators		10
Skilled Trades		10
Engineers		5
Production Staff		5
Customer Service Staff		5
Managers/Supervisors		5
<b>JOB CREATION</b>		
Production Staff		5

**INTRODUCTION**

This is a repeat single-employer contractor (SEC). However, because the Application for Funding had been submitted by September 19, the date on which the Panel established a preference for first time single employers, this proposal was allowed to move forward.

Founded in 1956 and headquartered in Pleasanton, Simpson Strong-Tie Company Inc. (SST) ([www.strongtie.com](http://www.strongtie.com)) is a subsidiary of Simpson Manufacturing Company, Inc. SST is a large supplier of structural building products, and serves customers in commercial and residential construction, furniture, and do-it-yourself markets, such as Home Depot and Lowe's. SST has three facilities in California: Pleasanton, Stockton and Riverside. This proposal will only include employees from the Stockton facility.

To remain competitive and maintain customer satisfaction, the Stockton facility began producing a new product line that requires upgrades in processes and systems. SST will also implement a performance-based training program and Lean manufacturing processes to improve new equipment operations and maintenance, reduce inventory levels, improve on-time delivery and increase customer satisfaction.

This is the third ETP project for the Company. The first Agreement planned to implement Microsoft Dynamics AX and die set-up processes. The second Agreement focused on leadership training. This training will focus on implementing new equipment processes, a new production line, and Lean manufacturing. Some of the topics in the second agreement were not delivered and thus included in this proposal.

SST is also submitting a separate funding proposal for its Riverside facility (ET15-0326) in the amount of \$25,200. The combined requested funding of the first two Agreements equals \$51,360. This does not exceed the amount the Company earned on the last project (\$51,923). In total, both proposals are under the SEC cap of \$425,000.

In addition, the third party consultant will work with SST to ensure rosters are completed per ETP guidelines, coordinate monitoring schedules, and advise SST on invoicing requirements.

Two collective bargaining units support this training proposal: Communication Workers of America Local Union 9415 and International Association of Sheet Metal, Air, Rail and Transportation Workers, SMW Local Union No. 104. Each will provide letters of support or training will not be reimbursed.

### **Retrainee - Job Creation**

The Stockton facility recently began producing the Shear Brace-Strong Wall®, an alternative to the wider, braced walls required by the International Residential Code and International Building Code model building codes. To manufacture this new product, SST invested 2.5 million in the purchase and installation of four new presses and a shear brace production line. New employees are needed to run the new shear brace production line and operate the new presses.

SST has committed to hiring five 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 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.

## **PROJECT DETAILS**

### **Training Plan**

Training is expected to begin November 17, 2014 and will use the classroom/laboratory delivery method for the following:

**Manufacturing Skills (50%)** - Training will be offered to Production Staff, Operators, Engineers and Managers, and include total productive manufacturing, autonomous maintenance, lean six sigma, technician/maintenance processes, and pneumatic equipment operation. Training will improve equipment operation and maintenance, implement lean manufacturing processes, and increase efficiency on the new production line.

**Continuous Improvement (50%)** - Training will be offered to all occupations and include just-in-time processes; problem solving; business performance; systems; applications and products; and performance management. Training will focus on improving customer service, developing employee capacity and increasing profitability.

### **Commitment to Training**

The current training budget for SST is approximately \$75,000 per California facility. In the past SST provided safety, regulatory, policies, and legal training using class/lab, on-the-job, and computer-based delivery methods.

SST 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

This project will be managed by a senior management team. A dedicated employee will be assigned to collect rosters/sign-in sheets from each department on a scheduled basis. Monthly goals/charts will be reviewed by management/supervisor in monthly meetings to monitor progress. A third party consultant group will input hours into the online system, provide bi-monthly reports and comparisons to the goals/charts created by the SST team.

Training will be provided by 35 subject matter experts and coordinated by the senior management team.

### **High Unemployment Area**

All trainees work in a High Unemployment Area with unemployment exceeding the state average by at least 15%. However, SST is not asking for a wage modification.

### **Impact/Outcome**

The following are the intended outcomes:

- Improve performance, accountability and return on investment;
- Improve customer service;
- Increase efficiency and effectiveness of production processes.

**RECOMMENDATION**

Staff recommends approval of this proposal.

**PRIOR PROJECTS**

The following table summarizes performance by SST under ETP Agreements that were completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET12-0150	Pleasanton, Stockton, Riverside	9/16/11 – 9/15/13	\$80,910	\$51,923 (65%)
ET09-0106	Pleasanton, Stockton, Brea*, Visalia*, Ontario*	8/31/08 – 8/30/10	\$403,560	\$59,893 (15%)

\*In 2011, the manufacturing facilities located in Brea, Visalia and Ontario consolidated and relocated to either the Stockton or Riverside facility to reduce costs and improve efficiencies. Training for the Stockton facility has been right-sized to earning under ET12-0150.

Due to prior performance, the requested funding amount under this proposal has been right-sized to \$26,160 based on the earnings attributable to the Stockton facility in the prior agreement (ET12-0150).

**ET12-0150** - Three facilities participated in training (Pleasanton, Stockton and Riverside) which created logistical challenges to deliver training at multiple locations with only two certified facilitators. The leadership curriculum, which comprised the majority of the recorded hours in the contract, was all instructor-led training, and the number of internal trainers in the organization was limited.

This proposal will only include the Stockton facility. Representatives at the facility are confident in delivering and implementing training. Subject matter experts at the Stockton facility (35) will deliver the training.

**ET09-0106** - The Company reported that it suffered a 23% decrease in net sales during the economic recession in the construction industry. They downsized and this affected its stability to retain the number of employees that were targeted in the training plan.

**DEVELOPMENT SERVICES**

TGII in Suwanee, Georgia assisted with development of this proposal at no cost. TGII provides services to SST nationally.

**ADMINISTRATIVE SERVICES**

TGII 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

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

8 - 200

Trainees may receive any of the following:

**CONTINUOUS IMPROVEMENT**

- Quality Concepts
- Process Improvement
- Just-in-Time Processes
- Teambuilding
- Problem Solving
- Quality Good Manufacturing Practices
- Focus Improvement
- Material Improvement
- Preventative Maintenance
- Organizational Capability Continuous Improvement
- Business Performance/Skills Enhancement
- Communication Skills
- Project Management
- Environmental Sustainability
- Systems, Applications and Products
- Best Practices
- Performance Management

**MANUFACTURING SKILLS**

- Total Productive Manufacturing
- Production Equipment Operation and Maintenance
- Autonomous Maintenance
- Operator Process/Equipment
- Lean Six Sigma
- Technician Processes
- Maintenance Processes
- Electrical & Electronic Equipment Operation, Maintenance and Repair
- Pneumatic Equipment Operation
- Electrical Systems Technology
- Warehouse Automation, Equipment and Processes
- New Presses training
- Shear Brace Production Line Training
- Automated Equipment Training

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





**Communications  
Workers of America**  
AFL-CIO

**Local 9415**  
1831 Park Boulevard  
Oakland, CA 94606

Ph: (510) 834-9415  
Fax: (510) 893-8275  
[www.cwa9415.org](http://www.cwa9415.org)

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ET15-0330

September 18, 2014

Employment Training Panel  
1100 J Street  
Sacramento, CA 95814

Dear Panel Members:

We understand Simpson Strong-Tie is requesting an Employment Training Panel contract with your office. This letter confirms the Communications Workers of America (CWA) Local Union 9415 supports Simpson Strong-Tie in regards to their application for funding from the Employment Training Panel. We also support Simpson Strong-Tie's efforts to increase the capabilities of their employees and our members.

Sincerely,

A handwritten signature in black ink that reads "Sally Venable". The signature is written in a cursive, flowing style.

Sally Venable  
President  
CWA Local 9415  
1831 Park Blvd.  
Oakland Ca 94606  
510-834-9415  
[svenable@cwa9415.org](mailto:svenable@cwa9415.org)



**Training Proposal for:  
Space Micro Inc.**

**Small Business  $\leq$  \$50,000**

**ET15-0335**

**Approval Date:** 11/13/14

**ETP Regional Office:** San Diego

**Analyst:** M. Ray

**CONTRACTOR**

- Type of Industry: Engineering  
Manufacturing  
Priority Industry: ☒ Yes ☐ No
- Number of Full-Time Employees  
California: 62  
Worldwide: 62  
Number to be trained: 60  
Owner ☒ Yes ☐ No
- Out-of-State Competition: NAICS Code Eligible
- Special Employment Training (SET): ☐ Yes ☒ No
- High Unemployment Area (HUA): ☐ Yes ☒ No
- Turnover Rate: 10%
- Repeat Contractor: ☐ Yes ☒ No

**FUNDING**

- Requested Amount: \$49,920
- In-Kind Contribution: \$89,529

**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	Computer Skills, Continuous Improvement, Manufacturing Skills	60	8-60	0	\$832	\$15.60
				Weighted Avg: 32			

- Reimbursement Rate: Job #1: \$26 SB Priority
- County(ies): San Diego
- Occupations to be Trained: Administrative Support, Designer, Engineer, Production, Sales, Manager/Supervisor, Owner
- Union Representation: ☐ Yes  
☒ No
- Health Benefits: Job #1: \$2.60 per hour

**SUBCONTRACTORS**

- Development Services: California Manufacturing Technology Consulting (CMTc) in Torrance assisted in the development of the project at no charge.
- Administrative Services: CMTc will also provide administration services for a fee not to exceed 13% of earned funds.
- Training Vendors: To Be Determined

**OVERVIEW**

Located in San Diego, Space Micro Inc. (SMI) ([www.spacemicro.com](http://www.spacemicro.com)) is a small business that focuses on engineering technology advancement and product implementation, specifically, in the areas of microelectronics, computing, and communications electronics technology. Founded in 2002, with two employees, SMI started performing Research and Development for the Department of Defense (DoD) and the National Aeronautics and Space Administration (NASA) projects. Today, with 62 employees, SMI has grown into developing and manufacturing broad product lines of space electronics components and subsystems for both domestic and international space and missile programs. The Company manufactures a myriad of digital and radio frequency (RF) products including digital systems, guidance and navigation, and space components. SMI also provides internal environmental testing and qualification, thermal vacuum testing, and radiation testing and analysis to customers such as Raytheon, Lockheed Martin, Space X, NASA, and various military units.

SMI's continued growth is due to the Company's expertise in the development, manufacturing, and delivery of avionics and image processing systems that are integrated into missile, satellite, and spacecraft missions. SMI's products are desired by the industry because of its scalability, reliability, and cost. With increased customer demands, SMI's need for training is focused on the increased expectations of its customers. The DoD, and its prime contractor, NASA, as well as various commercial space companies demand adherence to enterprise-specific suite of technical/process requirements. Likewise, the aerospace business sector demands adherence to national/global standards requirements. In addition, customers expect continuous improvement in all space micro processes affecting the delivery of the product including contracting; purchasing; designing/developing; manufacturing; validating; testing; as well as related business and administrative processing.

To respond to increased customer demands, SMI has committed to promoting a more experienced, well-trained workforce that can understand and follow specific quality protocols and manufacturing procedures, while working efficiently and adhering to stringent standards requirements of the Company's customers. To realize this goal, SMI must leverage its workers' capabilities with targeted training to create an agile, in-depth, talent pool that can respond effectively in a constantly changing technical environment.

To meet customer's needs, the Company also doubled the size of their current location by leasing the previously unoccupied other half of their building in early 2014. The expansion will allow SMI to house additional engineering and environmental testing laboratories designed to sustain increased customer demands in aerospace testing. The Company projects that this expansion will require additional engineering personnel once the laboratories are established.

ETP funding will allow SMI to deliver a comprehensive training program that incorporates computer, continuous improvement, and manufacturing skills. Training will enable the Company to successfully upgrade the skills sets of its workers, meet customer demands, and effectively manage its overall business growth.

## Training Plan

SMI is committed to providing both in-discipline and cross-functional training to ensure the Company has the appropriate skill base available to address technical and process issues to reduce cost and remain competitive. Specifically, lower-level Designers and Engineers will receive a significant amount of training parallel to the Company's training objectives.

**Computer Skills** – Training will be provided to all occupations. Trainees will learn full capabilities of the Company's Manufacturing Resource Planning system to address operational and financial planning. Training in QuickBooks will allow trainees to learn all aspects of accounting functions to ensure accuracy and improve productivity. Training in Oregon Computer Aided Design will allow trainees to effectively integrate flows supporting SMI's engineering processes.

**Continuous Improvement** – Training will be offered to all occupations. Course topics in Team Building, Problem Solving, and Leadership training will provide trainees with the knowledge to identify improvement opportunities, to enhance communication, and improve efficiencies across departments. Training in radiation testing, engineering standards, and space parts engineering will allow trainees to build a strong foundation for managing the quality of products or services to increase customer satisfaction and customer retention, reductions in operating costs, and greater growth in profits.

**Manufacturing Skills** – Training will be offered to Production, Engineering, Designer, and select Administrative Support, and Managers/Supervisors. Course topics in International Traffic and Arms Regulations, Standard Operating Procedures, and Defense Support Services will provide trainees with skills necessary to support increased sales while complying with stringent customer requirements and company standards.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

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

8 - 60      Trainees may receive any of the following:

**COMPUTER SKILLS**

- + Manufacturing Resource Planning (MRP)
- + Schematic Capture – OrCAD (Oregon Computer Aided Design)
- + SolidWorks
- + VxWorks
- + Intermediate/Advanced Excel
- + Intermediate/Advanced Word
- + Intermediate/Advanced INDesign
- + Intermediate/Advanced Photoshop

**CONTINUOUS IMPROVEMENT**

- + Product Knowledge
- + Process Improvement
- + Lean Enterprise
- + Team Building
- + Problem Solving
- + Leadership Skills
- + Radiation Testing
- + Space Environments
- + Space-Based Infrared System
- + Radiation Hardening by Design (RDHB)
- + Space Parts Engineering
- + Engineering Standards

**MANUFACTURING SKILLS**

- + Electrostatic Discharge (ESD)
- + International Traffic in Arms Regulations (ITAR)
- + Defense Support Services (DDS)
- + Standard Operating Procedures (SOP)
- + Soldering Skills
- + Inspection Skills
- + Obsolete Parts Management
- + Counterfeit Parts Management
- + Foreign Objects Damage (FOD)

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:  
Springer Collision Centers dba Fix Auto**

**Small Business  $\leq$  \$50,000**

**ET15-0334**

**Approval Date:** November 18, 2014

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

**Analyst:** R. Jackson

**CONTRACTOR**

- Type of Industry: Services
- Priority Industry: ☐ Yes ☒ No
- Number of Full-Time Employees
  - California: 35
  - Worldwide: 35
  - Number to be trained: 32
- Owner ☐ Yes ☒ No
- Out-of-State Competition: No OSC
- Special Employment Training (SET): ☒ Yes ☐ No
- High Unemployment Area (HUA): ☒ Yes ☐ No
- Turnover Rate: 12%
- Repeat Contractor: ☐ Yes ☒ No

**FUNDING**

- Requested Amount: \$28,160
- In-Kind Contribution: \$38,460

**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 SET	Business Skills, Commercial Skills, Computer Skills, Continuous Impr, HazMat	22	8-60	0	\$880	\$27.09
				Weighted Avg: 40			
2	Retrainee Job Creation Initiative SB <100	Business Skills, Commercial Skills, Computer Skills, Continuous Impr, HazMat	10	8-60	0	\$880	\$13.55
				Weighted Avg: 40			

- Reimbursement Rate: Job #'s 1 and 2: \$22 SB Non-Priority
- County(ies): Santa Clara
- Occupations to be Trained: Administrative Staff, Estimator, Production Staff, Technicians, Managers
- Union Representation: ☐ Yes  
☒ No
- Health Benefits: Job #1 only: \$2.70 per hour

**SUBCONTRACTORS**

- Development Services: Synergy Management Consultants, LLC (SMC) in Grass Valley developed the proposal for a flat fee of \$2,400.
- Administrative Services: SMC will also assist with administration for a fee not to exceed 13% of earned funds.
- Training Vendors: To Be Determined

**OVERVIEW**

Established in 1987, Springer Collision Centers dba Fix Auto (Springer) ([www.fixauto.com](http://www.fixauto.com)) is a small business with two locations in San Jose and Gilroy. Springer provides collision repair services and also sells auto parts.

Automotive industry changes are impacting how repair services are conducted. New processes and materials require the Company to broaden employee skills to keep pace with technology. Additionally, customer demands for lower prices are driving the Company to focus on efficiency in order to keep costs down. The proposed curriculum reinforces the implementation of a training plan that is essential to remaining competitive and improving the skills of frontline workers.



## Training Plan

**Business Skills** – Training will be offered to Administrative Staff, Estimators, and Managers. Training will be related to job specific functions focused on sales, claims, and customer support processes.

**Commercial Skills** – Training will be offered to Technicians, Production Staff, and Estimators to boost competitiveness, increase sales, and improve customer service. The curriculum includes maintenance, new vehicle technologies, aluminum, electric and hybrid repair, and extended Inter-Industry Conference on Auto Collision Repair skills. Estimators are trained in aspects of repair so that they can answer customer questions regarding repair processes and make accurate cost estimates.

**Computer Skills** – Training will be offered to all occupations. The collision industry has experienced changes in how insurers and other partners exchange data. Training is needed to enable the Company to use IT systems to track costs, plan production, and manage service flow to reduce waste and increase efficiency and productivity.

**Continuous Improvement** – Training will be offered to all occupations. Springer Collision Center aims to improve the quality of collision services, reduce customer order cycle times, and improve cost efficiency by implementing lean quality and production improvement systems. Training will help employees identify workflow issues and identify and address root causes of workflow obstacles. The training topics will aim to further reduce waste, lower defects, and minimize errors across all areas of the Company and help staff become more capable of identifying and implementing cost-effective and efficient solutions.

**Hazardous Materials** – Training will be delivered to Technicians and will cover hazardous materials handling and disposal. Toxic debris, waste, and other contaminated materials are often processed during automotive repair work. Training will give trainees the skill sets needed to manage materials encountered during collision repair and clean-up.

## Job Creation

Business expansion rates at Springer have led to conservative hiring estimates targeting planned hiring of 10 employees through 2016, whom are eligible to enroll in ETP funded training. The occupations include Administrative Staff, Estimator, Production Staff, Technicians, and Managers. Springer 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.

## High Unemployment Area

Springer’s Gilroy facility is located in a High Unemployment Area with unemployment exceeding the state average by at least 25%. However, the Company is not requesting a wage 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**

- Customer Care Skills
- Advanced Sales & Marketing Skills
- Negotiation Skills
- Conflict Resolution
- Communication Skills
- Presentation Skills

**COMMERCIAL SKILLS**

- Collision Repair
- Refinishing Skills
- Structural Repair
- Non-Structural Vehicle Repair
- Estimating Skills
- Vehicle Operation, Maintenance, & Troubleshooting
- Alternative Fuel & Hybrid Vehicle Repair Diagnostics
- Service Procedures & Scheduling
- Product Knowledge
- OEM (Original Equipment Manufacturer) Knowledge/Skills

**HAZARDOUS MATERIALS**

- Completing Material Safety Data Sheets (MSDS)
- Volatile Organic Compound (VOC) Tracking
- Emergency Clean-up
- Registration, Evaluation, Authorization & Restriction of Chemical Substances

**CONTINUOUS IMPROVEMENT**

- Leadership Skills
- Teambuilding
- Root Cause Analysis
- Kaizen Event Strategy & Implementation
- Lean Concepts
- Process/Quality Improvement
- Problem Solving/Decision Making Skills
- Inventory Control
- Standard Operating Procedures

**COMPUTER SKILLS**

- Summit Software
- Michell & Michell Repair Center Software
- Nugen IT
- Audatex Software
- CCC Info Systems Software
- Alldata Software
- Microsoft Office Suite

Note: Reimbursement for retraining is capped at 60 total hours per-trainee, regardless of method of delivery.