

PANEL PACKET

JUNE 2016





TABLE OF CONTENTS

Panel Meeting of June 24, 2016

PRELIMINARY MATTERS

Directions to Meeting Site
Future Meeting Sites
Prior Meeting Minutes
Key Program Elements

OTHER MATTERS

Out-of-State Competition

REVIEW AND ACTION ON PROPOSALS

Consent Calendar ***Tab***

B&B Manufacturing Co. -----	1
Giligia College (Amendment) -----	2
Grifols Biologicals Inc. -----	3
Morgan Advanced Ceramics, Inc. -----	4
Multi Cable Link -----	5
TubeMogul, Inc. -----	6
Vavrinek, Trine, Day & Co., Certified Public Accountants, LLP -----	7
Workforce Connections, Inc. -----	8

Proposals for Single-Employer Contractors ***Tab***

<i>North Hollywood Area Regional Office</i>	
C.W. Driver, Incorporated -----	9

Panel Date: June 24, 2016

North American Health Care, Inc.-----	10
PaeDae, Inc. dba Mobile Majority -----	11
Performance Foodservice-Southern California, A Division of Performance Food Group, Inc. -----	12
PRL Glass Systems, Inc.-----	13
Snap-On Logistics Company-----	14
Teledyne Controls, LLC -----	15
Wonderful Pistachios & Almonds LLC -----	16

San Diego Regional Office

Cox Communications California, LLC dba Cox Communications California -----	17
Stearns Lending, LLC-----	18

San Francisco Bay Area Regional Office

Intuitive Surgical, Inc. -----	19
--------------------------------	----

Sacramento Area Regional Office

The Wine Group, Inc. -----	20
Troon Golf, LLC -----	21
Truck Accessories Group, LLC -----	22

Proposals for Multiple-Employer Contractors Tab

North Hollywood Area Regional Office

Apprentice & Journeymen Training Trust Fund of the Southern California Plumbing and Piping Industry -----	23
--	----

Sacramento Area Regional Office

California Workforce Association -----	24
--	----

SUMMARY OF DELEGATION ORDERS

Delegation Orders

Tab

Asepco
Axis Energy Partners, LLC
Hi Tech Electronic Manufacturing Corporation
McCarthy Building Companies, Inc.
Red Door Interactive, Inc.
Reliable IT, LLC dba Broadleaf Group
SeaSpine, Inc.
Thoro Packaging, Inc.



M e m o r a n d u m

To: Panel Members

Date June 24, 2016

From: Stewart Knox
Executive Director

File: Panel Memo Doc.

Subject: **Directions to Meeting Site**

The Employment Training Panel will meet on FRIDAY, **June 24, 2016 at 9:30 a.m.**

**California Environmental Protection Agency
Byron Sher Auditorium, 2nd Floor
1001 I Street
Sacramento, CA 95814**

Telephone (916) 327-5640 (ETP Central Office)
FAX: (916) 445-5972 (ETP Central Office)

Directions to the California Environmental Protection Agency – Byron Sher Auditorium

From Sacramento International Airport:

- Take **Hwy 5 South**
- Exit on **“J” Street to 11th St.**
- Turn Left on **11th Street**
- Turn Left on **I Street**
- **1001 I Street**

From San Francisco

- Take **I-80 E**
- Merge onto **I-5 N**
- Exit on **“J” Street to 11th St.**
- Turn Left on **11th Street**
- Turn Left on **I Street**
- **1001 I Street**



M e m o r a n d u m

To: Panel Members

Date June 24, 2016

From: Stewart Knox
Executive Director

File: Mtg. Site Memo

Subject: **Future Meeting Sites**

<p>June 24, 2016</p>	<p>California Environmental Protection Agency Time: 09:30 AM Byron Sher Auditorium, 2nd Floor 1001 I Street Sacramento, CA 95814</p>
<p>July 22, 2016</p>	<p>California Environmental Protection Agency Time: 09:30 AM Sierra Hearing Room, 2nd Floor 1001 I Street Sacramento, CA 95814</p>
<p>August 26, 2016</p>	<p>California Environmental Protection Agency Time: 09:30 AM Coastal Hearing Room, 2nd Floor 1001 I Street Sacramento, CA 95814</p>
<p>September 23, 2016</p>	<p>California Environmental Protection Agency Time: 09:30 AM Coastal Hearing Room, 2nd Floor 1001 I Street Sacramento, CA 95814</p>



**STATE OF CALIFORNIA
EMPLOYMENT TRAINING PANEL**
California Environmental Protection Agency
1001 I Street
Sierra Hearing Room, 2nd Floor
Sacramento, CA 95814
May 26, 2016

PANEL MEMBERS

Barry Broad
Chair

Janice Roberts
Vice-Chair

Gloria Bell
Member

Sonia Fernandez
Member

Leslie McBride
Ex-Officio Member

Gretchen Newsom
Member

Edward Rendon
Member

Sam Rodriguez
Member

Executive Staff

Stewart Knox
Executive Director

Maureen Reilly
General Counsel

STATE OF CALIFORNIA
EMPLOYMENT TRAINING PANEL MEETING
California Environmental Protection Agency
1001 I Street
Sierra Hearing Room, 2nd Floor
Sacramento, CA 95814
May 26, 2016

I. PUBLIC PANEL MEETING CALL TO ORDER

Chairman Broad called the meeting to order at 9:31 a.m.

II. ROLL CALL

Present

Gloria Bell

Barry Broad

Sonia Fernandez

Leslie McBride

Gretchen Newsom

Edward Rendon

Janice Roberts

Sam Rodriguez (arrived at 9:35 a.m. after initial roll call)

Executive Staff Present

Stewart Knox, Executive Director

Maureen Reilly, General Counsel

III. AGENDA

Chairman Broad asked for a motion to approve the Agenda.

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

Motion carried, 7 - 0.

IV. MINUTES

ACTION: Ms. Newsom moved and Ms. Fernandez seconded the motion that the Panel approve the Minutes from the March 25, 2016 meeting.

Motion carried, 7 - 0.

Mr. Broad said, one matter I want to bring up, which is, we now have a full Panel for the first time in a number of years. Typically, Panel members are supposed to be recognized before they speak. We've developed a more relaxed approach to that, where Panel members just fire off questions. I've been told that we really need to move to a more traditional format for

the benefit of the new member. So henceforth, we're going to raise our hands, and get recognized by the Panel Chair prior to speaking. This doesn't mean that anybody is going to get cut off; it just means that we're going to go one at a time and take turns. I hope nobody will be offended by this process. This is just how we should conduct business.

V. REPORT OF THE EXECUTIVE DIRECTOR

Stewart Knox, Executive Director said, welcome and good morning Panel members, applicants, and stakeholders. It's been a month and a half since our last Panel meeting. We have a fairly large meeting today, totaling approximately \$9.4M in projects with an additional \$2.3M in Delegation Orders, for a total of just over \$11.6M.

Mr. Knox said, we are now at the end of this Fiscal Year (FY) 2015/16; and I will have a PowerPoint presentation later on that will cover funding for next FY 2015/16. We've done some incremental encumbering of the funds to get us to the level of funding that we're at this year, and enable us to push more projects forward. This is the most projects we've seen in many years. We are also working with the Administration to look at a higher appropriation for the Budget Year 2017/18. This is being looked at favorably based on our level of demand and current performance levels.

Mr. Knox introduced Diana Torres from the San Diego Regional Office, Creighton Chan from the Foster City Regional Office, and Willie Atkinson from the Sacramento Regional Office who are presenting the Single Employer and Multiple Employer Projects.

Regarding the Alternative Fuels and Vehicle Technology Program, Mr. Knox said, we just signed another \$2M Interagency Agreement with the California Energy Commission going into the new FY 2016/17. We're almost down to \$0 for this Fiscal Year; the new allocation of \$2M will be accounted for at the June Panel meeting. Also, the one-time \$2M appropriation for drought funding was completely exhausted. This was from the General Funds, and we don't see any additional appropriations from the source.

In regards to the "core program" funding for FY 2015/16 to date: today, the Panel will take action on \$9.4M in projects (with another \$2.3M having been approved by Delegation Order). Should the Panel approve all projects today, the ETP will have expended all funds for FY 2015/16. I want to commend our staff as they have done an amazing job this year. As we noted at the last Panel meeting, projects approved in June will have a July 1st start date to be funded in the new FY. We will continue to accept pre-applications; and continue to approve Delegation Orders to be funded in the new FY.

Mr. Knox reminded the Panel that Delegation Order projects are capped at \$100,000 and are approved by the Executive Director on a flow basis. He said 43 projects were approved in this manner since the last Panel meeting, totaling over \$2.3M.

For FY 2015/16 funding to date, we have approximately over 680 projects submitted, with a value of just over \$130M. If all the projects are approved today, the Panel will have approved close to \$95.5M in proposals. Financially we look very strong, and we have expended all of our funding, which is our role to do. Again, I would like to commend our ETP staff; they have pushed out over 405 projects totaling over \$90M.

Turning to the FY 2015/16 Fund Status Report, he said, staff has been adjusting funding allocations based on projections for the remainder of the FY, to maximize funding.

Regarding applications for contracts that are remaining in the Regional Offices: Single Employer Contract requests are at \$35M; Multiple Employer Contract (MECs) are at \$7M; Small Business has \$4M in demand; Critical Proposals are at \$800,000; and Apprenticeships are at \$4.1M. Overall demand, going into the next FY, is approximately \$50M. It's a little bit lower than where we were this time last year. Our demand last year was close to \$70M. We've done a good job of getting the funds approved and assigned out into the Regional Office.

Regarding the number of projects remaining in the Regional Offices today, Mr. Knox reported: Single Employers 123, MECs 13, Small Business 103, Critical Proposals 3, and Apprenticeships 7 for a total of 249. He also reported on the number of pre-applications now in process: Single Employers 68, MECs 13, Small Business 39, Critical Proposals 0, and Apprenticeships 17 for a total of 137. He said, over 75% of the projects are in the Regional Offices. Again, we look financially strong, and we don't see any issues there.

In regards to legislation, he said there was nothing new to report to the Panel at this time.

VI. MOTION TO ADOPT CONSENT CALENDAR PROJECTS

Mr. Knox asked for a motion to adopt Consent Calendar Items #1 through #12.

Boudreau Pipeline Corporation.....	\$183,320
C.W. Driver, Incorporated.....	\$199,840
Hi-Temp Insulation, Inc.....	\$130,563
J. A. Cosmetics US, Inc. dba e.l.f. Cosmetics.....	\$197,960
L&S Framing, Inc.....	\$179,320
Le Tote, Inc.....	\$145,200
Performance Foodservice – Southern California.....	\$182,000
Qual-Pro Corporation.....	\$108,000
Snap-On Logistics Company.....	\$149,760
Stearns Lending, LLC.....	\$201,980
United Facilities, Inc.....	\$128,484
USA Properties Fund, Inc.....	\$173,190

Ms. Newsom requested to have the following items removed from the Consent Calendar: Item #2, Item #7, Item #9, and Item #10. (See highlight above.)

There was no opposition. Mr. Broad directed staff to remove the items requested from the Consent Calendar and put them over to the next Panel meeting.

ACTION: Mr. Rodriguez moved and Ms. Bell seconded approval of Consent Calendar, except for Item #2, Item #7, Item #9, and Item #10.

Motion carried, 8 – 0.

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

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

ACTION: Ms. Roberts moved and Mr. Rendon seconded the approval to delegate authority to the Executive Director in event of loss of quorum.

Motion carried, 8 – 0.

VIII. REPORT OF THE GENERAL COUNSEL

Maureen Reilly, General Counsel said, I want to speak for a few minutes on something that has come up recently in regard to our staff time and point-of-view, in doing what we call “employer eligibility determinations”. I just want to give a brief overview for the Panel as to what eligibility means, and how it relates to out-of-state competition. Next month, staff will present several options for the Panel’s consideration toward the goal of simplifying and streamlining the process for employer eligibility determinations. This is the first step in applying for funds under a Single Employer Contract, and it is an essential step in recruiting participating employers under a Multiple Employer Contract.

Historically, these determinations have been made on a case-by-case basis, unless the employer was in a designated industry sector, such as manufacturing. However, case-by-case analysis is fact-specific and labor-intensive. The most time-consuming aspect is whether or not the employer faces out-of-state competition. Without out-of-state competition, then funding must be under the Special Employment Training (SET) program with a higher wage requirement. High wage jobs and the opportunity for advancement are a traditional funding priority, so this is a very important consideration.

In recent years, a new complexity has arisen regarding out-of-state competition as staff struggles to make a meaningful distinction between traditional “brick and mortar” competition and the present-day reality of web-based delivery of goods and services in almost every industry sector. “Brick and mortar” means a storefront or physical facility, and web-based means websites, social media, and software applications. People are marketing over Facebook, Twitter, and Pinterest; it’s the new world.

We all recognize that California business operates in a global economy today, thanks to the Internet. However, the rules that govern out-of-state competition are largely silent in regard to web-based delivery; almost entirely silent. The statute makes some mention of it and the governing regulation has one brief mention of it. The options that will be presented by staff next month will consider how to reconcile the traditional approach “brick and mortar” with the present-day reality of web-based delivery, without disturbing the existing statutory and regulatory framework. Staff hopes to improve consistency and reliability for stakeholders.

Some of these options would also lay the groundwork for more automation in keeping with the new system of data management. The overall goal is consistency, reliability and streamlining. The options will be presented for possible action in June, in connection with the

Annual Strategic Plan. They will be posted on our website in advance, along with the Panel Packet.

If the Panel needs further information, or if the public needs more opportunity to comment, then action can be postponed until July, or even farther out. As Mr. Knox noted, the Panel Members will be invited to consider certain decisions in connection with funding for Fiscal Year (FY) 2016/17 at the next Panel meeting, and he has a presentation in that regard. We're talking about the traditional "top of the Fiscal Year" decision to be made on funding limitations and allocations by contract type. These are methods to control the flow of training funds throughout the FY.

There were no questions or comments from the Panel.

IX. ACTION ON THE MEC BROKER MODEL

Mr. Broad said, we need to go back to Mr. Knox for an action item.

Mr. Knox said, we need to take an action regarding the "Broker Model" that I presented at the Panel meeting last month. We did not have time to take a public comment on that matter, so we put it over until this month.

Staff recommends that the Panel take action to restrict Broker Model Multiple Employer Contracts (MECs) by one or more of the following methods, on a pilot basis. One method is restricting a single vendor to no more than 50% of the total training delivery in a single MEC. Another is excluding development fees for any vendor that also receives part of Support Costs. A third method would be reducing Support Costs for the MEC overall, regardless of split with any vendor. Staff further recommends that the action(s) be implemented case-by-case as proposals are presented for funding the next Fiscal Year (FY) 2016/17.

Mr. Broad asked, are we launching this as a pilot program? How long will this run; can we pilot this program for a year and revisit? Mr. Knox said, this is a case-by-case pilot program. The Panel has the authority to make any changes. Ms. Roberts said, since most of our contracts run for two years, how about running the pilot program for the same duration? Mr. Broad said, that's a good point; 2 years. Mr. Knox said, so we'll look at it at the end of FY 2017/18. Mr. Broad asked, does anyone have an objection? Ms. McBride said, perhaps we can do a review at the end of the first year so we can take a look at where we're at, and see the trajectory we're on. Mr. Broad said, staff will make a note of that. So, are there any other questions or debate on this topic? With the slight modification and amendment, I would like to entertain a motion to establish this pilot program.

ACTION: Mr. Rodriguez moved and Ms. Roberts seconded the approval to establish the MEC Broker Model on a 2-Year Pilot Program.

Motion carried, 8 – 0.

Mr. Broad said, we're training more people than we've ever trained. Our money is going to more employers than it's ever gone to, and things are humming along. From my perspective, having been here for 13 years or more, I would like to commend Mr. Knox and the staff for

the fine work they're doing. A couple of weeks ago, I ran into a lobbyist and he mentioned that one of his clients applied for an ETP contract. He said that the staff was incredible, cooperative, and helpful. So I would like to thank you all for the good job that you are doing.

X. REVIEW AND ACTION ON PROPOSALS

Single Employer Proposals

California Newspapers Partnerships

Diana Torres, Manager of the San Diego Regional Office, presented a Proposal for California Newspapers Partnership (CNP) in the amount of \$743,688. Founded in 1999 and headquartered in San Jose, CNP, a subsidiary of MediaNews Group, is the largest publisher of daily and weekly newspapers in California. This will be CNP's third ETP Agreement within the past five years. There is no Substantial Contribution being applied because no single CNP facility has earned \$250,000 or more within the past five years.

Ms. Torres introduced Joy Gavazzoni, Recruiting, Training, and Development Manager.

Mr. Rodriguez said, I thought Orange County Register was bought out and moved to digital paper publication. Ms. Gavazzoni said, that is incorrect. We purchased Riverside Press Enterprise and Orange County Register at an auction when Freedom Communications filed for bankruptcy. All of our newspapers and publications are printed from our Southern California facility.

Mr. Rodriguez asked, was the bankruptcy proceedings intended to dissolve or reinvent the company? Ms. Gavazzoni said, Freedom Communications was dissolved and Media News Group purchased Orange County Register and Riverside Press Enterprise. Mr. Rodriguez said, thank you.

Ms. Bell said, the company didn't benefit from the training conducted from the prior contract. What is going to be different with this training compared to the previous one? Ms. Gavazzoni said, the previous owners of Orange County Register and Riverside Press Enterprise invested heavily in printing a couple of years ago, and it didn't work out. They started two new print publications; Los Angeles Register and Long Beach Register. At the time, newspaper circulation and print revenue were declining. As a result, they pulled back in digital investment. We need to duplicate the training that was conducted in the past to increase knowledge moving forward.

Ms. Bell asked, do you have a way of measuring the success of your training? Ms. Gavazzoni said, revenues, audience, and increasing the online engagement. Ms. Bell said thank you.

Ms. Newsom said, pertaining to your healthcare benefits, it states in the Panel packet that up to \$3.20 per hour can be used to meet the post-retention wage of \$15.60. Can you elaborate on the type and quality of healthcare benefits that are being offered to your employees? Does it have a high premium? Ms. Gavazzoni said, the medical, dental, and vision benefits depend on the type of program that is chosen by the employee. We offer Health

Maintenance Organization (HMO) and Preferred Provider Organization (PPO), and the plans are based on the individual's needs or desire for different programs.

Ms. Newsom said, in your application, it states a provision about commission for the workers that they are earning. I know that this is probably not applicable to how you actually do business with your workers, but if you're using the post-retention wage of \$3.20, \$15.60 with the healthcare benefits drops down to \$12.40 an hour, and there's a provision of using up to \$4.57 of commission to meet the post-retention wage, which will drop the rate below the California minimum wage. Can you elaborate on the structure of the compensation for the commissioned workers? Ms. Gavazzoni said, what I see in general is probably a 50-50 split of base salary and commission. If I were to give you a general average, a sales representative earns \$30,000 and they can earn an additional \$36,000 in commission, on average. It means that we have some employees who are making a little over the base salary, and others can earn a six-figure income as well. These are based on performance.

Mr. Rodriguez asked, the 50% of workforce that is being trained, is it over in sales? Ms. Gavazzoni said, the majority of the contract would be dedicated to content and editorial. The biggest need would be in sales, as far as moving more towards the digital space. The sales representatives need to be more aware of how to sell digital advertising, and the journalists need to know how to present content outside of the traditional newspaper as far as where consumers are going to receive their news and information.

Mr. Rodriguez said, in the Panel packet, under the wage range by occupation table, the numbers of trainees that are indicated are: advertising/digital media staff 252; sales, marketing and telemarketing 225; account manager and executive 185; news staff and content 105. I'm not philosophically opposed, but I want to understand; the conversion that's taking place in the newspaper industry is reducing the base salary and wage of the permanent employee, and enticing them to have a very minimum wage plus commission. I'm just trying to get an understanding of the focus of training, since they are not necessarily identified as new hires. Ms. Gavazzoni said, from my standpoint, when we acquired Orange County Register and Riverside Press Enterprise, we hired 800 new employees in California who will need additional training.

Mr. Rodriguez asked, so when the bankruptcy took place, was there a huge lay off? Ms. Gavazzoni said, technically, everybody was terminated from Freedom Communications and they were hired by our organization. We hired 800 employees and we are a growing organization. Training the employees to get them up to the digital standard is necessary in order to succeed in the publishing industry.

Mr. Broad said, Mr. Rodriguez, are you basically asking, with the changing situation in the newspaper industry, and as a way of coping, are they going to a commission based model? Ms. Gavazzoni said, we've always had a sales based plus commission structure. We reward the employees based on their performance and sales.

Mr. Broad asked, is that common in the newspaper industry? Mr. Rodriguez said, what is not common is that the traditional newsroom and digital space has become smaller and smaller. They are going to a contract-based type of reporting, so they don't have permanent employees, except for a few. They are hiring more salespeople for digital advertising. That

is what's going on in the industry, and I'm not saying that you're right in the middle of it, but it seems that way.

Ms. Gavazonni asked, are you asking if we're hiring freelance journalist rather than a full-time employee? Mr. Rodriguez said, that's the model going on right now, both in the Bay Area and Southern California. Ms. Gavazonni said, I've seen that happen in some instances, but that's not necessarily the direction we're going. If we see a need for freelance journalist, we might do that, but we're still retaining as many journalists as we can. Without the journalist, there is no news, and without the news, we don't have readers.

Mr. Rodriguez asked, what is the turnover rate in your sales department? Ms. Gavazonni said, I don't know at the top of my head. Mr. Rodriguez said, thank you.

Ms. Torres said, Ms. Newsom, I would like to make a clarification. If we go to page 2 of 5 in the Panel packet, you'll see that there are two tables. The table on the bottom, which is *wage range by occupation*, the lowest wage on the table for some of the occupation is \$12.40. Any commission, health benefits or combination thereof is going to be on top of the \$12.40. It's not \$15.60 minus \$7; it doesn't come down to \$9.25, which is below the California minimum wage. Their particular base wage is \$12.40. Mr. Rodriguez said, thank you. Ms. Newsom said, I feel much better.

Ms. Torres asked, Ms. Newsom, would that answer any question you may have pertaining to the four items that were pulled out of the Consent Calendar? Ms. Newsom said, no. Mr. Broad said, we will address the question regarding the four items from the Consent Calendar next month.

There were no further questions from the Panel members.

ACTION: Ms. Bell moved and Ms. Roberts seconded approval of the proposal for California Newspapers Partnership in the amount of \$743,688.

Motion carried, 8 – 0.

Consolidated Disposal Service, LLC dba Republic Services, Inc.

Ms. Torres presented a Proposal for Consolidated Disposal Service, LLC dba Republic Services, Inc. (Republic) in the amount of \$254,640. Republic provides solid waste collection, recycling, and disposal services. This will be Republic's second ETP Agreement within the past five years.

Ms. Torres introduced Vivian Brown, Los Angeles Area Human Resources Manager, and Judith Kreigsman, Business Development Consultant.

Ms. Roberts said, every time we see a performance issue, I try to address it. I'm sure that staff has told you that the Panel will be asking questions regarding your performance, especially when I have the company's human resource person in front of me. It says here on the Panel packet that the reason for your lack of performance was because of the HR person

leaving the company; they were the ones in charge of the training project. We want you to succeed, so what are you going to do differently to make this contract successful?

Ms. Brown said, thank you for the question. One of the issues we had is that we put all our eggs in one basket. HR should not be the one leading the training and development of the project, it should be management. This time around, we have created a cross functional team, and it's not our HR staff. We have people in operations, maintenance, sales, customer service, drivers, trainers, and participants from the prior contract to assist in putting this training together. Our prior performance was 40%, and now we have a system in place that we have gone over with Ms. Kreigsmann who will be consulting and helping us through the compliance and reporting. The main function in terms of leading this initiative will be placed in different functions, not our HR.

Ms. Roberts asked, do you have a senior management that will support you on this project? You've named multiple departments that will be assisting you, but do you have a CEO or a VP that's also behind this? Ms. Brown said, absolutely. We have the area president and he is the one signing the contract, and we also have the market vice-president who is in charge of the operations. The general managers will also be taking ownership of the project. Ms. Robert said, OK, thank you.

Ms. Newsom said, my question is regarding the use of post-retention wage, particularly with Job Number 2. The employer health care cost of \$3.76 per hour would drop the post retention wage to \$9.01. I just want to make sure that the workers are receiving good compensation, and that we are prioritizing high wage good jobs. Ms. Brown said, absolutely. We are in compliance with minimum wage. The majority of our employee's wages range between \$13.15 and \$25.74. By the time we apply the post retention wage, we are in compliance.

Ms. Roberts said, Ms. Torres, I just want to clarify the wages because I want to address Ms. Newsom's concern over the post-retention wage with the health benefits. Ms. Newsom, these are the base wages. Anything you see regarding the health benefit, that's over and beyond the wages. It doesn't take that base wage down; it adds to it. Ms. Newsom said, is that true, because it reads differently. Ms. Torres said, yes. The ETP post-retention wage is not the same as the base wage. What you see in those tables is just the base wage. Ms. Newsom said, as a new panelist, how I read the application is that "\$3.76 may be used to meet the post-retention wage". Ms. Torres said, that is correct.

Ms. Torres said, the post-retention wage for Job Number 1 is \$15.60 and \$12.77 for Job Number 2. It's very difficult to illustrate and we struggled with this for many years, especially when we have multiple counties and ETP wage requirements. The county by county wage is the ETP requirement, which is above the California minimum wage. Employers can use their base wage plus an "up to" amount – here, it would be \$15.60 or \$12.77. So for instance, we have \$13.76 minimum wage per hour for Orange County in Job Number 2; the difference between \$13.76 and \$12.77 is what they are going to use "up to" to make the base wage, and the base wage in Job Number 2 is \$10. Not everybody is making \$10 per hour; some can be making \$11 to \$12 an hour. So whatever the base wage is, the difference between that and \$12.77 is what they're going to use for employer paid health benefits. It's in the contract that at no time will it go below the California minimum wage. Mr. Broad said, with that clarification, are there any other questions?

There were no further questions from the Panel.

ACTION: Ms. Roberts moved and Ms. Bell seconded approval of the proposal for Consolidated Disposal Services, LLC dba Republic Services, Inc. in the amount of \$254,640.

Motion carried, 8 – 0.

Reinhold Industries, Inc.

Ms. Torres presented a Proposal for Reinhold Industries, Inc. (Reinhold) in the amount of \$440,880. Founded in 1928 and presently in Santa Fe Springs, Reinhold is a manufacturer of composite and metallic structures for the aerospace, defense, aircraft, and industrial markets. This will be Reinhold's second ETP Agreement, although it is the first one within the past five years.

Ms. Torres introduced Ben Merio, Director of Finance and Michael M. Lee, Controller.

Ms. Fernandez asked, do you have any plans to hire veterans? Mr. Merio said, yes. We currently have 5 to 10 veterans on staff and we will continue to recruit them. Our HR department will also verify if the candidate is a veteran or not.

Ms. Fernandez said, when a temporary employee becomes a permanent employee, are they eligible for benefits starting day one, or is there an additional waiting period? Mr. Merio said, I am not 100% sure. I will have to double check on that. Normally, it's a 90-day process. Ms. Fernandez said, I would appreciate that, thank you.

Ms. Roberts said, I noticed that you don't have any administration support on this training. Are you going to do all this internally? Mr. Merio said, yes, that is correct.

Ms. Roberts said, your funding request is close to half a million dollars. How familiar are you with the ETP process? You came with the previous contract, but not in the last five years. I don't see any performance. Please tell me how you're going to put all this together. You're the finance person and I know that you are not going to be the arms and the legs of this training program. Mr. Merio said, actually, I will be the arms and the legs of the training program. I'm taking a pretty active role on this. I have done this for another subsidiary of our parent company. I have experience doing this, working with human resources, key management personnel on the production floor, and quality and safety department as well.

Ms. Roberts asked, do you have an LMS system or some way to track the training? Are you going to use rosters? How do you plan to do all this? Mr. Merio said, in the aerospace and defense industry, we are required to keep thorough training logs. We already have a well-established system set-up. Ms. Robert said, OK, very well.

There were no further questions from the Panel.

ACTION: Ms. Fernandez moved and Ms. McBride seconded approval of the proposal for Reinhold Industries, Inc. in the amount of \$440,880.

Motion carried, 8 – 0.

Walter Anderson Plumbing, Inc. dba Anderson Plumbing Heating and Air Conditioning, Inc.

Ms. Torres presented a Proposal for Walter Anderson Plumbing, Inc. dba Anderson Plumbing Heating and Air Conditioning, Inc. (Anderson PHA) in the amount of \$375,120. Founded in 1978 and headquartered in El Cajon, Anderson PHA installs, repairs, and services HVAC systems and plumbing to residential homes in San Diego, Imperial, Orange, and Riverside Counties.

Anderson PHA has developed a recruitment campaign specifically aimed at attracting veterans. The Company collaborates with “Hire a Vet”, a local organization that aids in placing local veterans into good jobs.

Ms. Torres introduced Mary Jean Anderson, President and Owner, Brian Rominger, Training Facilitator and Coordinator, and Jill Meeuwsen, Synergy.

Mr. Broad said, thank you very much. You did a great job. You are to be commended for what you are doing for women and for veterans.

Ms. Roberts said, thank you for the presentation. I really appreciate that. This is a great small business contract. I really would love to see you succeed. The question I have is more around your consultant. For your training and development, normally we say it's 10%, but your proposal is a little higher than that. Is there a reason why? Ms. Meeuwsen said, we've developed a very comprehensive training program for Anderson PHA that is far more inclusive than what is on the actual proposal; it's a very in-depth analysis and built to make this training program successful.

Ms. Roberts asked, do we usually pay more than 10% for development fee of a contract? Ms. Reilly said, no. It's been the Panel's policy for development fee to be capped at 10%, and that of course translates into a dollar amount. It has also been the Panel's policy that those funds don't come out of the ETP award. But with small businesses, we were finding that a lot of the development fees were going over the 10%, regardless of the source.

Mr. Broad said, Ms. Anderson, just so you understand, this means that you will be responsible for the amount that's above the 10%. You can go above the 10%, we just won't pay above the 10%. Ms. Anderson said, I am OK with that. I know this plan is going to be amazing for our community, and I am really excited about it.

Ms. Reilly said, we do have a website that features all of our prior contracts and the amount of money that was paid in development and administrative fees. Without any comment as to whether good or bad, you can always look that up on our website to get a sense of what other consultants charge.

Mr. Rodriguez asked, are you located in northern San Diego? Ms. Anderson said, we are in El Cajon, which is in the suburb of San Diego, but we are committed to the entire San Diego County.

Mr. Rodriguez asked, in your industry, are there other like-minded businesses that are going through what you're going through? Ms. Anderson said, the crisis of finding skilled labor in our industry is nationwide. That's when we started the Grassroots, which is a national and international group of people. I am holding a fundraiser on the USS Midway in September, and there will be people that are coming from all over the country to help raise funds to train the military workers.

Mr. Rodriguez said, are you the president or the leader of the association? Ms. Anderson said, I am not the president; I am the leader.

Mr. Rodriguez said, I would like to echo Ms. Roberts' comment. Back in 1974, ETP's mission was to invest in small to medium-size business in California. If this goes well, we will view you as having the responsibility to communicate with your co-business owners and colleagues in the industry about the program. I would be interested to see if there's an assessment of the success and how it's being deployed given the size of your company. Ms. Anderson said, you have my word. I promise it will be successful. We have people waiting; we already have two on board to do this program, and it's working out really well. Mr. Rodriguez said, thank you.

Ms. Newsom said, thank you for your application and your remarks. Given the crisis of training that you have identified, have you looked into the training programs at our local unions in the San Diego County; UA Local Union 230, Plumbers and Pipefitters, and SMART 206 Sheet Metal and HVAC Workers? They provide training opportunities for apprentices.

Ms. Anderson said, that's an excellent question, and thank you for asking. We offer residential service repair, replacement and installation. We don't do anything that's union; we are completely non-union, and the problem is the unions are teaching how to build high-rise and large commercial buildings. They don't teach how to properly insulate an attic to pass Title 24. It's completely a different industry. The problem is, no one's out there training; the only school in San Diego is a four-year course which is offered for two hours, once a week. We can't do that. We have people in those schools, but it will take them longer to train and we're committed to training them in-house. That's the only way we can be able to not push back and put out people and know that what they're doing is providing quality work to pass municipalities rules and laws.

There were no further questions from the Panel.

ACTION: Ms. Roberts moved and Mr. Rendon seconded approval of the proposal for Walter Anderson Plumbing, Inc. dba Anderson Plumbing Heating and Air Conditioning, Inc. in the amount of \$375,120.

Motion carried, 8 – 0.

Ariat International, Inc.

Creighton Chan, Manager of the Foster City Regional Office, presented a Proposal for Ariat International, Inc. (Ariat) in the amount of \$399,320. Founded in 1992, Ariat is a manufacturer of innovative performance equestrian footwear and apparel.

Ariat's representatives states that specialized training doesn't exist in California or the United States. Less than 5% of the training will be delivered by the out-of-state training vendors for 17 product developers and coordinators, and supply chain staff. The training will take place onsite at Ariat's California facilities and comply with the 1:20 trainer-to-trainee ratio.

Mr. Chan introduced Katie Rosson, Vice President, Human Resources, Lyndsey Silva, Manager-Learning and Development, Kimberly Kleca and Maria Assalone, RSM Consultant.

There were no questions from the Panel.

ACTION: Ms. Roberts moved and Ms. Bell seconded approval of the proposal for Ariat International, Inc. in the amount of \$399,320.

Motion carried, 8 – 0.

Audentes Therapeutics, Inc.

Mr. Chan presented a Proposal for Audentes Therapeutics, Inc. (Audentes) in the amount of \$411,840. This proposal for Audentes is designated as 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.

Mr. Chan introduced David Nagler, Senior Vice President, Human Resources and Corporate Affairs, and Steve Duscha, Duscha Advisories.

Mr. Rodriguez said, I'm just curious where the industry is, starting with the human genome. We basically conduct a basic research on a delivery system with radiation and nuclear molecules to attack ailments. You have competitors like BioMarin and others in the field. My first question is, are you facing a workforce issue or challenge in recruiting? The second question is, as we produce the workforce at UCSF, Cal Tech, and other institutions, is the workforce leaving the mainland and going to competitors offshore like China?

Mr. Nagler said, the answer to the first question is, no. We're not finding it hard to hire new people because it's an exciting new area of biology. For manufacturing associates, who earn \$65,000 to \$70,000 a year on average, we actually are having our choice amongst incredibly skilled candidates for each job opening we announce. People join this industry because of the nice wage, and also because we are doing something important. Although no one else is getting in the area of therapeutic manufacturing, the opportunity that we have, together with only a handful of other gene therapy companies in California are present. You also mentioned BioMarin; our core management team, which isn't subject to this grant, comes from BioMarin. Secondly, what differentiates California from any other labor market is the intersection between academia and private industry. It simply doesn't exist elsewhere. So,

the fear of training somebody and have that individual go to China, never even occurred to us. What will occur is that the people we train will work for another gene therapy manufacturer elsewhere. There is a gene therapy company in San Diego who is considering getting into a manufacturing contract, but nowhere near the scale that we're attempting to accomplish at Audentes, nonetheless. There is also a gene therapy company down the peninsula from us that contracts out as a manufacturer to a company in New York. In other words, our trained workers may go elsewhere, but it won't be to China.

Mr. Rodriguez said, for recruitment, you don't need a master's in biothermatics; you get life sciences and engineering. Mr. Nagler said, absolutely. We are actually finding that the military workers are amongst the best folks to hire as manufacturing associates because they have worked on nuclear submarines. Because think about it, the advances in engineering, it's all the same pumps. We just have to teach them the biology part of it at our standard operating procedure.

Ms. Newsom said, I just want to make a comment that this proposal hits many different areas for me; high wages, quality proposal, and exciting priority industry, thank you.

There were no further questions from the Panel.

ACTION: Mr. Rodriguez moved and Mr. Rendon seconded approval of the proposal for Audentes Therapeutics, Inc. in the amount of \$411,840.

Motion carried, 7 – 0.
(Mr. Broad recused himself.)

Hilmar Cheese Company, Inc.

Willie Atkinson, Manager of the Sacramento Regional Office, presented a Proposal for Hilmar Cheese Company, Inc. (Hilmar) in the amount of \$387,000. Hilmar is a commercial manufacturer of dairy and whey products. This will be Hilmar's 5th ETP Agreement in the last 14 years.

Mr. Atkinson said, I want to make a correction on the Panel packet. The counties served by Hilmar are Stanislaus and Merced County, not Tulare.

Mr. Atkinson introduced Jon Tacoma, Corporate Training and Development Manager and Roy Schmidt, Operational Development Manager.

There were no questions from the Panel.

ACTION: Ms. Roberts moved and Ms. Bell seconded approval of the proposal for Hilmar Cheese Company, Inc. in the amount of \$387,000.

Motion carried, 8 – 0.

Meriliz Incorporated dba DOME Printing

Mr. Atkinson presented a Proposal for Meriliz Incorporated dba DOME Printing (DOME) in the amount of \$339,000. DOME was founded in 1969 and is headquartered in Sacramento. DOME began as a small engraving company servicing local printers and newspapers and has grown into a large commercial printing. This will be DOME's second proposal.

Mr. Atkinson introduced Marcus McCarthy, Human Resources Manager.

Ms. Bell said, great experience on your last contract; good job. Where you there for the previous proposal? Mr. McCarthy said, yes, I was. We plan on growing.

There were no further questions from the Panel.

ACTION: Ms. Roberts moved and Ms. Newsom seconded approval of the proposal for Meriliz Incorporated dba DOME Printing in the amount of \$339,000.

Motion carried, 8 – 0.

Skyline Homes, Inc.

Mr. Atkinson presented a Proposal for Skyline Homes, Inc. (Skyline) in the amount of \$579,200. Founded in 1960, Skyline, a subsidiary of Skyline Corporation, designs and builds manufactured housing, modular housing, and park model homes.

Mr. Atkinson introduced David Whiddon, Division Manager, Woodland, Dann Stark, Division Manager, San Jacinto, Mike Steed, Vice President Human Resources, and John Twomey, Consultant.

Ms. Fernandez said, first of all, thank you for the veterans hiring program that you're trying to initiate. You might want to consider some of the community groups that can help you with recruiting veterans. I do have a question regarding the temporary to permanent hiring. Once your employee becomes permanent, is there a waiting period before the employee can receive benefits? Mr. Whiddon said, there is no waiting period.

Ms. Roberts asked, in looking at the wage range by occupation table, Mr. Atkinson, is the wage \$10, or is it \$18.50? There are multiple occupations, there's a wide range in the wages, but I'm only seeing that the amount of estimated trainee is only one in some of the categories. I'm just trying to get a feel for what I'm reading here.

Mr. Atkinson said, sometimes a company may have 1000 employees, but they're only training 500 employees. So what they're saying is we're only going to do 500, but this is the range for the occupation for everyone within the company. If they happen to do more than one trainee, then that trainee may be within that range of \$10 to \$18.50 an hour. We're putting the range for the whole occupations within the company, not just for one person.

Ms. Roberts asked, so \$10 per hour is probably the right number versus the higher end, is that correct? Mr. Atkinson said, that I cannot answer. Mr. Whiddon said, I think I can answer

that. The \$10 per hour would be the starting minimum wage. The average at our facility in Woodland is a little over \$15 an hour for the manufacturing associates.

Mr. Stark said, it's a combination of the wage and incentive program. Their wage, at the minimum is \$10 per hour and the incentive program puts them up in the higher range. Ms. Robert said, no problem. This is more for clarification on my part because it seems like a big broad number for only one employee.

Mr. Atkinson said, I just want to point out that there is a job creation in the proposal. So when they look at how many people they are going to employ, they're saying that an individual may get hired into a certain occupation, but their wage will be based on their experience. But at the minimum, this is what they're going to make, so that's why we have included that in the wage range table. Ms. Roberts said, very well. Thank you.

Ms. Bell asked, do you manufacture tiny homes? Mr. Whiddon said, we can manufacture tiny homes. We were actually ahead of that curve a few years ago. We've showcased tiny homes at the Auburn home; nobody bought one, but we would be more than happy to build you one.

There were no further questions from the Panel.

ACTION: Ms. Bell moved and Ms. Roberts seconded approval of the proposal for Skyline Homes, Inc. in the amount of \$579,200.

Motion carried, 7 – 0.
(Mr. Rendon stepped away from the dais.)

Multiple Employer Proposals

Southern California Sheet Metal Joint Apprenticeship & Training Committee

Ms. Torres presented a Proposal for Southern California Sheet Metal Joint Apprenticeship & Training Committee (SoCal Sheet Metal) in the amount of \$885,400. SoCal Sheet Metal operates a training center for Apprentice and Journeyman Sheet Metal Workers. This will be SoCal Sheet Metal's fourth ETP Agreement.

Ms. Torres introduced Lance Clark, Administrator, and Steve Duscha, Duscha Advisories.

Ms. Newsom asked, based on the remarks of a former applicant earlier today, does your training program meet Title 24 requirements for installation in the state of California? Mr. Clark said, we train Title 24; we train for residential and commercial. This proposal is only a fraction of our apprentices that are coming in. We have to keep up with the training and I do send out apprentices to non-union jobs sites when a contractor requests them. As long as they follow the rules and guidelines, I'd send them out. Someone has to do the work and I might as well send my guys. Mr. Broad said, thank you for clarifying that.

There were no further questions from the Panel.

ACTION: Ms. Roberts moved and Ms. Fernandez seconded approval of the proposal for Southern California Sheet Metal Joint Apprenticeship & Training Committee in the amount of \$885,400.

Motion carried, 8 – 0.

Sheet Metal & Air Conditioning Apprenticeship & Journeymen Joint Training Fund of San Diego

Ms. Torres presented a Proposal for Sheet Metal & Air Conditioning Apprenticeship & Journeymen Joint Training Fund of San Diego (SMJTF) in the amount of \$278,400. Established in 1941, SMJTF is a joint effort by the Sheet Metal Workers' International Local 206 and the Sheet Metal and Air Conditioning Contractors National Association whose mission is to provide up-to-date industry skills training and secure high-quality job opportunities for its members. This is SMJTF's fourth ETP Agreement.

Ms. Torres introduced Chris Caricato, Training Director, and Jan Borunda, Consultant.

Ms. Newsom asked, does your training program comply with Title 24? Ms. Caricato said, absolutely. Ms. Newsom said, thank you.

There were no further questions from the Panel.

ACTION: Mr. Rendon moved and Ms. Newsom seconded approval of the proposal for Sheet Metal & Air Conditioning Apprenticeship & Journeymen Joint Training Fund of San Diego in the amount of \$278,400.

Motion carried, 8 – 0.

California Field Ironworkers Apprenticeship Training & Journeyman Retraining Fund – Northern California

California Field Ironworkers Apprenticeship Training & Journeyman Retraining Fund – Southern California

(Both proposals presented together.)

Mr. Chan presented a proposal for California Field Ironworkers Apprenticeship Training & Journeyman Retraining Fund – Northern California in the amount of \$518,825 and California Field Ironworkers Apprenticeship Training & Journeyman Retraining Fund – Southern California in the amount of \$511,010. This is the third ETP Agreement between ETP and NorCal Ironworkers JATC; 3rd ETP Agreement between ETP and SoCal Ironworkers.

Mr. Chan introduced Nick Zampa, Apprenticeship Director and Jan Borunda, California Labor Federation.

Ms. Newsom asked, could you expand more on the Gladiator Program? I'm interested in hearing more about it. Mr. Zampa said, it's an apprenticeship class. For the most part, we

do it on our own nickel. We give them direct entry into the program and give them credit for those classes. For instance, the women's classes that will begin next week will be a full blown orientation course; OSHA 10 and First Aide/CPR, and welding and rigging courses. The women that go into our classes receive credit when they enroll into our program. Although the ladies from other states, it's up to their JATC if they will allow them to get the credit or not. We're committed to the program.

Ms. Fernandez said, I just want to commend you for bringing women into the trades and your commitment to veterans.

There were no further questions from the Panel.

ACTION: Ms. Fernandez moved and Mr. Rendon seconded approval of the proposals for California Field Ironworkers Apprenticeship Training & Journeyman Retraining Fund – Northern California in the amount of \$518,825 and California Field Ironworkers Apprenticeship Training & Journeyman Retraining Fund – Southern California in the amount of \$511,010.

Motion carried, 8 – 0.

District Council 16 Northern California Journeymen and Apprentice Training Trust Fund

Mr. Chan presented a Proposal for District Council 16 Northern California Journeymen and Apprentice Training Trust Fund (DC16 JATTF) in the amount of \$949,048. This is the third ETP Agreement between ETP and DC16 JATTF in the last five years, but it is the first time veterans have been included as a discrete cohort of Apprentice trainees.

Mr. Chan introduced Mark Watchers, Executive Director and Jan Borunda, California Labor Federation.

There were no questions from the Panel.

ACTION: Ms. Newsom moved and Ms. Roberts seconded approval of the proposal for District Council 16 Northern California Journeymen and Apprentice Training Trust Fund (DC16 JATTF) in the amount of \$949,048.

Motion carried, 8 – 0.

AMENDMENT

Kern County Electrical Joint Apprenticeship & Training Committee

Ms. Torres presented an amendment for Kern County Electrical Joint Apprenticeship & Training Committee in the amount of \$46,635. The ETP training is currently being provided for journeymen and apprentice trainees and is progressing better than anticipated. The contractor is conservative in their original request for funding; however, there is now more demand for training from participating employers.

Ms. Torres introduced Greg Rogers, Training Director and Jan Borunda, California Labor Federation.

There were no questions from the Panel.

ACTION: Ms. Roberts moved and Ms. Fernandez seconded approval of the amendment for Kern County Electrical Joint Apprenticeship & Training Committee in the amount of \$46,635

Motion carried, 8 – 0.

XI. ACTION ON FUNDING PRIORITIES AND ALLOCATIONS FOR FY 2016/17

Mr. Knox said, the PowerPoint I'm presenting is the draft recommendations for the Panel to look at and approve moving forward. Some of it is conceptual because there are some things we want to look at going into next year, but most importantly, we have some budget information.

Total Project Budget

Over \$88M were approved for the core and alternate funding through March 2016. Should the Panel approve all the projects today, the total amount will be at \$96M. For Fiscal Year (FY) 2013/14, over \$65M were approved, and over \$81M were approved FY2014/15.

Total Number of Approved Projects

For FY 2013/14, 301 projects were approved. We had an all-time high of 413 projects for FY2014/15 and 402 projects for FY2015/16. Some of the smaller businesses were picked up by the Multiple Employer Contract (MEC).

Total Number of Trainees to Train

In regards to the number of trainees, we had over 94,000 trainees; 10,000 more than we did in FY2014/15. After today's meeting, we will have over 109,000 trainees projected. The figures are increasingly impressive, and even more impressive is the fact that staff was able to "push out" this high number of projects and trainees.

ETP Funding Strategies

The ETP Funding Strategies for the past couple of years have worked really well, for purposes of tracking and allocations. We allocated funds based on historical demand for the Multiple Employer Contracts (MEC), Single Employer Contracts, Small Business (including MEC referral), and Critical Proposals. The Apprenticeship Program, with the emphasis on non-traditional outreach and women in trades, is doing very well; their performance rate is at about 96%. Many of the MECs at the community colleges are performing between 86% to 96%. The Smaller Business Contracts perform around 60%. So we're averaging around 74%, which is good news and bad news. The good news is it continues to get better; more payment is earned. But this means they're drawing down the funds, so we have less money at the end of the Fiscal Year.

Priority Industry

The priority industries that we have this FY are expected to continue unchanged: Manufacturing (including food production), Biotechnology, Life Sciences, Information Technology Services, Multi-media and Entertainment, Good Movements and Transportation Logistics, Agriculture, Allied Healthcare, and Construction. Green/clean Technology, and Drought funding remain priority initiatives. Even with the increase in rain this year, we're still continuing the drought initiatives with core program funding.

Strategic Initiatives

Strategic initiatives help us coordinate with the Governor and Labor Workforce Development Agency, for workforce development in California. Recognizing the new state minimum wage and training for industry certifications are examples. We may need more Panel discussion as we move forward next year with the minimum wage increases with some of Ms. Newsom's input around that. I think it's also valid and important to look at training for industry-recognized certifications. One of the things we want to balance is the benefit to the employers, because they're getting well-trained staff; and benefit to the employees; what do they get from training, and possibly take it to the next job. I want to continue to look at the non-traditional apprenticeship programs for women and minorities. We might want to look at how to get women and minorities pushed within the trades, and based on one of the proposals that was presented to the Panel, the "Gladiators Program", it sounds like it's happening.

Training in water conservation under the Drought strategic initiative continues to be a priority. This includes Job creation, business expansion and retention, and working with the Governor's Office of Business and Economic Development (Go-Biz). Our relationship with them will continue to be one of the components of this initiative.

Special populations include Veterans, At-Risk Youth, and a rural area focus. We will have to look at trained occupations more, and I think that is going to be a key for future initiatives.

Proposed Funding Allocation

The proposed funding allocation coming into FY2016/17 is very similar to the previous year. Single employer at \$45M, Multiple Employer Contract (MEC) \$20M, Small Business \$6M, Critical Proposal \$6.9M, and Apprenticeship \$12.5M. This is an overall budget total of \$90.4M. That holds close to the 38% encumbrance level.

Funding Caps

Contractor by category and current cap: MECs \$950,000; single employer \$750,000; small business \$50,000; critical proposal \$900,000; apprenticeship per sponsor \$450,000. I would like to propose to keep the funding caps as they are. I think that the performance level has been good under these caps and the dollar amounts seem to be working out very well. The only take-away is the MECs serving Small Businesses. I don't think the cap increase was enough to make the difference, and it just makes it a more complicated process. As such I am recommending that we do not move to a \$1.2M cap for the Small Business "Super MEC".

Looking Forward

Develop a prioritization strategy for proposals. We continue to have more demand than funding. That's not a bad thing, it's a good thing. We can look at prioritization based on good

performance, high wage and growth. We need to develop and prioritize strategies for the proposals because funding is limited and demand is heavily competitive. We want to make sure that we present the best proposals before the Panel.

Develop a strategy study on effectiveness of ETP. One of the proposals we're looking at is a low cost study. The last study we did on the effectiveness of ETP was in FY 2003/04. We're looking at setting aside about \$100,000 for FY 2016/17, to look at the way ETP operates. I don't want to call it "return on investments" because I think that's an overly used term, but we want to see where our funding is going and how it's being allocated in order to evaluate the overall effectiveness of the program.

Minimum wage and ETP's role and rate setting for reimbursement. This is really more for discussion going into next year with the minimum wage and ETP's role in that, and how we can reflect and look at how we continue to support those businesses moving forward. We will need to look at rate setting as we've heard from a few stakeholders, and also the E-learning process. None of this is going right away, of course, other than previewing the funding.

Two-phase funding for apprenticeship programs. Several of the stakeholders are for, have requested, and some opposed to, the idea of two-phase funding for the Apprenticeship Program. The request is because Community Colleges run on a semester schedule and some stakeholders follow that schedule for apprentice classroom training. We will have to sit down with the stakeholders to truly understand how the two-phase approach would operate, or not.

Mr. Broad asked, what is the practical matter, what does that mean? Mr. Knox said, if there's \$12.5M specifically for apprenticeship programs, \$6.25M will be released at one point during the year, and another \$6.25M another part of the year.

Continue to update the Panel members on fund status by category. We will continue to update the Panel members on the fund status by category at every Panel meeting.

Develop a strategy on employer outreach and training for specific occupations. Again, we are trying to look at this by industry sector where our employers are having a tough time hiring employees by occupation, and really start to have those conversations. I think it's somewhat more detailed, but it's important to train for occupations in demand so California employers do not need to go out-of-state, or out of the country, to find qualified employees.

Project Prioritization

Implement a strategy to prioritize proposals in FY 2016/17 within each funding allocation category.

Does it meet the Panel's priority industry?

Does it meet the Governor's priority?

Does it yield occupation specific training?

Does it serve special populations?

Does it target rural areas and the economically disadvantaged?

High wage / high growth?

Addressing low priorities and funding limitations?

Moratorium: corporate banking and lending, adult entertainment, training agencies that train their own staff, car dealerships, and truck driving schools.

Mr. Knox said, this is kind of off-line the way we do this. But we think the new data system could be programmed to reflect funding priority based on information from the Panel. In the past, we've had "lowest priorities", but we can change the wording to *moratorium*. We can change based on whatever direction the Panel members take. So rather than saying it's a low priority, we can have the Panel members take a look at this quarterly and put a moratorium on it. It just simplifies the process so we don't have about 100 applications that get stuck in the Application and Assessment Unit as a low priority; this way, it just kicks them out. It just makes it simpler, because we have a lot of demand. Again, that would be the Panel's decision.

Ms. Newsom asked, is there a moratorium currently in existence? Mr. Knox said, we do not have a moratorium on any of the industries at this point.

Discussion Items

Panel Featured Items:

Funding targeted towards industry recognized certification

Diversify marketing target / smaller and more contracts / fund study

High unemployment area and rural outreach

Out-of-state completion / policy

Critical proposal designations

Mr. Knox said, the featured items as we move forward in this next year is to have funding targeted toward training for industry-recognized certifications. We also need to look at: diversify marketing, smaller targets and more contracts. We've already worked with marketing partners such as the California Labor Federation in marketing to non-apprentice building trades. This year we have about \$150,000 that we'll put out to our "marketing partners" in smaller and more targeted contracts throughout the year. We will also fund the study on effectiveness of the program. And we need to reach a decision about the out-of-state competition policy. Ms. Reilly already talked about this, we need to look at how to simplify these determinations, and discuss how to handle internet-based commerce.

On-going Program Delivery:

70% completion performance plus 1 per year contracting

Industry forums

ETMS launch and sustainability

Minimum wage and ETP's role

Contingency funds

Mr. Knox said, the Critical Proposals are working very well and I just want to reiterate that they must meet the 70% completion performance, and for MECs, the once a year contract limit. Our contracting last year got away from the once-a-year and MECs came in heavily. We also want to look at industry certification and look at ways to engage employers in a different way.

Regarding the ETMS launch and sustainability, this is something that we have been working on for five years. We're getting close to a launch; it will be in the summer. As everybody knows, we are not going to disband or pull away the old legacy system, which is good news. Nobody has to panic and think that they need to get their proposals in immediately because of the new system. So whether you're in the pre-application or application process, all of it will be loaded in the new system. It is in the final testing phase with our vendor, GeoSol. We have one more "drop" of information scheduled this coming Monday, and if that testing doesn't have any errors or issues, we will launch in middle of July, so we have about 3 weeks to test the final system.

In regard to the minimum wage and contingency funds, we have put in for a Budget Change Proposal (BCP) to the Governor's office through Labor Workforce and Development Agency, and hopefully we will be looking at a higher appropriation for FY2017/18.

Ms. Roberts said, with a moratorium on the different types of industry, when a company comes through and talks to an analyst about a project, will the applicant be told "No, you can't come because we have a moratorium"? How will the process work? Mr. Knox said, that's a great question. What will happen is, it will go through the Application and Assessment Unit (AAU). Once it hits there, we will have a discussion of what industry they fall under. If it's a lowest priority or moratorium, we will tell the applicant that we are currently not accepting applications for that specific industry. What we'll probably do is keep a tally on the numbers of applications and bring it before the Panel, possibly on a quarterly basis. The numbers are not huge; it just makes it tough because otherwise low priorities are just delayed with no clear explanation. My opinion as the Executive Director is that we have a limited dollar amount, and we need to manage staff resources too. Currently, we actually go through the full process of determination, on something that probably won't get funded based on priorities.

Mr. Rodriguez said, regarding the out-of-state competition policy, it's in statute, but we haven't developed a policy? Mr. Knox said, we do have a policy in place, and it's in regulation; the issue with that is it was enacted about 10 years ago. The policy doesn't address internet sales as out-of-state competition, so it's tough to interpret.

Mr. Broad said, I think the actual issue is more for the Legislature to take up. When the Panel was created, the idea was to fund training for California companies who are facing direct competition from companies out-of-state. That made most sense around manufacturing. It's not clear that it's a meaningful distinction in a lot of places, but it creates a "priority position", if you can show that that's what you're facing. If you look at them sometimes, and I'm sure that staff struggles with this all the time, it's sort of a head shaker. What's the out-of-state competition? Are they competing internationally or in cyberspace? At some point, the Legislature is going to have to take a look at that in our statute and decide whether out-of-state competition is appropriate for determining priority of projects.

Mr. Rodriguez said, for future discussion, if we can align competition to California companies with workforce needs, both in the pipeline and skill development, there might be an exodus there. Mr. Knox said, I think that's a good point. One of the things driving towards the occupation issue is to identify what are companies struggling with the most, in filling an occupation.

Ms. Newsom said, staff has done a wonderful job in educating me on reviewing the proposals because I did have a little confusion regarding the post-retention wage and the employer costs for healthcare premiums, so thank you, Ms. Torres, I really appreciate your assistance on that matter. I do want to raise a broader concern about the number of occurrences where applicants are using employer share of health care premiums to meet the post-retention wage. This is applicable to the proposals that I pulled from the Consent Calendar. From my understanding, the provision of healthcare offerings to the workers is a self-certification process without inquiry or confirmation of the healthcare, or the quality of the healthcare being provided to the worker. Personally, I am well aware of the financial burden that some healthcare plans place on working families, whether it's high deductible, high out-of-pocket cost, too little coverage, or high premium. If applicants are using employer healthcare premiums to meet the post-retention wage rate, there should be some type of an assurance or certification that the worker is indeed receiving quality coverage and being placed into a better healthcare plan. And that's not going to be solved today, I recognize that. Mr. Knox said, that's a good point. Where I came from, out of the Workforce Investment Act, we didn't use that as wage indicator for many of the reasons mentioned. It's too difficult to understand how it is applied. It's different for families and individuals. It's also a quality issue, so we didn't use it. I think that we can have that discussion later.

Mr. Broad said, that actually leads into a broader question of the ETP minimum wage versus the state minimum wage. The ETP minimum wage has a different wage compression over the decades. There are only a few companies that come before us that meet the ETP minimum wage requirement, which is more of a livable wage measurement than a state minimum wage. There's a growing gap between the state minimum wage, which remains low, and the ETP minimum wage, which reflects inflation. That's going to change to some degree to abolish the distinction when we get to an index statement of minimum wage starting in 2023. In the meantime, the gap will continue to grow. So in part, it's an admission that we have a lower wage economy. Workers are earning less in California than they use to; that's the core problem. We obviously can't change that problem because we're not at that level of power. All we can do is try to train people to better themselves. But it is an issue, because our minimum wage is frequently out of sync with the average wages in the places where a large percentage of people who come to us for funding are asking for a wage modification.

There's also an additional question with the passage of the Affordable Care Act where everybody has to have healthcare. It's a different calculation because it doesn't reflect an employer election as much. And when an employer doesn't provide health care, that presents an even bigger problem. I don't know how to fix it, but it's worth discussing. Our system shouldn't be filled with what amounts to a fiction, where we're asking people to manipulate a fiction to reach a point of approval. Either we acknowledge reality, or we continue to pretend that it doesn't exist. As distressing as the reality may be at times, that's my comment.

Mr. Broad asked, do we need to take an action? Mr. Knox said, yes.

Mr. Broad asked, does anyone have any question about the funding priorities that Mr. Knox has set out?

ACTION: Ms. Roberts moved and Ms. Newsom seconded approval of the proposal for Funding Priorities.

Motion carried, 8 – 0.

XII. PUBLIC COMMENTS

Steve Duscha, Duscha Advisories

Mr. Duscha said, the issues that Mr. Knox laid out are good issues, and so are the Chairman's. I think it may be time to go back to the Legislature and try to clean this up, especially the wage issues and who qualifies for what. Also, what fixed fee do they qualify for - I can't keep up with it. It is time to simplify this and make it clear what we're trying to do. I would also like to urge you, as you go through priority settings in terms of the broader issues that you go back to the statute which has a very nice list of priorities including companies where there's joint bargaining labor management participation. That's in the statute. I've learned over the years that we should all go over the statute every four to five years and see what it is. I hope that these other issues will be flushed out and taken slowly because I don't agree with every single one of the directions where Mr. Knox is going, but as long as he allows us to object later on, I appreciate that. Thank you. Mr. Broad said thank you.

John Brauer, California Labor Federation

Mr. Brauer said, I have nothing to object to today. First of all, I want to say that when you have that discussion around the minimum wage, we can bring some resources to participate in that discussion to help the Panel and staff around that.

Second is, a year and a half ago, we provided you with a hard copy of some recommendations around the Apprenticeship Pilot. One of which was scheduling the pre-application and application process a couple of times a year. We hope that we can work with you on implementing that piece. From our end in what we brought forward, we fully believe that it will add predictability and it will be a benefit for our JATC coming in for application as well as for ETP.

We had a situation where it was kind of a "first come first serve process" in 2014, where some proposals that weren't based on performance ended up taking a cut. They were based on the funding situation at the time. This current year, we've had the situation of bringing in as many as 14 applications in April, but some of them didn't get dealt with until now. We would suggest that you have some kind of an application process, where it may look something like October through April for the pre-application, and May through August for the applications themselves. A lot of our apprenticeship programs operate close to an academic schedule, in that regard. It would help our apprenticeship coordinators, particularly the smaller ones, where funding is critical. It would give them a really good idea as to when their deadlines are, what they have to do in terms of ETP tasks, and invoicing dates.

I think it will also help with one of the goals that ETP staff gives to us: how do we help these folks with the application process for themselves in the future, and get them to become self-sufficient, as opposed to the Labor Federation and workforce strategies doing it. I think that will ultimately help them. I think for us, it would align in a way where I end up with a JATC where there is no work when the retention period piece kicks in, and it could be really

problematic for those folks on that end. I think that we can help with the process when you have a good idea of what the demand is. You presented earlier, in terms of the numbers of applications you have, but even that is not a full picture of what the demand is for the coming year. I think it will help when you emphasize how much resource you want at different parts of the year, to get those pieces in. I think even with the computer system coming online, this will be an even easier way to do this and help you from a staffing and workflow side of things.

Again, I think it's a great idea. I'm really glad that you're considering this and we would be happy to bring in, as we suggested in the original proposal, some of our JATC coordinators, for a conference call with your staff to help with the implementation.

Mr. Broad said, it seems to me that you guys are for it. I don't know why we can't direct staff to come forward with a proposal and do it on a pilot project basis. Then we can set it up to whatever they think will work. Frankly, in my own mind, I sort of wonder why we don't consider this type of formula instead of having them come in all year long on a "first come first serve" basis. If it works; maybe we can do it as a pilot project with the Apprenticeship Program, and then it's more predictable when it's on a regular schedule, although the rest of the ETP world isn't quite as predictable. Mr. Brauer said, but it's not in this case because you have the training and academic workflow.

Mr. Broad said, you're speaking for the consensus position among the Apprenticeship Program. I don't see why we would raise an objection, but there may be others that would disagree. Why don't we see if we can come up with something close to a consensus and see whether that will work and bring it back for discussion? Mr. Brauer said, that would be great. The California Labor Federation, state building and construction trade would be more than happy to work with you. Mr. Broad said, let's move forward on that. Thank you.

Larry Mandell, Training Refund Group

Mr. Mandell said, my first question is regarding the moratorium. Is that for the applications that are being submitted, or is that for those that are already in the system? Mr. Knox said, that would be for the applications that are in and going forward, because this will not take effect until FY 2016/17. Mr. Mandell said, so this are for the applications that are currently in the field stage. Mr. Knox said, it would affect the ones in the field because they would not be funded until June. This would affect the applications in the field now, unless the Panel wants to change that decision, which they have the authority to do.

Mr. Mandell said, there is one specific car dealership that's coming up and those are clients that I have brought in. Mr. Broad asked, is that for the salespeople or mechanics? Mr. Mandel said, it's from both sides. The Panel approved \$800,000 earlier today for sales training, and I'm trying to understand what's the difference between the sales training in the newspaper industry and sales in an auto dealership.

Mr. Broad said, we don't have the same consumer issues related to the sale of advertising by newspaper that there are by car dealers, mortgage brokers, banks, and others who can't seem to keep themselves out of controversial areas when it comes to their sales practices. I don't know how my fellow Panelists feel. It's a type of sales, and a type of situation. Our Panel felt particularly burnt around 2008 and 2009 when we were getting all kinds of applicants from the mortgage industry who were talking about all the wonderful things they

were doing for consumers, and then we open up the newspaper and find out that we were funding companies who were under significant investigation for their market conduct which practically brought down the United States economy. We are a little bit gun-shy when it comes to retail sales training for individual consumers, as opposed to the newspaper industry which is struggling how to change its whole entire model and survive. That is really quite a different story in a new market situation. That's my own personal view of it, but I don't know how the other Panelists feel.

Mr. Mandell asked, are you aware that the profit margin for new car sales rose to over 50% and the manufacturers are forcing the issue? Mr. Broad said, I don't know about that, but I do know that profitability in car sales is one of the most opaque things in the American economy. It's not quite clear how that profit works. Mr. Mandell said, most of the money is made in the repair department.

Mr. Broad said, we hear you and we can change this priority on a case-by-case basis if you can make a compelling argument with our staff that you've got a car dealership whose sales force needs training. Mr. Mandell asked, ethically? Mr. Broad said, in an ethical way that would meet our priorities, by all means, make an argument.

Mr. Mandell said, let me switch to the second portion, on the technical side of the service department. I've seen many applications approved. Mr. Broad said, the service department is entirely a different training. The technology on repairing automobiles, trucks, trains, or buses are quite different and I don't think we are covering that. Mr. Mandell said, it's a broad car dealership category. Mr. Broad said, I think what we're talking about is new and used auto sales. Mr. Mandell said, OK, thank you. Mr. Broad said, you're welcome.

Rob Sanger California Manufacturing and Technology Association

Mr. Sanger said, thanks to Mr. Knox for leading the review on all this and Mr. Broad as well. I have a few comments. The only thing I'd like for you to keep in mind with manufacturers is the investment they've made in California, the multiplier effect. The fact that they chose to be here when they didn't have to. Unlike a car dealer, I can take my car and fix it right down the street at Mel Raption Honda. I can't go to Nevada and do that; I have to be here in Sacramento. I think that it's important to look at the fact that manufacturers who chose to be here but keep their products in other states and other countries, that we prioritize that. I like that model that Go-Biz uses as to how projects are funded. They look at how you are adding to the California economy as far as the capital and job investment. Please keep that in mind and I'd like to thank the Panel for your consideration.

Mr. Broad said, thank you, Mr. Sanger. From my own personal observation over the years, there are "no-brainer" proposals - the ones that just looks really good when you open the page. And these are typically the single employer manufacturers for training in high wage, high-value added jobs. It just feels like a hand in a soft leather glove for ETP funding. I don't see any argument from the Panel that the manufacturing industry remains a priority. Mr. Sanger said, thank you.

Mr. Duscha said, I can't let the apprenticeship issue go. Mr. Broad said, OK. Mr. Duscha said, I want you to keep an open mind. I have done many apprenticeship projects and ETP's involvement in them has been very important, and I want to see that continue. However,

when you take any type of project, whether it's apprenticeship or anything else, and take it out of the basic ETP process, and you set up a system where you' spend a whole meeting or three quarters of a meeting with 10 or 12 apprenticeship projects, you're putting a target on the back of that whole policy and process. There are people who don't think ETP should be spending \$12M a year on apprenticeship. I have no problem with that, but when you start looking and treating it as a group that has an entitlement to money and giving it a special treatment all at once, you're asking for trouble. I've seen too much trouble over the years. I'm sure every one of you knows that administrative efficiencies pale in comparison to the political problems that could arise by focusing too much on anything, including apprenticeship.

Ms. Roberts said, I agree, only because I don't want to set up a precedence with what he said is seasonal. The manufacturing for the company I work for is seasonal as well. We had parts of the year where our volume was low and parts of the year where our volume was high. If you start looking at just one aspect, like the apprenticeship programs and set it aside differently than the rest of the other contracts, I would be apprehensive.

Mr. Duscha said, most of apprenticeship clients are training year-round. There are a few that stop for the summer, but less and less of that seem to be going on. Mr. Broad said, I understand your point. Although I would say as a practical matter, we are now budgeting by category. Single employer projects, multiple employer projects, apprenticeship projects; your point is well taken. You're saying let's not put a big target on the back of apprenticeship program. On the other hand, if it works as a matter of administrative convenience and efficiency, then maybe we ought to expand it. Let's not make it restricted to apprenticeship, because there's been a discussion as to whether ETP should go with this model. And there's always the argument that things are working fine, so don't monkey around with it, which I think would be your base argument. Mr. Duscha said, yes. I remain very cynical. I've seen ETP attacked many times over the years. There are many ways to make the ETP process simple for the apprenticeship.

XII. MEETING ADJOURNMENT

Ms. Fernandez moved and Mr. Rendon seconded meeting adjournment at 12:16 p.m.

Single Employer Contractor

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

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

These features apply to core program funding.

Multiple Employer Contractor

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

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

Retraining

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

New Hire Training

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

These features apply to core program funding.

Delegation Order Process

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



Memorandum

To: Panel Members

Date: 6/24/16

From: Maureen Reilly
General Counsel

File: Panel Memo

Subject: Out-of-State Competition

In this Memo, staff proposes an expanded approach to determining Out-of-State Competition (OSC), which is an important aspect of eligibility for all employers, including participants in a Multiple Employer Contract. The issue was previewed in my remarks last month. (Panel Meeting Minutes, May 2016.)

ISSUE

Should ETP accept web-based delivery of goods or services in determining OSC, as a formal expression of Panel policy?

Web-based delivery was not a consideration in the early years of determining OSC some two decades ago, when use of the Internet was not a common business practice. Over time, staff began accepting web-based delivery case-by-case, especially for Industry Sectors where it was an integral part of the business model (e.g., Professional Services; Finance and Insurance; Internet Publishing.) However, case-by-case analysis is fact-specific, and the outcomes can be varied or even inconsistent.

Web-based delivery is becoming more of an issue as businesses are increasingly marketed and operated over the Internet, including social media such as Facebook and Pinterest. Even Small Business in California competes in a global market today. However, the ETP legislation and regulations are silent on this subject, and there is no clear policy direction.

[Note: Although there is no clear policy on web-based delivery, the Panel has traditionally funded Retail Trade as Special Employment Training (SET), even though Internet sales have been common in that Industry Sector for many years. Under SET, employers in Retail Trade have been held to the highest post-retention wage standard. See discussion of SET Wage on page 2.]

BACKGROUND

The requirement for OSC is statutory. It dates back to an amendment enacted in January 1994, a decade after ETP was created. OSC was added to other program mandates under the “purpose” provisions of Unemployment Insurance Code (UI) Section 10200 as shown in the excerpt below:

(a) California's economy is being challenged by competition from other states . . . [The Panel] shall fund only projects that meet the following criteria:

- (1) Foster creation of high-wage, high-skilled jobs, that are threatened by out-of-state and global competition,....or foster retention of high-wage, high-skilled jobs in manufacturing and other industries,.....

The Panel interpreted OSC in regulation Section 4416, originally adopted in 1996 and amended in 2006. The regulation identifies Industry Sectors that are “deemed to meet” OSC based on the North American Industry Classification System (NAICS). This includes all of Manufacturing, and 14 Ancillary Codes. Eligibility for these employers is not subject to case-by-case analysis for any location.

[Note: There are “carve outs” to accept OSC for Mortgage Banking and two other industries: Call Centers and Destination Resorts. These industries are an exception to SET funding even if they are not found to have OSC in the first stage of analysis, with separate determination criteria for each.]

SET was created in 1994 at the same time as the requirement for OSC, at new UI Code Section 10214.5. For employers without OSC, this is the only source of core program funding, capped at 15% of availability per FY. The statute is targeted to “frontline workers” earning at least the Statewide Average Hourly Wage (SET Wage). In 1997, the Panel interpreted SET in regulation Section 4409. Section 4409 limits training to frontline workers only, and mandates the SET Wage. It was amended in 2010 to allow a “wage modification” for Priority Industries and Critical Proposals, case-by-case.

The SET Wage is higher than other ETP wage requirements: \$28.37 (\$21.28 if modified) in 2016.

SUMMARY

The statute and regulations are silent on the issue of web-based delivery in determining OSC. This concept does not appear in ETP guidelines, orientation/marketing materials, funding applications or queries. However, the analysis of OSC is becoming almost impossible to sustain in today’s Internet-driven economy without a policy decision on whether to accept web-delivery of goods or services.

Many employers can readily demonstrate OSC through web-based delivery. For example, most of Retail Trade would be removed from SET. If so, it can be expected that more employers in that Sector would apply for funding. If this is not the Panel’s intent, then web-based delivery could be excluded for Retail Trade; and/or that Sector could be designated as Lowest Priority under the Strategic Plan for FY 2016/17. The Strategic Plan is subject to periodic review and adjustment throughout the FY.

Web-based delivery would not affect funding for Industry Sectors that are geographic-specific, such as Healthcare and Construction. Those two Sectors have traditionally been funded as SET. However, they are also Priority Industries eligible for the modified SET Wage per Section 4409.

[Note: Regardless of web-based delivery, Mortgage Banking would remain “carved out” for OSC. In light of remarks made at last month’s meeting, if that is not the Panel’s intent, this industry could also be designated as Lowest Priority; again, in connection with adopting the FY 2016/17 Strategic Plan.]

RECOMMENDATION

Option 1: Continue case-by-case analysis under the existing statutory and regulatory framework, but accept web-based delivery as a form of competition in determining OSC for all Industry Sectors.

Option 2: The same as Option 1 but do not accept web-based delivery for Retail Trade Sector 44-45, which would remain eligible for SET funding. This Sector could also be considered for Lowest Priority, pending further research and data analysis. This Sector includes auto and other dealership sales.

Staff recommends that any action taken today should be prospective only for funding in FY 2016/17. This would apply to proposals on today’s Agenda, but only those identified as ET17. Proposals still in development may need a re-determination of eligibility, but active contracts would not be affected.



**Training Proposal for:
B&B Manufacturing Co.**

Agreement Number: ET17-0134

Panel Meeting of: June 24, 2016

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	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: 225	U.S.: 225	Worldwide: 225
<u>Turnover Rate:</u>	13%		
<u>Managers/Supervisors:</u> (% of total trainees)	18%		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$109,980		\$0	\$0		\$109,980

In-Kind Contribution:	100% of Total ETP Funding Required	\$119,136
-----------------------	------------------------------------	-----------

TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Business Skills, Computer Skills, Continuous Impr, Mfg Skills	130	8-200	0	\$846	\$16.48*
				Weighted Avg: 47			

*It will be made a condition of contract that the trainees in this Job Number will never be paid less than the State or local minimum wage rate as in effect at the end of retention (Final Payment) regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

Minimum Wage by County: \$16.48 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 \$2.48 per hour may be used to meet the Post-Retention Wage.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
CNC Machinist		39
Production Assistant		22
Bench Machinist		30
Assemblers		8
Inspection		8
Manager/Supervisor		23
TOTAL:		130

INTRODUCTION

Founded in 1959, B&B Manufacturing Co., (B&B), www.bbmfmg.com makes various precision mechanical components. This includes timing belts; pulleys; and synchronous drive parts such as bushings, flanges, sprockets, gears and sheaves.

B&B serves distributors and Original Equipment Manufacturers (OEM) in the power transmission and precision mechanical component industries. The Company provides standard or custom parts for end-users in a variety of industry sectors: robotics, medical, military, aerospace, vending, 3D printing, packaging and floor care industries.

PROJECT DETAILS

This is B&B's third ETP Agreement but it differs from previous projects in several ways. For one thing, B&B expects to attain employee certifications in ISO/AS 9100. This will cut operational costs and facilitate the Company's compliance with more strict laws, regulations and other requirements that come with ISO certification.

Additionally, B&B anticipates a big shift in technology and methodology that will integrate machines with computerized software and process support. The industry is moving towards 5-Axis machining which allows complex parts to be managed more efficiently.

The Company recently purchased several new pieces of equipment: Matsuura 5 Axis and GROB 5 Axis Machine for its machine tools department; and CMM measuring Machine and Laser Marking for its inspection department. The Company also purchased software, ERP, CMMS software development and SPC software, for its software-programming department. With these purchases, the Company will be able to update and improve its processes.

Training Plan

B&B is requesting the Panel's assistance to provide classroom/laboratory training hours to its employees in the following areas:

Business Skills (20%): This training will be offered to all occupations to improve efficiency and productivity by enabling employees to understand and implement business strategies. Additionally, trainees will receive communication skills which are critical in a competitive environment.

Computer Skills (10%): This training will be offered to all occupations on how to utilize software systems. Understanding the new software systems will improve processes.

Manufacturing Skills (20%): This training will be offered to all occupations. Training will include operation, preventive maintenance and repair of specialized machinery used in the manufacturing process. Trainees will acquire a better understanding of the entire manufacturing process and will develop skills to perform quality reviews of products from a customer's perspective

Continuous Improvement (50%): This training will be offered to all occupations and will assist staff with developing decision-making skills. Training will also enhance understanding of an individual's strengths and weaknesses while recognizing each individual's integral role as a team member.

Commitment to Training

B&B represents that ETP funds will not displace the existing financial commitment to training. The Company will continue to provide mandatory and job-specific training at its own expense, as part of its annual training budget of \$335,000, during the term of the proposed Agreement that will include orientation, anti-harassment and regulatory training. Safety training is, and will continue to be provided in accordance with all pertinent requirements under state and federal law.

➤ Training Infrastructure

B&B is ready to start training upon approval of this proposal, with qualified in-house trainers. B&B has also assigned two administrators from Human Resources and the Training Department to work closely in the enrollment process, training delivery and data entry.

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned	
				\$	%
ET12-0139*	Valencia	10/03/2011-10/02/2013	\$242,190	\$110,781	(46%)
ET09-0513	Valencia	04/01/2009-03/31/2011	\$122,688	\$122,688	(100%)

*ET12-0139: B&B's poor performance resulted from a decision by the Project Staff Manager to leave the Company during the term of the ETP Agreement. Training hours were not properly captured and recorded during that period. B&B has reassessed its training needs and goals for the new proposal. As discussed earlier, the Company has dedicated a back-up for in-house administration to avoid re-occurrence of this problem. The Company has assigned two administrators (from Human Resources and the Training Department) to work closely in the enrollment process, training delivery and data entry. Additionally, this proposal has been right-sized to the amount earned in the prior Agreement.

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

- Communication Skills
- Business Writing
- Project Management
- Problem Solving
- Sales/Marketing
- Supply Chain Management
- Negotiation Skills
- Business Planning
- Leadership Effectiveness
- Department Process Controls
- Conflict Resolution
- Leadership/Supervisory Skills
- Successful Meetings
- Team Building/Employee Development

COMPUTER SKILLS

- ERP Software
- Internet Applications
- Project Management Software
- Electronic Document Control
- CMMS Software Development
- Customer/Supplier Specific programs
- Advanced Microsoft Office Programs
- Manufacturing Software Applications (Mastercam X, Catia CAD, Vericut)
- HRIS System

CONTINUOUS IMPROVEMENT

- Continuous Improvement
- Decision Making/Problem Solving
- Root Cause Analysis/Corrective Action
- Lean Manufacturing (5S, Visual Controls, Value Stream, Mapping, Kaizen, Production)
- Statistical Process Control
- Six Sigma
- Waste Reduction, Production
- Kata
- Quality Controls/Process Inspection
- ISO/AS9100 Procedures
- Internal Auditing
- Geometric Dimensioning and Tolerancing
- Nadcap Aerospace Standards
- Document Control System
- Reducing Delivery Time
- Train the Trainer

MANUFACTURING SKILLS

- Equipment Operations
- Parts and Product Manufacture
- Blue Print Reading
- CNC Machine Programming
- CNC Machine Operation
- Coordinate Measuring Machines (CMM)
- Manufacturing Technical Processes
- Quality Control/Assurance Procedures
- Inventory Control

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

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



**Amendment Proposal #2 for:
 Giligia College
 Agreement Number: ET16-0169**

Amendment Effective Date: July 1, 2016

Panel Meeting of: June 24, 2016

ETP Regional Office: North Hollywood

Analyst: M. Paccereilli

CURRENT PROJECT PROFILE

Contract Type:	Retrainee SET/HUA Priority Rate SB<100	Industry Sector(s):	Services Manufacturing
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	Priority Industry:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Current Contract Term:	October 1, 2015 to September 30, 2017	Substantial Contribution:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

CURRENT FUNDING

Current Funding	In-Kind Contribution
\$99,355	\$65,574

AMENDMENT FUNDING

Requested Funding	Support Costs	Amendment Funding	In-Kind Contribution
+\$109,902	+\$7,643	+\$117,545	+\$79,749

Total Funding
\$216,900

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	Retrainee SET/HUA SB<100	Business Skills, Computer Skills, Cont. Imp.	16	8-200	0	\$4,706	\$15.97
				Weighted Avg: 200			
2	Retrainee SB<100	Business Skills, Computer Skills, Cont. Imp.	13	8-200	0	\$4,706	\$15.97
				Weighted Avg: 200			
3	Retrainee SB<100 Priority Rate	Business Skills, Computer Skills, Cont. Imp.	6	8-200	0	\$5,561	\$15.97
				Weighted Avg: 200			
4	Retrainee SET/HUA SB<100	Business Skills, Computer Skills, Cont. Imp.	10	8-200	0	\$2,353	\$16.48
				Weighted Avg: 100			
5	Retrainee SB<100	Business Skills, Computer Skills, Cont. Imp.	10	8-200	0	\$2,353	\$16.48
				Weighted Avg: 100			

Minimum Wage by County: Phase I (Job Numbers 1-3): \$15.97 per hour for Los Angeles County
 Phase II (Job Numbers 4-5): \$16.48 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
Administrative Staff	
Graphics Design Staff	
Accounting Staff	

*It will be made a condition of contract that these trainees will never be paid less than the State or local minimum wage rate as in effect at the end of retention (Final Payment) regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

INTRODUCTION

Founded in 2006, Giligia College (Giligia) is a for-profit training agency offering professional studies and career-related programs in office administration and multimedia design programs. This project was initially targeted to train 35 workers from small to medium-sized companies. The Agreement was approved at the September 2015 Panel Meeting and training commenced on October 1, 2015.

AMENDMENT DETAILS

As a first-time ETP Contractor, Giligia submitted a conservative training plan for less than \$100K in funding. This was to ensure that they were able to manage and implement the project.

Giligia reports that employer demand for the aforementioned occupations continues to be very strong. Therefore, the school is requesting funds for Phase II to train an additional 20 trainees in new job groups (Job Numbers 4 and 5) which will mirror Job Numbers 1 and 2.

In addition, the school is requesting to increase the weighted average in Job Numbers 1 to 3 from 117 to 200 hours to meet its current participating employers' demand for more training in Continuous Improvement, Computer and Business Skills. This will increase in the average cost per trainee. This is a continuation of training for the same trainee population on the existing curriculum.

In summary, this Amendment will:

- Increase the Agreement amount by \$117,545 (from \$99,355 to \$216,900);
- Increase the estimated number of trainees by 20 (from 35 to 55);
- Increase the support cost by \$7,643 (from \$6,457 to \$14,100);
- Increase the In-Kind contribution by \$79,749 (from \$65,574 to \$145,323)
- Increase the average cost per trainee in Job Numbers 1 & 2 by \$1,953 (from \$2,753 to \$4,706); and
- Increase the average cost per trainee in Job Number 3 by \$2,308 (from \$3,253 to \$5,561).

The effective date of this Amendment will be prospective, in keeping with the concept of Phase II funding (new trainees). This date will still enable funding to be encumbered in time for the additional hours, to be delivered on a prospective basis to existing trainees.

RECOMMENDATION

Staff recommends approval of this Amendment.

SUMMARIZE PRIOR MODS/AMENDS

- Amendment 1 – Increased Agreement amount by \$48,428 (from \$50,927 to \$99,355).

CURRENT CONTRACT PERFORMANCE

The following table summarizes performance by Giligia under the current ETP Agreement:

Agreement No.	Approved Amount	Term	No. Trainees (Average)	No. Completed Training	No. Retained
ET16-0169	\$99,355	10/01/15 – 09/30/17	35	24	4

Based on the ETP Online Systems, 4,064 hours have been tracked for potential earnings of \$89,419 (90% of approved amount).



**Training Proposal for:
Grifols Biologicals Inc.**

Agreement Number: ET17-0105

Panel Meeting of: June 24, 2016

ETP Regional Office: North Hollywood

Analyst: L. Vuong

PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate	Industry Sector(s):	Manufacturing Biotechnology/Life Sciences Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Los Angeles	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 1,800	U.S.: 11,000	Worldwide: 14,700
Turnover Rate:	6%		
Managers/Supervisors: (% of total trainees)	13%		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$216,000		\$0	\$0		\$216,000

In-Kind Contribution:	100% of Total ETP Funding Required	\$644,256
-----------------------	------------------------------------	-----------

TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Business Skills, Cont. Imp., Mfg. Skills	800	8-200	0-21	\$270	\$16.50
				Weighted Avg: 15			

Minimum Wage by County: \$16.48 per hour for Los Angeles County.

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

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

Wage Range by Occupation

Occupation Titles	Wage Range	Estimated # of Trainees
Manufacturing/Production Staff		450
Quality Control Staff		200
Administrative Staff		50
Supervisor/Manager I		50
Supervisor/Manager II		50

INTRODUCTION

Founded in 1940 Grifols Biologicals Inc. (GBI) (www.grifols.com) is wholly owned by Grifols S.A. in Spain. The Company develops and produces therapies and products in three healthcare divisions: bioscience therapies made from human plasma; hospital products and pharmacy IV solutions; and diagnostic tools for laboratory professionals. Grifols products and services serve healthcare professionals and patients in 90 countries worldwide. The Company has two manufacturing facilities in Los Angeles and Clayton, NC. All training will take place at the Los Angeles facility.

In 2003, GBI began manufacturing plasma-based biological products. Once plasma is collected and thoroughly tested, it is fractionated to obtain the individual plasma proteins used in therapeutic medicines. The proteins are then individually purified and subjected to a series of viral inactivation and viral removal steps before being measured into unit doses and packaged. The final product produced is plasma-based biological products.

The industry and business is experiencing growth. Since 2013, GBI has expanded its manufacturing activities by 52%, resulting in a need to hire additional Manufacturing and Support Staff. An expansion in the Albumin and Immunoglobulin (proteins that circulate throughout blood to help the body maintain fluid balance and function as antibodies) processing areas has resulted in the need for additional staff to support production increases and new

shifts. As a result, there is a need to train staff to ensure quality products, meet customer demand and make operations more efficient.

PROJECT DETAILS

To ensure a reliable, consistent source of protein therapies worldwide and in keeping with customer demand, GBI has established an all-inclusive system that begins with the collection of source plasma continues through the fractionation and purification processes to the finished product. Known as vertical integration, this system enables GBI to oversee every aspect of safety and quality throughout the process. Staff training is necessary on the regulations and requirements within the pharmaceutical industry, as well as the individual business needs for each department and job function. All employees will undergo refresher training in good manufacturing practices, equipment operation procedures, and job specific requirements. In addition, training on process improvement will be conducted.

Training Plan

ETP funds will help the Company deliver formalized training to upgrade worker skills, improve efficiency and quality production. Training will provide employees with the necessary skills to increase skill level of manufacturing operations, improve performance and equipment operations, and minimize errors and scrap. The Company hopes to increase efficiency in operations to reduce time from manufacturing to final release for commercial sales. Target timelines have been established for each product, and the achievement of these target goals will be supported by training.

Training will be delivered via Class/Lab, Videoconference and Computer-Based Training (CBT) as outline below:

Business Skills (30%): This training will be offered to all occupations to enhance communication skills, project planning and execution, time management, writing and leadership skills.

Continuous Improvement (20%): This training will be offered to all occupations to enhance understanding of production processes, process control and data, increase product knowledge, develop training and coaching skills, the ability to be more efficient and to be able to identify process improvement opportunities.

Manufacturing Skills (50%): This training will be offered to Supervisors/Managers, Manufacturing/Production and Quality Control Staff. Training will focus on good manufacturing practices and documentation, safety, equipment operations, supply chain, contamination prevention, cleaning and overall production operations and processes to ensure safe and effective products.

Computer-Based Training (CBT)

CBT has recently become an important part of the Company's training practices. This self-paced delivery method will allow workers to participate in training when it best suits their job schedule. CBT is typically used to supplement/complement planned instructor-led learning in an effort to ensure a solid understanding of the concepts presented. However, a small number of trainees in manufacturing, production and quality control may receive all of their ETP training via CBT. The Curriculum includes up to 21 hours of CBT in Manufacturing Skills to supplement class/lab training.

Commitment to Training

GBI has a current annual training budget of approximately \$900,000. Training includes new employee orientation training, good manufacturing practices, health & safety, harassment avoidance and job-specific skills. Training is delivered via class/lab, CBT and on-the-job training; and all training is both job specific and Company-wide. ETP funding will allow GBI to provide well-designed, goal-oriented company-wide training to sustain growth and remain competitive. The Company will also be able to implement changes throughout the organization to meet its goals. Once the ETP training program has concluded, GBI is committed to continuing the quality and frequency of employee training and development activities.

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 be delivered on-site by in-house staff and outside training vendors if needed. GBI has designated a Centralized Training Department (one Performance Development Manager, one Supervisor, two Training Specialists and two Administrative Support Staff) responsible for all administrative responsibilities, including enrollment, recording, tracking and scheduling training, securing rosters, verify training and retention completion, invoicing and ensure compliance with all ETP requirements.

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

N/A

ADMINISTRATIVE SERVICES

N/A

TRAINING VENDORS

To Be Determined

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

8-200

Trainees may receive any of the following:

BUSINESS SKILLS

- Project Management
- Business Writing
- Productivity
- Communication Skills
- Supervising and Managing Skills
- Leadership

CONTINUOUS IMPROVEMENT

- Statistics
- Trainer Development
- Coaching

MANUFACTURING SKILLS

- Process Overview
- Product and Process Knowledge
- Equipment Operations Training
- Good Manufacturing Practices
- Good Documentation Practices
- Manufacturing Documentation
- Aseptic Processing Area Training
- Contamination Prevention
- Manufacturing Area and Equipment Cleaning Training
- Weighing Training
- pH Training (potential hydrogen measurement)
- Fractionation Training
- Immunoglobulin Training
- Environmental Monitoring Training
- Albumin Training
- Coagulation Training
- Hazardous Materials
- Lockout/Tagout
- Forklift Training
- Quality Assurance Training
- Quality Control Training
- Production Support Training
- Supply Chain
- In Process and Final Product Testing Training

CBT Hours

0-21

MANUFACTURING SKILLS

- Aseptic Operator Training – Gloving (120 min)
- Cleanroom Terminology (60 min)
- Cleanroom Behavior (60 min)
- Good Documentation (60 min)
- Intro to Microbiology (60 min)

- Bloodborne Pathogens (30 min)
- Adverse Drug Events (30 min)
- Good Manufacturing Practices (60 min)
- Production Process Guide - IGIV (60 min)
- Production Process Guide – Albumin (60 min)
- Production Operations (60 min)
- Production Equipment (60 min)
- Production Cleaning (60 min)
- Product Testing (60 min)
- Fractionation Training (60 min)
- Albumin Training (60 min)
- Immunoglobulin Training (60 min)
- Coagulation Training (60 min)
- Product Testing Training (60 min)
- Quality Control Training (60 min)
- Environmental Monitoring Training (60 min)

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. CBT is capped at 50% of total training hours, per trainee.



**Training Proposal for:
Morgan Advanced Ceramics, Inc.**

Agreement Number: ET17-0119

Panel Meeting of: June 24, 2016

ETP Regional Office: San Francisco Bay Area

Analyst: L. Lai

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 and Placer	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No International Association of Machinists & Aerospace Workers, Lodge 1414		
Number of Employees in:	CA: 255	U.S.: 5,000	Worldwide: 13,000
<u>Turnover Rate:</u>	12%		
<u>Managers/Supervisors:</u> (% of total trainees)	20%		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$115,200		\$0	\$0		\$115,200

In-Kind Contribution:	100% of Total ETP Funding Required	\$128,550
------------------------------	---	------------------

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, Con't Improve, Mfg. Skills, PL-Mfg. Skills	200	8 - 200	0 - 40	\$576	*\$15.60
				Weighted Avg: 32			

*It will be made a condition of contract that the trainees in this Job Number will never be paid less than the State or local minimum wage rate as in effect at the end of retention (Final Payment) regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

Minimum Wage by County: \$17.02 for Alameda County and \$15.60 for Placer 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 \$2.30 per hour may be used to meet the Post-Retention Wage.

Wage Range by Occupation

Occupation Titles	Wage Range	Estimated # of Trainees
Production Staff/Warehouse Staff (Alameda County)		95
Production Staff/Warehouse Staff (Placer County)		30
Technician 1/Electrician 1/Mechanic 1		5
Technician 2/Electrician 2/Mechanic 2/Maintenance		10
Admin/Finance/Accounting		10
Support/Marketing/ ales		15
IT Staff/Engineer/Product Manager		10
Technical Director		5
Supervisor		10
Manager		10

INTRODUCTION

Morgan Advanced Ceramics, Inc. (Morgan Ceramics) is a global producer and supplier of customized high-tech ceramic components such as insulating fibers, electrical carbon transfer systems, seals and bearings, ceramic cores, piezoelectric sensors for chemical, electrical, mechanical, and vacuum applications. Its customers are in the fields of medicine, semiconductor manufacturing, and aerospace.

With facilities in Hayward and Auburn, Morgan Ceramics is a wholly owned subsidiary of Morganite Industries, Inc.

PROJECT DETAILS

To remain competitive and accommodate production demands, Morgan Ceramics must move products to market quicker. To accomplish this, the Company must increase workforce efficiencies and product quality by training Engineers to focus on developing innovative solutions and products; and by cross-training other employees in various manufacturing processes.

Training Plan

Training will be conducted at the Hayward and Auburn facilities via Class/Lab, E-Learning and Computer-Based Training (CBT) methodologies.

Business Skills (10%) training will be offered to all occupations to improve customer service, expand and manage projects efficiently, give professional presentations, build and develop strong working relationships with both internal and external customers.

Computer Skills (15%) training will be offered to all occupations to enable them to use the ERP systems and various desktop tools to respond to customers faster, increase output and accuracy of daily tasks, reduce excess inventory, and cut costs.

Continuous Improvement (40%) training will be offered to all occupations to learn best manufacturing practices, teambuilding, quality improvement techniques and processes. The goal is to reduce costs, improve efficiency and quality, and increase productivity.

Manufacturing Skills (25%) training will be offered to Electricians, Engineers, Leads, Mechanics, Production Staff, Project Manager, Technicians, and Warehouse Staff. Topics include ceramic production processes and techniques, manufacturing equipment operation and maintenance, warehouse inventory procedures, and blue print reading. Training is intended to improve workers' technical knowledge and skills to improve the manufacturing process and lower costs.

PL-Manufacturing Skills (10%): Morgan Ceramics has determined that hands-on training during production is essential and most effective through on-the-job observation and demonstration. Training will involve the hands-on use and understanding of various manufacturing equipment and computers and processes. The Company anticipates both a lower production yield and higher defect rates during PL training. An estimated 25 to 40 Production Staff, Technicians, and Mechanics may receive an average of 16 to 20 hours of PL training with a maximum of 40. Trainer-to-trainee ratio will be 1:1, and trainers will be subject matter experts, mainly supervisors and leads. This is in keeping with Panel standards for the PL delivery method.

Impact/Outcome

Training will enable the Company to have a flexible and capable workforce to design, manufacture and supply innovative products more efficiently.

Commitment to Training

The Company's annual training budget is approximately \$26,500. Ongoing training efforts include new-hire orientation, temporary worker training, compliance training, basic computer skills, mandated safety regulations, sexual harassment prevention and executive development programs.

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

➤ Training Infrastructure

The Company's HR team, partnering with Managers, will be responsible for developing and deploying the training. The Company will retain an administrative subcontractor to assist in ETP tracking activities such as enrollment, invoices, reports, modifications, roster compliance and completeness. Instruction will be delivered at the worksite by in-house staff and outside vendors, as needed.

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

Morgan Ceramics retained California Training Administration in Rocklin to assist with development of this proposal for a flat fee of \$2,500.

ADMINISTRATIVE SERVICES

California Training Administration 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:

BUSINESS SKILLS

- Business Communications
- Business Process Improvements
- Conflict Management
- Customer Satisfaction Program
- Effective Business Presentation Skills
- Effective Meetings
- Product Sales/Marketing
- Project Management Concepts
- Strategic Planning

COMPUTER SKILLS

- Accounting systems
- Agile
- BaaN
- Computerized Scheduling
- Cost Accounting
- Engineering/Document Control
- ERP/MRP Systems
- Hayward Security Equipment
- Inventory Control
- JDE Business Software
- Material Resource Planning
- Microsoft Office (Intermediate and Advanced only)
- PowerPoint Tools
- Project Management Tools/Software
- Purchase Order Tracking
- Sales Forecasting
- Systems Integration/Configuration
- SyteLine

CONTINUOUS IMPROVEMENT

- 1st Article Approval
- AS9000 Certification/ISO9000 systems
- Cycle Time Reduction
- Design for Manufacturability
- Failure and Root Cause Analysis
- GMP - Good Manufacturing Practices
- High Performance Work Teams
- ISO 14001 Certification
- Leadership/Coaching Skills
- New Quality Processes/Quality Management
- Process Mapping & Analysis
- Product/Process Improvement
- Productivity Improvement Training
- Six Sigma Tools/Lean Practices/SPC

MANUFACTURING SKILLS

- Advanced Cleaning and Packing Process
- Air Compressor System
- Blue Print Reading
- Ceramic Production Processes
- Cross Training in Production Skills
- Equipment and Workstation Safety
- Handling Hazardous Materials
- Honing/Lapping/Glazing/Laser Cutting/Molding
- Inspection
- Lab Equipment procedures
- Manufacturing Equipment (Operation/Maintenance)
- Mechanical Assembly
- Parts Management
- Precision Machining/Welding/Soldering
- Pressing Techniques/Laser Marking
- Preventative/Predicative Maintenance
- Product Knowledge/Certification
- Quality Systems Assurance
- Rapid Prototyping/New Product Introduction (R&D)
- Reliability Processes
- Reporting
- Screening Automation Tools
- Shipping and Receiving Techniques
- Testing/Verification/Trouble Shooting
- Warehouse Inventory Procedures
- Work Instruction (understanding & comprehension)
- Work Orders Management

Productive Lab (1:1 Ratio)

8-40

MANUFACTURING SKILLS

- Assemble Products per Customer Specifications
- Blue Print Reading
- Manufacturing Equipment (Maintenance, Knowledge & Safety)
- Manufacturing Process
- Product Knowledge/Certification
- Products Repair and Inspection
- Soldering/Welding
- Troubleshooting Skills

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

CBT Hours

0 – 40

COMPUTER SKILLS

- ERP Systems (BaaN, Agile, SyteLine) (8)
- Excel: Charts (3.50) (Intermediate)
- Formatting (3)
- Managing Multiple Worksheets/Workbooks (1.50)
- Pivot Tables (3.75)
- PowerPoint Presentations (3)

- PowerPoint Shortcuts (2.50)

CONTINUOUS IMPROVEMENT

- Coaching/Leadership Skills (20 modules 1-2 hours each)

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 40 hours per-trainee.



PENINSULA AUTO MACHINISTS LODGE NO. 1414

INTERNATIONAL ASSOCIATION OF MACHINISTS & AEROSPACE WORKERS

150 SOUTH BOULEVARD • SAN MATEO, CALIFORNIA 94402-2470
(650) 341-2689 • FAX: (650) 341-4050



April 18, 2016

Lily Lai, Analyst
Employment Training Panel
1065 East Hillsdale Boulevard, Suite 415
Foster City, CA 94404

RE: Morgan Advanced Ceramics, Inc. - ETP Application

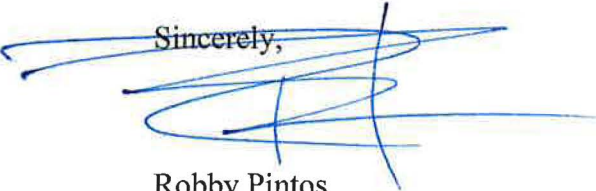
We are writing to express our union's full support for the training program and partnership proposed between Morgan Advanced Ceramics, Inc. and the State of California's ETP program.

Members of our Local Union have advocated for and helped advance similar training in the past. Training under an ETP proposal would be available to members of our Bargaining Unit employed at Morgan Advanced Ceramics in Hayward, California locations.

Our members believe strongly that new job skills are the key to our industry. Training in new technologies will also help these workers fulfill broader job duties.

Thank you for your consideration.

Sincerely,



Robby Pintos
Business Representative
District 190, IAM & AW

RP/dlk-opciu-29-afl-cio-69



RETRAINEE - JOB CREATION

Training Proposal for:

Multi Cable Link

Agreement Number: ET17-0107

Panel Meeting of: June 24, 2016

ETP Regional Office: North Hollywood

Analyst: J. Romero

PROJECT PROFILE

Contract Attributes:	Priority Rate Retrainee Job Creation Initiative	Industry Sector(s):	Communication Services Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Los Angeles, Orange, San Diego, San Bernardino, Riverside	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 150	U.S.: 150	Worldwide: 150
Turnover Rate:	2%		
Managers/Supervisors: (% of total trainees)	5%		

FUNDING DETAIL

<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">Program Costs</td></tr> <tr><td style="text-align: center;">\$111,820</td></tr> </table>	Program Costs	\$111,820	-	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">(Substantial Contribution)</td></tr> <tr><td style="text-align: center;">\$0</td></tr> </table>	(Substantial Contribution)	\$0	=	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">(High Earner Reduction)</td></tr> <tr><td style="text-align: center;">\$0</td></tr> </table>	(High Earner Reduction)	\$0	=	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">Total ETP Funding</td></tr> <tr><td style="text-align: center;">\$111,820</td></tr> </table>	Total ETP Funding	\$111,820
Program Costs														
\$111,820														
(Substantial Contribution)														
\$0														
(High Earner Reduction)														
\$0														
Total ETP Funding														
\$111,820														

In-Kind Contribution:	100% of Total ETP Funding Required	\$132,158
------------------------------	------------------------------------	-----------

TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Business Skills, Commercial Skills, Computer Skills, Continuous Improvement, OSHA 10/30	82	8-200	0	\$720	*\$15.60
				Weighted Avg: 40			
2	Job Creation Initiative Priority Rate	Business Skills, Commercial Skills, Computer Skills, Continuous Improvement, OSHA 10/30	29	8-200	0	\$1,820	*\$12.77
				Weighted Avg: 91			

* It will be made a condition of contract that the trainees in this Job Number will never be paid less than the State or local minimum wage rate as in effect at the end of retention (Final Payment) regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

Minimum Wage by County: Job 1: \$16.48 per hour (Los Angeles); \$16.51 per hour (Orange) \$16.46 per hour (San Diego) and \$15.60 per hour (San Bernardino and Riverside) counties;

Job 2: \$13.73 per hour (Los Angeles); \$13.76 (Orange); \$13.72 (San Diego) and \$12.77 (San Bernardino and Riverside) counties.

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

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

Up to \$0.76 per hour may be used to meet the Post-Retention Wage.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Job Number 1		
Technician		57
Quality Control		5
Warehouse Worker		5
Engineering		5
Dispatch		2
Monitor		2
Manager/Supervisor		6

Job Number 2		
Technician		25
Dispatch		2
Warehouse Worker		2
TOTAL:		111

INTRODUCTION

Multi Cable Link (Multi Cable) (www.multicabletv.com) is a technical installation company that provides installation services, Multiple Dwelling Wiring (MDU) upgrades and rewires, underground construction and custom wiring related to the internet, television, and telephone to residential and commercial establishments. The Company was founded in 1982 and operates in seven locations in Southern California, all of which will be participating in this training plan. The Company has over 200 highly experienced field technicians statewide and has wired over 200,000 apartments and condominium in the past 34 years.

Multi Cable's continued growth and the consistent increase in demand for their services have prompted the need to train and upgrade the skills of their employees. The need to acquire new equipment to sustain the quality and reliability of the Company has also increased the demand for training. In order for the Company to grow and meet the demands of their customers, Multi Cable needs to ensure that their workforce is highly qualified to operate both existing and newly acquired equipment effectively, while remaining flexible to perform other tasks and functions as the job orders dictate. In addition, Multi Cable needs to be prepared with adequately trained employees to meet the demands of new clients which will increase their sales over the next two years.

Training for this ETP proposal will take place at the Company's seven facilities, but the bulk of the training will be provided at the Los Angeles location. Multi Cable is a Priority Industry facing out-of-state competition. This will be their first ETP agreement.

PROJECT DETAILS

The competition and customer demand in the cable industry has prompted Multi Cable to upgrade employees' skills to meet the challenge of the market. Large cable companies who contract services with Multi Cable provide a short window of time for jobs to be done timely, correctly, safely and efficiently. Multi Cable needs to make sure that technicians are well-trained and have the expertise to meet this expectation for residential and commercial business. The Company also aims to reduce and ultimately eliminate any errors, defects or hazards with properly trained and skilled workers.

Multi Cable has determined that the proposed training which includes cross-training for new hires as well as incumbent staff will improve employees' skills and provide flexibility for Multi Cable to meet job order schedules, improve the quality of service and provide a leaner response process to customers, as well as increase employee retention.

Commitment to Training

Multi Cable reserves an annual budget of \$200,000 for training which includes mandatory training, employee orientation, basic safety training, sexual harassment prevention and first aid training. ETP funds will not displace the Company's 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

Multi Cable is ready to start training upon approval. Training will be provided at the Multi Cable facility in Los Angeles by a combination of in-house staff and outside vendors. Multi Cable has retained the services of Judith Training Services for administration of the ETP project.

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.

Multi Cable has committed to hiring 29 new employees (Job Number 2). The date-of-hire for all trainees will be within the three-month period before contract approval or within the term-of-contract. These trainees will be hired into “net new jobs” as a condition of contract.

Multi Cable’s plan to hire approximately 29 “net new jobs” under this Agreement within the next 2 years is in response to increased product demand and services, which has grown steadily since 2013 and will continue over the next several years. The Company recently acquired a large job with Google to build a system, in addition to an increased workload from Time Warner. Multi Cable is preparing to have well-trained, production ready employees that will fill new positions as they become available.

Training Plan

Multi Cable conducted a company-wide needs assessment of each department. As a result, Multi Cable needs to upgrade employee skills and qualifications on various equipment use and processes. The proposed training will provide task-oriented skills and cross training on Multi Cable’s highly technical equipment.

Business Skills (30%): This training will be offered to all occupations. Training includes Inventory Control, Product Knowledge, Strategic Planning, Communication, Customer Service, Customer Relations, Identifying Customer Needs, Telephone Skills, Handling Customer Requests, Resolving Complaints, Billing, Sales and Product Knowledge and Decision Making. This training will provide staff with skills to reduce cycle time, increase work output and higher customer satisfaction.

Commercial Skills (35%): This training will be offered to technicians and warehouse workers. Training includes telecommunications, equipment loading/operation, cable placement, pole climbing and tool usage. Trainees will learn correct procedures to operate vehicles and equipment used in the technical installation process. Training will help reduce errors and result in a reduction in operating costs.

Computer Skills (25%): This training will be offered to Technicians in Local Area Networks and World Wide Web.

OSHA 10/30 (10%) – This training will be offered to Technicians, Quality Control, Warehouse Worker, Engineering, Dispatch and Monitors. OSHA 30 training will be provided to Managers/Supervisors to ensure a safe work environment.

Certified Safety Training

OSHA 10/30. This training is a series of courses “bundled” by industry sector and occupation. It consists of 10 hours of classroom or CBT training for journey-level workers and 30 hours for

frontline supervisors. The coursework is geared to construction work, and also manufacturing. Completion of the training results in a certificate that expands employment opportunities. The coursework must be approved by Cal-OSHA, and the instructors must be certified by Cal-OSHA.

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

Multi Cable retained Judith's Training Services (JTS) in Los Angeles to assist with development of this proposal for a flat fee of \$9,500.

ADMINISTRATIVE SERVICES

JTS 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:

BUSINESS SKILLS

- Inventory Control
- Product Knowledge
- Strategic Planning
- Communication
- Customer Service
- Customer Relations (activation, connection)
- Identifying Customer Needs
- Telephone Skills
- Handling Customer Requests
- Resolving Complaints
- Billing
- Sales
- Product Knowledge

COMPUTER SKILLS

- Local Area Networks
- World Wide Web

COMMERCIAL SKILLS

- Telecommunications
- Equipment Loading
- Cable Placement
- Pole Climbing
- Tool Usage

CONTINUOUS IMPROVEMENT

- Decision Making
- Pole Climbing
- Equipment Operation

OSHA 10/30 (Certified OSHA Instructor)

- OSHA 10 (requires 10hrs completion)
- OSHA 30 (requires 30hrs completion)

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.



RETRAINEE - JOB CREATION

Training Proposal for:

TubeMogul, Inc.

Agreement Number: ET17-0112

Panel Meeting of: June 24, 2016

ETP Regional Office: San Francisco Bay Area

Analyst: L. Lai

PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate Job Creation Initiative	Industry Sector(s):	Technology/Other Technology/IT 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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 341	U.S.: 481	Worldwide: 624
<u>Turnover Rate:</u>	7%		
<u>Managers/Supervisors:</u> (% of total trainees)	11%		

FUNDING DETAIL

<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">Program Costs</td></tr> <tr><td style="text-align: center;">\$172,800</td></tr> </table>	Program Costs	\$172,800	-	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">(Substantial Contribution)</td> <td style="text-align: center;">(High Earner Reduction)</td> </tr> <tr> <td style="text-align: center;">\$0</td> <td style="text-align: center;">\$0</td> </tr> </table>	(Substantial Contribution)	(High Earner Reduction)	\$0	\$0	=	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">Total ETP Funding</td></tr> <tr><td style="text-align: center;">\$172,800</td></tr> </table>	Total ETP Funding	\$172,800
Program Costs												
\$172,800												
(Substantial Contribution)	(High Earner Reduction)											
\$0	\$0											
Total ETP Funding												
\$172,800												

In-Kind Contribution:	100% of Total ETP Funding Required	\$450,476
-----------------------	------------------------------------	-----------

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 Business Skills Computer Skills Con't. Improv.	220	8-200	0-24	\$540	\$17.00
				Weighted Avg: 30			
2	Retrainee Priority Rate Job Creation Initiative	Adv. Technology Business Skills Computer Skills Con't. Improv.	60	8-200	0-24	\$900	\$15.00*
				Weighted Avg: 45			

*It will be made a condition of contract that the trainees in this Job Number will never be paid less than the State or local minimum wage rate as in effect at the end of retention (Final Payment) regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

Minimum Wage by County: Job #1 - \$17.02/hr. for Alameda County and \$16.48/hr. for Los Angeles County; Job #2 - \$14.19/hr. for Alameda County and \$13.73 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 \$0.02/hr. may be used to meet the Post-Retention Wage for Job #1 for Alameda County.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Job # 1 – Retrainees		
Client Services Staff		32
Sr. Client Services Staff		5
Corporate Support Staff		30
Sr. Corporate Support Staff		6
Engineering/Information Technology Staff		50
Sr. Engineering/Information Technology Staff		40
Marketing/Sales Staff		25
Sr. Marketing/Sales Staff		10
Manager/Director**		17
Sr. Manager/Director**		5
Job # 2 – Retrainees Job Creation		
Client Services Staff		15
Corporate Support Staff		10
Engineering/Information Technology Staff		15
Marketing/Sales Staff		10
Manager/Director*		10

*Directors included are not top-level executives who set company policies. They are frontline workers who spend at least 50% of their time doing frontline work and working directly with customers.

INTRODUCTION

TubeMogul, Inc. (TubeMogul) is an enterprise software company for brand advertising. The Company's platform enables customers to gain greater control of their advertising to achieve branding objectives. TubeMogul is headquartered in Emeryville and maintains offices in California (Los Angeles), Illinois, Michigan, Minnesota, and New York. The Company also has offices in countries including Canada, Ukraine, England, France, Singapore, China, Australia, Brazil and Japan. The Company is part of the IT industry and qualifies for out-of-state competition as a NAICS identified sector. (Title 22, California Code of Regulations, Section 4416(i)(2))

TubeMogul's product platform allows customers to plan, buy, execute and measure their advertising campaigns. Customers can choose the ad format (social, mobile, desktop, TV, etc.), targeting strategies (geography/location, websites or apps or networks, audience characteristics such as age or gender), cost (based on chosen attributes), and time/length/duration of advertisements. Customers can also track performance and delivery of advertising campaigns: number of views, number of clicks, number of completed views and more. Customers primarily include corporate brands, marketing agencies, and trading desks.

PROJECT DETAILS

TubeMogul operates in a rapidly evolving and highly competitive market. To compete, the Company must keep up with technology, branding objectives and customer demands. Thus, the training plan has been created to help mitigate these challenges. The training plan will focus on these topics:

- Process Improvement – New and/or updated processes will allow automation and standardization of processes.
- Technology – New technology will allow the Company to extract data that will help customers achieve branding objectives.
- Products and Features – New products and features will be continually developed and added to the Company's platform to give customers more options.
- Organizational Restructuring – The internal organization needs to be restructured to better serve customers.

Training will create skilled employees and allow the Company to adapt to changing demands.

Retrainee - Job Creation

TubeMogul is expanding existing business capacity by adding new employees and is in the process of obtaining additional space in the same complex to house new employees. The Company is committed to hiring 60 new workers (Job Number 2).

The date-of-hire for trainees will be within the three-month period before contract approval or during the term of the contract. These trainees will be hired into "net new jobs" as a condition of contract.

Training Plan

All training will be conducted via Class/Lab, E-Learning, and CBT.

Business Skills (40%) - Training will be offered to all occupations. Training will improve employee performance in the TubeMogul environment enabling employees to provide outstanding, consistent customer service. Train-the-Trainer sessions will be for select trainees

to obtain trainer skills to provide training to other company employees. Trainees will be offered Computer-Based Training courses to complement Class/Lab and E-Learning training.

Computer Skills (20%) - Training will be offered to all occupations. Training will improve knowledge and efficiency of various systems and computer applications.

Continuous Improvement (30%) - Training will be offered to all employees to increase their performance in the areas of change management, process/performance improvement, project management, and time management.

Advanced Technology (10%)

Advanced Technology (AT) training is designed exclusively for highly technical Engineering/Information Technology professionals in the software technology industry and is intended to foster a high level of innovation and product development to further software development and engineering goals. Courses will be taught by a combination of external vendors and highly skilled in-house engineers/subject matter experts. The trainer-to-trainee ratio will be limited to 1:10 to allow in-depth coverage and personal attention from the instructor. Depending on the types of systems involved and the subject matter expertise required, the cost of delivering this advanced technology training will range from \$75 to \$200 per hour, per trainee.

Impact/Outcome

ETP-funded training will allow workers to gain skills to improve efficiencies and facilitate Company expansion.

Commitment to Training

TubeMogul's 2016 training budget for California is approximately \$475,000 to provide anti-harassment, diversity, basic computer skills, new employee orientation and on boarding, and stock overview training.

TubeMogul 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

TubeMogul has appointed four employees to oversee the scheduling and delivery of training for both locations: the Director of Learning and Development, a Training Coordinator, a Sales Training Lead from Emeryville, and an Office Manager in Los Angeles. An administrative subcontractor will assist in various project administration functions. Training will be conducted by in-house instructors and outside training vendors.

Occupation Clarification

Directors participating in this training plan are not top-level executives who set company policies. They are frontline workers who spend at least 50% of their time doing frontline work and working directly with customers.

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

TubeMogul retained Training Funding Partners in Tustin to assist with development of this proposal for a flat fee of \$5,000.

ADMINISTRATIVE SERVICES

TubeMogul will also retain Training Funding Partners 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

- Business Acumen
- Business/Technical Writing Skills
- Communication Skills
- Customer Service/Support Skills
- Documentation/Reporting Skills
- Engineering Process Skills
- Industry Knowledge/Skills
- Marketing/Sales Skills
- Media Strategy Skills
- New/Updated Product Knowledge/Design/Process Skills
- Presentation Skills
- Pricing Models/Calculations/Strategy Skills
- Problem Solving/Troubleshooting Skills
- Train-the-Trainer Skills

COMPUTER SKILLS

- Adobe Suite Skills
- Computer Language/Programming Skills
- Concur System Skills
- Engineering System Skills
- Greenhouse System Skills
- Information Technology System/Process Skills
- NetSuite System Skills
- Project Management System Skills
- Project Tracking System Skills
- Saba System Skills
- Salesforce.com System Skills
- ShareFile System Skills
- Team Collaboration Software Skills
- User Interface Skills
- Workday System Skills

CONTINUOUS IMPROVEMENT

- Change Management Skills
- Innovation Skills
- Leadership Skills
- Process/Performance/Productivity Improvement Skills
- Project Management Skills
- Team Building Skills
- Time Management Skills

ADVANCED TECHNOLOGY (Ratio 1:10)

- Agile/Agile Project Management with SCRUM
- Build Automation
- Information Technology Infrastructure Library (ITIL)
- Networking
- Programming Skills
 - Java Programming
 - Python Programming
 - AngularJS
- Software Development Methods
- Server Administration
- Test Automation

E-Learning Hours

8 – 200

BUSINESS SKILLS

- Behavioral Interviewing Skills
- Business Acumen
- Business/Technical Writing Skills
- Communication Skills
- Customer Service/Support Skills
- Documentation/Reporting Skills
- Engineering Process Skills
- Industry Knowledge/Skills
- Marketing/Sales Skills
- Media Strategy Skills
- New/Updated Product Knowledge/Design/Process Skills
- Presentation Skills
- Pricing Models/Calculations/Strategy Skills
- Problem Solving/Troubleshooting Skills
- Train-the-Trainer Skills

COMPUTER SKILLS

- Adobe Suite Skills
- Computer Language/Programming Skills
- Concur System Skills
- Engineering System Skills
- Greenhouse System Skills
- Information Technology System/Process Skills
- NetSuite System Skills
- Project Management System Skills
- Project Tracking System Skills
- Saba System Skills
- Salesforce.com System Skills
- ShareFile System Skills
- Team Collaboration Software Skills
- User Interface Skills
- Workday System Skills

CONTINUOUS IMPROVEMENT

- Change Management Skills
- Innovation Skills
- Leadership Skills
- Process/Performance/Productivity Improvement Skills
- Project Management Skills
- Team Building Skills
- Time Management Skills

CBT Hours

0–24

BUSINESS SKILLS

- Campaign Build (1 hour)
- Explore Ad Gallery (1 hour)
- High Impact Targeting Exercise (1 hour)
- MS Assessment (1 hour)
- Practice Building Ads (1 hour)
- Pricing 101: Exercise (1 hour)
- Pricing 102 Exercise (1 hour)
- Proposal Exercise 1: Multiple Ad Formats (1 hour)
- Proposal Exercise 2: Various Targeting Sections (1 hour)
- Review Brandsights Guide Book/Guidelines (1 hour)
- Review Help Wiki (1 hour)
- Site and Topic: List Exercise (1 hour)
- Troubleshooting and Exercises (1 hour)

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



**Training Proposal for:
Vavrinek, Trine, Day & Co., Certified
Public Accountants, LLP**

Agreement Number: ET17-0133

Panel Meeting of: June 24, 2016

ETP Regional Office: North Hollywood

Analyst: M. Paccereilli

PROJECT PROFILE

Contract Attributes:	Retrainee	Industry Sector(s):	Services Financial Services Priority Industry: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Counties Served:	San Bernardino, Fresno, Los Angeles, Orange, Santa Clara, Alameda, Riverside, Sacramento, San Diego	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 232	U.S.: 245	Worldwide: 245
Turnover Rate:	3%		
Managers/Supervisors: (% of total trainees)	0%		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	=	(High Earner Reduction)	=	Total ETP Funding
\$123,000		\$0		\$0		\$123,000

In-Kind Contribution:	100% of Total ETP Funding Required	\$428,372
------------------------------	---	------------------

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, Comm'l Skills	205	8-200	0	\$600	\$21.42
				Weighted Avg: 40			

Minimum Wage by County: \$15.60 in San Bernardino and Riverside counties; \$16.10 in Sacramento County; \$16.46 in San Diego County; \$16.48 in Los Angeles County; \$16.51 in Orange County; and \$17.02 in Alameda and Santa Clara 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
Accountant Staff		107
Supervising Accountant Staff		47
Client Account Manager		36
Senior Client Account Manager		5
Consultant		8
Senior Consultant		2

INTRODUCTION

Founded in 1948, Vavrinek, Trine, Day & Co., Certified Public Accountants, LLP (VTD) (www.vtdcpa.com) is an accounting firm offering audit, accounting, tax, fraud examination, and business consulting services nationwide. Headquartered in Rancho Cucamonga, VTD has seven California regional offices (Pleasanton, Palo Alto, Fresno, Laguna Hills, Sacramento, Riverside, San Diego), and an office in Phoenix, AZ, serving the commercial, educational, financial, government, healthcare, and non-profit sectors. All California facilities are participating in this project. This is the Company's first ETP Agreement.

PROJECT DETAILS

As the majority of business meetings are now held online, clients have the luxury of searching for specific types of services anywhere in the country. The capability to provide accounting and consulting services is crucial to keeping existing business, as well as gaining new clientele. The competition for business is now nationwide. In order to meet client expectations, current

business trends, changing industry regulations, and legal requirements, VTD must provide more training to staff.

To provide the best services across different practice areas, Accountants need to remain up-to-date on the latest accounting rules, business plans, and law and tax changes on the federal, state, and local level. Additionally, VTD must adhere to any changes to the accounting and audit rules.

Training Plan

Business Skills (10%): Training will be offered to all occupations to develop skills in customer service, product presentations and recommendations, and how to manage projects efficiently. Trainees will learn how to conduct client meetings and sales presentations. Training will also help employees grow within the organization to better manage clients, and develop leadership skills.

Commercial Skills (85%): Training will be offered to all occupations in the rules of regulatory agencies. Training topics will focus on rules and laws that affect clients, industry trends in the marketplace, and tax benefits. Trainees will also learn how to address the effects of media, the new lease reporting regulations, or how the Affordable Care Act can impact clients' taxes and operations. Training will improve skills to ask the proper questions, provide comprehensive answers, and implement a plan. This will allow VTD to provide more services, and help business grow.

Computer Skills (5%): Training will be offered to all occupations to improve productivity and efficiency. Training will enable employees to use existing tools and new versions of company software.

Commitment to Training

ETP funds will not displace existing financial commitments to training. VTD's training budget is \$300,000 a year for California. This covers sexual harassment prevention, new hire orientation, and diversity, as well as soft skills, such as team building, conflict and problem resolution, and basic management skills. VTD also provides continuous job-specific classroom training on new rules and laws being passed to comply with the changing government and banking regulations.

Each employee has a specific area of expertise, such as tax, audit, or government audit. VTD offers the yearly mandatory training in these areas. VTD also offers cross-training in other disciplines to help trainees grow their skillsets.

➤ Training Infrastructure

A full-time staff member in the Rancho Cucamonga office will be dedicated to head the program internally and coordinate the training administration among the seven locations with the assistance of office personnel in each location. VTD will also work with the Training Refund Group to provide administrative support and recordkeeping throughout the term of this ETP Agreement.

Impact/Outcome

Training will help VTS reduce costs associated with government audits, and help accountants handle more responsibility to move up the ranks, and eventually become partners.

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

Training Refund Group (TRG) in Anaheim assisted with development for a flat fee of \$5,000.

ADMINISTRATIVE SERVICES

TRG 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

- Client Management
- Conflict Resolution
- Leadership
- Marketing and Sales
- Networking
- Presentation Skills
- Report Writing
- Sales Technique

COMMERCIAL SKILLS

- Accounting
- Auditing
- Bank Review
- Estate Planning
- Financial Planning
- Fraud Prevention
- Not For Profit Auditing
- Tax Planning
- Tax Preparation

COMPUTER SKILLS

- MS Office (Intermediate)
- ProSystem fx Tax
- QuickBooks
- Tax Research

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



Training Proposal for:
Workforce Connections, Inc.
Agreement Number: ET17-0121

Panel Meeting of: June 24, 2016

ETP Regional Office: North Hollywood

Analyst: E. Wadzinski

PROJECT PROFILE

Contract Attributes:	SET Priority Rate SB <100 Retrainee	Industry Sector(s):	Construction Services Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Los Angeles, Orange	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)	N/A		

FUNDING DETAIL

Program Costs	+	Support Costs	=	Total ETP Funding
\$186,700		\$12,890 8%		\$199,590

In-Kind Contribution:	50% of Total ETP Funding Required	\$316,750
-----------------------	-----------------------------------	-----------

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 Priority Rate	Business Skills, Comm'l. Skills, Computer Skills, Cont. Imp.	50	8-200	0	\$1,097	\$21.28
				Weighted Avg: 57			
2	Retrainee	Business Skills, Comm'l. Skills, Computer Skills, Cont. Imp.	30	8-200	0	\$962	\$28.37
				Weighted Avg: 60			
3	Retrainee SB<100 Priority Rate	Business Skills, Comm'l. Skills, Computer Skills, Cont. Imp.	50	8-200	0	\$1,612	\$21.28
				Weighted Avg: 58			
4	Retrainee SB<100	Business Skills, Comm'l. Skills, Computer Skills, Cont. Imp.	30	8-200	0	\$1,176	\$28.37
				Weighted Avg: 50			

Minimum Wage by County: Job Numbers 1 & 3 (SET/Priority Industry): \$21.28
 Job Numbers 2 & 4 (SET Statewide): \$28.37
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
Service Advisor		30
Sales Representative I		30
Engineer I		20
Engineer II		20
Engineer III		5
Program Operations Manager I		20
Program Operations Manager II		10
Construction Manager I		20
Construction Manager II		5

INTRODUCTION

Workforce Connections Inc. (Workforce Connections) (www.workforceconnections.us) is a workforce intermediary that supports public and private systems to upgrade the skills of local workers to meet employer needs. Workforce Connections collaborates with employers, community colleges and local California Workforce Development Boards (Southeast Los Angeles Workforce Investment Board, Cerritos Chamber of Commerce, and Lakewood Chamber of Commerce) to develop innovative training programs customized to specific employers and industry sectors, such as constructions/architecture, engineering, automotive, manufacturing and transportation/logistics.

Workforce Connections is eligible for ETP funds as a Workforce Innovation and Opportunity Act grant recipient.

PROJECT DETAILS

This proposal will serve small and large businesses in the construction and automotive industries. The core group of participating employers represents at least 80% of requested funding. Training will begin in early July and will be delivered by Cerritos College. Training will be held at the participating employer's worksites, with an estimated 5% of training being conducted at Cerritos College campus. However, Workforce Connections will perform its own administrative services. [Note: This is not the Broker Model because the training is delivered by a public entity (community college).]

Employers working with Workforce Connections have identified specific areas for improvement designed to help them procure new business and expand their markets. The proposed training will help these companies improve productivity, attract new customers, and maintain competitive growth. Training in the construction industry will include construction management, sustainable building, and general contracting.

Training Plan

Business Skills (20%): Training will be offered to all occupations to improve communication, sales, customer service, report writing and presentation skills. Training will also include time management, planning and organization skills to enable employees to coordinate and manage tasks and projects more effectively.

Computer Skills (30%): Training will be offered to all occupations to become more proficient in upgraded and new software, enterprise and management systems, engineering software, business reporting tools and database applications.

Continuous Improvement (20%): Training will be offered to all occupations to help workers increase productivity and efficiency as well as develop strategies to enhance performance and business processes. Trainees will learn to identify and resolve, as well as implement effective process improvements.

Commercial Skills (30%): Training will be offered to Service Advisors and select Sales Staff to understand the complexities of auto repair, and complete work orders. Sales Staff will learn vehicle mechanical features and performance ratings. Training offered to Engineers, Program Operations and Construction Managers will help them become proficient in construction standards. Training will include updates on building codes and standards, and new energy systems. Training will also ensure that Engineers are familiar with new programs and

technologies that are requested from clients while designing and managing new acquired projects.

Special Employment Training/Wage Modification

Under Special Employment Training (SET), the participating employer is not required to demonstrate out-of-state competition. To qualify under SET, trainees in non-priority industries must be earning at least the statewide average hourly wage (\$28.37 per hour) at the end of the retention period (Job Numbers 2 & 4). Trainees employed in a Priority Industry (Job Numbers 1 & 3) qualify for a SET wage modification up to 25% below the statewide average hourly wage (\$21.28 per hour). The Company requests this wage modification for these trainees that work in the construction industry and qualify for this wage modification.

Frontline Workers

The Company has confirmed that the occupations of Program Operations and Construction Manager manage construction projects and do not hire, fire, or set company policy. Based on the nature and scope of their job duties, these trainees meet the Panel's definition of frontline worker. As frontline workers, these trainees qualify for SET funding.

Marketing and Support Costs

Workforce Connections promotes its program to new and existing employer contacts through personalized brochures, newsletter postings, business networking, and word-of-mouth. It also works with several community organizations (Southeast Los Angeles Workforce Investment Board, Cerritos Chamber of Commerce and Lakewood Chamber of Commerce). These organizations play an integral part in referring employers to Workforce Connections for assistance with training and workforce development programs. These activities all help Workforce Connections keep its program responsive to the needs of the local employer community.

Workforce Connections is requesting and staff supports 8% support costs for ongoing employer marketing and outreach. These costs will involve contacting, interviewing, assessing, and developing individual training plans throughout the program. Additional costs will include ad placements, mailings, and customizing outreach material.

Tuition Reimbursement

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

Commitment to Training

ETP funds will not displace the existing financial commitment to training of participating employers. Many participating employers are small businesses with very limited training resources. Current training provided by employers includes new employee orientation and compliance-related topics. Workforce Connections represents that 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

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

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

N/A

ADMINISTRATIVE SERVICES

N/A

TRAINING VENDORS

Cerritos College located in Norwalk will provide all training.

Exhibit B: Menu Curriculum

Class/Lab Hours

8-200

Trainees may receive any of the following:

BUSINESS SKILLS

- Business Grammar and Writing Skills
- Business Fundamentals
- Communication Skills
- Conflict Resolutions and Management
- Cost Control
- Customer Service
- Finance for Non Finance People
- Goal Setting
- Managing Change
- Negotiating
- Performance Management Skills
- Planning and Organization
- Presentation
- Project Management
- Project Coordination
- Time and Priority Management

COMMERCIAL SKILLS

- Building Designs
- Construction Management
- Energy Systems
- Engineering for Mechanical, Electrical, Plumbing (MEP)
- Energy and Environment
- Sustainable Building Design
- Sustainable MEP
- Equipment Technical Overviews
- Service & Field Adjustment Techniques
- Service Department Metric Analysis
- Dealership Performance Metrics

COMPUTER SKILLS

- Access
- Adobe Acrobat 9 Professional
- CAD Cam Engineering Software Training
- Computer Skills for Production & Inventory
- Enterprise and Manufacturing Management Systems
- Microsoft Office (Intermediate/Advanced)
- Business Analytical Reporting & Presentation
- QuickBooks and Accounting Software
- Windows Advancement
- SharePoint in Manufacturing Settings

CONTINUOUS IMPROVEMENT

- ✚ Analyzing and Interpreting Data
- ✚ Design of Experiments
- ✚ 8D (Eight Disciplines) Problem Solving
- ✚ Frontline Leadership
- ✚ ISO (International Organization for Standardization)
- ✚ Problem Solving
- ✚ Process Management
- ✚ Root Cause Analysis
- ✚ Set-Up Time Reduction
- ✚ Process Mapping
- ✚ Six Sigma
- ✚ Statistical Process Control Team Building

Note: Reimbursement for retraining is capped at 200 total hour's per-trainee, regardless of method of delivery.



RETRAINEE - JOB CREATION

Training Proposal for:

C.W. Driver, Incorporated

Agreement Number: ET16-0456

Panel Meeting of: June 24, 2016

ETP Regional Office: North Hollywood

Analyst: M. Reeves

PROJECT PROFILE

Contract Attributes:	Retrainee Job Creation Initiative Priority Rate	Industry Sector(s):	Construction Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Los Angeles, Orange, San Bernardino, 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: 497	U.S.: 497	Worldwide: 497
<u>Turnover Rate:</u>	16%		
<u>Managers/Supervisors:</u> (% of total trainees)	19%		

FUNDING DETAIL

<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">Program Costs</td></tr> <tr><td style="text-align: center;">\$199,840</td></tr> </table>	Program Costs	\$199,840	-	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">(Substantial Contribution)</td></tr> <tr><td style="text-align: center;">\$0</td></tr> </table>	(Substantial Contribution)	\$0	=	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">(High Earner Reduction)</td></tr> <tr><td style="text-align: center;">\$0</td></tr> </table>	(High Earner Reduction)	\$0	=	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">Total ETP Funding</td></tr> <tr><td style="text-align: center;">\$199,840</td></tr> </table>	Total ETP Funding	\$199,840
Program Costs														
\$199,840														
(Substantial Contribution)														
\$0														
(High Earner Reduction)														
\$0														
Total ETP Funding														
\$199,840														

In-Kind Contribution:	100% of Total ETP Funding Required	\$250,000
------------------------------	------------------------------------	-----------

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	Adv. Technology, Business Skills, Commercial Skills, Computer Skills, Mgmt. Skills	160	8-200	0	\$1,044	*\$15.60
				Weighted Avg: 58			
2	Retrainee Job Creation Initiative Priority Rate	Adv. Technology, Business Skills, Commercial Skills, Computer Skills, Mgmt. Skills	41	8-200	0	\$800	*\$12.77
				Weighted Avg: 40			

*It will be made a condition of contract that the trainees in this Job Number will never be paid less than the State or local minimum wage rate as in effect at the end of retention (Final Payment) regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

Minimum Wage by County: Job Number 1: \$17.02 per hour for Santa Clara County; \$16.51 per hour for Orange County; \$16.48 per hour for Los Angeles County; \$16.46 per hour for San Diego County; and \$15.60 per hour for San Bernardino County.

Job Number 2 (Job Creation): \$14.19 per hour for Santa Clara County; \$13.76 per hour for Orange County; \$13.73 per hour for Los Angeles County; \$13.72 per hour for San Diego County; and \$12.77 per hour for San Bernardino County.

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

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

Up to \$2.52 per hour (Job Number 1) and up to \$2.19 per hour (Job Number 2) may be used to meet the Post-Retention Wage.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Job Number 1		
Administrative/Support Staff		41
Technical Staff		57
Production Staff		33
Supervisor/Manager		29
Job Number 2 (Job Creation)		
Administrative/Support Staff		7
Technical Staff		14
Production Staff		10
Supervisor/Manager		10

INTRODUCTION

Founded in 1919 and headquartered in Pasadena, C.W. Driver, Incorporated (CWD) (www.cwdriver.com) provides custom design, engineering, general contracting and construction management services across a broad spectrum of industries including education, healthcare, biomedical, entertainment, retail, industrial and government. CWD has offices in Irvine, Rancho Cucamonga, San Diego, Anaheim, San Jose and Carlsbad. The proposed training will be delivered to employees at all of these locations.

The following business improvements and construction-related developments are driving the current need for training:

- Implementation of New Human Capital Management (HCM) software program designed to strengthen CWD's ability to manage human resources, payroll and taxes more effectively. This HCM software will also improve performance management abilities, while tracking expanded learning opportunities for employees.
- Upgraded Customer Relationship Management (CRM) software for cloud integration and real-time accessibility using tablets, smartphones and laptops. This CRM upgrade will improve the ability to track and manage sales and marketing processes. This technology will strengthen the Company's competitive edge as CWD expands its business capacity and enters new markets.
- Implementation of Oracle Primavera P6 Analytics software used for managing multifaceted projects in the heavy construction industry. Primavera P6 provides CWD with the enhanced ability to analyze cause-and-effect and comparative trends across multiple projects. This software tool also provides added scheduling and planning control for project managers and schedulers. The Company estimates this technology can help reduce its project planning/management administration costs by 5%.
- Implementation of Bluebeam PDF software and PlanGrid Construction software, a paperless, cloud-based application used for creating, editing, marking up, and sharing PDF documents electronically. PlanGrid is a software application that replaces paper blueprints and enables automatic version control with real-time updates.
- Implementation of GCPay software system for automating subcontracting processes. This technology will automate and expedite the review of project phases, enable digital signature capabilities, and eliminate paperwork delays.
- California's ongoing drought requires that CWD employees understand new industry technologies such as updated plumbing design and water recycling techniques to ensure that customers are informed of their best options.

At the request of a Panel member, this proposal was removed from the Consent Calendar as noticed for last month's meeting, and held over to this month.

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.

CWD has committed to hiring 41 new employees (Job Number 2) to support the Company's expansion into new industries such as art and science centers, assisted living centers, wineries and shopping centers. CWD is also adding new employees to help increase its market share in the high-rise development, condominiums, mixed-use and multi-family housing markets. CWD estimates that expanding its business capacity in these growing markets will help increase its market share by 3% over the next 6-12 months.

The newly-hired employees will be hired across multiple occupations within the term of the Contract, and will require extensive training to develop the skills needed to support these growth plans.

The date-of-hire for all trainees in the Job Creation program will be within the three-month period before contract approval or within the term-of-contract. These trainees will be hired into "net new jobs" as a condition of contract.

PROJECT DETAILS

Training Plan

The proposed training will help CWD upgrade the skills of its existing workforce, integrate new employees, and implement technology improvements designed to enhance productivity, product quality and overall efficiency. The majority of training will be delivered via class/lab; however, some training modules will be conducted via E-learning/virtual classroom. Training will take place at all CWD locations and will be delivered by a combination of in-house subject matter experts and outside training vendors.

Business Skills (30%) – Training will be offered to all occupations. This training will help CWD develop a foundation for implementing new administrative and financial processes related to new initiatives.

Commercial Skills (30%) – Training will be offered to all occupations. Employees will receive industry-specific training focused on market growth in new business areas. Training will also include drought management solutions for customers.

Computer Skills (25%) – Training will be offered to all occupations. Training will focus on new and upgraded software solutions designed to bring more cloud-based mobility and improved process management for all employees.

Management Skills (5%) – Training will be offered to Managers/Supervisors. This training will provide CWD's leadership team with the skills to manage growth and guide the Company through new workflow processes and into new markets.

Advanced Technology (10%) – Training will be offered to approximately 20 Technical Staff. Trainees will be equipped with the skills to manage complex computer programming and data maintenance systems across multiple locations and projects. This training will help CWD ensure real-time information sharing, with integration to mobile and Cloud-based technology. The trainer-to-trainee ratio will be capped at 1:10 to allow in-depth coverage and personal attention from the instructor.

Prior Projects

This will be CWD's fourth ETP Agreement and the third project within the past five years. (See Prior Performance Table) The Company's first ETP project introduced proprietary Lean construction techniques, specifically in the area of "Last Planners Scheduling." The second

ETP Agreement enabled the Company to expand its proprietary Lean Model training to key employees across all departments and locations. In addition, the Company successfully introduced and trained most of its employees on CWD's Integrated Product Delivery method. The third ETP Agreement included training to support CWD's office expansion efforts and the launching of additional project delivery groups to facilitate movement into new business sectors.

Building Information Modeling (BIM) software training and Viewpoint Project Management software training were both originally planned to be delivered under the last ETP Agreement. However, BIM software training did not take place due to manufacturer and programming delays. Viewpoint construction software training did not take place due to support equipment delays. CWD is now prepared to move forward with these training modules and they have been included in the proposed Curriculum. In addition to topics that were never delivered under the previous Agreement, the remainder of the proposed Curriculum is comprised of newly added courses to ensure there will be no duplication of training for any trainees who may have participated in a prior Agreement.

Substantial Contribution

There is no Substantial Contribution being applied because no single CWD facility has earned \$250,000 or more within the past five years.

Commitment to Training

CWD has an annual training budget of approximately \$200,000. Company-funded training consists of basic skills and on-the-job training, new employee orientation, seminars and conferences, regulatory training and Leadership in Energy & Environmental Design Certification. Safety training is provided in accordance with all pertinent requirements under state and federal law.

➤ Training Infrastructure

As a repeat contractor, CWD's leadership team is familiar with ETP recordkeeping requirements and remains committed to the successful execution and proper documentation of all ETP-funded training. In addition, the Company has retained an outside administrative consultant to ensure that all training records meet ETP compliance.

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET14-0279	Various	02/03/14 – 02/02/16	\$199,644	\$199,644 (100%)
ET12-0142	Various	10/04/11 – 10/03/13	\$275,394	\$199,376 (72%)

DEVELOPMENT SERVICES

Sallyanne Monti Consulting in San Francisco assisted with development of this proposal for a flat fee of \$7,800.

ADMINISTRATIVE SERVICES

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

TRAINING VENDORS

The Professional Voice in Burbank will provide Management Skills training. Kerr Hill in San Ramon will provide Business Skills training. Other trainers will be identified for ETP record-keeping purposes, as they are retained by CDW.

Exhibit B: Menu Curriculum

Class/Lab/E-Learning Hours

8 - 200

Trainees may receive any of the following:

ADVANCED TECHNOLOGY

- ✚ Certified Network Engineer
- ✚ Computer Programming Languages (Visual Basic, C++)
- ✚ Oracle (Database Management & Storage)
- ✚ SQL Server (Cloud Ready Information Platform)

BUSINESS SKILLS

- ✚ Performance Management for New Initiatives

COMMERCIAL SKILLS

- ✚ Drought Management
- ✚ New Industries
 - Art & Science Centers
 - Assisted Living Centers
 - Condos/Multi-Family Residences
 - Hi-Rise Developments
 - Shopping Centers
 - Wineries

COMPUTER SKILLS

- ✚ Advanced Building Information Modeling 4D Modeling Software (Proprietary)
- ✚ Advanced Viewpoint Construction Software
- ✚ Bluebeam PDF Solutions
- ✚ Customer Relationship Management Proprietary
- ✚ Existing Software Interface for Reporting
- ✚ GC Pay Project Accounting Pay Application
- ✚ P6/Primavera Project Planning & Scheduling
- ✚ People Strategy Human Capital Management
- ✚ PlanGrid Construction Software

MANAGEMENT SKILLS (Managers/Supervisors Only)

- ✚ Managing Growth & Change Management

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



**Training Proposal for:
North American Health Care, Inc.**

Agreement Number: ET17-0125

Panel Meeting of: June 24, 2016

ETP Regional Office: North Hollywood

Analyst: M. Paccarelli

PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate SET Medical Skills Training HUA	Industry Sector(s):	Healthcare Services Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Los Angeles, Sacramento, Solano, San Joaquin	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: 4,500	U.S.: 4,500	Worldwide: 5,147
Turnover Rate:	8%		
Managers/Supervisors: (% of total trainees)	N/A		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$741,132		\$0	\$0		\$741,132

In-Kind Contribution:	100% of Total ETP Funding Required	\$840,000
------------------------------	------------------------------------	-----------

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 Medical Skills Training Priority Rate SET	MST Didactic & Clinical Preceptor, Computer Skills, Cont. Imp.	544	8-200	0	\$954	\$21.28
				Weighted Avg: 53			
2	Retrainee Medical Skills Training Priority Rate SET HUA	MST Didactic & Clinical Preceptor, Computer Skills, Cont. Imp.	363	8-200	0	\$612	*\$11.70
				Weighted Avg: 34			

* It will be made a condition of contract that the trainees in this Job Number will never be paid less than the State or local minimum wage rate as in effect at the end of retention (Final Payment) regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

Minimum Wage by County: \$21.28 per hour for SET Frontline Workers in Job Number 1 statewide; \$12.36 per hour for Los Angeles County and \$11.70 for San Joaquin County in Job Number 2.

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 \$2.54 per hour may be used to meet the Post-Retention Wage for Job Number 1.

Up to \$2.36 per hour may be used to meet the Post-Retention Wage for Job Number 2.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Job Number 1		
Registered Nurse		198
Licensed Vocational Nurse		326
Minimum Data Set (MDS) /Medical Records (MR) Coordinator		20
Job Number 2		
Certified Nurse Assistant		363

INTRODUCTION

Founded in 1976, North American Health Care, Inc. (NAHCI) (www.nahci.com) owns and manages skilled nursing communities and a rehabilitation company for senior care. NAHCI offers skilled nursing, memory care, hospice care, and respite care services; adult day programs; and rehabilitation services such as physical, occupational, and speech therapies.

Headquartered in Dana Point, the Company has 31 facilities located throughout California serving the residents of Los Angeles, Riverside, Sonoma, San Joaquin, Sacramento, Yolo, San Mateo, Alameda, Orange, Nevada, Solana and Ventura Counties.

This is NAHCI's first ETP Agreement. In this proposal, NAHCI plans to train employees statewide at various locations:

- Alamitos-Belmont Rehabilitation Hospital in Long Beach
- Ramona Nursing & Rehabilitation Center in El Monte
- Garden View Post-Acute Rehab in Baldwin Park
- Broadway by the Sea in Long Beach
- Edgewater Skilled Nursing Center in Long Beach,
- Rosewood Post-Acute Rehabilitation in Carmichael
- Fairfield Post-Acute Rehabilitation in Fairfield
- Fairmont Rehabilitation Hospital in Lodi
- Lincoln Square Post-Acute Care in Stockton

All these NAHCI facilities are eligible for priority-industry funding as a Healthcare facility under Special Employment Training (SET) for frontline workers.

PROJECT DETAILS

The proposed training is in response to multiple changes that have impacted NAHCI's business beginning with the Affordable Care Act signed into law by President Obama in 2010 and with more industry changes continuing through 2016. New quality standards, decreasing reimbursement for services provided, targeted reduction in hospital readmissions, increased patient population due to more insured patients, as well as a significant trend towards sicker patients being released from partner acute care hospitals much sooner than in the past have all contributed to an extremely challenging business environment for NAHCI. Early in 2016, The Centers for Medicare and Medicaid Services (CMS) unveiled major changes to the Nursing Home Compare (NHC) (a system that allows consumers to compare information about nursing homes) and its Five-Star rating system with new quality measures that must be integrated under the new system. The NHC contains quality of care and staffing information for all Medicare and Medicaid-participating nursing homes.

In addition, NAHCI is involved in the process of implementing an electronic health records system which provides an integrated clinical and financial Electronic Medical Record (EMR) and Customer Relation Management systems across the Post-Acute Care continuum. With training, NAHCI's facilities can expect significant improvements in staff capability which will be reflected in patient care quality, productivity, and cost savings. The system is a substantial investment for affiliated facilities (\$50,000 per facility), and training is not included in the cost. NAHCI seeks ETP assistance to meet these challenges.

Training Plan

NAHCI's training plan was developed in order to compliment the goals of the organization, (maintain 5-Star Quality ratings), enhance job security of employees through increased skills and knowledge, enable new employees to manage the care of patients, introduce new technology (EMR System), enable employees to have the most up-to-date skills required for a rapidly changing and highly regulated environment, and to increase or maintain patient satisfaction ratings through regularly scheduled training sessions.

ETP funding will help move the Company's facilities toward better healthcare delivery, meeting expectations for enhanced clinical quality and new metrics of quality measurement.

Computer Skills (5%) – Training will be offered to all occupations in the use of Electronic Medical Records software to accurately enter and retrieve patient information. MDS/MR Coordinators will also receive training in the new data set requirements for CMS's new Five-Star rating system.

Continuous Improvement (15%) – Training will be offered to all occupations in order to foster improvement in multiple skills such as team building, culturally appropriate care, medical records, documentation, customer service, standard operating procedures, communication skills, interdisciplinary team skills, and quality improvement.

Medical Skills (80%) – Training will be offered to all nursing staff in order to better understand advanced clinical process. Training will ensure competency and maximize patient satisfaction and safety. Training will include patient assessment skills, knowledge of ventilator and tracheotomy care, wound care, patient fall prevention, infection control, cardiac care, atrial fibrillation, prevention of ventilator acquired pneumonia, congestive heart failure, infection control, pain management, intravenous therapy, diabetes management, dialysis care, medication management and administration, behavior management, psychotropic medication management, mental health program, and dementia/Alzheimer's patient care skills.

The Panel has established a higher reimbursement rate of \$22 per hour for nurse training, recognizing the higher cost of delivery for the Clinical Preceptor model. The standard class/lab rate, \$18 per hour for priority industries will apply to Computer Skills and Continuous Improvement training.

Special Employment Training

Under Special Employment Training (SET), employers are 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.

➤ Wage Modification

Trainees in Job Number 1 are employed in a Priority Industry and qualify for a wage modification up to 25% below the Statewide Average Hourly Wage. The wage modification of \$21.28 is requested for trainees in Job Number 1.

High Unemployment Area

All trainees in Job Number 2 work in Los Angeles County (Baldwin Park and El Monte) and San Joaquin County (Lodi and Stockton), High Unemployment Areas (HUA) with unemployment exceeding the state average by 25%. These trainees qualify for the Standard Wage rather than the SET Statewide Average Hourly Wage. Additionally, the Standard Wage may be modified by up to 25% if the post-retention wage reflects an increase from wages earned at the start-of-training. NAHCI is asking for a wage modification down to the HUA Minimum Wage of \$12.36 per hour for Los Angeles County and \$11.70 per hour for San Joaquin County.

Commitment to Training

NAHCI's current training budget is approximately \$1M for all California facilities. Current training programs include new hire orientation, sexual harassment prevention, safety training, annual computer skills training, skills updates and in-service 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**

NAHCI's Executive Assistant will coordinate training centrally with the help of the subcontractor, National Training System Inc., while Directors of Staff Development at each facility will oversee the internal project administration and training at their corresponding facility.

Assessments were conducted at individual facilities and tallied four months ahead of the application. The resulting Curriculum addressed concerns from the assessments: common needs at facilities and needs with uncommonly large amounts of tallies. A training plan was then created, with the majority of training to be conducted internally by certified instructors, including Registered and Licensed Nurses. Some training will be delivered by vendors to train staff in the navigation of the Electronic Medical Records System.

Although NAHCI is a first-time ETP contractor, employee training is embedded in the Company's culture. Management believes there is a direct correlation between staff training and quality of care. Training is a significant component of operations, with plans to conduct and document many more training hours than represented in the application.

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

NAHCI retained National Training System Inc. (NTS) in Ladera Ranch to assist with development of this proposal for a flat fee of \$36,939.

ADMINISTRATIVE SERVICES

NAHCI also retained NTS to perform administrative services in connection with this proposal for a fee not to exceed 12% of payment earned.

TRAINING VENDORS

To Be Determined

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

8-200

Trainees may receive any of the following:

MS DIDACTIC

- Restorative Nursing Program
- Annual Skills Update
- Infection Control
- Basic Life Support
- Body Mechanics
- Patient Transfer Techniques
- Equipment Skills (including, but not limited to pumps, vital monitoring devices, support systems, therapeutic modalities)
- Advanced Cardiac Life Support
- Change of Condition Management
- Interdisciplinary Team Process
- Pain Management (Acute and Chronic)
- Intravenous Therapy
- Enteral Feeding Tube Management
- Respiratory Care
- Wound Management
- Diabetic Management
- Urinary Management (foley catheter, input/output)
- Resident and Family Education
- Medication Administration Management
- Restraint and Restraint Reduction
- Behavior Management
- Psychotropic Medication Management
- Patient Assessment & Care
- Physical, Occupational, Speech Therapy
- End of Life Care
- Patient Fall Prevention
- Dementia/Alzheimer's
- Neurovascular System
- Residents with Special Needs
- Gastrointestinal System
- Laboratory
 - Electrolyte Imbalance
 - Arterial Blood Gas Interpretation
- Cardiac Conditions
- Neurological Conditions
- Resident Emergency Response
- Skeletal/Orthopedic Conditions
- Incontinence Management (colostomy care, urinary catheter care)
- Pro Act Training - Professional Assault Crisis Training and Certification (Pro Act)

MST CLINICAL PRECEPTOR

- **Inpatient & Outpatient Care Unit**
 - Medication Management
 - Infection Control
 - Patient Safety
 - Clinical Skills Review
 - Patient Assessment and Care
 - Intravenous Therapy
 - Enteral Management
 - Bolus
 - Intermittent
 - Continuous
 - Feeding Tube
 - Insertion
 - Site Care
 - Removal
 - Dementia Care
 - Assessing of Tube-Fed Individuals with Diabetes Mellitus
 - Preventing and Identifying Complications Related to Tube Feedings
 - Respiratory Care
 - Wound Management
 - Dementia/Alzheimer's
 - Managing Patients with Neurovascular Conditions
 - Rehabilitation Services
 - Physical Therapy
 - Occupational Therapy
 - Speech Therapy
 - Residents with Special Needs
 - Gastrointestinal Conditions
 - Cardiac Conditions
 - Skeletal/Orthopedic Conditions
 - Incontinence Management (colostomy care)
 - Assisting and Performing Self Care Skills with Patients; Facilitating Functional Gains of Each Patient
 - Functional Mobility and Ambulation
 - Bowel and Bladder Training of Patients
 - Identification of Skin Impairments and Prevention
 - Identification of Patient Change in Condition
 - Monitoring of Cardiovascular Changes such as Vital Signs, Endurance, Level of Consciousness
 - Breathing Patterns and Respiratory Function
 - Pain Management
 - Positioning of Patients for Correct Body Alignment
 - Monitor Blood Pressure of Patients
 - Operate Safety Devices with Patient
 - Activities of Daily Living
 - Conduct Range of Motion Exercises with Patient
 - Patient Care of Foot and Hand
 - Infection Control
 - Charting
 - Colostomy Care

- Hazardous Waste Handling
- Isolation Techniques
- Safe Patient Handling
- Use of the Call Light System
- Safe Linen Handling
- Equipment/Modalities
- Therapeutic Safety
- Proper Use of Exercise Equipment
- Therapeutic Activities
- Therapeutic Exercises
- Assistive Devices
- Procedures for Temperature check for Hydrocollator/Paraffin

COMPUTER SKILLS

- Electronic Medical Records Application Skills
- Patient Services Billing Software
- Electronic Tablet for Bedside Charting

CONTINUOUS IMPROVEMENT

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

PaeDae, Inc. dba Mobile Majority

Agreement Number: ET17-0126

Panel Meeting of: June 24, 2016

ETP Regional Office: North Hollywood

Analyst: E. Fuzesi

PROJECT PROFILE

Contract Attributes:	SB <100 Priority Rate Retrainee Job Creation Initiative	Industry Sector(s):	Technology/IT Technology/Other 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: 45	U.S.: 55	Worldwide: 65
<u>Turnover Rate:</u>	16%		
<u>Managers/Supervisors:</u> (% of total trainees)	N/A		

FUNDING DETAIL

<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">Program Costs</td></tr> <tr><td style="text-align: center;">\$358,002</td></tr> </table>	Program Costs	\$358,002	-	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">(Substantial Contribution)</td> <td style="text-align: center;">(High Earner Reduction)</td> </tr> <tr> <td style="text-align: center;">\$0</td> <td style="text-align: center;">\$0</td> </tr> </table>	(Substantial Contribution)	(High Earner Reduction)	\$0	\$0	=	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">Total ETP Funding</td></tr> <tr><td style="text-align: center;">\$358,002</td></tr> </table>	Total ETP Funding	\$358,002
Program Costs												
\$358,002												
(Substantial Contribution)	(High Earner Reduction)											
\$0	\$0											
Total ETP Funding												
\$358,002												

In-Kind Contribution:	100% of Total ETP Funding Required	\$438,000
-----------------------	------------------------------------	-----------

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, Cont. Impr.	7	8-200	0	\$1,386	\$86.53
				Weighted Avg: 77			
2	Job Creation Initiative Priority Rate SB<100	Advanced Tech., Business Skills, Computer Skills, Cont. Impr.	135	8-200	0	\$2,580	\$21.63
				Weighted Avg: 129			

Minimum Wage by County: Job Number 1 (Retrainee): \$16.48 in Los Angeles County. Job Number 2 (Job Creation): \$13.73 in Los Angeles County.

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

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

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
Job Number 1		
Supervisor/Manager		7
Job Number 2		
Accounting Staff		4
Account Manager		28
Ad Operations Staff		12
Ad Operations Staff II		1
Creative Staff		4
Creative Staff II		1
IT Engineer		49
IT Engineer II		1
Marketing Staff		5
Product Staff		7
Revenue/Business Development Staff		23

INTRODUCTION

Founded in 2012, PaeDae, Inc. dba Mobile Majority (Mobile Majority) (www.majority.com) is a rapidly growing technology company specializing in vertically-integrated mobile digital advertising. Mobile Majority owns and operates a proprietary software platform that targets, optimizes, and tracks data, helping clients maximize their mobile marketing strategies and profit margins. Advertisers can analyze this data to reach consumers based on various user criteria, interactions, and product characteristics.

Headquartered in Santa Monica, Mobile Majority has satellite offices in San Francisco; New York, NY; Detroit, MI; Chicago, IL; and Columbus, OH. The Company also has two international locations in Bogota, Colombia; and Sao Paulo, Brazil. The customer base includes a variety of industry sectors: e-commerce, entertainment, automotive, finance and insurance, beauty, digital, and retail. Some of Mobile Majority's clients include Honda, Acura, State Farm, Procter and Gamble, Pitney Bowes, and the U.S. Postal Service. The Company faces global competition, although most customer interaction is online.

Based on the anticipated job growth of 135 employees over the term of the agreement, this proposal has been developed as a large company, single employer.

PROJECT DETAILS

Due to the ever-increasing penetration of smartphones and tablets in consumers' daily life, mobile advertising has become commonplace. The capability to serve and target mobile-specific audiences using software to analyze consumer locational, demographic, behavioral, and historical data is changing advertising technology.

Mobile Majority is experiencing rapid growth in business demand and is planning to expand its products, services, and business capacity into new global markets. The Company currently has \$50 million in secured contracts with more anticipated business opportunities in the pipeline. This has led to significant training needs and staff development in all aspects of the business.

Retrainee - Job Creation

Mobile Majority anticipates moving into a new facility in the next few months, to keep up with its projected growth. The Company plans to create up to 200 new positions in California within the next 18 months to service new contacts. However, for this proposal, Mobile Majority is estimating a more conservative number of 135 new employees (Job Number 2). These new jobs will be for Account Managers, Accounting Staff, Ad Operations Staff, IT Engineer, Marketing Staff, Product Staff, and Revenue/Business Development Staff. The date-of-hire for all Job Creation trainees must be within the three-month period prior to approval, or within the term-of-contract. These trainees will be hired into "net new jobs" as a condition of contract.

Despite this projection, at this point-in-time, the Company is a Small Business with fewer than 100 employees in California and no more than 250 worldwide.

Modification to Small Business Maximum Hours

The Company is requesting a modification to the Small Business maximum hours, increasing from 60 to 200 hours. Advertising technology requires very specific skillsets that span across a wide range of functions from mobile-specific marketing and advertising to software engineering and product management. The Company only has a small pool of talent that already has the

necessary skills to make an immediate impact. New employees will need extensive training to learn enough skills to perform on the job.

Training Plan

In addition to in-house training, the Company will bring in outside vendors, to be determined at a later date, to deliver specialized technical and leadership development courses.

Advanced Technology (50%) – Training will be offered to Account Managers (24 hours), Ad Operations Staff (24 hours), Creative Staff (80 hours), IT Engineers (110 hours), Marketing Staff (40 hours), Product Staff (12 hours), and Revenue/Business Development Staff (24 hours), as technical training is a crucial element of the Company's software driven, technology-based operation and its ability to compete. The needed skillsets for data analytics technology are specific, and span across a wide range of topics in software development and programming (See Exhibit B, Menu Curriculum for a list of courses).

Training will be conducted with a trainer-to-trainee ratio of 1:10 to allow for in-depth coverage of complex course material and personal attention from the instructor.

Business Skills (20%) – Training will be offered to all occupations to increase product knowledge and learn company processes, sales, and time management. Training will also enhance the frequency of effective communication between staff and clients. Managers will gain the skills to help transition to a high-performance workplace.

Computer Skills (5%) – Training in Intermediate and Advanced Excel will be offered to new employees to make sure their skill levels are adequate to function on the job.

Continuous Improvement (25%) – Training will be offered to all occupations. Trainees will learn to rethink and redefine mobile advertising. Leadership skills training will assure that the changes take place in an orderly fashion. Training will also prepare employees for promotions and new roles in the next level of leadership.

Commitment to Training

ETP funds will not displace existing financial commitments to training. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law. Training in the past has been provided on an as-needed basis using predominantly in-house trainers with a training budget estimated at \$25,000 a year in California.

In the past, Mobile Majority was able to manage its moderate growth with hiring of technically qualified employees. Because of that, the Company did not have a formal training policy in place. New employees only relied on informal training and internal training materials. This proposal will help establish a training infrastructure with a more focused culture of employee learning and development. The Company has committed to a substantial investment required to have a well-trained workforce. The Company will continue to foster the culture of learning and development to keep up with technological changes.

➤ Training Infrastructure

Mobile Majority conducted a training needs assessment and created a formal human resources strategic training plan and a technical training curriculum for new employees. The Company is in the process of hiring fulltime learning and development staff to oversee administration and organizational training delivery. Its Human Resources department will

provide any necessary term and retention information for invoicing and account maintenance. National Training Systems, Inc. will provide administrative support and recordkeeping.

Impact/Outcome

ETP funding will contribute to innovative advanced technology implementation, and sustaining impressive growth while providing high-wage, high-skilled jobs to meet the client needs worldwide. Many of the trainees will receive Certificates for Scrum, Google Double-Click and Lean Software Development.

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

Mobile Majority retained National Training Systems, Inc. in Ladera Ranch to assist with development of this proposal for a flat fee of \$21,686.

ADMINISTRATIVE SERVICES

Mobile Majority also retained National Training Systems, Inc. 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:

BUSINESS SKILLS

- Accounting Skills
- Bid Data Analytics
- Business Development
- Content Distribution
- Digital Marketing Skills
- Forecasting
- Growth Hacking
- Intro to Computer Science
- Mobile Ad Operations
- Mobile Marketing Analytics
- Mobile Marketing Strategy
- Modeling
- New Product Management
- Presentation Skills
- Product Development
- Public Relations
- Statistics
- Strategy for Upselling

COMPUTER SKILLS

- Intermediate and Advanced Excel

CONTINUOUS IMPROVEMENT

- Change Management
- Communication Skills
- Conflict Resolution
- Execution Effectiveness
 - Coaching for Success
 - Crucial Conversations
 - Influence Without Authority
 - Personal Agility
- Interpersonal Skills
- Leadership Skills
- Management Development
- Managing Diversity
- Productivity Skills
- Project Planning & Management
- Team Building

ADVANCED TECHNOLOGY (Ratio 1:10)

- Adobe Suite
- Apache Hadoop
- Big Data Analytics
- Big Data Software
- CSS

- Database Management
- Google Certified Double-Click
- Graphic Design
- HTML
- Java
- JavaScript
- Lean Software Development
- Programming with Apache Spark
- Ruby
- Scrum Certification
- Software Testing
- Web Development
- WordPress

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:

Performance Foodservice - Southern California, a Division of Performance Food Group, Inc.

Agreement Number: ET16-0461

Panel Meeting of: June 24, 2016

ETP Regional Office: North Hollywood

Analyst: L. Vuong

PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate Job Creation Initiative	Industry Sector(s):	Goods Movement Services Transportation/Logistics Wholesale Trade Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Los Angeles	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 900	U.S.: 11,100	Worldwide: 12,000
<u>Turnover Rate:</u>	17%		
<u>Managers/Supervisors:</u> (% of total trainees)	9%		

FUNDING DETAIL

<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">Program Costs</td></tr> <tr><td style="text-align: center;">\$182,000</td></tr> </table>	Program Costs	\$182,000	-	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">(Substantial Contribution)</td></tr> <tr><td style="text-align: center;">\$0</td></tr> </table>	(Substantial Contribution)	\$0	=	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">(High Earner Reduction)</td></tr> <tr><td style="text-align: center;">\$0</td></tr> </table>	(High Earner Reduction)	\$0	=	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">Total ETP Funding</td></tr> <tr><td style="text-align: center;">\$182,000</td></tr> </table>	Total ETP Funding	\$182,000
Program Costs														
\$182,000														
(Substantial Contribution)														
\$0														
(High Earner Reduction)														
\$0														
Total ETP Funding														
\$182,000														

In-Kind Contribution:	100% of Total ETP Funding Required	\$315,739
------------------------------	------------------------------------	-----------

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, Literacy Skills, OSHA 10/30	300	8-200	0	\$540	*\$16.48
				Weighted Avg: 30			
2	Retrainee Priority Rate Job Creation Initiative	Business Skills, Commercial Skills, Computer Skills, Cont. Imp., HazMat, Literacy Skills, OSHA 10/30	20	8-200	0	\$1,000	*13.73
				Weighted Avg: 50			

*It will be made a condition of contract that the trainees in these Job Numbers never be paid less than the State or local minimum wage rate as in reflect at the end of retention (Final Payment) regardless of the wage expressed in this table. The highest wage rate will prevail.

Minimum Wage by County: Job Number 1: \$16.48 per hour for Los Angeles County

Job Number 2 (Job Creation): \$13.73 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 \$2.48 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
Job Number 1		
Driver		110
Warehouse Staff		90
Inventory Staff		5
Sales Staff		25
Purchasing Staff		10
Quality Control Staff		1
Administrative Staff		30
HR Staff I		3
HR Staff II		1
Manager I		20
Manager II		5

Job Number 2 (Job Creation)		
Driver		10
Warehouse Staff		6
Sales Staff		1
Manager		3

INTRODUCTION

Founded in 1987 and located in the City of Industry, Performance Foodservice – Southern California, a Division of Performance Food Group, Inc. (PF – So. CA) (www.performancefoodservice.com) is an assembly food service distribution operation specializing in Italian and Italian-American food products, equipment, food related products and non-food items used within the food service industry. The Company carries and distributes its own signature brand as well as competing brands of products such as baked goods, USDA meats, poultry, condiments, cleaning supplies, serving items, trays and paper goods. The Company delivers more than 125,000 products to 85,000 customer locations on a daily basis. Major customers include Subway, Butterball, Campbell's, Coca Cola, General Mills, Kellogg's and Kraft Foods.

Headquartered in Richmond, Virginia, the Company has two facilities in California, one in Livermore and one in the City of Industry. In this proposal, PF – So. CA is requesting ETP funding to train 300 full-time employees and 20 full-time newly-hired employees (Job Creation) at the City of Industry location, where all training will take place. This will be PF – So. CA first ETP Agreement. (PF – So. CA's parent company, Performance Food Group, Inc. has previously held an ETP Agreement.)

The Company faces many challenges that drive the need for training:

- expanding their customer base to include all food and grocery items;
- operating new equipment and commercial vehicles;
- meeting customer demands;
- keeping up with technological advances;
- training incumbent workers to back fill behind retired workers; and
- finding commercial truck drivers.

Over the past year, PF – So. CA has experienced a 12% growth in customers and an increase in its workforce from 260 employees to 300 employees at the City of Industry facility. The Company anticipates an additional increase of 10% in productivity and 5% in revenue over the next two years.

At the request of a Panel member, this proposal was removed from the Consent Calendar as noticed for last month's meeting, and held over to this month.

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 subjected to a lower post-retention wage.

To remain competitive in the industry, PF – So. CA must continue to redesign, update and create new program curriculum to meet current market needs and services. Its goal is to

provide workers with the necessary technical skills required to operate new equipment and commercial vehicles, increase customer services, and become more efficient in delivery. In addition, PF – So. CA has implemented two new initiatives: an in-house Certified Commercial Driver's License program for Drivers and a Sales Task Force, a tool to increase sales and attract new customers. PF – So. CA also recently invested approximately \$7,000 in new equipment and software including People Net, Salesforce and hand held scanners. As such, the Company is incorporating new training methods and best practices to address these challenges and put the Company in a better position to compete.

As business grows and services expand, PF – So. CA has committed to hiring 20 new employees over the next two years (Job Number 2). PF – So. CA will train these employees to accommodate various business needs and new services. Trainees will learn to launch new sales techniques, operate new vehicles and equipment and have a better understanding of the Company's overall business operations.

The date-of-hire for all trainees in Job Number 2 will be within the three-month period before the contract approval or within the term-of-contract. These trainees will be hired into "net new jobs" as a condition of contract.

PROJECT DETAILS

The Company is implementing new strategies to improve current business functions, expand services, meet customer demands and expectations and keep up with technological advances.

Training Plan

ETP funds will help the Company deliver formalized training and meet its strategic goals of developing an effective and competent workforce. Workers will gain new skill sets and experience needed for optimal job performance and career advancement, keep up with technological advances, improve a quick turn-around delivery system and able to operate new equipment and vehicles. Training will be provided by in-house subject matter experts, and outside vendors if needed.

Classroom/Laboratory and Videoconference training will be provided in the following:

Business Skills (15%): This training will be offered to Managers, Inventory, Sales, Purchasing, Quality Control, Administrative and HR Staff. Workers will learn all aspects of new products and services, customer relations, communication, sales and business planning. Training will provide workers the necessary skills to increase knowledge and motivate employees to perform at their best.

Commercial Skills (20%): This training will be offered to Drivers and Warehouse Staff to focus on becoming a Commercial Driver License (CDL) driver. Trainees will learn in-depth on comprehension, terminology, operating systems and technical proficiency. Knowledge and skills obtained will prepare trainees to take CDL examination by the Department of Motor Vehicle.

Computer Skills (10%): This training will be offered to all occupations to effectively utilize the Company's automated systems to support and manage overall business operations. Training will include Advanced Microsoft Office, Visio – Charting design software and People Net applications.

Continuous Improvement (30%): This training will be offered to all occupations to focus on quality and process improvement to provide better quality products and services that will attract new customers and increase profit margins.

Hazardous Materials (10%): This training will be offered to Drivers, Managers, Warehouse, Inventory and Purchasing Staff. Trainees will learn proper techniques, knowledge and communication on handling chemicals, frozen foods as well as food handling and hazardous materials.

Literacy Skills (5%): This training will be offered to Drivers and Warehouse Staff. Training will help trainees meet the ongoing need to improve written and verbal communication skills for individuals for whom English is their second language. It will also increase their comprehension skills in the workplace to become more productive.

Certified Safety Training

OSHA 10/30 (10%) – OSHA 10 training will be provided to Drivers, Warehouse, Inventory and Quality Control Staff. OSHA 30 training will be provided to Managers to ensure a safe work environment.

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

Commitment to Training

PF – So. CA has an annual training budget of approximately \$315,739. Training consists of mandatory safety training, sexual harassment prevention, standards of conduct and abusive conduct. Most training is delivery via class/lab and on-the-job training.

ETP funds will support PF – So. CA’s ongoing financial commitment to training. After the completion of the ETP program, PF – So. CA will continue to focus on developing and upgrading employee abilities and ensuring that employees possess the skills sets needed to be successful and career oriented.

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 upon Panel approval. PF – So. CA has designated a VP of Human Resources and individuals in each department to oversee ETP training and administrative responsibilities including managing, scheduling, delivery and documentation of training. PF – So. CA will also utilize a third party administrator for enrollment, data tracking and invoicing. (See Administrative Services below)

Impact/Outcome

PF – So. CA anticipates that approximately 50 Warehouse Staff and Drivers will be trained and become CDL drivers after the completion of training in Commercial Skills – CDL training.

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET13-0194	Livermore	10/18/12 – 10/17/14	\$75,600	\$23,130 (31%)

According to the Contractor, the low performance was attributed to issues at their Northern California facility. The Company reports it was difficult to stop production to give training; most trainees did not meet the 35 hours per week full-time employment and minimum wage requirements; and, trainers did not complete required training documentation. However, the Northern California facility is not part of this project. Each facility operates independently, with a separate management team, staff, trainees, scheduling, training plan, needs and goals. To ensure the success of this proposal, PF – So. CA has requested a much smaller funding amount with a more modest training plan with a minimum of eight training hours. The Company also has designated a VP of Human Resources and individuals at each department to coordinate and oversee ETP training and ensure trainees are released to attend training. They will also oversee administrative responsibilities.

DEVELOPMENT SERVICES

Judith's Training Services (JTS) in Los Angeles assisted with development for a flat fee of \$9,880.

ADMINISTRATIVE SERVICES

JTS will also 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

- Payroll
- Marketing
- Business Planning
- Business Administration
- Business Report Writing and Editing
- Merchandising
- Financial Strategy
- Product Knowledge
- Strategic Planning
- Project Management (Evaluations/Monitoring)
- Communications Skills
- Customer Relations
- Sales Skills

COMMERCIAL SKILLS

- Fork Lift
- Commercial Drivers License
- Equipment Operation & Repair
- Warehousing
- Cross-Training in Production Equipment Skills

COMPUTER SKILLS

- Advanced Microsoft Office
- Publisher – News Letter, Customer Colateral
- Visio – Charting Design
- Manufacturing Resource Planning (MRP/ERP/SAP/Oracle)
- SalesForce Applications

CONTINUOUS IMPROVEMENT

- Statistical Process Control
- Problem Solving
- Team Building
- Quality Concepts
- Total Quality Management
- Just-In-Time Process
- Production Operations/Workflow
- Process Improvement
- Decision Making
- Leadership Skills
- Coaching Procedures
- Assembly Procedures
- Motivation
- Inventory Control

HAZARDOUS MATERIALS

- Dry Goods
- Refrigerated Foods
- Frozen Foods
- Chemical
- Hazardous Materials/Waste

LITERACY SKILLS

- Vocational English as a second language (VESL) – Writing, Reading, Comprehension

OSHA 10/30 (Certified OSHA Instructor)

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

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

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



RETRAINEE - JOB CREATION

Training Proposal for:

PRL Glass Systems, Inc.

Agreement Number: ET17-0122

Panel Meeting of: June 24, 2016

ETP Regional Office: North Hollywood

Analyst: M. Webb

PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate Job Creation Initiative	Industry Sector(s):	Manufacturing Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Los Angeles	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 482	U.S.: 482	Worldwide: 482
<u>Turnover Rate:</u>	8%		
<u>Managers/Supervisors:</u> (% of total trainees)	8%		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$401,200		\$0	\$0		\$401,200

In-Kind Contribution:	100% of Total ETP Funding Required	\$452,160
------------------------------	------------------------------------	-----------

TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Business Skills, Computer Skills, Continuous Impr, Mfg Skills	329	8-200	0	\$900	*\$16.48
				Weighted Avg: 50			
2	Retrainee Priority Rate	Business Skills, Computer Skills, Continuous Impr, Mfg Skills	99	8-200	0	\$900	*\$16.48
				Weighted Avg: 50			
3	Retrainee Priority Rate Job Creation Initiative	Business Skills, Computer Skills, Continuous Impr, Mfg Skills	20	8-200	0	\$800	*\$13.73
				Weighted Avg: 40			

*It will be made a condition of contract that the trainees in this Job Number will never be paid less than the State or local minimum wage rate as in effect at the end of retention (Final Payment) regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

Minimum Wage by County: Job Numbers 1 and 2: \$16.48 per hour for Los Angeles County; Job Number 3: \$13.73 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 \$2.31 per hour may be used to meet the Post-Retention Wage.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
JOB NUMBER 1		
Production Worker		214
Maintenace Worker		19
Administration Staff		29
Operations Support Staff		37
Supervisors/Managers		30
JOB NUMBER 2 (PRL Aluminum)		
Production Worker		57
Maintenance Worker		7
Administration Staff		13
Operations Support Staff		13
Supervisors/Managers		9
JOB NUMBER 3 (Job Creation)		
Production Worker		16

Maintenance Worker		1
Administration Staff		1
Operations Support Staff		2

INTRODUCTION

Founded in 1989, PRL Glass Systems, Inc. (PRL Glass) (www.prlglass.com) seeks training for its employees and those of its affiliate, PRL Aluminum, Inc. (PRL Aluminum). The Companies produce glass and aluminum architectural products (glass product manufacturing made of purchased glass/aluminum) including doors, shower doors/sliders, handrails, curtain walls for buildings, glass/aluminum table tops, laminated and glazed products, and sandblast detailing. PRL Glass has three locations, and PRL Aluminum has one location, in the City of Industry. All locations will participate in ETP-funded training.

PROJECT DETAILS

This will be PRL Glass' second ETP agreement. Under the prior Agreement (ET15-0234), technical training enabled the Company to grow the workforce and hire new staff. Training delivered covered Lean Manufacturing techniques and machine operation. Trainees were taught new methods in the production process to minimize waste (materials). Training also gave staff an in-depth understanding of the Company's overall production processes as an aspect of Continuous Improvement.

Training to be delivered under this proposal will continue this focus and will introduce staff to Lean concepts such as Six Sigma, value stream mapping, and statistical process control. However, coursework under the prior project will not be duplicated.

Additionally, PRL Glass must increase production. The Company recently spent up to \$7 million in upgrades and new equipment. Production and Maintenance Staff will require training on the new equipment; some will receive cross training to increase flexibility in the production process.

Retrainee - Job Creation

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

Despite growing competition in the industry, PRL Glass continues to expand its business capacity. As such, PRL Glass has committed to hiring 20 new employees, as shown in Job Number 3.

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 (18%): Training will be offered to Administration Staff and Supervisors/Managers to increase employee skill set and improve customer service skills. Training delivered will include Customer Relationship Skills, Project Management, and Business Operations.

Continuous Improvement (32%): Training will be offered to all occupations to increase efficiency and improve company processes. Courses to be delivered will include Total Productive Maintenance, Leadership Skills, and Problem Solving.

Manufacturing Skills (36%): Training will be offered to Production and Maintenance Staff to improve production processes and equipment usage. Trainees will also learn how to operate new equipment. Some trainees will be cross-trained to increase capacities.

Computer Skills (14%): Training will be offered to all occupations to ensure staff is able to utilize computer programs proficiently. Trainees will receive training on Microsoft Office and ERP software.

Commitment to Training

PRL Glass spends approximately \$45,000 in training annually per facility. Training delivered in the past includes job specific and company-wide training, and on-the-job training.

PRL Glass 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 for this training plan is ready to begin immediately following approval of this proposal. PRL Glass will use the same team of staff members who completed administrative duties in the prior Agreement. Staff has been assigned to work with the third party administrator and ETP Staff to ensure all training hours are being tracked, trainees are enrolled, and rosters being collected for submission.

Green/Clean Operations

PRL Glass uses energy efficient equipment in their production process. A majority of waste accumulated in the process is also recycled by the company in an effort to minimize the amount of waste created by all facilities.

RECOMMENDATION

Staff recommends approval of this proposal.

ACTIVE PROJECTS

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

Agreement No.	Approved Amount	Term	No. Trainees (Estimated)	No. Completed Training	No. Retained
ET15-0234	\$244,392	08/04/14- 08/03/16	239	170	170

Based on ETP Systems, 13,375 reimbursable hours have been tracked, sufficient to support earnings of \$240,750 (98%). The Contractor projects final earnings of 100% based on training currently committed to by employers and in progress through May 2016.

DEVELOPMENT SERVICES

PRL Glass retained Kirkpatrick Enterprise International in Valencia to assist with development of this proposal at no cost.

ADMINISTRATIVE SERVICES

PRL Glass also retained Kirkpatrick Enterprise International to perform administrative services in connection with this proposal for a fee not to exceed 10% of payment earned.

TRAINING VENDORS

Kirkpatrick Enterprise International in Valencia has been retained to provide training for a fee to be determined. Other trainers will be identified, as they are retained by PRL Glass.

Exhibit B: Menu Curriculum

Class/Lab Hours

8-200 Trainees may receive any of the following:

BUSINESS SKILLS

- Estimating and Order Processing
- Business Operations
- Customer Relationship Skills
- Project Management

COMPUTER SKILLS

- Intermediate and Advanced Microsoft Office
- Advanced Software
- ERP Software

CONTINUOUS IMPROVEMENT

- Lean Manufacturing/6 Sigma
- Total Productive Maintenance
- Enterprises Resource Planning (ERP)
- Root Cause Analysis & Problem Solving
- Leadership Skills for Frontline Workers

MANUFACTURING SKILLS

- Production Equipment Usage
- Maintenance Skills

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

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



Training Proposal for:
Snap-On Logistics Company
Agreement Number: ET16-0467

Panel Meeting of: June 24, 2016

ETP Regional Office: North Hollywood

Analyst: M. Webb

PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate	Industry Sector(s):	Manufacturing Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Los Angeles	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 160	U.S.: 4,000	Worldwide: 4,000
<u>Turnover Rate:</u>	4%		
<u>Managers/Supervisors:</u> (% of total trainees)	16%		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$149,760		\$0	\$0		\$149,760

In-Kind Contribution:	100% of Total ETP Funding Required	\$184,320
------------------------------	------------------------------------	-----------

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, Mfg. Skills, PL-Mfg. Skills, Advanced Technology	130	8-200	0	\$1,152	*\$16.48
				Weighted Avg: 64			

* It will be made a condition of contract that the trainees in this Job Number will never be paid less than the State or local minimum wage rate as in effect at the end of retention (Final Payment) regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

Minimum Wage by County: Job Number 1: \$16.48 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 \$3.48 per hour may be used to meet the Post-Retention Wage.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
JOB NUMBER 1		
Assembler		50
Welder		5
Machinist/Operators		15
Engineer		10
Office Associates		30
Managers/Supervisors		20

INTRODUCTION

Snap-On Logistics Company (Snap-On) (www.snapon.com) manufactures quality hand tools, power tools, tool boxes, diagnostic software, calibration equipment, and other tool accessories. Snap-On Logistics Company is a wholly owned subsidiary of Snap-On Inc. Located in The City of Industry, Snap-On serves the aviation and auto industry. Snap-On tools are used for procedures such as drilling, riveting, countersinking, and bucking. The Company is known for its safe, functional, and cost effective tools that meet aviation and auto standards. This will be the second ETP Agreement for the Company. The City of Industry will be the only location participating in training under this Agreement.

At the request of a Panel member, this proposal was removed from the Consent Calendar as noticed for last month’s meeting, and held over to this month.

PROJECT DETAILS

Training under the prior Agreement (ET14-0284), focused on equipment operation and technical training to improve the Company's manufacturing processes. To remain competitive, Snap-On continues to purchase new machinery and equipment for the shop floor. Under this proposal, trainees will receive cross-training to ensure Production Staff (Assemblers, Machinists, and Operators) can operate multiple types of machinery. Cross training will increase employee skill set and enable staff with the ability to operate more machines regardless of which operator is on shift. Curriculum topics provided will also cover training related to computer software and technology upgrades that are relevant to the trainee's day-to-day tasks. Training in this area will improve overall job performance and familiarize staff with new changes implemented throughout the plant.

As Snap-On continues to grow, leadership has made training a necessity to ensure they are increasing employee skill sets and expanding the Company's airframe tooling capabilities. As a result, a training plan has been developed that will improve staff knowledge and ability to design and customize tools that allow multilevel capabilities for various tool usages.

Tools manufactured at the City of Industry facility include rivets, sockets, screwdrivers, wrenches, drills, drill adaptors, ratchets, and extensions. Skill sets required to design and manufacture these tools include the proper distribution of mass, measurements, correct grain structure and heat-treating procedures. Manufacturing Skills training will be delivered to teach staff how to operate new precision CNC and press machinery to complete work orders and manufacture Snap-On products (size, type, tool number, etc.).

Snap-On is the primary manufacturer of Torque tools, testers, and calibration equipment. All products made must meet The American Society of Mechanical Engineers and International Organization for Standardization standards; as a result, training provided will ensure staff is following proper procedures and in compliance with standard requirements. Engineers will also receive training to develop new electronic and mechanical tools that are up-to-date with technology (digital systems). Advanced tools produced include dial indicating torque wrenches, adaptors, and limiting screwdrivers.

Training Plan

Business (6%): Training will be offered to all occupations to improve presentation and communication skills. Training will increase efficiency and improve staff's ability to complete job tasks.

Computer Skills (14%): Training will be offered to all occupations to ensure staff is up-to-date with the latest computer programs utilized by the Company. Course topics to be delivered include Microsoft Excel and Word.

Manufacturing Skills (40%): Training will be offered to Assemblers, Welders, Machinist, and Engineers. Trainees will participate in courses such as Equipment Operation, and Quality training to improve daily operation and learn how to run machinery properly.

Continuous Improvement (25%): Training will be offered to all occupations to reduce the number of errors experienced in the workplace. Training in Lean Manufacturing and Quality Control/Management will be provided to improve facility operation.

Productive Laboratory (10%):

The Panel authorizes reimbursement for training delivered in a Productive Laboratory (PL) setting. 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, and special attendance rosters will be used to assist in monitoring.

Snap-On has identified 20 staff workers that will require PL training on new CNC and laser machinery purchased for the company's shop floor. Occupations to receive training include Assemblers and Machinists/Operators. PL training will be delivered at a ratio of 1:1. Trainees may receive up to 40 hours of training. Once staff has participated in lecture based training led by qualified instructors (in-house), workers will be assigned to complete tasks while operating machinery. Instructors will guide workers through the process and provide critiques to ensure staff is able to run equipment independently. Projects assigned will be fully data driven with set targets for trainees to meet. Completion of the assigned project will determine the staff worker is competent and capable of operating equipment proficiently.

Advanced Technology (5%):

Advanced Technology (AT) courses require higher rates and annual maintenance contracts for hardware and machinery required to run equipment. Training in AT courses such as Solidworks and CAD will increase staff technological capabilities and improve employee skill sets. Engineers are the only occupation scheduled to receive AT training under this project. Staff will learn to up-to-date technologies in 3-D modeling software and equipment to design and manufacture new Snap-On tools.

The trainer-to-trainee ratio is 1:10 for AT, to allow in-depth coverage and personal attention from the instructor.

Commitment to Training

Snap-On spends approximately \$100,000 annually in training at the Industry location. Training delivered in the past includes on-the-job training, Manufacturing Skills, safety, and Continuous Improvement training. Training is both job specific and companywide.

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

This project will be administered by the Company's Human Resources (HR) Department and Managers/Supervisors. Staff will carry the responsibilities of scheduling training, completing and collecting approved ETP rosters, tracking training hours, enrollment, and meeting with ETP staff. As a repeat contractor, staff members in the HR Department are familiar with ETP administration duties and regulations to ensure compliance with ETP requirements.

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET14-0284	Industry	02/01/14- 01/31/16	\$184,320	\$161,482 (87%)

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 101 (Performance, Planning, Writing, Management)
- Customer Service Skills
- Presentation Skills
- Product Knowledge

COMPUTER SKILLS

- Microsoft Office

CONTINUOUS IMPROVEMENT

- Communication Skills
- Decision Making
- Leadership Skills
- 6S
- Six Sigma
- Team Building
- Quality Control/Management

MANUFACTURING SKILLS

- Blueprint Reading
- CNC Programming
- Geometric Dimensioning & Tolerancing (GD & T)
- Equipment Operation
 - CNC Machine Operation
 - Laser Machine
 - Press Machine
- Lean Manufacturing
- Parts
- Products
- Safety*
- Shop Math
- Welding

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

ADVANCED TECHNOLOGY

- CAD/CAM
- Solid Works

Productive Lab Hours (1:1)

0-40

MANUFACTURING SKILLS

- Equipment Operation
- Welding
- CNC Machinery
- Laser Machine
- Press Machine

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.



Training Proposal for:
Teledyne Controls, LLC
Agreement Number: ET17-0123

Panel Meeting of: June 24, 2016

ETP Regional Office: North Hollywood

Analyst: M. Webb

PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate Veterans	Industry Sector(s):	Manufacturing Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Los Angeles	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 520	U.S.: 4,800	Worldwide: 9,200
<u>Turnover Rate:</u>	3%		
<u>Managers/Supervisors:</u> (% of total trainees)	7%		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$339,560		\$0	\$0		\$339,560

In-Kind Contribution:	100% of Total ETP Funding Required	\$465,700
------------------------------	------------------------------------	-----------

TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Business Skills, Continuous Improvement, Computer Skills, HazMat, Manufacturing Skills, PL-Manufacturing Skills	380	8-200	0	\$882	\$16.48
				Weighted Avg: 49			
2	Retrainee Veterans	Business Skills, Continuous Improvement, Computer Skills, HazMat, Manufacturing Skills, PL-Manufacturing Skills	5	8-200	0	\$880	\$16.48
				Weighted Avg: 40			

Minimum Wage by County: Job Numbers 1 & 2: \$16.48 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 \$1.48 per hour may be used to meet the Post-Retention Wage.

Wage Range by Occupation

Occupation Titles	Wage Range	Estimated # of Trainees
JOB NUMBER 1		
Administrative Staff		15
Customer Service Staff		15
Director		2
Engineer		45
IT Staff		20
Lead		25
Manager/Supervisor		25
Production Worker		183
Support Staff		50
JOB NUMBER 2-VETERANS		
Production Worker		3
Support Staff		2

INTRODUCTION

Founded in 1966, and headquartered in El Segundo, Teledyne Controls, LLC (Teledyne) (www.teledynecontrols.com) is a leading provider of sophisticated onboard avionic and ground based electronic systems. Teledyne systems are designed to increase flight safety and operational efficiency through aircraft data and information management. Teledyne Controls is a wholly-owned subsidiary of Teledyne Technologies, Inc. and has more than 50 years of experience in working with civil and military operators worldwide.

Teledyne offers solutions to automate, collect, analyze, and better manage aircraft data transfer systems. The Company provides flight data acquisition and management units, flight data analysis, data distribution software, and wireless data transfer solutions.

PROJECT DETAILS

Products manufactured in the El Segundo location include the Teledyne GroundLink Comm+System, the Aircraft Interface Device (AID), and the new GroundLink. This data link provides Teledyne systems with cellular connectivity to transfer messages when aircrafts are on the ground.

To reduce manufacturing and repair time, Teledyne plans to implement new operating procedures on the production floor. Production Workers and Leads will learn techniques and work-floor practices to decrease rework on product components. The goal is to reduce production interruptions so staff can complete job duties and deliver products on time.

Teledyne is also expanding its line of software products. Engineers, IT Staff and Supervisors will receive training on new technology and offerings in communication systems. Training will increase employee knowledge in high speed wireless distribution of navigation databases; and data management for ground and air communication.

Training Plan

Business Skills (10%): Training will be offered to Administrative Staff, Customer Service Staff, leads, and Managers/Supervisors. Staff will learn new skill sets to improve communication and customer service to increase customer satisfaction.

Hazardous Materials (2%): Training will be offered to Production Workers, Leads, and managers/Supervisors. Training will teach staff the proper handling of hazardous materials and waste as well as respond to emergencies involving hazardous chemicals.

Computer Skills (20%): Training will be offered to Engineers, IT Staff, and managers/Supervisors. Staff will learn to utilize new computer software that will increase the Company's ability to transfer data more effectively.

Manufacturing Skills (45%): Training will be offered to Production Workers, Managers/Supervisors, and Leads to improve manufacturing processes and increase efficiency. Training will include Machine Operation, Test and Measuring Equipment, Assembly Procedures, and Inspection Procedures.

Continuous Improvement (10%): Training will be offered to all occupations to improve the quality of products manufactured and reduce delivery times. Courses include Quality Systems, Standard Operating Procedures, and Technical Accuracy.

Productive Laboratory (13%):

Teledyne has identified a total of 30 Production Workers who will receive Productive Lab training (PL). This will allow the Company to increase the number of workers who can complete complex production tasks on various machines. Staff will receive cross training on digital multimeters, channel digital storage oscilloscopes, testing chambers, testing equipment and chambers, vacuum sealers, and lithium battery chargers.

Trainees observe the trainer operate machinery and interact with the instructor as they provide guidance and instruction. The trainee will then be assigned a task to complete following the same steps the instructor demonstrated on equipment. As the trainee executes the task, the trainer will critique and offer corrections to eventually certify the trainee as competent to operate equipment independently. Trainees will demonstrate their ability to power up the machine, perform startup procedures and electronic calibration, conduct product testing and digital measurements, set refrigeration configurations (if necessary), properly document results, and power down the machine. PL trainees will receive up to 40 hours of training at a 1:1 trainer-to-trainee ratio.

The Panel adopted regulations to authorize reimbursement for training delivered in a Productive Laboratory (PL) setting. PL trainees may produce goods for profit as part of the training in the courses identified under the Curriculum. The instructor must be dedicated to training delivery during all hours of training, and special attendance rosters will be used to assist in monitoring.

Commitment to Training

Teledyne has an annual training budget of approximately \$11,000. Training provided in the past includes Computer Skills, Manufacturing Skills, and Business. ETP funds will not displace this existing financial commitment to training. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

➤ Training Infrastructure

The Company has hired a consultant, and to provide administration services. Staff has been assigned to work alongside to ensure all administrative procedures are met. The consultant will assist in scheduling, collecting rosters, and meeting with ETP Staff.

DIRECTORS

Teledyne requests the occupation of *Director* be included in the training plan. These Directors do not set company policy and function at a managerial level, not executive. More than 60% of their time is spent conducting frontline duties.

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

Teledyne retained National Training Company, Inc. in Irvine to assist with development of this proposal for a flat fee of \$15,000.

ADMINISTRATIVE SERVICES

National Training Company, Inc. will also perform administrative services in connection with this proposal for a fee not to exceed 13% of payment earned.

TRAINING VENDORS

N/A

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

8-200

Trainees may receive any of the following:

BUSINESS SKILLS

- Business Presentation Skills
- Communication Skills
- Internal Customer Service Skills
- Marketing/Sales Strategies
- Negotiating Skills
- Program/Project Management Skills
- Technical Product Specifications

CONTINUOUS IMPROVEMENT

- Change Management
- Defect Elimination
- Lean Manufacturing
- Mentoring for Change
- Quality Systems Training
- Six Sigma
- Standard Operating Procedures
- Statistical Process Control
- Team Building Skills
- Team Problem Solving
- Technical Accuracy

COMPUTER SKILLS

- Aircraft Communications, Addressing and Reporting System
- Calibration Databases
- Encryption Technology
- GroundLink Communication System
- Information Management
- Integrated Data Systems
- Manufacturing and Production Control Systems
- MS Office (Intermediate and Advanced)
- Navigation Databases
- Python Software Skills
- Software Business Processes
- Software Installation and Maintenance
- Statistical Analysis
- Wired and Wireless Connectivity

MANUFACTURING SKILLS

- Assembly Procedures
- Battery Charger Configuration
- Blueprint Reading
- Calibration Test Certificates
- Equipment Cross Training

- Factory Test Sets
- FAA Repair Station Support
- Humidity Control Systems
- Forklift Training
- Inspection Procedures
- Machine Operation
- Operator Certification Program
- Oxygen Monitor Systems
- Product Reliability
- Probe Testing Equipment
- Product & Test Engineering
- Reading Technical Specifications
- Soldering Procedures
- Standard Operating Procedures
- Test and Measuring Equipment
- USB Host and Device Ports
- Vacuum Sealers

HAZARDOUS MATERIALS

- Hazardous Materials
- Hazardous Waste
- Emergency Response Team Training

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

Productive Lab Hours (1:1 Ratio)

0-40

MANUFACTURING SKILLS

- Digital Multimeter
- Channel Digital Storage Oscilloscope
- Testing Equipment
- Testing Chamber
- Vacuum Sealer
- Environmental Chamber
- Lithium Battery Charger
- Maintenance Equipment

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.



Training Proposal for:
Wonderful Pistachios & Almonds LLC
Agreement Number: ET17-0117

Panel Meeting of: June 24, 2016

ETP Regional Office: North Hollywood

Analyst: L. Vuong

PROJECT PROFILE

Contract Attributes:	HUA Priority Rate Retrainee	Industry Sector(s):	Agriculture Manufacturing Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Fresno, Kern, Los Angeles	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 1,350	U.S.: 4,500	Worldwide: 5,000
Turnover Rate:	4%		
Managers/Supervisors: (% of total trainees)	7%		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$749,070		\$0	\$0		\$749,070

In-Kind Contribution:	100% of Total ETP Funding Required	\$810,000
-----------------------	------------------------------------	-----------

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 HUA	Business Skills, Computer Skills, Continuous Impr., Haz. Materials, Mfg. Skills	677	8-200	0	\$630	\$11.70
				Weighted Avg: 35			
2	Retrainee Priority Rate	Business Skills, Computer Skills, Continuous Impr., Haz. Materials, Mfg. Skills	452	8-200	0	\$630	\$15.60
				Weighted Avg: 35			
3	Retrainee Priority Rate	Business Skills, Computer Skills, Continuous Impr., Haz. Materials, Mfg. Skills	60	8-200	0	\$630	\$16.48
				Weighted Avg: 35			

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

Minimum Wage by County:

Job Number 1 (HUA – HUA Wages): \$11.70 per hour for Fresno and Kern Counties (HUA cities: Firebaugh, Bakersfield & Lost Hills).

Job Number 2 (HUA – Standard Wages): \$15.60 per hour for Fresno and Kern Counties.

Job Number 3 (Standard Wages): \$16.48 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 \$1.70 per hour for Job Number 1 and up to \$3.48 per hour for Job Numbers 2 & 3 may be used to meet the Post-Retention Wage.

Wage Range by Occupation

Occupation Titles	Wage Range	Estimated # of Trainees
Job Number 1		
Administrative Staff		35
Customer Service Staff		15
Production Worker		587
Production Support Staff		40
Job Number 2		
Administrative Staff		30
Customer Service Staff		10
Engineer		65

Manager/Supervisor		75
Production Worker		252
Production Support Staff		20
Job Number 3		
Administrative Staff		20
Customer Service Staff		20
Manager/Supervisor		10
Production Support Staff		10

INTRODUCTION

Founded in 1989, Wonderful Pistachios & Almonds LLC (Wonderful) (www.wonderful.com), previously known as Paramount Farms International LLC, requests funding for its employees and two closely affiliated entities, Wonderful Growers Cooperative and Cal Pure Produce Inc. All three entities are wholly-owned subsidiaries of the Wonderful Company LLC in Los Angeles. Headquartered in Lost Hills, the Company has six facilities in California: five growing and processing sites in Lost Hills, Firebaugh, and Bakersfield; and an office in Los Angeles. International sites include Belgium, China, Korea, India, Mexico, and Brazil. 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.

Wonderful farms 125,000 acres of almonds and pistachios (in tandem with grower partners) that yield 450 million pounds of nuts annually. The Company grows, processes, and markets its product to ensure quality.

Green/Clean Operations

Since 2007, Wonderful has been operating with the help of solar power. Each year, the Lost Hills facility uses power from the city's 1.1 mega-watt, \$7.5 million solar plant that supplies about 15% of the city's energy. The alternative power generated by the plant eases the burden on the local power supply and on the California power grid. Wonderful has also invested \$2.5 million to install its own power substation at the Los Hills facility.

PROJECT DETAILS

This will be the second ETP Agreement with Wonderful (Note: while there is another prior contract with Wonderful Citrus, a company under the Wonderful umbrella, that was a separate company distinct from Wonderful Pistachios & Almonds). Training under the current ETP Agreement (RESPOND – Drought) focused on drought related challenges and water improvement. In response to the drought and its corresponding effect on business, rather than lay off employees, the Company elected to focus on training during difficult periods of business. Training under this proposal will concentrate on new, healthier products; ways to use water more effectively, improve productivity, and reduce production costs; and the development of new skill sets for workers.

Wonderful continuously strives to meet customer expectations and demands as customers seek healthier natural snack options. In addition, the Company must deliver products more efficiently to remain competitive. The Company has implemented the Wonderful Improvement Network (WIN), a Lean Manufacturing software program to improve production and quality products,

reduce costs, integrate new healthier products, adapt to new technologies and systems, design a quick delivery method and become more efficient in overall processes.

Training will allow the Company to upgrade worker skills, expand production and sales, promote growth and improve efficiencies throughout the facility. Training from the Active ETP Agreement will not be repeated for returning trainees. However, new trainees may receive repeated courses.

Training Plan

Classroom/Laboratory and Videoconference training will be provided as follows:

Business Skills (10%): This training will be offered to all occupations to provide better ways to identify customer needs and learn about new products and sales. Trainees will also learn to communicate with internal and external customers. Training will improve and increase employee skills so they can work more effectively.

Computer Skills (5%): This training will be offered to all occupations to improve efficiency of Company's automated systems and provide better customer service.

Continuous Improvement (60%): This training will be offered to all occupations to facilitate customer service initiatives and meet Company growth objectives. Trainees will learn to improve manufacturing processes, enhance quality products and services, and identify ways to reduce waste and operation costs.

Hazardous Materials (5%): This training will be offered to Production Workers, Production Support Staff, Engineers, and Managers/Supervisors. Trainees will learn proper techniques for handling and cleaning hazardous materials.

Manufacturing Skills (20%): This training will be offered to Production Workers, Production Support Staff, Engineers, and Managers/Supervisors. Training will cover manufacturing practices, product variations, cost reductions and equipment maintenance. Training will upgrade job skills and increase production to meet growing customer demands.

Commitment to Training

Wonderful has a current annual training budget of approximately \$862,000 for itself and the two affiliates. The Company provides new-hired orientation, sexual harassment prevention, first-aid training, job skills training, OSHA mandated training and on-the-job (OJT) training program for manufacturing skills. In addition, Microsoft (MS) basic level and Management Skills are provided as needed. All training is mandatory and all workers receive some training. Class/Lab, OJT and computer-based training methods are utilized.

ETP funding will allow Wonderful to provide well-designed, goal-oriented company-wide training. The Company will be able to implement changes throughout the organization to meet its goals. 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 will be delivered on-site by in-house staff and training vendor(s) if needed. Wonderful has designated a Senior Director of Human Resources and staff at each facility to oversee ETP training and administrative responsibilities including scheduling training, enrolling, tracking hours

and securing rosters. Wonderful will also utilize a third party administrator to assist with the administrative process for enrollment, data tracking and invoicing. (See Administrative Services below).

High Unemployment Area

All trainees in Job Numbers 1 and 2 work in a High Unemployment Area (HUA), with unemployment exceeding the state average by at least 25%. The Company's locations in Firebaugh (Fresno County), Bakersfield and Lost Hills (Kern County) qualify for HUA status. 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. Wonderful is requesting the 25% wage modification from \$15.60 per hour to \$11.70 per hour for trainees in Job Number 1 only.

Substantial Contribution

Wonderful is a repeat contractor with payment earned in excess of \$250,000 at the facilities located in Firebaugh and Lost Hills within the past five years. However, current project is a Critical Proposal/RESPOND, therefore, Substantial Contribution does not apply.

ACTIVE PROJECTS

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

Agreement No.	Approved Amount	Term	No. Trainees (Estimated)	No. Completed Training	No. Retained
ET15-0323	\$743,400	11/24/2014-11/23/2016	700	TBD	TBD

Wonderful has an active contract with ETP under the Rapid Employment Strategies Pilot on Natural Disasters (RESPOND) pilot program using ETP core funds. Of an estimated 700 trainees, 1,282 have been enrolled and 1,258 have received the minimum hours of training. The ETP online Class/Lab Tracking System shows that to date, Wonderful has delivered 47,930 hours representing \$862,740 (116% of funding). As such, Wonderful expects to close out this Agreement early and projects to earn 100% of the approved amount.

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

Wonderful retained National Training Company, Inc. (NTC) in Irvine to assist with development of this proposal for a flat fee of \$10,800.

ADMINISTRATIVE SERVICES

NTC 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:

BUSINESS SKILLS

- Accounting Skills
- Business Processes
- Communication Skills
- Leadership
- Product Knowledge
- Sales Skills
- Time Management
- Customer Relations

COMPUTER SKILLS

- Microsoft Office (Intermediate and Advanced)
- Project Management (Microsoft)

CONTINUOUS IMPROVEMENT

- Productivity Improvement Techniques
- Problem Solving and Resolution
- Lean Manufacturing
- Measuring for Success
- Team Building
- Wonderful Improvement Network (WIN)

HAZARDOUS MATERIALS

- Hazardous Material Handling
- HazMat Operating Procedures
- Material Safety Data Sheets

MANUFACTURING SKILLS

- Product Sorting Procedures
- Equipment Cross-Training
- Equipment Maintenance and Repair Skills
- Equipment Inspection
- Forklift Certification
- Manufacturing Operating Procedures
- Manufacturing Processes
- Product Specifications
- Product Packaging
- Compliance Tracking
- Growing Techniques
- Safety Quality Food Certification

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

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



RETRAINEE - JOB CREATION

Training Proposal for:

Cox Communications California, LLC dba Cox Communications California

Agreement Number: ET17-0116

Panel Meeting of: June 24, 2016

ETP Regional Office: San Diego

Analyst: K. Campion

PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate SET Job Creation Initiative Veterans	Industry Sector(s):	Services Communication Multimedia/Entertainment Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	San Diego, Orange, Santa Barbara	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: 4,320	U.S.: 41,276	Worldwide: 41,276
<u>Turnover Rate:</u>	2%		
<u>Managers/Supervisors:</u> (% of total trainees)	0%		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$516,420		\$59,241 30%	\$0		\$457,179

In-Kind Contribution:	100% of Total ETP Funding Required	\$810,992
-----------------------	------------------------------------	-----------

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	Commercial Skills, Business Skills, Computer Skills	273	8 - 200	0 - 40	**\$503	\$21.28
				Weighted Avg: 40			
2	Retrainee Priority Rate SET	Commercial Skills, Business Skills, Computer Skills	168	8 - 200	0 - 40	\$720	\$21.28
				Weighted Avg: 40			
3	Retrainee Priority Rate SET Job Creation Initiative	Commercial Skills, Business Skills, Computer Skills	60	8 - 200	0 - 40	\$2,600	*\$13.00
				Weighted Avg: 130			
4	Retrainee Priority Rate Job Creation Initiative Veterans	Commercial Skills, Business Skills, Computer Skills	15	8 - 200	0 - 40	\$2,860	*\$13.00
				Weighted Avg: 130			

* It will be made a condition of contract that the trainees in Job Numbers 3 and 4 will never be paid less than the State or local minimum wage rate as in effect at the end of retention (Final Payment) regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

** Reflects Substantial Contribution

Minimum Wage by County: Job Numbers 1 and 2: \$21.28 per hour SET Statewide Average Hourly Wage (priority industry); Job Numbers 3 and 4: \$13.72 per hour for San Diego County; \$13.76 per hour for Orange County; and \$12.77 per hour for Santa Barbara County (Job Creation).

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

Used to meet the Post-Retention Wage?: Yes No Maybe
 Up to \$5.44 per hour may be used to meet the Post-Retention Wage, in Job Numbers 1 & 2.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
JOB NUMBER 1 (Incumbent Retrainee)		
Field Service Technician I		79
Field Service Technician II		45
Sales Staff I		123
Sales Staff II		26

JOB NUMBER 2 (Incumbent Retrainee)		
Field Service Technician I		49
Field Service Technician II		28
Sales Staff I		76
Sales Staff II		15
JOB NUMBER 3 (Retrainee Job Creation)		
Field Service Technician		15
Sales Staff		45
JOB NUMBER 4 (Veterans Retrainee Job Creation)		
Field Service Technician		8
Sales Staff		7

INTRODUCTION

Cox Communications California, LLC dba Cox Communications California (Cox California), <http://www.cox.com/>, is a multi-service/cable services provider in Southern California. The Company serves residential and commercial customers and offers analog and digital video cable television, local and long-distance telephone services, high-speed Internet, data and video transport, home security services, and national and local cable advertising.

Cox California is a wholly-owned subsidiary of Cox Enterprises, Inc., in Atlanta GA. As a service provider, Cox California is eligible for ETP funding under Special Employment Training (SET) provisions for frontline workers.

This is the sixth proposal between Cox California and ETP within the last five years. The previous projects were primarily in San Diego County and Orange County. In this proposal, the Company has combined its request to include all of Southern California under one Agreement. There are 15 facilities in Southern California, of which 11 will participate (eight in San Diego County, two in Orange County and one in Santa Barbara County).

Each of the prior projects was targeted for specific training needs at that time. Because cable products and services are changing rapidly, the Company has new training needs that necessitate additional job-skills training.

The future of television viewing is transitioning to video streaming on multiple devices. Programs will be viewed on tablets, phones, and laptops as well as televisions. Cox California faces increased competition from web-based providers such as Netflix, Hulu and Amazon Fire. As such, Cox California must develop new and unique cable services in order to compete.

PROJECT DETAILS

In 2014, the Company consolidated its customer care functions in San Diego County and Orange County, and moved them out-of-state to reduce costs. This action enabled it to expand, and upgrade other job functions that remained in this state. Cox California currently employs more full-time workers than it did in 2013 prior to this action, and is hiring more new workers as reflected in the Job Creation component of this proposal.

At the time of this action, the Company took several steps to mitigate its effect on workers in California, including: a hiring preference in other occupations at the same or other locations; assistance in placement in the same occupations, at other companies; or severance packages, based on seniority and other factors.

Cox California is committed to growing its business, and it has several new products being rolled out. Training in this proposal focuses on new high-speed internet service for home (Gigablast) and business (Gig) along with the expansion of Contour and Home Security product lines.

Gigablast and Gig both rely on the use of fiber optic cable to deliver internet service at the fastest speed offered by Cox to date. In 2015 and 2016, Cox spent in excess of \$58 million in equipment costs for these products, including the installation of fiber optic cabling. The Cox Homelife and New Contour Flex products also require extensive upskill training for Sales Staff and Field Service Technicians.

Retrainee - Job Creation

Cox California's 2016 Strategic Plan calls for the hiring over 200 new, permanent Field Service Technician and Sales Staff workers over the next two years. As such, 75 Job Creation trainees are included in this proposal (60 in Job Number 3 and 15 in Job Number 4). The net new increase in jobs is intended to support the expansion discussed above. The new Field Service Technicians will receive 560 hours and Sales Staff will receive 200-240 hours of training. ETP will fund a maximum of 200 hours per-trainee; the remaining cost will be borne by the Company.

The date-of-hire for all trainees in the Job Creation program will be within the three-month period before contract approval or within the term-of-contract. These trainees will be hired into "net new jobs" as a condition of contract. As a feature of this program, the Substantial Contribution requirement will be waived for Job Numbers 3 and 4.

Veterans Program

Cox California hires Veterans on a regular basis and is committed to hiring and training at least 15 Veterans under this proposed Agreement (Job Number 4). The Panel has established a higher reimbursement rate and other incentives for training California veterans. [Note: All Veteran trainees are classified as Job Creation, and will be hired under the benchmark period set forth above.

SET Wage Modification

Under SET, the 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. For trainees employed in a priority industry, the Panel may modify the State Average Hourly Wage of \$28.37 per hour by up to 25%, or \$21.28 per hour. Cox California requests the modified wage of \$21.28 per hour for its incumbent workers (Job Numbers 1 and 2).

Substantial Contribution

Cox California is a repeat contractor with payment earned in excess of \$250,000 and a former Substantial Contribution at the 15% level at various facility locations in San Diego County (ET14-0226; see Prior Project Table). In keeping with Panel standards, a 30% Substantial Contribution will be applied to funding for all San Diego facilities in this proposal. This means

reimbursement for trainees in Job Number 1 will be reduced by 30% to reflect the Company's \$59,241 Substantial Contribution.

Job Number 2 trainees are located in Orange/Santa Barbara Counties. No single facility within these counties has earned in excess of \$250,000 for incumbent workers; therefore, Job Number 2 will not include a Substantial Contribution reduction. Job Numbers 3 and 4 are Job Creation trainees, as such, Substantial Contribution is not applicable.

Training Plan

The majority of training will be delivered via class/lab using primarily in-house instructors. Training vendors may be utilized, but have yet to be determined. A small percentage of the total training hours will be delivered via Computer-Based training (CBT), which supports the class/lab training.

Commercial Skills (45%) – This training will be provided to all occupations in order to ensure employees are competent in the new technologies and processes. They must effectively understand the new technologies and products being offered to ensure the customer is being provided with accurate information on the technical requirements and attributes of the new products as well as understanding how to properly install these products and services.

Business Skills (45%) – This training will be provided to all occupations so trainees can learn to manage client data, learn negotiation and project management skills, and learn new sales techniques. Trainees need to learn to effectively communicate the merits of the products and ensure customer needs are being met to result in employees who are business savvy, approachable and conversant with the customer.

Computer Skills (10%) – This training will be provided to all occupations. Trainees need to learn new software skills to effectively operate the applications that run the new products and support the technical operations of the Cox service lines and platforms.

Impact/Outcome

Cox California projects that this training project will provide the necessary skills and knowledge to its frontline staff to better serve customers. Training will help position the Company to be a leader in the new news, sports, and entertainment broadcasting market spaces, and to grow its customer base.

Commitment to Training

ETP funds will not displace the existing financial commitment to training. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law. The Company spends in excess of \$2.6 Million annually in training for its California workforce in topics such as OSHA-mandated training, sexual harassment prevention, new hire orientation, basic computer skills training, basic commercial skills and on-the-job training as needed. In addition, training has been provided to employees when the Company implements new services and technologies.

Under the proposed Agreement, there will be no duplication of training for the same trainees delivered in prior contracts.

A Manager of Technical Training and a Learning Administration Manager will have oversight of this project. Training will be scheduled by in-house coordinators in San Diego and Orange County. The San Diego Training Coordinator has been designated the lead and will be

responsible for maintaining the rosters for all training locations. The Orange County Training Coordinator will collect attendance rosters and submit them to San Diego.

ETP project administration, including enrolling and tracking all trainees in the ETP on-line systems, will be provided by an administrative subcontractor.

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET14-0226	San Diego County	12/01/13 – 11/30/15	* \$449,848	<u>\$416,175 – 92%</u> <i>Of which \$260,409 was incumbent earnings</i>
ET13-0421	Orange/LA/Santa Barbara Counties	6/30/13 – 6/29/15	\$456,656	<u>\$175,835 – 38.5%</u> <i>Of which \$92,756 was incumbent earnings</i>
ET13-0123	San Diego County	9/04/12 – 9/03/14	\$399,750	<u>\$399,750 – 100%</u> <i>Of which \$174,750 was incumbent earnings</i>
ET11-0232	Orange/LA/Santa Barbara Counties	5/02/11 – 5/01/13	\$173,550	<u>\$167,504 – 96%</u> <i>Of which \$0 was incumbent earnings</i>
ET11-0141	San Diego County	12/20/10 – 12/19/12	\$199,800	<u>\$199,800 – 100%</u> <i>Of which \$199,800 was incumbent earnings</i>

* 15% Substantial Contribution applied.

ET13-0421 – The Contractor reports that the 38.5% earnings under this contract were an anomaly, due to the business consolidation that occurred in 2013/14. Cox California was able to return to its regular and full training schedule for the ET14-0226 contract and earned 92%.

DEVELOPMENT SERVICES

Cox California retained Tax Credit Co. in Los Angeles to assist with development of this proposal for a flat fee of \$15,000.

ADMINISTRATIVE SERVICES

Tax Credit Co. will also perform administrative services in connection with this proposal for an amount 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:

COMMERCIAL SKILLS

- AgileMax Fiber Optic Hardware/Software
- Contour Flex
- Customer Kiosk Operations
- Equipment Operations – Cable, Internet, Video
- Equipment Repairs and Maintenance
- Field Sales Product Training - Virtual offering
- Go All Digit (GAD)
- igblast
- Geospatial Network Infrastructure System (GNIS) Fiber to the Home (FTTH)
- Home as a Hot Spot (HaHS)
- Home Automation – Multi-Dwelling Unit (MDU)
- Home Networking
- Ingress Mitigation
- Installation Techniques
- Managed WiFi (Sales)
- Multi-Dwelling Unit/Bulk Installation Training
- New Contour: Universal Home Technician (UHT) New Hire Updates –
- Operating Procedures
- Panel Swaps
- Provider Edge (PE): Ingress Mitigation
- Pricing and Packaging
- Proactive Network Maintenance
- Product Training Simplification
- Product Service Center (PSC) Self-Generated Requests
- Switched Digital Video (SDV) Deployment
- Small Cell Outdoor
- Video Service Performance R2.0
- Video on Demand (VOD) Quadrature Amplitude Modulation (QAM) Expansion

BUSINESS SKILLS

- Managing Client Data
- Marketplace Knowledge
- Negotiating Skills
- Project Management
- Sales Techniques
- Process Improvement
- Team Building

COMPUTER SKILLS

- Application Security Automation Tool
- Cox HomeLife (CHL) Home Automation
- New Contour/Contour Flex for Technology
- Distributed Denial of Service (DDoS) Virus Mitigation

- ✚ Emerging Technologies program
- ✚ Full Band Capture
- ✚ Home as a Hot Spot (HaaHS)
- ✚ Integrated Communications Operations Management system (ICOMS) 4262
- ✚ Internet Protocol version 6 (IPv6) Dual Stack on Modems
- ✚ Managed Router
- ✚ Managed Wi-Fi (Field) -
- ✚ Retail Sales Kiosk Operating System –
- ✚ Technology Learning Series (TLG) - Product Simplification

CBT Hours

0 – 40

COMPUTER BASED TRAINING (CBT)

COMMERCIAL SKILLS

- ✚ Cox Business Internet Gateway (CBIG) (2 hours)
- ✚ Cox Business Service System (CBSS) (2 hours)
- ✚ CFI 2.1 STU/HBB (2 hours)
- ✚ Cox Business Security Solutions (2 hours)
- ✚ Cox Fiber Internet (2 hours)
- ✚ Cox Business Distributed Denial of Service (DDoS) Mitigation (2 hours)
- ✚ HomeWorld 2 (HW2) (2 hours)
- ✚ Integrated Access Device (IAD) Replacement (2 hours)
- ✚ Integrated Management System (IMS) Conversion Tool (Legacy to Voice Manager) (2 hours)
- ✚ Internet Protocol (IP) Centrex 3.2 (2 hours)
- ✚ Internet Protocol (IP) Centrex 3.3 (2 hours)
- ✚ Internet Protocol (IP) Audio Call Reporting (2 hours)
- ✚ Internet Protocol (IP) Centrex Call Detail Reporting (2 hours)
- ✚ Internet Protocol (IP) Centrex Enhanced Phase II (2 hours)
- ✚ Internet Protocol (IP) Centrex Enhanced Training Phase I (2 hours)
- ✚ Internet Protocol (IP) Centrex Enhanced Training Portal (2 hours)
- ✚ Cox Business Sales and Order Entry/Service Delivery (2 hours)
- ✚ Cox Business Voice Transformation (Legacy to Voice Manager) (2 hours)
- ✚ Hospitality WiFi 2.0 Feature Commercialization (1 hour)
- ✚ Cox Business Internet Gateway (CBIG) New Modem for CBIG (1 hour)
- ✚ Connect 2 Compete (C2C) Update (2 hours)
- ✚ Contour Guide 2.5 (2 hours)
- ✚ Cox Tech Solutions (CTS) New Hire Updates (2 hours)
- ✚ Data Usage Billing (2 hours)
- ✚ Digital Video Recorder (DVR) Handling (2 hours)
- ✚ Equipment Essentials WBT (1 hour)
- ✚ Cox Business Internet Review Tool 3.0 (2 hours)
- ✚ Explore Homelife (1 hour)
- ✚ Cox Business Gigablast (GIG) Refresher – SALES (2 hours)
- ✚ Cox Business Go All Digital - Content Updates (2 hours)
- ✚ Hospitality WiFi 2.0 Migration (1 hour)
- ✚ Phone Tool Enhancements (2 hours)
- ✚ Pricing & Package Updates (2 hours)
- ✚ Retail - Queuing Upgrades (2 hours)
- ✚ Sales Work Order Guidelines (2 hours)
- ✚ Trimester One - Campaign Offers (2 hours)

- ✚ Vantage Photo Capture (2 hours)

COMPUTER SKILLS

- ✚ Circuit Switch to Packet Switch (2 hours)
- ✚ Cox Business Internet Gateway (2 hours)
- ✚ Cox Homelife (CHL) Card User Interface (1 Hour)
- ✚ Go All Digital – Task Order Management System (TOMS) Training (2 hours)
- ✚ New Point of Service Upgrade Enhancement (2 hours)
- ✚ Project Atlas/Task Order Management System (TOMS) (1 Hour)
- ✚ Retail Kiosk (2 hours)
- ✚ Retail Point of Sale Hardware Replacement (.5 hours)
- ✚ Retail Point of Sale upgrade (2 hours)
- ✚ Sales Desktop Enhancement (2 hours)

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.



RETRAINEE - JOB CREATION
Training Proposal for:
Stearns Lending, LLC
Agreement Number: ET16-0460

Panel Meeting of: June 24, 2016

ETP Regional Office: San Diego

Analyst: J. Davey

PROJECT PROFILE

Contract Attributes:	Retrainee Job Creation Initiative	Industry Sector(s):	Financial Services Priority Industry: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Counties Served:	Alameda, Contra Costa, Fresno, Los Angeles, Mendocino, Monterey, Orange, Placer, Riverside, Sacramento, San Bernardino, San Francisco, San Joaquin, San Mateo, Santa Clara, Santa Cruz, Sonoma, Stanislaus, Ventura	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: 955	U.S.: 1,799	Worldwide: 1,799
Turnover Rate:	12%		
Managers/Supervisors: (% of total trainees)	16%		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$202,080		\$0	\$0		\$202,080

In-Kind Contribution:	100% of Total ETP Funding Required	\$475,633
-----------------------	------------------------------------	-----------

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 Impr	954	8-200	0-4	\$210	\$15.60*
				Weighted Avg: 14			
2	Job Creation Initiative Retrainee	Business Skills, Commercial Skills, Computer Skills, Continuous Impr	3	8-200	0-10	\$580	\$12.77*
				Weighted Avg: 29			

*With the exception of some Sales Staff (see Additional Compensation below), it will be made a condition of contract that the trainees in these Job Numbers will never be paid less than the State or local minimum wage rate as in effect at the end of retention (Final Payment) regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

Minimum Wage by County: Job Number 1: Alameda, Contra Costa, San Mateo, San Francisco, Santa Clara Counties – \$17.02/hr.; Los Angeles County – \$16.48/hr.; Orange County – \$16.51/hr.; Sacramento County – \$16.10/hr.; Fresno, Mendocino, Monterey, Placer, Riverside, San Bernardino, San Joaquin, Santa Cruz, Sonoma, Stanislaus, Ventura – \$15.60/hr.

Job Number 2: Newly-Hired Retrainees – Alameda, Contra Costa, San Mateo, San Francisco, Santa Clara Counties – \$14.19/hr.; Los Angeles County – \$13.73/hr.; Orange County – \$13.76/hr.; Sacramento County – \$13.42/hr.; Fresno, Mendocino, Monterey, Placer, Riverside, San Bernardino, San Joaquin, Santa Cruz, Sonoma, Stanislaus, Ventura – \$12.77/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 \$1.75 per hour may be used to meet the Post-Retention Wage for both Job Numbers.

Additional Compensation: (Commissions) Sales Staff Group 1 earns 100% commission, Groups 2 & 3 earn 100% or a portion of their income in the form of commissions based on the total monthly funded volume to determine the commission tier. According to Stearns, Sales Staff in Groups 1 & 2 are exempt; Sales Staff in Group 3 may elect not to receive a base salary in exchange for a higher commission. The corresponding basis points (tier) are applied to the funded volume to calculate gross commissions

Wage Range by Occupation**		
Occupation Titles	Wage Range	Estimated # of Trainees
Administrative Staff		9
Operations Staff		365
Sales Staff, Group 1 (Exempt): Mortgage Loan Originator/Loan Officer, Sales Manager, Account Executives		196
Sales Staff, Group 2 (Exempt): Wholesale Sales Manager		1
Sales Staff, Group 3 (Non-Exempt): Producing Branch Manager		15
Sales Staff, Group 4 (Non-Exempt): Production Assistant, Area Sales Manager; Mortgage Loan Originator Inside Sales		33

Supervisor/Manager		155
Technical Staff		180
Job Number 2 – Newly-Hired Retrainees		
Operations Staff		2
Technical Staff		1

**Trainees will meet the Post-Retention wages of the respective counties in which they work.

INTRODUCTION

Founded in 1989, Stearns Lending, LLC (Stearns) is a privately owned mortgage bank headquartered in Santa Ana. Stearns is licensed and approved to conduct mortgage banking in 46 states with federally guaranteed loan programs (HUD, Fannie Mae, Freddie Mac, FHA, etc.). Stearns also provides jumbo, conventional and portfolio loan products.

Stearns is eligible as a single employer for standard retraining under the out-of-state competition provisions outlined under Title 22, California Code of Regulations (CCR), Section 4416(f), for mortgage packaging and sales/servicing provided on behalf of its customers located both inside and outside of California.

At the request of a Panel member, this proposal was removed from the Consent Calendar as noticed for last month's meeting, and held over to this month.

PROJECT DETAILS

The first ETP-funded project was focused on providing training in the Company's proprietary loan origination and processing software, which was being upgraded. That project resulted in the creation of a distinct training department. For this proposal, training will focus on delivering the skills necessary to process loans more efficiently and effectively with higher performance standards.

In recent years, Stearns has had to establish loan origination, processing, and funding processes that meet stricter federal regulatory requirements, customer requirements, and investor and seller demands. The Company finds that it is critical to maintain current training practices with updated material.

Retrainee - Job Creation

Stearns is expanding its existing business capacity due to an increase in volume of loans (loan originations). The Company has committed to hiring five new employees (Job Number 2). Trainees will be hired at Stearns' fulfillment centers in Costa Mesa or Walnut Creek where training will take place.

Trainees will be hired within the three-month period prior to the Panel approval or during the term of the contract. These trainees will be hired into "net new jobs" as a condition of contract.

Training Plan

Stearns plans to begin training in June and will schedule training based on priorities at each training site. Training will take place at 54 Stearns facilities throughout the state.

Business Skills (10%): Training will be offered to all staff and includes job-specific training in Employee Engagement, Leadership, Sales and Change Management. Trainees will improve

their skills for their current occupations and understand how they fit into the organization as a whole.

Commercial Skills (40%): Training will be offered to all staff and includes training in Appraisals & Property, Fees & Escrow, Loan Products, Underwriting Guidelines, Workflow, and other related topics. Trainees will be able to understand the Company's many products; how loans are originated, underwritten, and funded; and other industry skills.

Computer Skills (40%): Training will be offered to all staff and includes job-specific training in the Company's loan origination and processing software, and Microsoft Office (Intermediate and Advanced training in Word, Excel, PowerPoint, Access and Outlook). In addition, IT staff will learn skills in computer networks; database design, development, and maintenance; and other application software. Trainees will learn how Stearns' loan origination applications drive the Company's business.

Continuous Improvement (10%): Training will be offered to all staff and includes training in Process and Performance Management and Profit and Productivity Improvement. Trainees will be able to identify opportunities for improvement in processing, productivity, and quality.

Computer-Based Training

Stearns will provide up to 10 hours of Computer-Based Training (CBT) in Commercial Skills related to Fair Lending laws, Mortgage Fraud, Privacy, and other related mortgage laws and practices. CBT is the best method of providing these skills so that trainees can take training at their own pace.

Commitment to Training

Although Stearns has a newly-created training department, it does not have a specific budget for training. Current training is being paid out of general operating expenses. In the past, Stearns has only been able to train on regulatory required training. Past training has been relatively unstructured and uncoordinated using mentors and limited to on-the-job approaches. Following the establishment of a dedicated training department, Stearns expects to dedicate resources to training beyond ETP funding.

Stearns provides mandatory and essential training based on crucial job functions, such as Retail Mortgage lending and Wholesale Account management. Additional funding would allow the Company to include new-hire training for fulfillment roles within all channels as well as ongoing training on key trends and industry changes.

Stearns 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. Once ETP-funded training concludes, the Company is committed to continuing the quality and frequency of employee training and development activities to keep the organization on the leading edge of technology.

➤ Training Infrastructure

Stearns training program will be administered/facilitated by a full-time member of the training team, who is experienced with maintaining organized, detailed records. The Company also retained Training Funding Partners to help with administration.

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET13-0184	Statewide	10/22/2012– 10/21/2014	\$324,600	\$203,443 (63%)

During the course of the project, as training and development was in the process of being formalized, administration was dispersed to multiple channels, without defined responsibilities. This caused problems in tracking and administration of the ETP-funded project.

Stearns now has a fully functional training department, with an organized and defined training plan. The current proposal has been “right-sized” consistent with earnings on their first project.

Dedicated Team

- Creation of a formal training department - As evidence of its commitment to learning and continuing education, Stearns' training department now consists of 10 full-time employees, including a Senior Vice President, dedicated trainers, instructional designer, training coordinator, Learning Management System and defined processes.
- Communication strategy – The Company has learned the importance of frequent communication with the individuals who deliver training and record participation. They will have an executable strategy in place from the beginning of the program that includes frequent follow-up to site leaders and continuous, consistent tracking of training.

Technology

Implementation of LMS, a new Learning Management System (Cornerstone on Demand) is in place. LMS will be used for scheduling and tracking sessions.

- It will not be used for Electronic Record Keeping, which would require additional elements to meet ETP requirements.

DEVELOPMENT SERVICES

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

ADMINISTRATIVE SERVICES

Stearns also retained Training Funding Source 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

- Change Management
- Employee Engagement
- Leadership
- Sales

COMMERCIAL SKILLS

- Appraisals & Property
- Credit Services & Automated Underwriting Systems
- Legislative & Lending Laws
- Document Audit
- Drawing Documents
- Fees & Escrow
- Loan Disclosures
- Loan Decisions and Conditions
- Loan Products
- Procedures/Policies
- Underwriting Guidelines
- Workflows

COMPUTER SKILLS

- ADP (Payroll)
- Citrix
- Compliance Ease
- DocuTech & Electronic Signatures
- Local Area Network / Wide Area Network / 3Com
- MS Office – Intermediate/Advanced (Outlook, Power Point, Word, Excel, Access, etc.)
- myStearns Intranet
- myStearns Learning (Learning Management System)
- Network Admin & Management
- Partner & Vendor Websites (FHA Connection, VA WebLGY, Appraisal Management Company Sites)
- Stearns orijin™
- Stearns Network Automated Portal (SNAP) 2.0
- Stearns Marketing, Branding & Advertising (MBA Marketing Tool)
- Lending Space
- Structured Query Language (SQL)

CONTINUOUS IMPROVEMENT

- Process & Performance Management
- Profit & Productivity Improvement

CBT Hours

0-10

COMMERCIAL SKILLS

- Anti-Money Laundering [1 hour]
- Fight against Mortgage Fraud [1 hour]
- Fair Lending Laws 1.5 hours]
- Fair and Accurate Credit Transaction Act [1.5 hours]
- Home Mortgage Disclosure [1 hour]
- Mortgage Fraud Awareness [1 hour]
- Plain and Simple - A Step-by-Step Guide to the New Integrated Disclosures [2 hours]
- Red Flags of Identity Theft [1 hour]
- Raising the Bar: A Guide to the 2014 Consumer Finance Protection Bureau (CFPB) Rules [1 hour]
- Right to Privacy in a Mortgage Transaction [1 hour]
- Real Estate Settlement Procedures - Reg X [1 hour]
- Truth In Lending [1 hour]

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



**Retrainee – Job Creation
Training Proposal for:
Intuitive Surgical, Inc.**

Agreement Number: ET17-0118

Panel Meeting of: June 24, 2016

ETP Regional Office: San Francisco Bay Area

Analyst: C. Hoover

PROJECT PROFILE

Contract Attributes:	Retrainee Job Creation Initiative Veterans Priority Rate	Industry Sector(s):	Manufacturing Healthcare Technology/Other Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	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: 1,625	U.S.: 2,443	Worldwide: 3,197
<u>Turnover Rate:</u>	10%		
<u>Managers/Supervisors:</u> (% of total trainees)	11%		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$429,200		\$33,324 (Jobs 1 & 3)	\$0		\$395,876

In-Kind Contribution:	100% of Total ETP Funding Required	\$1,035,540
-----------------------	------------------------------------	-------------

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, PL-Mfg. Skills	300	8-200	0-28	*\$612	\$17.02**
				Weighted Avg: 40			
2	Job Creation Retrainee Priority Rate	Business Skills, Computer Skills, Cont. Imp., Mfg. Skills, PL-Mfg. Skills	100	8-200	0-28	\$2,000	\$14.19**
				Weighted Avg: 100			
3	Veterans Retrainee Priority Rate	Business Skills, Computer Skills, Cont. Imp., Mfg. Skills, PL-Mfg. Skills	7	8-200	0-28	*\$748	\$17.02**
				Weighted Avg: 40			
4	Veterans Job Creation Retrainee Priority Rate	Business Skills, Computer Skills, Cont. Imp., Mfg. Skills, PL-Mfg. Skills	8	8-200	0-28	\$880	\$14.19**
				Weighted Avg: 40			

*Reflects Substantial Contribution

**It will be made a condition of contract that the trainees in this Job Number will never be paid less than the State or local minimum wage rate as in effect at the end of retention (Final Payment) regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

Minimum Wage by County: Job Numbers 1 & 3: \$17.02 per hour for Santa Clara County.
Job Number 2 (Job Creation): \$14.19 per hour 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

Up to \$2.99 per hour may be used to meet the Post-Retention Wage in Job Numbers 1 & 3 and up to \$1.19 per hour in Job Numbers 2 & 4.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Job Number 1		
Information Technology Staff		20
Engineering/Quality/Research & Development Staff I		75
Engineering/Quality/Research & Development Staff II		16
Manufacturing/Logistics Staff I		25
Manufacturing/Logistics Staff II		10

Marketing/Sales Staff		12
Operations Support Staff I		40
Operations Support Staff II		21
Technician/Service Staff		48
Supervisors/Managers		33
Job Number 2 (Job Creation)		
Information Technology Staff		6
Engineering/Quality/Research & Development Staff		30
Manufacturing/Logistics Staff		13
Marketing/Sales Staff		4
Operations Support Staff		20
Technician/Service Staff		16
Supervisors/Managers		11
Job Number 3 (Veterans)		
Information Technology Staff		1
Engineering/Quality/Research & Development Staff		1
Manufacturing/Logistics Staff		1
Marketing/Sales Staff		1
Operations Support Staff		1
Technician/Service Staff		1
Supervisors/Managers		1
Job Number 4 (Job Creation/Veterans)		
Information Technology Staff		1
Engineering/Quality/Research & Development Staff		1
Manufacturing/Logistics Staff		2
Marketing/Sales Staff		1
Operations Support Staff		1
Technician/Service Staff		1
Supervisors/Managers		1

INTRODUCTION

Founded in 1995 and headquartered in Sunnyvale, Intuitive Surgical, Inc. (ISI) (www.intuitivesurgical.com), with its affiliate, Intuitive Surgical Operations, Inc. (ISOI) manufactures surgical robots used across cardiac, urology, gynecologic, colorectal, pediatric and general surgical disciplines. ISI is the parent company that focuses on sales/marketing, and its subsidiary, ISOI focuses on manufacturing. ETP-funded training will be delivered to both ISI and ISOI employees under this Agreement.

In 1999, the Company launched the *da Vinci*® Surgical System used for general laparoscopic surgery. The *da Vinci*® system enables surgeons to perform complex procedures such as heart valve and cancer surgery through 1-2 cm incisions. The *da Vinci*® Surgical System consists of a surgeon's console that is typically in the same room as the patient and a patient-side cart with four interactive robotic arms controlled from the console. Currently, hospitals worldwide use the *da Vinci*® system to perform minimally invasive surgery, which reduces incidence of complications, post-operative recovery time and length of hospital stay.

ISI has four generations of *da Vinci*® Surgical System: the Xi, Si, S and standard. The Company focuses on five surgical specialties: urologic, gynecologic, general, cardiothoracic, and head & neck. ISI is planning to expand the use of the *da Vinci*® system in thoracic and general surgery (colorectal surgery and hernia repair). The Company provides its surgery-robot products to hospitals throughout the United States and internationally.

This is ISI's third ETP Agreement in five years. In the prior ETP Agreement, which is still active, the Company delivered training on continuous improvements and introduction/features of new products. The training in the active Agreement primarily targeted Technician Staff; this training targets a new population. Some of the training courses listed in the proposed curriculum are repeated. However, coursework under the Active Agreement will not be duplicated.

Training will focus on clinical investigations, and the release of new product. ETP funding will allow ISI to develop the *da Vinci*® Sp (single port), a robot-assisted surgical system with 3D high-definition camera; and to refine *da Vinci*® Xi Surgical System. ISI will train 307 current employees (including seven Veterans) in manufacturing practices, product knowledge, and customer needs. In addition, ISI plans to hire and train approximately 108 new employees (including eight Veterans).

Retrainee - Job Creation

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

In this proposal, ISI has committed to hiring 108 new employees in Job Numbers 2 and 4. ISI represents that the date-of-hire for all these 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. As a feature of this program, the Substantial Contribution requirement is waived for Job Numbers 2 and 4.

Since April 2014, ISI has increased its global headcount by 1,000 including nearly 500 net new employees in California in the last two years. The Company has plans for continued growth to meet increased demand for its products. Surgical procedures are increasing in volume by a factor of about 10% in the U.S and worldwide, according to the Company. As such, ISI plans to hire 100-150 new employees in California in 2016-2017, although a conservative number (108) is included in this proposal.

PROJECT DETAILS

ETP funding will enable the Company to provide extensive and critical skills to its workforce. Training goals include:

- Increase efficiency (Six Sigma, Process Improvement and Leadership Skills)
- Improve designing and developing skills (Computer-Aided Engineering/Design Tools)
- Launch and service product lines (Customer Service and Support Skills)

- Expand into new markets (Marketing, Sales and Innovation Skills)

The proposed training will allow ISI to meet these goals, in compliance with strict Food & Drug Administration requirements.

Training Plan

Even though ISI has facilities in Connecticut, Georgia, Mississippi, Virginia, Mexico, Switzerland, China, Korea and Japan, the training will be conducted at the Sunnyvale headquarters. Classroom/Laboratory (Class/Lab), Productive Lab (PL) and Computer-Based Training (CBT) will be provided in the following:

Business Skills (10%): Training will be offered to all occupations as it relates to specific job functions. Topics include Business Acumen, Communication/Team Building Skills, and Marketing/Sales Skills. Training will increase each worker's ability to perform job functions efficiently within ISI's dynamic and advanced manufacturing environment.

Computer Skills (5%): Training will be offered to all occupations based specifically on the systems the trainees utilize daily. Training topics include Agile Software Skills, Change Order System Skills, Computer-Aided Engineering and Design Tools, ISI Proprietary System Skills, and Intermediate/Advanced Microsoft Office Skills.

Manufacturing Skills (25%): Training will be offered to Engineering/Quality/Research and Development, Manufacturing/Logistics and Technician Staff. This targeted staff will have the requisite skills to manufacture products using engineering and design directives to produce products that meet the medical device industry's strict standards. Topics include Change Order Process Skills, Clinical Skills and New/Updated Manufacturing Processes/Systems/Products.

Continuous Improvement (30%): Training will be offered to all occupations. Training will improve efficiencies and productivity by implementing improved processes throughout the organization. As the Company continues to grow its business and add new products and technologies, it needs to provide its workforce with skills. Training includes Change Management, Innovation Skills, Process Improvement Skills, Six Sigma Skills and Statistical Process Control.

Productive Laboratory (30%):

The Panel recently adopted regulations to authorize reimbursement for training delivered in a PL setting. PL trainees may produce goods for profit as part of the training in the courses identified under the Curriculum. The instructor is a subject matter expert dedicated to training delivery during all hours of training.

ISI has identified some 125 staff for PL training, in the following occupations: Engineering/Quality/Research & Development, Manufacturing/Logistics and Technician. All PL will be in Manufacturing Skills (Technician Certification, New Product Training, Production and Equipment Operations, Manufacturing Processes, Process Capability Mapping, Manufacturing Processes Cross-Training, Machine Operations, Calibration, and Maintenance, FDA Manufacturing Procedures and Protocols, and Manufacturing Assembly Standards and Procedures).

All PL training is capped at 60 hours per trainee with a trainer-to-trainee ratio of 1:1 in accordance with Panel standards for this method of delivery. Due to the strict standards of the medical device industry and the Federal Drug Administration, ISI's need for PL to train 125 workers on building its new product is high.

Computer-Based Training

While in-house instructors will deliver the majority of training via class/lab and PL, ISI does intend to deliver some training topics in Business Skills and Continuous Improvement as Computer-Based Training (CBT). CBT will be provided for items that can be taken by employees at their own pace without instructors. Additionally, CBT is restricted to no more than 50% of a trainee's total training hours. The CBT method of training offers additional methods of delivering training at the convenience of the Company's training population.

Temporary to Permanent Hiring

ISI intends to train 15 workers in Job Number 2 under Panel guidelines for the Temporary-to-Permanent program. The Company has retained these employees on a temporary basis, with the intention of hiring them into full-time, permanent positions after training. According to ISI, the average time for "converting" temporary workers into full-time permanent employment is three months. It is expected that these workers will receive employer-paid share-of-cost for healthcare premiums while on temporary status, and upon hire into full-time permanent employment.

Under Panel guidelines for the Temporary to Permanent program, these trainees must be eligible to participate in ETP-funded training pursuant to Unemployment Insurance Code Section 10201(c). Moreover, they cannot be enrolled as trainees until after they have been hired by ISI into full-time, permanent employment. Until they are so hired, retention and post-retention wage requirements cannot be satisfied and the Company will not receive progress payments.

Veterans Program

The Panel has established a higher reimbursement rate and other incentives for training California veterans. ISI appreciates qualities and skills that veterans gain from their military service. In this proposal, the training plan reflects 15 Veteran trainees that will receive ETP funded training. Seven Veteran Retraitees are in Job Number 3, and eight Veteran Job Creation Retraitees are in Job Number 4.

Individuals with Disabilities

The Individuals with Disabilities (IWD) program, recently adopted by the Panel, is designed to encourage California employers in their effort to "recruit, hire, train and retrain" workers with disabilities. ETP funding will be available to train these workers, along with other staff who support or have job responsibilities for these trainees.

In this proposal, IWD (Business Skills) training will be delivered in courses as follows: Accessibility, Skills Development for People with Disabilities, and Disability Culture: Sensitivity, Awareness and Hiring Practices to incumbent workers and new staff (Veterans) hired during the Agreement. ISI estimates five workers will receive this training.

Substantial Contribution

ISI is a repeat contractor with payment earned in excess of \$250,000 at the Sunnyvale facility within the past five years. (See the Active Project Table.) Accordingly, reimbursement for trainees at the Sunnyvale facility in Job Number 1 (Retraitee) and Job Number 3 (Veteran/Retraitee) will be reduced by 15% to reflect the Company's \$33,324 Substantial Contribution to the cost of training.

Commitment to Training

ISI represents that ETP funds will not displace the existing financial commitment to training. The Company's 2016 training budget in California is approximately \$1 million. ISI currently provides new hire orientation, sexual harassment prevention, introductory computer skills, expense report processing, insider trading, business ethics and company code of conduct training. ISI delivers training in a classroom and lab setting, on-the-job training (OJT), and self-paced CBT.

Certain training topics such as sexual harassment prevention and code of conduct are mandatory for all employees. Other training may be identified as mandatory by ISI, and elective training is encouraged to be completed by employees based on each employee's need by job function. In addition, mandatory training is provided company-wide, and some training may be department or function specific. Safety training is provided in accordance with all pertinent requirements under state and federal law.

➤ Training Infrastructure

ISI's Global Talent Development Programs Manager will manage the project internally. The Company also has approximately 30 internal trainers to provide training and support for this project. To optimize the administration of this ETP project, the Company hired a third-party administrator - Training Funding Partners (TFP). TFP will be responsible for ETP administrative duties.

Record Keeping

ISI will be using an established LMS for record keeping, which is currently in place as it has been used in previous ETP Agreements. ETP staff have reviewed and approved the LMS.

Impact/Outcome

With ETP funding, ISI employees will receive training Continuous Improvement (e.g. – Project Management Skills and Six Sigma Skills) to earn certifications in Project Management Institute and Six Sigma (Black & Green Belt). In addition, the Company has multiple internal certifications.

For example, when a new product is implemented or a change is made to a product, ISI requires a new certification for employees affected by these changes before they are able to perform their job in the manufacturing environment.

RECOMMENDATION

Staff recommends approval of this proposal.

ACTIVE PROJECTS

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

Agreement No.	Approved Amount	Term	No. Trainees (Estimated)	No. Completed Training	No. Retained
ET14-0335	\$367,734	4/28/14-4/27/16	173	189	189

Based on ETP Online Systems, 19,681 reimbursable hours have been tracked, sufficient to support earnings of \$367,734 (99% of approved amount).

PRIOR PROJECTS

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET13-0277	Sunnyvale	1/28/13- 1/27/15	\$240,496	\$240,496 (100%)

DEVELOPMENT SERVICES

Training Funding Partners (TFP) in Fountain Valley assisted with development for a flat fee of \$5,000.

ADMINISTRATIVE SERVICES

TFP will also perform administrative for 12% 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

- Change Order Process Skills
- Clinical Skills
- Failure Mode Effects Analysis
- Geometric Dimensioning and Tolerancing
- Good Documentation Practices/Good Manufacturing Practices
- New/Updated Manufacturing Processes/Systems/Products
- Production/Equipment Operations and Maintenance
- Root Cause Analysis/Corrective Action
- Technician Product Certification

CONTINUOUS IMPROVEMENT

- Change Management Skills
- Coaching/Feedback
- Goal Setting
- Innovation Skills
- Leadership Skills
- Process Improvement Skills
- Project Management Skills
- Quality Assurance/Quality Control
- Six Sigma Skills
- Statistical Process Control Skills

COMPUTER SKILLS

- Agile Software Skills
- Change Order System Skills
- Computer-Aided Engineering and Design Tools
- Intermediate/Advanced Microsoft Office Skills
- ISI Proprietary Systems Skills

BUSINESS SKILLS

- Business Acumen
- Communication/Team Building Skills
- Customer Service/Support Skills
- Individuals with Disabilities
 - Accessibility
 - Disability Culture: Sensitivity, Awareness, and Hiring Practices
 - Skills Development for People with Disabilities
- Finance/Accounting Skills
- Marketing/Sales Skills
- Meeting Management

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

PL Hours

0-60

MANUFACTURING SKILLS (Ratio 1:1)

- Technician Certification
- New Product Training
- Production and Equipment Operations
- Manufacturing Processes
- Process Capability Mapping
- Manufacturing Processes Cross-Training
- Machine Operations, Calibration and Maintenance
- FDA Manufacturing Procedures and Protocols
- Manufacturing Assembly Standards and Procedures

CBT Hours

0-28

BUSINESS SKILLS

- Conflict Management
 - Adapting Your Conflict Style (0.5 hours)
 - Preventing Unhealthy Workplace Conflict (0.5 hours)
 - Working Out and Through Conflict (0.5 hours)
- Communication Skills
 - Being a Receptive Communication Partner (0.5 hours)
 - Building Trust (0.5 hours)
 - Communication Challenges: Navigating Choppy Waters (0.5 hours)
 - Communication Methods that Make Sense – and Make Your Point (0.5 hours)
 - Getting Your Arms Around Arguments (0.5 hours)
 - Interpersonal Communication that Builds Trust (0.5 hours)
 - Issue-focused Negotiation: Are You Ready? (0.5 hours)
 - You and Your Negotiating Counterpart (0.5 hours)
 - Reaching a Negotiated Agreement (0.5 hours)
 - Recovering from Trust Slip-Ups and Erosions (0.5 hours)
- Cardiac Anatomy (0.33 hours)
- Electrosurgery Basics (0.33 hours)
- Gynecological Anatomy (0.33 hours)
- Lower General Surgery (Colorectal) Anatomy (0.33 hours)
- Medical and Surgical Terminology (0.33 hours)
- Si System - Assessment (0.33 hours)
- Si System - Docking (0.33 hours)
- Si System - Draping (0.33 hours)
- Si System - OR Configuration & Power (0.33 hours)
- Si System - Safety Features (0.33 hours)
- Si System - Surgeon Console (0.33 hours)
- Si System - Vision System (0.33 hours)
- Si System Overview (0.33 hours)
- Thoracic Anatomy/Lung Cancer (0.33 hours)
- Upper General Surgery (Foregut) Anatomy (0.33 hours)
- Urogenital Anatomy (0.33 hours)
- Xi System - Assessment (0.33 hours)
- Xi System - Docking (0.33 hours)
- Xi System - Intraoperative Patient Cart Use (0.33 hours)
- Xi System - OR Set-Up & Connections (0.33 hours)

- Xi System - Patient Cart & Draping (0.33 hours)
- Xi System - Surgeon Console (0.33 hours)
- Xi System - Vision System (0.33 hours)
- Xi System Overview (0.33 hours)

CONTINUOUS IMPROVEMENT

- Leadership Skills
 - Achieve Your Objectives through Effective Delegation (0.5 hours)
 - Applying Emotional Intelligence at Work (0.5 hours)
 - Beginning your Coaching Engagement (0.5 hours)
 - Coaching Techniques that Drive Change (0.5 hours)
 - Coaching to Drive Performance (0.5 hours)
 - Getting Agreement (0.5 hours)
 - Successful Delegation: Supervise and Encourage (0.5 hours)
 - The Delegation Process (0.5 hours)
 - Use Delegation to Develop Your Team (0.5 hours)
- Critical Thinking
 - Coming to Terms with Assumptions (0.5 hours)
- Project Management
 - Complete Your Project On-Time and On-Budget (0.5 hours)
 - Get Your Project off the Ground (0.5 hours)
 - Lead Your Project like a Pro (0.5 hours)
 - Plan a Bulletproof Project (0.5 hours)
- Problem Solving
 - Drawing Conclusions with Confidence (0.5 hours)
 - Framing the Problem (0.5 hours)
 - Generating and Evaluating Alternatives (0.5 hours)
- Process Improvement
 - Implementing and Sustaining Change (0.5 hours)
 - Implementing and Sustaining Process Improvement (0.5 hours)
 - Mapping and Measuring to Support Sustainable Process Improvement (.5 hours)
 - Smart Selection, Planned Implementation (0.5 hours)
 - Stakeholder-driven Process Improvement (0.5 hours)
 - Planning for Change (0.5 hours)
 - The Keys to Sustainable Change (0.5 hours)
- Time Management: Quit Making Excuses and Make Time Instead (0.5 hours)
- Time Management: Ready, Set... FOCUS! (0.5 hours)
- Time Management: Too Much to Do and Too Little Time (0.5 hours)

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 60 hours per-trainee.



**Training Proposal for:
The Wine Group, Inc.**

Agreement Number: ET17-0101

Panel Meeting of: June 24, 2016

ETP Regional Office: Sacramento

Analyst: W. Sabah

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:	Alameda, Fresno, Kern, Madera, Monterey, San Joaquin, Tulare	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No UFCW Local 186D & 8		
Number of Employees in:	CA: 1,074	U.S.: 1,211	Worldwide: 1,246
<u>Turnover Rate:</u>	13%		
<u>Managers/Supervisors:</u> (% of total trainees)	13%		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$749,988		\$0	\$0		\$749,988

In-Kind Contribution:	100% of Total ETP Funding Required	\$1,500,000
-----------------------	------------------------------------	-------------

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	Computer Skills, Cont. Imp., Mfg. Skills	502	8-200	0	\$1,494	*\$15.60
				Weighted Avg: 83			

*It will be made a condition of contract that the trainees in this Job Number will never be paid less than the State or local minimum wage rate as in effect at the end of retention (Final Payment) regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

Minimum Wage by County: \$15.60 in Fresno, Kern Madera, Monterey, San Joaquin and Tulare counties and \$17.02 in 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 \$3.60 per hour may be used to meet the Post-Retention Wage.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Administration Staff		33
Handler		60
Logistics Staff		28
Maintenance Staff		59
Operator		165
Technician		50
Winemaker		22
Winery Worker		20
Supervisor		65

INTRODUCTION

Founded in 1981, The Wine Group (TWG) (www.thewinegroup.com) operates 13 wineries throughout the world, producing more than 56 million cases of wine in the U.S. Current brands include Cupcake, Concannon, Benziger, Corbett Canyon, Big House and Franzia. The Company is one of the world's largest wine producers. TWG currently employs 1,074 Californians throughout the state; however, for this proposal the Company plans to train 502 workers in Alameda, Fresno, Kern, Madera, Monterey, San Joaquin and Tulare counties.

To improve business and remain competitive, TWG must adapt to technology advancements in the wine industry. The Company has invested more than \$18.5 million on new equipment

including Fillers, Coders, Tanks, NH3, Catwalks, Chillers, Pumps, Canning, Crushers, Labelers, Case Packers, Wrappers and Lasers. Training on all new equipment is necessary to ensure staff can operate the machinery proficiently and maintain efficiency. In addition to the extensive manufacturing skills training, the Company is undergoing a companywide Enterprise Resource Planning (ERP) implementation that requires extensive workforce training. This new technology will impact all facets of the organization, providing end-to-end solutions for business management, product planning, manufacturing, inventory management, shipping and receiving, and quality management.

This will be TWG's third ETP-funded training project in the last five years. Under the previous Agreements, training focused on basic equipment operations and general manufacturing training. The current proposal will emphasize advanced mechanical and electrical training. The training plan may repeat some topics and include some trainees from previous contracts. However, there will be no duplication of training in those courses.

Employees are represented by United Food and Commercial Workers, Local 186D and 8, and have submitted letters of support.

PROJECT DETAILS

Training Plan

Training will enable TWG to upgrade worker skills, introduce new technology and implement process improvements designed to enhance productivity, product quality and overall efficiency. Training will be delivered by a combination of in-house subject matter experts and outside vendors to be identified during the contract term. Trainees will receive between 8-200 hours of Classroom/Laboratory training.

Computer Skills (20%): Training will be delivered to all occupations. Training will guide workers through the Company's new ERP and MRP systems. Training will help staff become more proficient with business software solutions in resource planning, inventory control, budgeting, marketing, manufacturing and service delivery.

Manufacturing Skills (50%): Training will be offered to all occupations except Administrative Staff. Trainees will gain the skills and knowledge to operate and maintain production equipment, ensure product quality, and implement best practices in manufacturing, wine processing, inventory control and warehousing. Training will enable workers to have a full understanding of product equipment, development and packaging, and proper operation and maintenance of equipment to reduce production downtime and automate machine operations.

Continuous Improvement (30%): Training will be offered to all occupations specific to their job functions. Training will improve operations, workflow and processes. Training will improve team building, communication, leadership and quality improvement.

Substantial Contribution/High Earner Reduction

Although TWG is a repeat contractor, no one facility has payment earned in excess of \$250,000. Therefore no substantial contribute will be applied. [Note: In addition, Higher Earner Reduction is not applicable as TWG did not earn more than \$2 million over the last five years.]

High Unemployment Area

Some trainees work in a High Unemployment Area (HUA), with unemployment exceeding the state average by at least 15%. The Company's locations in Fresno, Kern, Madera, Monterey, San Joaquin and Tulare qualify for HUA status under these standards. 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. However, TWG is not asking for a wage modification.

Commitment to Training

TWG represents that ETP funds will not displace the existing financial commitment to training. The Company's annual training budget per facility is approximately \$1.5 million for new employee orientation, skills enhancement for professional growth, and continued education courses. Safety training is provided in accordance with all pertinent requirements under state and federal law.

➤ Training Infrastructure

The Company will begin ETP training upon project approval. TWG has designated one employee at each training site to schedule training, track training documentation, record new employees, and meet with ETP staff. The training department at the TWG headquarters has identified four employees to track project performance and coordinate training with the staff at each training site. The Company also retained BLI Company to assist with entering training data into the ETP system.

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

The following table summarizes performance by TWG under ETP Agreements that were completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET14-0290	Madera, Ripon, McFarland, Fresno, Cutler, Sanger	2/3/14 – 2/2/16	\$604,098	\$604,098 (100%)
ET11-0278	Ripon	6/6/11 – 6/5/13	\$213,462	\$213,462 (100%)

DEVELOPMENT SERVICES

BLI Co. in Salida assisted with development for a flat fee of \$8,000.

ADMINISTRATIVE SERVICES

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

TRAINING VENDORS

PSIG, Inc. of Oakhurst will provide Manufacturing Skills training. Other trainers will be identified as they are retained.

Exhibit B: Menu Curriculum

Class/Lab Hours

8-200

Trainees may receive any of the following:

COMPUTER SKILLS

- Bulk Wine Tracking
- Microsoft Office (Intermediate/Advanced)
- Enterprise Resource Planning System
- Material Resource Planning System

CONTINUOUS IMPROVEMENT

- Leadership Skills
- Communication Skills
- Team Building
- Employee Performance
- Improving Productivity
- Computer Program

MANUFACTURING SKILLS

- Machine Theory
- Mechanical Operations
- Electrical Operations
- Pneumatics
- Sensors
- Lubrication
- Equipment Maintenance
- Programmable Logic Control
- Welding
- Wine Filtering Systems
- Sanitation Practices
- Press Operation
- Refrigeration Systems
- Mathematics
- Operating Industrial Lifts
- Warehousing Practices

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.



UFCW-WINE, DISTILLERY & ALLIED WORKERS, LOCAL 186D

329 Downey Ave.
Modesto, CA 95354-1297

Phone (209) 524-4245
Fax (209) 524-7066

January 26, 2016

Employment Training Panel
1100 "J" Street
Sacramento, CA

RE: **Participation in the California Employment Training Panel**

Dear Employment Analyst:

As the representative of the employees of The Wine Group, we support the participation of our members in the training to be provided in the ETP project. As the Local representing the employees of The Wine Group we also support the training as something that we do not offer internally to our members as it is training specific to each plants environment and outside of our memberships qualifications.

Sincerely,

William J Hale
President
United Food and Commercial Workers, Local 186D



United Food & Commercial Workers International Union, AFL-CIO, CLC

Jacques Loveall
President
International Vice President

Roseville

(Headquarters)
2200 Professional Dr.
Roseville, CA 95661
(916) 786-0388
(916) 786-0938 (fax)

January 26, 2016

Bakersfield

900 Airport Dr.
Bakersfield, CA 93308
(661) 391-5770

Employment Training Panel
1100 J Street, 4th Floor
Sacramento, CA 95814

Chico

20 Constitution Dr.
Suite C
Chico, CA 95973
(530) 895-0017

RE: Participation in the California Employment Training Panel

Dear Employment Analyst:

Fresno

3485 W. Shaw Ave.
Suite 101
Fresno, CA 93711
(559) 271-1288

As the representative of the employees of The Wine Group, UFCW 8-Golden State supports the participation of our members in the training to be provided in the ETP project.

Fresno

*Distillery, Wine & Allied,
and Wholesale Division*
3485 W. Shaw Ave.
Suite 102
Fresno, CA 93705
(559) 226-5045

As the Local Union representing the employees of The Wine Group, UFCW 8 also supports the training as something that we do not offer internally to our members as it is training specific to each plant's environment and outside of our membership's qualifications.

Sincerely,

JACQUES LOVEALL

JSL:lab

Modesto

2007 Yosemite Blvd.
Modesto, CA 95354
(209) 529-0596

cc: Joe Ciotti

Redding

3400 Bechelli Ln.
Suite C
Redding, CA 96002
(530) 222-3905

Sacramento

1930 9th Street
Sacramento, CA 95811
(916) 503-8828

Santa Rosa

940 Hopper Ave.
Santa Rosa, CA 95403
(707) 546-1384



Training Proposal for:

Troon Golf, LLC

Agreement Number: ET17-0100

Panel Meeting of: June 24, 2016

ETP Regional Office: Sacramento

Analyst: M. Mazzone

PROJECT PROFILE

Contract Attributes:	Retrainee	Industry Sector(s):	Services Priority Industry: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Counties Served:	Napa, Riverside	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Laborers' International Union of North America, Local Union 1184; and Laborers' International Union of North America, Local Union 261.		
Number of Employees in:	CA: 926	U.S.: 8,742	Worldwide: 10,742
<u>Turnover Rate:</u>	7%		
<u>Managers/Supervisors:</u> (% of total trainees)	3%		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$450,750		\$0	\$0		\$450,750

In-Kind Contribution:	100% of Total ETP Funding Required	\$472,300
------------------------------	------------------------------------	-----------

TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee	Business Skills, Commercial Skills, Computer Skills, Cont. Impv., Hazardous Materials, Management Skills	601	8-200	0-24	\$750	*\$15.60
				Weighted Avg: 50			

* It will be made a condition of contract that the trainees in this Job Number will never be paid less than the State or local minimum wage rate as in effect at the end of retention (Final Payment) regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

Minimum Wage by County: Napa and Riverside Counties require a minimum of \$15.60 per hour for Retrainees.

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 \$4.07 per hour may be used to meet the Post-Retention Wage.

Wage Range by Occupation

Occupation Titles	Wage Range	Estimated # of Trainees
Manager		13
Food & Beverage Staff		264
Administrative Staff		8
Accounting Staff		5
Golf Operations Staff		155
Maintenance		126
Sales Representative		8
Retail Staff		17
Supervisor		5

INTRODUCTION

Founded in Scottsdale Arizona in 1990, Troon Golf, LLC (Troon) has become the largest third-party manager of golf courses and golf club operations in the world. The Company has grown from managing one golf club, to managing golf operations in 29 different countries and 34 U.S. states. Troon does not own or lease any of the golf facilities. The Company provides the following services at the golf clubs in which they manage: golf operations; agronomy; food and beverage; sales and marketing; human resources; procurement; finance and accounting; legal; risk management; and information technology.

In California, Troon manages 17 golf clubs. The following clubs will participate in this Agreement: Classic Club in Palm Desert, The Westin Mission Hills Golf Resort & Spa in Rancho Mirage, Indian Wells Golf Resort in Indian Wells, and Silverado Resort & Spa in Napa.

Need for Training

Troon's past company training was managed independently at each facility. Now the Company hopes to take a more uniform and formal approach through this ETP Agreement. General Managers of the participating golf clubs and Troon headquarters have developed a training plan which will be implemented across the organization and serve as a prototype for future training.

The training plan will focus on the development and enhancement of staff's hospitality, customer service, computer, and on process improvement skills. Focusing in these areas will improve customer satisfaction and create new business. Identifying customer needs and exceeding expectations will ensure repeat business.

All trainees will receive cross-training and/or job specific certification training to increase job advancement possibilities within the Company.

PROJECT DETAILS

Trainees will receive a combination of Classroom/Laboratory and Computer-Based Training (CBT) in the below types of training.

Training Plan

Business Skills (25%): Training will be delivered to Administrative Staff, Accounting Staff, Golf Operations Staff, Sales Representatives, Retail Staff, Supervisors, and Managers. Troon will focus training efforts on the improvement of hospitality and customer service skills. Staff requires skills to generate repeat business, to create new business, and to improve overall customer satisfaction. Troon will provide training in course topics such as advanced communication skills, interpersonal skills, negotiation skills, putting the guest first, advanced sales skills, upselling techniques, meeting customer expectations, and customer focused selling.

Commercial Skills (15%): Training will be provided to Maintenance, Food & Beverage Staff, and Golf Operations Staff to improve staff's knowledge of equipment operation. Cross-training will be provided to increase the future growth opportunities for trainees. Training topics will include: golf transportation equipment operation and maintenance, kitchen equipment operation and maintenance, groundskeeper equipment operation and maintenance, and pump station operation and maintenance.

Computer Skills (10%): Training will be provided to Administrative Staff, Accounting Staff, Sales Representatives, Supervisors, Managers, Food and Beverage Staff, and Retail Staff. Staff will receive job specific training, on the software usage to increase efficiency and provide a higher level of customer service. Training topics will include Sales Force, Intermediate and Advanced Microsoft Office, Act Software, Oracle Software, Star Guest Software, and Jonas Software.

Continuous Improvement (25%): Training will be delivered to all occupations to improve standard working procedures and to improve the confidence and problem solving skills of front-line workers. Training topics will include courses such as critical thinking, problem solving,

decision making and resolution, team building skills, leadership skills, and process improvements.

Management Skills (15%): Training for Supervisors and Managers will focus on effective leadership, improving efficiencies, and how to motivate staff. Training will include motivation, coaching/mentoring skills, team building, supervisory skills, and leadership skills.

Hazardous Materials (5%) Training will be provided to Food and Beverage and Maintenance Staff. Staff will learn the proper procedures for identifying, dispensing, handling, storing and transporting hazardous materials. Training will include pesticide application skills, handling toxic materials and HAZMAT operating procedures. In addition to these hazardous materials training course topics, staff may receive HAZMAT Certification training, which is detailed below.

Certified Safety Training (5%)

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

Maintenance Staff will receive HAZMAT coursework as needed to attain or refresh their certification. Field training may be required, although not funded by ETP. Completion of the training results in a certificate that expands employment opportunities. This coursework is not under Cal-OSHA, but is administered under the Department of Transportation and CalTRANS. There are various certification entities for the coursework and instructors. The certification entity has not yet been determined.

Computer-Based Training

Computer-based training (CBT) will be delivered to Food and Beverage Staff, Supervisors, and Managers to lay a foundation that will be expanded on in classroom/laboratory training. CBT will be provided in Business Skills, Commercial Skills and Management Skills. CBT will not exceed 50% of any trainee’s total training hours.

In addition, staff may receive certifications in Professional Golfers Association (PGA) Management, Pesticide Application, and Spray Rig Application.

Union Support

ETP has received a union support letter from the Laborers' International Union of North America, Local Union 261, who represent Approximately 36 Maintenance Staff at the Silverado Resort & Spa in Napa, and a union support letter from the Laborers' International Union of North America, Local Union 1184, who represent Maintenance Staff at Westin Mission Hills Golf Resort & Spa in Rancho Mirage.

Commitment to Training

Troon commits approximately \$35,000 annually to each managed worksite to provide staff training in safety, sexual harassment prevention, CPR, first aid, employee retention, guest services, and new employee orientation. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law. ETP funds will not displace their existing financial commitment to training.

ETP funds will enable the Company to provide formalized training. After the completion of the ETP Agreement, Troon is committed to expanding the training plan to include more advanced skills training.

➤ Training Infrastructure

Each participating location has been involved in the development of this proposal. The general managers from each location and representatives from Troon's headquarters in Scottsdale, AZ worked with their development subcontractor, from the National Training Company, to create the projected training plan and curriculum.

Training will begin June 1, 2016. Training will be delivered by in-house subject matter experts and outside training vendors, as necessary. Each participating location has a designated representative who will be responsible for overseeing implementation of training and administrative responsibilities. Troon has also hired a third party representative, National Training Company, to handle administrative functions for the ETP Agreement.

Impact/Outcome

ETP funding will enable Troon to institutionalize a training culture into their club operations. Standardization of training will lead to the development of career mapping for employees and greater opportunity for upward mobility and a higher retention rate.

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

Troon retained National Training Company in Middletown to assist with development of this proposal for a flat fee of \$7,500.

ADMINISTRATIVE SERVICES

Troon has also retained National Training Company to perform administrative services in connection with this proposal for a fee not to exceed 13% of payment earned.

TRAINING VENDORS

To Be Determined

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

8-200

Trainees may receive any of the following:

BUSINESS SKILLS

- Accounting Skills
- Business Processes
- Advanced Communication Skills
- Confidentiality & Privacy of Client Data Procedures
- Customer Focused Selling
- Dealing with Difficult People
- Getting Results Through Accountability
- Guest Service Skills
- Hospitality & Communication Skills
- Identifying/Meeting Guest Needs
- Interpersonal Skills
- Meeting Customer Expectations
- Meeting Guest Needs
- Negotiation Skills
- Operating Procedures
- Putting the Guest First
- Reducing Negativity in the Workplace
- Resolving Guest Complaints
- Advanced Sales Skills
- Service Standards
- Time Management Skills
- Tournament Procedures
- Upselling Techniques
- Professional Golfers Association (PGA) Certified Professional

COMMERCIAL SKILLS

- Golf Transportation Equipment Operation & Maintenance
- Kitchen Equipment Operation & Maintenance
- Groundskeeper Equipment Operation & Maintenance
- Pump Station Operation & Maintenance

COMPUTER SKILLS

- Jonas Software
- Club Essential Software
- Intermediate and Advanced Microsoft Office
- Salesforce
- Act Software
- Easylinks Software
- Fortees Software
- Star Guest Software
- Oracle Software

CONTINUOUS IMPROVEMENT

- Critical Thinking Skills
- Kaizen Events
- Measuring for Success
- Problem Solving, Decision Making, and Resolution
- Standard Work Procedures
- Team Building Skills
- Leadership Skills
- Process Improvements

0-24 Hours

HAZARDOUS MATERIALS (HAZMAT)

- Pesticide Application Skills
- Handling Toxic Materials
- HAZMAT Operating Procedures
- HAZMAT – Annual Refresher Course (8 hours)
- HAZMAT – Complete Certification Course (24 hours)

MANAGEMENT SKILLS (Managers and Supervisors Only)

- Motivation
- Coaching/ Mentoring Skills
- Team Building
- Supervisory Skills
- Leadership Skills

CBT

0-24

BUSINESS SKILLS

- PGA Certified Professional Program 2.0 (6 hours)

COMMERCIAL SKILLS

- F & B Stewart Busser (4 hours)
- F & B Stewart Host (4 hours)
- Cook Level 1 (5 hours)
- Server Level 1 (5 hours)
- Bartender Level 1 (5 hours)
- Banquet Level 1 (5 hours)
- Banquet Server Level 1 (5 hours)
- Cook Level 2 (8 hours)
- Cook Line Level 1 (8 hours)
- Expediter Level 1 (8 hours)
- Golf Course Superintendent (8 hours)
- Sous Chef (24 hours)

MANAGEMENT SKILLS (Managers and Supervisors Only)

- Restaurant Manager (24 hours)
- Kitchen Manager (24 hours)

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.

LABORERS' INTERNATIONAL UNION OF NORTH AMERICA

AFFILIATED WITH A. F. OF L. AND C.I.O.

LOCAL No. 1184

RIVERSIDE AND IMPERIAL COUNTIES

1128 E. LA CADENA DRIVE
RIVERSIDE, CALIFORNIA 92507
951 / 684-1484 • FAX 951 / 779-1445



WILLIAM G. SMITH
PRESIDENT

JOHN L. SMITH
BUSINESS MANAGER

March 30, 2016

Dear Anthony,

The Union is in receipt of your request to begin training sessions at Westin Mission Hills for Golf Course Maintenance workers in various disciplines related to maintaining the golf course. It is our understanding that an outside company will be brought in to train the workforce. Please consider this letter notification that the Union has no objections to the training sessions planned for our members. Per our collective bargaining agreement certain subcontracting is permitted, as long as the subcontracting of work shall "...not be used as a precedent for permanently subcontracting such work...[and]...no such work will permanently displace employees of the Employer covered by this Agreement."

Training and Union principles go hand in hand. The Union not only agrees to, but welcomes education and training that enhances the skills set of its members.

If you have any further questions, feel free to contact me.

Michael S. Dea
RS/Business Agent
Local 1184
Riverside & Imperial Counties
Ph-760-343-0533 Fax-760-343-0883



LABORERS' INTERNATIONAL UNION OF NORTH AMERICA

LOCAL UNION NO. 261

April 26, 2016

RAMON HERNANDEZ

Business Manager

DAVID DE LA TORRE

Secretary-Treasurer

JESUS VILLALOBOS

President

JAVIER FLORES

Vice President

VINCE COURTNEY

Recording Secretary

OSCAR DE LA TORRE

Executive Board

JOSE DE LA MORA

Executive Board

SAN FRANCISCO

3271 18th Street

San Francisco, CA 94110

Phone: (415) 826-4550

Fax: (415) 826-1948

SAN MATEO COUNTY

300 7th Avenue

San Mateo, CA 94401

Phone: (650) 344-7168

Fax: (650) 344-5357

MARIN COUNTY

4174 Redwood Highway

San Rafael, CA 94903

Mail P.O. Box 4250

San Rafael, CA 94913

Phone: (415) 492-0936

Fax: (415) 492-8233

Employment Training Panel
1100 J Street 4th Floor
Sacramento, CA 95814

Re: Silverado Resort and Spa Employment
Training Panel
Ref: 15-0660

To Whom It May Concern:

Laborers 261 supports the proposed Employment Training Panel (ETP) training for Silverado Resort and Spa.

The Union understands that the ETP training program will provide various types of training to: Maintenance staff.

Sincerely,

A handwritten signature in blue ink that reads 'Ramon Hernandez' in a cursive style.

RAMON HERNANDEZ
Business Manager





RETRAINEE - JOB CREATION

Training Proposal for:

Truck Accessories Group, LLC

Agreement Number: ET17-0127

Panel Meeting of: June 24, 2016

ETP Regional Office: Sacramento

Analyst: D. Jordan

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:	Yolo	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: 202	U.S.: 700	Worldwide: 700	
Turnover Rate:	4%			
Managers/Supervisors: (% of total trainees)	18%			

FUNDING DETAIL

<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">Program Costs</td></tr> <tr><td style="text-align: center;">\$347,656</td></tr> </table>	Program Costs	\$347,656	-	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">(Substantial Contribution)</td> <td style="text-align: center;">(High Earner Reduction)</td> </tr> <tr> <td style="text-align: center;">\$93,930 30%</td> <td style="text-align: center;">\$0</td> </tr> </table>	(Substantial Contribution)	(High Earner Reduction)	\$93,930 30%	\$0	=	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">Total ETP Funding</td></tr> <tr><td style="text-align: center;">\$253,726</td></tr> </table>	Total ETP Funding	\$253,726
Program Costs												
\$347,656												
(Substantial Contribution)	(High Earner Reduction)											
\$93,930 30%	\$0											
Total ETP Funding												
\$253,726												

In-Kind Contribution:	100% of Total ETP Funding Required	\$375,000
-----------------------	------------------------------------	-----------

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	Business Skills, Computer Skills, Continous Imprv., Mfg Skills, Literacy Skills	202	8 - 200	0	*\$1,083	\$15.60
				Weighted Avg: 86			
2	Retrainee Priority Rate Job Creation Initiative	Business Skills, Computer Skills, Continuous Imprv., Mfg Skills, Literacy Skills	23	8 - 200	0	\$1,520	**\$12.77
				Weighted Avg: 76			

* Reflects Substantial Contribution.

** It will be made a condition of contract that the trainees in this Job Number will never be paid less than the State or local minimum wage rate as in effect at the end of retention (Final Payment) regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

Minimum Wage by County: Job Number 1: \$15.60 per hour, Job Number 2: \$12.77 per hour for Yolo 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 \$4.25 per hour may be used to meet the Post-Retention Wage for Job Numbers 1 & 2.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Administration Staff		11
Production Staff		148
Technical Staff		25
Supervisor/Manager		41

INTRODUCTION

Truck Accessories Group, LLC (TAG) (www.truckgroup.com) is headquartered in Indiana, with manufacturing facilities in Pennsylvania and Woodland, California. The Company manufactures truck caps, tonneaus, retractable truck bed covers, and aluminum and plastic automotive components. The Company is experienced in virtually any design, fabrication and assembly capacity of molded fiberglass, thermoformed plastics, robotic welding, water jet, and gel coat. TAG customers include LEER, Century, Pace Edwards, Raider, State Wide Aluminum, Stor-Mate, California Highway Patrol, Department of Corrections, US Border Patrol, and National Forest Service. There is also a line of TAG Specialty Products.

The Company meets the Panel's out-of-state competition standards as a NAICS industry-classified manufacturer.

PROJECT DETAILS

TAG has made the strategic decision to pursue Lean Bronze Certification, to attract more customers. This level of Lean certification is recognized throughout the industry, and certification will allow TAG to embed best practices across-the-board. In addition, TAG will pursue ISO 9001 certification to ensure consistent production processes at all levels. To improve its internal software, the Company also implemented a new Enterprise Resource Planning (ERP) system that requires training. Overall, employees will learn to work in teams, redesign processes and adapt to new technologies.

This will be the third Agreement between ETP and TAG. The previous agreement focused on Lean Manufacturing principles from the Toyota Production System (TPS).

Training Plan

TAG will continue to build on the employee skill base of its manufacturing workforce. Training is designed to expand the level of skills, enabling employees to adapt to changing business requirements, improve product quality; and gain transferable skills. Training will take place at the Company's facilities in Woodland. Trainees will receive between 8-200 hours of Classroom/Laboratory and E-Learning training.

Business Skills (20%): Training will be offered to all occupations on new campers, tonneaus, and after-market accessories to provide high-quality customer care. Supervisors/Managers will receive training on Strategic Growth Development to ensure that the Company is able to plan and manage growth. As a result of Business Skills training, the Company anticipates to increase sales by 3-5% and product base by 1-2% in the next two years.

Computer Skills (25%): Training will be offered to all occupations. The new ERP system will be integrated at all levels of the Company operations. Staff requires training to properly utilize the software. Training will improve communication between departments, increase efficiency, and reduce waste. Staff will also receive training on the newly upgraded Microsoft software system.

Continuous Improvement (25%): Training will be offered to all occupations to implement best practices and quality management. Production Staff and Technical Staff will receive training in ISO 9001 and Lean Bronze Certification to ensure consistency in its production of cabs, tonneaus, and after-market accessories. ETP training will also allow the Company to receive the ISO 9001 certification and market their products to new customers.

Manufacturing Skills (25%): Training will be offered to all occupations except Administration Staff. Trainees will gain the skills and knowledge to operate and maintain production equipment, ensure product quality, and implement best practices in the areas of manufacturing, equipment processing, inventory control, and warehousing. Training will also enable employees to have a full understanding of product equipment development and packaging, proper operation and maintenance of equipment to reduce production downtime and automate machine operations.

Literacy Skills (5%): Training will be offered to all occupations, specifically to employees that require training on Vocational English as a second language. Training will allow staff to better communicate with co-workers and supervisors. Staff will also learn to follow written and oral instructions with greater ease, which will reduce waste and repetition due to miscommunication.

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.

TAG has already achieved a 25% increase in revenue in the first quarter of 2016 and plans to further expand their existing business capacity by adding new product lines. With the addition of new products being created for the new Ford F150, Nissan Titan and Toyota Tacoma, the Company has an immediate need to hire new employees to manufacture new model tonneaus, camper covers and customized accessories for new model trucks. The Company also requires new employees to work in lamination, carpeting, paint preparation, assembly, material handling, mechanics, and quality inspections.

In this proposal, TAG has committed to hiring 23 new employees (Job Number 2). The date-of-hire for all trainees in the Job Creation program will be within the three-month period before contract approval or within the term-of-contract. These trainees will be hired into "net new jobs" as a condition of contract. As a feature of this program, the Substantial Contribution requirement will be waived for Job Number 2. Also, a Turnover Rate penalty will not be assessed.

Commitment to Training

The Company's annual training budget per facility is approximately \$50,000 and includes project management, quality control, and hazardous materials. 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

TAG will contract with Sallyanne Monti Consulting to assist with ETP project administration. The Company has designated the Human Resources Manager and Director of Operations to schedule, collect, and submit the training rosters to the administrative subcontractor for data entry into the ETP systems.

Impact/Outcome

ETP funding will substantially contribute to TAG's ability to increase revenues, raise efficiency levels, and provide a higher level of customer satisfaction. In addition, funding will allow the Company to implement extensive training for newly-hired and incumbent trainees needed to respond to changing technologies and capabilities in the industry, and attain ISO 9001 certification.

Substantial Contribution

TGA is a repeat contractor with payment earned in excess of \$250,000 and a former Substantial Contribution at the 15% level, at the Woodland facility, within the past five years. (See Prior Project Table.) Accordingly, reimbursement for trainees at this facility in Job Number 1 will be reduced by 30% to reflect the Company's \$93,930 Substantial Contribution to the cost of training.

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET14-0294	Woodland	02/03/14- 02/02/16	\$483,507	\$15,300 (3%)
ET12-0193	Woodland	11/21/11- 11/20/13	\$469,400	\$460,959 (98%)

ET14-0294: Based on the ETP Tracking System, 16,596 reimbursable hours have been tracked for potential earnings of \$302,470 (63% of approved amount) by the time of final Fiscal Closeout. The Company represents that this poorer-than-expected performance was due to the loss of its General Manager and HR Manager, who were responsible for tracking ETP training. Although most of the training was delivered, many of the rosters were not collected. The Company has now organized a team of leaders, who are knowledgeable of the ETP program. This team will also work closely with the consultant to properly enroll, train, and track training.

DEVELOPMENT SERVICES

TAG retained Sallyanne Monti Consulting in San Francisco to assist with development of this proposal for a flat fee of \$3,000.

ADMINISTRATIVE SERVICES

TAG also retained Sallyanne Monti Consulting to perform administrative services in connection with this proposal for a fee not to exceed 13% of payment earned.

TRAINING VENDORS

Innovative Solutions of Sacramento has been retained to provide Computer Skills training for a fee of \$3,000. Other trainers will be identified for ETP record-keeping purposes, as they are retained by TAG.

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

8-200

Trainees may receive any of the following:

BUSINESS SKILLS

- Customer Service, Sales and Marketing for New Products
- Strategic Growth Development
- Performance Management

COMMERCIAL SKILLS

- Enterprise Resource Planning
 - JDE EnterpriseOne System
- Microsoft Updates for ERP Intergration
 - Microsoft Office 365
 - Microsoft 2010 Interface
- Microsoft Office Suite (Intermediate/Advanced)

CONTINUOUS IMPROVEMENT

- ISO 9001: 2015 Best Practices
- Lean Bronze Certification

MANUFACTURING SKILLS

- Assembly Line Advancements
- New Equipment Operations
- Newest Body Style Truck Specifications
- Soft Tonneau Technology

LITERACY SKILLS

- Vocational English as a Second Language

E-Learning Hours

8-200

Trainees may receive any of the following:

BUSINESS SKILLS

- Customer Service, Sales and Marketing for New Products
- Strategic Growth Development
- Performance Management

COMMERCIAL SKILLS

- Enterprise Resource Planning
 - JDE EnterpriseOne System
- Microsoft Updates for ERP Intergration
 - Microsoft Office 365
 - Microsoft 2010 Interface
- Microsoft Office Suite (Intermediate/Advanced)

CONTINUOUS IMPROVEMENT

ISO 9001:2015 Best Practices

- Lean Bronze Certification

LITERACY SKILLS

- Vocational English as a Second Language

*Literacy hours are capped at 45% of a trainee's total training hours

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



Training Proposal for:

**Apprentice & Journeymen Training Trust Fund of the
Southern California Plumbing and Piping Industry**

Agreement Number: ET17-0900

Panel Meeting of: June 24, 2016

ETP Regional Office: North Hollywood

Analyst: M. Webb

PROJECT PROFILE

Contract Attributes:	Apprenticeship Retrainee Priority Rate Veterans	Industry Sector(s):	Construction Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Imperial, Inyo, Kern, Los Angeles, Orange, San Bernardino, San Diego, San Luis Obispo, Santa Barbara, Riverside, Ventura	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Southern California Pipe Trades District Council 16		
Turnover Rate:	≤20%		
Managers/Supervisors: (% of total trainees)	N/A		

FUNDING DETAIL

Program Costs	+	Support Costs	=	Total ETP Funding
\$887,640		\$61,581 8%		\$949,221

In-Kind Contribution:	50% of Total ETP Funding Required	Inherent
------------------------------	-----------------------------------	----------

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 Apprentice	Commercial Skills	350	8-200	0	\$2,002	\$21.28
				Weighted Avg: 144			
2	Retrainee Apprentice Veterans	Commercial Skills	60	8-200	0	\$2,002	\$21.28
				Weighted Avg: 144			
2	Retrainee Journeymen	Commercial Skills, Computer Skills, Continuous Improvement, OSHA 10/30	60	8-200	0	\$1,411	\$21.28
				Weighted Avg: 60			

Minimum Wage by County: \$21.28 per hour Statewide (Priority Industry).
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
JOB NUMBER 1		
Apprentice Plumber and Pipefitter		350
JOB NUMBER 2-Veterans		
Apprentice Plumber and Pipefitter		60
JOB NUMBER 3		
Journeymen Plumber and Pipefitter		91

INTRODUCTION

Founded in 1959, the Apprentice & Journeymen Training Trust Fund of the Southern California Plumbing & Piping Industry (P&P Trust) (www.ajtraining.org) provides training for workers in the plumbing and pipefitting industry. The Trust was established by unions and contractors and is governed by a joint labor-management committee. The trust operates a total of 10 training centers in Southern California.

Union representation is through District Council 16 of the United Association of Journeymen and Apprentices of the Plumbing and Pipefitting Industry of the United States and Canada, which represents 12 local unions in Southern California. District Council 16 has multiple Joint Apprenticeship Training Committees (JATC) acting as program sponsors.

P & P Trust is responsible for training approximately 2,000 Apprentices and 12,000 Journeymen workers throughout Southern California. Members are employed by plumbing and mechanical contractors, building and plant owners, fabricating shops, manufacturing companies, and electric power companies. The Apprentice and Journeymen work in a variety of settings that include power stations, performing new construction and maintenance, heating, and plumbing service work. Through P & P Trust, trainees are taught how to install and service drainage systems, pipe fabrication and assembly, electronic control work, appliance repair, and operation of mechanical systems.

Apprenticeship Program

The Panel is authorized to fund Apprentice training that does not displace any other source of government funds, or replace an existing apprenticeship program approved by the Division of Apprenticeship Standards (DAS). ETP funding is designed to supplement cost of delivery for the Related and Supplemental Instruction (RSI) portion of DAS-approved apprenticeship training. Depending on the type of trade, apprenticeship programs vary in length. In this case the program is five years.

Apprentice programs are typically sponsored by a JATC, as here. A JATC is created through collective bargaining, with an equal number of members appointed by union and management with employer contributions to a training trust fund. The employers are not “participants” but are signatories to the Collective Bargaining Agreement.

RSI is traditionally delivered as class/lab, and ETP does not reimburse CBT delivery for apprenticeship training. The curriculum is developed with input from DAS and a designated Local Educational Agency (in this case Los Angeles Unified School District). The Apprenticeship Program allows reimbursement for up to 200 hours of RSI plus OSHA10, per-apprentice. (Journeymen are capped at 200 hours.)

For the building trades, it is not customary for workers to be employed for a standard retention period of 90 consecutive days with one employer. In that instance, the Panel may substitute non-consecutive hours worked for retention. This modified retention period must be no less than 500 hours within 272 days with more than one employer. Both the standard and modified retention periods will apply to this proposal.

To ensure ETP does not displace Montoya Funds, Apprenticeship reimbursement is reduced by \$5, reducing the priority industry rate from \$18 to \$13 per hour. In addition, the Panel adopted a “blended rate” for Journeymen, reflecting the fact that they may be employed by a variety of contractors over the two-year term of contract ranging from large employers, to small (≤ 100

employees). This is \$22 per hour, midway between the Priority Industry standard rate (\$18) and Small Business rate (\$26).

The ETP wage for Apprentices is no less than \$21.28 per hour, tracking the Special Employment Training wage as modified for priority industries. However, the actual wages paid are shown in the Training Plan Table and contract when they exceed \$21.28, for both Apprentices and Journeymen.

PROJECT DETAILS

The piping and plumbing industry continues to change by improving technology and techniques being utilized by workers and meeting new production demands. Employers now prefer to hire workers that offer a wide range of skills and certifications in plumbing, pipefitting, valve repair, orbital welding, and medical gas installation. Training provided through this project will continue to prepare workers to complete complex construction jobs taken on by their employer.

P & P Trust provides training for apprentices and journeymen in occupations that provide service in plumbing and piping service and repair work. Skill sets taught include installation, gas fitting, assembly, air and water balance, appliance service and repair, electronic control work, pipe fabrication, quality control, and in plant operation of mechanical systems. Trainees will also learn techniques and methods in planning, designing, and installation of low and high pressure steam systems dependent upon the type of environment (geothermal plants, manufacturing plants, oil refineries, etc.).

Apprentice training provided will introduce workers to the basics in the industry. Trainees will learn the different plumbing/piping draining systems such as water, gas, waste, and vent systems, isometric drawing, water sizing, fittings, material handling, safety, and tools and hardware.

There is still a large need for workers that are skilled in green building systems to complete jobs for businesses invested in increasing energy efficiency. For Journeymen, Commercial Skills training will focus on energy efficiency, environmental design, and water conservation.

Training Plan

Commercial Skills (95%) Training will be offered to all occupations to increase worker skill sets in the piping and plumbing industry.

Computer Skills (2%): Training will be offered to Journeymen to ensure trainees can use computer software programs used by Employers. Course titles will include project management software and Computer-Aided Design (CAD).

Continuous Improvement (2%): Training will be offered to Journeymen to improve communication and problem solving skills. Staff will learn new techniques in project management and strategic planning.

OSHA 10/30 (1%): This training is a series of courses "bundled" by industry sector and occupation. It consists of 10 hours of classroom or CBT training for journey-level workers and 30 hours for frontline supervisors, although P & P Trust reports that contractors are requesting OSHA 10/30 for Apprentices, as well as Journeymen. The coursework is geared to construction work, and also manufacturing. Completion of the training results in a certificate that expands employment opportunities. The coursework must be approved by Cal-OSHA, and the instructors must be certified by Cal-OSHA.

LMS

Staff has reviewed and approved P&P Trust's use of a Learning Management System for recordkeeping.

Commitment to Training

Employers will continue to make contributions to the training trust for every hour worked by Apprentices and Journeymen.

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

P & P Trust has hired Steve Duscha Advisories and the Los Angeles Unified School District to both complete administration duties required in this Agreement. P & P Trust has assigned five staff members who will schedule all training sessions, and complete and collect training rosters that will be entered into their LMS. Third party administrators will assist by uploading training and enrollment data to ETP, document training hours, and provide assistance as an employer liaison.

Marketing and Support Costs

Employers are notified of P & P Trust through association websites, mailings, and presentations conducted throughout Southern California. Curriculum for this project has been developed by the piping industry that includes input from national and local unions, as well as businesses in the piping and plumbing industry. The committee has continued to update curriculum, training materials, and facilities to deliver training that is based on the expertise of memberships.

Specialized training under P & P Trust will increase pipefitter's knowledge and skill sets that lead to certifications that are recognized nationwide. Training will give workers and contractors the skills required to complete jobs efficiently, win bids, and provide high quality workmanship. P & P Trust requests 8% support costs to assist in Apprentice recruitment, employer outreach, and assessment of employer-specific job requirements. Assessments and recruitment will take place throughout the duration of the Agreement.

Training Coordinator/Qualifications

Employees of P & P Trust will provide all training under this project. Trainers are experienced journey level workers who are considered experts in the piping and plumbing field. Training is center-based and provided at P & P Trust locations.

Tuition Reimbursement

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

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned	
				\$	%
ET15-0919	Van Nuys	03/02/15-03/01/17	\$649,905	\$649,905	(100%)
ET14-0909	Van Nuys	12/14/13-12/13/15	\$1,202,139	1,202,139	(100%)
ET13-0901	Compton	09/04/12-09/03/14	\$698,826	\$698,826	(100%)
ET11-0234	Compton	05/02/11-05/01/13	\$398,680	\$398,680	(100%)
ET09-0502	Compton	04/04/09-04/03/11	\$535,908	\$535,908	(100%)

DEVELOPMENT SERVICES

P & P Trust retained Steve Duscha Advisories in Sacramento to assist with development of this proposal for a flat fee of \$10,000.

ADMINISTRATIVE SERVICES

P & P Trust retained Steve Duscha Advisories and the Los Angeles Unified School District in Los Angeles to perform administrative services in connection with this proposal for a fee not to exceed 13% of payment earned.

TRAINING VENDORS

N/A

Exhibit B: Menu Curriculum

Class/Lab Hours

8-200

Trainees may receive any of the following:

Journeyman Training

COMMERCIAL SKILLS

- Energy Efficiency in Existing Equipment
- Design and Installation of New Equipment for Energy Efficiency
- Renewable and Sustainable Fuel Sources
- Water Conservation
- LEED Standards(Leadership in Energy and Environmental Design)
- LEED Documentation and Rating System
- Instrumentation Classes
- Basic Instrumentation/EPRI Level I
- EPRI Level II
- Safety Classes
- Asbestos Awareness
- Competent Person
- Confined Spaces
- Mine Safety & Health Administration (MSHA)
- Pipeline Safety
- UA Industrial Rigging Classes
- Backflow Prevention
- Clean Room/Orbital Welding
- Fitter NITC
- HDPE
- LA Structural Steel
- Medical Gas
- Medical Gas Renewal
- Plumber NITC
- Service & Repair-Tankless Water Heater Installation & Troubleshooting
- Service & Repair-Water Heater Repair
- Trimble & Sokia Robotic Total Station Training
- Tube Bending
- UA Foreman
- Valves

COMPUTER SKILLS

- Computer Literacy for Plumbers & Pipefitters
- Working with Files
- Basic Computers
- Computer-Aided Design (CAD)
- Using Project Management Software

CONTINUOUS IMPROVEMENT

- Project Management
- Communication Skills
- Strategic Planning
- Problem Solving
- Quality Concepts

OSHA 10/30

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

Safety Training cannot exceed 10% of total training hour's per-trainee (This cap does not apply to Hazmat, OSHA 10/30 or HAZWOPER)

APPRENTICE TRAINING**COMMERCIAL SKILLS**

- Introduction to OSHA
- Hazard Communication
- Personal Protective Equipment
- Material Handling
- Electrical Safety
- Tool Safety
- Scaffold Safety
- Fall Protection
- Stairways and Ladders
- Confined Spaces
- Mathematics used in the Piping Trades
- Units of Measurement
- Rigging in the Pipe Trades
- Materials, Hardware and Tools Associated with Rigging
- Incorporate Units of Measuring and Mathematical Formulas w/rigging
- Use of Copper and Acetylene Torches
- Gas Distribution Systems and their Components
- UPC and Other Administrative Authorities
- Fittings, Pipes, Appliances and Materials
- Drainage Systems and their Components
- Water Treatment
- Water Treatment & Water Sizing
- Water Mains & Water Sizing
- Water Mains & Services
- Building Water Systems
- Hot Water Supply & Water Sizing
- Introduction to Basic Drawing Tools, Measuring Tools & Lettering Skills
- Three view, Plan view and Elevation View Drawings
- Graphic Symbols for Pipe Fittings and Valves
- Interpretation of Technical Diagrams and Piping Drawings
- Interpretation of Isometric Drawings
- Service & Repair/Fixtures & Controls

- Basic Electricity, Pneumatics, Hydraulics and Servicing of Gas and Electrical Appliances
- Failure Analysis
- Advanced Drawings
- Isometric Drawings
- Drawing Structural Backgrounds
- Drawing Sleeves without Dimensions
- Review Other Trades Drawings
- Design & Layout
- Isometric Drawing of Water, Gas, Waste and Vent Systems
- Plan View Drawing of Water, Gas, Waste and Vent Systems
- Material Take-Off List for Installation
- Laying Out Trenches, Figure Grade and Backfill
- Ordering Material for the Job Site and Maintain an Inventory
- Uniform Plumbing Code
- Fundamentals of Welding
- How to Strike and Maintain an Arc with S.M.A.W. Process
- Flat, Vertical and Overhead Positions with 610 and 7018 Welding Rod on Plate
- General Knowledge of Oxy Fuel and ARC Welding Safety
- Flame Cut and Bevel Pipe
- Proper Use of Grinders for Welding Preparation
- Welding Techniques for Plate and Pipe
- Weld Rod Designations, AMP Settings and Polarity
- Creating Models and Estimating
- Qualities and Role of a Leader
- Using Computer-Based Technologies
- Medical Gas Installer & Brazing

OSHA 10/30

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

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



Training Proposal for:
California Workforce Association
Agreement Number: ET17-0136

Panel Meeting of: June 24, 2016

ETP Regional Office: Sacramento

Analyst: K. Mam

PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate SB <100 HUA SET	Industry Sector(s):	Manufacturing 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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Turnover Rate:	≤20%		
Managers/Supervisors: (% of total trainees)	≤20%		

FUNDING DETAIL:

Program Costs	+	Support Costs	=	Total ETP Funding
\$852,900		\$88,425 12%		\$941,325

In-Kind Contribution:	50% of Total ETP Funding Required	\$900,000
-----------------------	-----------------------------------	-----------

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	Continuous Impr, Mfg Skills, Business Skills, Comm. Skills, Computer Skills, OSHA 10/30	100	8-200	0	\$1,192	\$15.60
				Weighted Avg: 60			
2	Retrainee Priority Rate SB<100	Continuous Impr, Mfg Skills, Business Skills, Comm. Skills, Computer Skills, OSHA 10/30	65	8-60	0	\$1,722	\$15.60
				Weighted Avg: 60			
3	Retrainee	Continuous Impr, Mfg Skills, Business Skills, Comm. Skills, Computer Skills, OSHA 10/30	55	8-200	0	\$993	\$15.60
				Weighted Avg: 60			
4	Retrainee SB<100	Continuous Impr, Mfg Skills, Business Skills, Comm. Skills, Computer Skills, OSHA 10/30	55	8-60	0	\$1,457	\$15.60
				Weighted Avg: 60			
5	Retrainee Priority Rate HUA	Continuous Impr, Mfg Skills, Business Skills, Comm. Skills, Computer Skills, OSHA 10/30	60	8-200	0	\$1,192	\$11.70
				Weighted Avg: 60			
6	Retrainee Priority Rate SB<100 HUA	Continuous Impr, Mfg Skills, Business Skills, Comm. Skills, Computer Skills, OSHA 10/30	55	8-60	0	\$1,722	\$11.70
				Weighted Avg: 60			
7	Retrainee HUA	Continuous Impr, Mfg Skills, Business Skills, Comm. Skills, Computer Skills, OSHA 10/30	55	8-200	0	\$993	\$11.70
				Weighted Avg: 60			
8	Retrainee SB<100 HUA	Continuous Impr, Mfg Skills, Business Skills, Comm. Skills, Computer Skills, OSHA 10/30	55	8-60	0	\$1,457	\$11.70
				Weighted Avg: 60			

9	Retrainee SET	Continuous Impr, Mfg Skills, Business Skills, Comm. Skills, Computer Skills, OSHA 10/30	60	8-200	0	\$993	\$28.37
				Weighted Avg: 60			
10	Retrainee SB<100 SET	Continuous Impr, Mfg Skills, Business Skills, Comm. Skills, Computer Skills, OSHA 10/30	55	8-60	0	\$1,457	\$28.37
				Weighted Avg: 60			
11	Retrainee SET HUA	Continuous Impr, Mfg Skills, Business Skills, Comm. Skills, Computer Skills, OSHA 10/30	55	8-200	0	\$993	\$15.60
				Weighted Avg: 60			
12	Retrainee SB<100 SET HUA	Continuous Impr, Mfg Skills, Business Skills, Comm. Skills, Computer Skills, OSHA 10/30	55	8-60	0	\$1,457	\$15.60
				Weighted Avg: 60			

Minimum Wage by County: Job Numbers 1-4, Job Number 11 & 12 (SET/HUA): \$17.02 for Alameda, Contra Costa, Marin, San Francisco, San Mateo, and Santa Clara counties; \$16.48 for Los Angeles County; \$16.51 for Orange County; \$16.46 for San Diego County; \$16.10 for Sacramento County; \$15.91 for Alpine County; and \$15.60 for all other counties. Job Numbers 5-8 (HUA): \$12.77 for Alameda, Contra Costa, Marin, San Francisco, San Mateo, and Santa Clara counties; \$12.36 for Los Angeles County; \$12.38 for Orange County; \$12.34 for San Diego County; \$12.08 for Sacramento County; \$11.93 for Alpine County; and \$11.70 for all other counties. Job Numbers 9-10 (SET): Statewide Average Hourly Wage of \$28.37.

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 Worker		250
Manager		30
Production Worker		325
Professional Support Workers		80
Supervisor		40

INTRODUCTION

California Workforce Association (CWA) is a non-profit, membership-based association serving the local workforce development delivery system. CWA's membership represents all 48 of the Workforce Investment Boards (WIB) in the State of California. CWA has over 70 other members from labor, education, industry, chambers of commerce, government and community-based organizations. The affiliate membership includes local non-profits, government, educational institutions, and community-based organizations involved in training, education, economic development, welfare and employment, and other workforce development partners. CWA sponsors a number of annual workshops and conferences on workforce policy, One-Stop partnerships and service delivery, and youth employment and training.

In this proposal, CWA will continue collaborating with local WIBs. Employers in the core group are primarily manufacturing companies that seek retraining to enhance skills of employees to improve productivity and eliminate waste from work processes, and provide better service to their customers. Both team leaders and team members will be trained. Training will help employers meet a number of competitive challenges, including the still sluggish economy and international competition.

PROJECT DETAILS

Employer demand is determined by input from training vendors and local WIBs that have employer relationships through their board members and business services outreach to employers in their local communities. Each employer will be individually assessed to determine specific needs.

CWA anticipates enrolling approximately 40 trainees per month for 14 months. Customized training for individual employers will be provided at the employers' facilities.

Continuous Improvement (20%) – Training will be provided to all occupations. Topics include Communicating Effectively, Lean Manufacturing/Thinking, Process Improvement Methodologies, and Team Problem Solving. These courses are intended to eliminate waste and improve processes.

Manufacturing Skills (30%) – Training will be provided to all occupations. Topics include Equipment Operations, Manufacturing Practices, Operation & Processes, and Warehousing Operations & Distribution. Training is intended to increase production.

Business Skills (20%) – Training will be provided to all occupations. Topics include Business Analysis and Goal Setting, Creative Problem Solving & Innovative Solutions, Financial Strategies, and Sales Strategies & Skills. Training is intended to provide the skills to effectively and efficiently maintain business operations.

Commercial Skills (15%) – Training will be provided to all occupations. Topics include Case Behavior Analyst Skills, Management Skills, and Fundamentals of Banking.

Computer Skills (10%) – Training will be provided to all occupations. Topics include Computer Application Software, Shop Floor Computer Basics, and Enterprise Management Systems. Training is intended to improve software skills.

Certified Safety Training

OSHA 10/30 (5%) – This training is a series of courses “bundled” by industry sector and occupation. It consists of 10 hours of classroom or CBT training for journey-level workers and 30 hours for frontline supervisors. The coursework is geared to construction work, and also

manufacturing. Completion of the training results in a certificate that expands employment opportunities. The coursework must be approved by Cal-OSHA, and the instructors must be certified by Cal-OSHA.

Commitment to Training

CWA 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 varies by participating employers, is both job specific and companywide, and includes sexual harassment prevention, safety, legal compliance, product knowledge, and on-the-job training.

High Unemployment Area

The 225 trainees in Job Numbers 5-8, 11 and 12 work in a High Unemployment Area (HUA) with unemployment exceeding the state average by at least 25%. For facilities in HUAs, the Panel may modify the ETP Minimum Wage by up to 25% if post-retention wages exceed the start-of-training wages. CWA is requesting a 25% wage modification for trainees in Job Numbers 5-8.

Impact/Outcome

Training is expected to develop skilled workers to produce more with less waste and aid California manufacturers and small businesses in gaining more business, which general leads to more jobs.

Marketing and Support Costs

Marketing activities include mail, email, and website marketing. Members of the WIBs will also market directly to their associates and training vendors will conduct direct marketing. Support costs will be used to recruit additional participating employers, assess their needs and help them customize training tailored to those needs.

CWA and its WIB partners will conduct needs assessments and do other work as required to customize training for Small Business (and other employers with small training projects). Due to the complexity of developing training specific to each participating employer, CWA is requesting 12% for support costs. Staff recommends approval.

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.

Job Numbers 9-12 will qualify under SET guidelines. However, since Job Numbers 11 and 12 are located in an HUA, trainees in those two Job Numbers can qualify if they meet the ETP Standard Minimum Wages by county.

Trainer Qualifications

Training will be delivered by outside vendors who are subject matter experts. In addition, some training may also be provided by experienced trainers who work for participating employers.

Training Coordinator

CWA has three employees dedicated to marketing, recruitment, needs assessment, scheduling and ETP administration. Project administration will be shared by CWA and Steve Duscha Advisories.

Tuition Reimbursement

CWA 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.

ACTIVE PROJECTS

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

Agreement No.	Approved Amount	Term	No. Trainees (Estimated)	No. Completed Training	No. Retained
ET15-0304	\$649,084	11/17/2014-11/16/2016	558	529	38

Based on ETP Systems, 26,197 reimbursable hours have been tracked, which is sufficient to support earnings of \$487,326 (75% of approved amount). The Contractor projects final earnings of 100% based on training currently committed to by employers and in progress through August of 2016.

PRIOR PROJECTS

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET13-0282	Statewide	02/04/2013-02/03/2015	\$649,295	\$594,764 (92%)
ET11-0251	Statewide	05/02/2011-05/01/2013	\$260.250	\$217,813 (84%)

DEVELOPMENT SERVICES

Steve Duscha Advisories in Sacramento assisted with development of this proposal at no cost.

ADMINISTRATIVE SERVICES

Steve Duscha Advisories will also 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:

CONTINUOUS IMPROVEMENT

- Adapting to Change
- Benchmarking
- Business Process Re-Engineering
- Coaching & Giving/Receiving Feedback
- Communicating Effectively
- Continuous Process Improvement/Need for Change
- Creating & Building Teamwork
- Dealing with Conflict/Difficult Attitudes
- Decision Making
- Implementing Solutions
- Implementing Statistical Process Control
- Interpreting and Analyzing Data
- ISO 9000 Overview (4-8 hours)
- Leading Others
- Lean Manufacturing/Thinking
- Kaizen Methodology
- Kanban Principles
- Meeting for Results
- Motivating Others
- Optimal Operating Methods
- Organizing for Total Quality Management
- Organizational Roles & Personality Styles
- Organizing and Setting Goals for Workflow
- Performance Improvement through Performance Management
- Planning
- Problem Solving
- Process Improvement Methodologies
- Process Mapping
- Pull System
- Role of the Lead
- Root Cause Analysis
- Setting Standards
- Six Sigma
- Statistical Process Control Concepts, Theory, Application
- Supply Chain Management
- Taking Ownership
- Team Problem Solving
- Time Management & Delegation
- Total Quality Management Principles
- Using Behavior Styles
- Visual Factory
- Work Flow/M Measurement

MANUFACTURING SKILLS

- Assembly Procedures
- Blueprint Reading
- Equipment Operations
- Good Manufacturing Practices
- Job Instruction/Analyzing Jobs For Efficiency
- Manufacturing Practices
- Maintenance Procedures
- Operations & Processes
- Production Operations
- Shop Math
- Warehousing Operations & Distribution

BUSINESS SKILLS

- Accounting
- Behavior Strategies/Styles To Improve Teamwork
- Budgets
- Business Administration
- Business Analysis And Goal Setting
- Business Performance
- Business Plans
- Business Writing And Grammar
- Communication Skills
- Cost Control
- Creative Problem Solving & Innovative Solutions
- Customer Service
- Difficult Situations
- Diversity In The Workplace
- Effective Meeting Skills
- Employee Selection And Coaching
- Facilitation Skills
- Financial Analysis And Management
- Financial Strategies
- Implementing A Plan
- Internet Marketing
- Interpersonal Skills
- Inventory Control
- Marketing
- Marketing & Product Knowledge
- Negotiating
- Payroll Systems
- Payroll Systems, Accounting
- Presentation Skills
- Project Management
- Relationship Building Through Sales & Service
- Sales Strategies & Skills
- Solar Technology

COMMERCIAL SKILLS

- Behavior Analyst Skills
- Case Management Skills
- Therapy Skills
- Auto Repair: Engine Repair; Body Work
- Fundamentals of Banking
- Civil Engineering
- Environmental Engineering

COMPUTER SKILLS

- Computer Application Software
- Shop Floor Computer Basics
- Enterprise Management Systems

OSHA10/30 (Certified OSHA Instructor)

- OSHA 10 (Requires full 10-hour course)
- OSHA 30 (Requires full 30-hour course)

Note: Reimbursement for retraining is capped at 60 total training hours per trainee for Job Numbers 2, 4, 6, 8, 10 and 12 and 200 total training hours per trainee for Job Numbers 1, 3, 5, 7, 9, 11, regardless of the method of delivery.

**Participating Employers in Retrainee
Multiple Employer Contracts**

Contractor's Name: California Workforce Association

CCG No.: ET17-0136

Reference No: 16-0333

Page 1 of 3

PRINT OR TYPE IN ALPHABETICAL ORDER

Company: Aquatic Designing Inc., dba North Coast Fabricators

Address: 4801 West End Rd.

City, State, Zip: Arcata, CA 95521

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 35

Total # of full-time company employees worldwide: 50

Total # of full-time company employees in California: 50

Company: Center for Autism and Related Disorders (CARD)

Address: 19019 Ventura Blvd., Suite 300

City, State, Zip: Tarzana, CA 91356

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 60

Total # of full-time company employees worldwide: 1,206

Total # of full-time company employees in California: 662

Company: Easter Seals Superior California

Address: 3205 Hurley Way

City, State, Zip: Sacramento, CA 95864

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 73

Total # of full-time company employees worldwide: 116

Total # of full-time company employees in California: 116

Company: Keurig Green Mountain

Address: 11480 Commercial Parkway

City, State, Zip: Castroville, CA 95012

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 200

Total # of full-time company employees worldwide: 7,000

Total # of full-time company employees in California: 300

**Participating Employers in Retrainee
Multiple Employer Contracts**

Contractor's Name: California Workforce Association
Reference No: 16-0333

CCG No.: ET17-0136
Page 2 of 3

Company: Monterey County Weekly

Address: 668 Williams Ave.

City, State, Zip: Seaside, CA 93955

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 19

Total # of full-time company employees worldwide: 27

Total # of full-time company employees in California: 27

Company: NHS, Inc.

Address: 104 Bronson St., #9

City, State, Zip: Santa Cruz, CA 95062

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 30

Total # of full-time company employees worldwide: 97

Total # of full-time company employees in California: 97

Company: Ninos del Cielo

Address: 2425 E. Slauson Ave., #203

City, State, Zip: Huntington Park, CA 90255

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 30

Total # of full-time company employees worldwide: 33

Total # of full-time company employees in California: 33

Company: Provino Incorporated dba VinoPRO

Address: 2227 Capricorn Way, Suite 208

City, State, Zip: Santa Rosa, CA 95407

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 40

Total # of full-time company employees worldwide: 50

Total # of full-time company employees in California: 50

**Participating Employers in Retrainee
Multiple Employer Contracts**

Contractor's Name: California Workforce Association

CCG No.: ET17-0136

Reference No: 16-0333

Page 3 of 3

Company: Synaptics, Inc.

Address: 1251 McKay Dr.

City, State, Zip: San Jose, CA 95131

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 50

Total # of full-time company employees worldwide: 1,785

Total # of full-time company employees in California: 590



**Retrainee - Job Creation
Training Proposal for:
Asepco**

Small Business

ET16-0476

Approval Date: May 25, 2016

ETP Regional Office: San Francisco Bay Area

Analyst: V. Estrada

CONTRACTOR

- Type of Industry: Manufacturing
- Priority Industry: Yes No
- Number of Full-Time Employees
 - California: 15
 - Worldwide: 15
 - Number to be trained: 20
- Owner Yes No
- Out-of-State Competition: NAICS Code Eligible
- Special Employment Training (SET): Yes No
- High Unemployment Area (HUA): Yes No
- Turnover Rate: 13%
- Repeat Contractor: Yes No

FUNDING

- Requested Amount: \$24,960
- In-Kind Contribution: \$24,000

TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee SB <100 Priority Rate	Business Skills, Computer Skills, Continuous Impr	15	8-60	0	\$1,248	\$17.02
				Weighted Avg: 48			
2	Retrainee Job Creation Initiative SB <100 Priority Rate	Business Skills, Computer Skills, Continuous Impr	5	8-60	0	\$1,248	\$14.19
				Weighted Avg: 48			

- Reimbursement Rate: Job #'s 1 and 2: \$26 SB Priority
- County(ies): Santa Clara
- Occupations to be Trained: Administration/Support, Technical, Production, Supervisors/Managers, Owner
- Union Representation: Yes
 No
- Health Benefits: Job #1: \$2.02 per hour; Job #2: \$1.19 per hour

SUBCONTRACTORS

- Development Services: Sallyanne Monti Consulting in San Francisco assisted with development for a flat fee of \$800.
- Administrative Services: Sallyanne Monti Consulting will also assist with administrative services for an amount not to exceed 13% of payment earned.
- Training Vendors: Altoviya, LLC in Daly City will provide Continuous Improvement training services in ISO and Quality Systems.

Hawk Ridge Systems in Orinda will provide Computer Skills training services in CAD.

OVERVIEW

Founded in 1989, Asepco (www.asepco.com) designs and manufactures steel parts such as valves, diaphragms, actuators and connectors for aseptic processing equipment. Aseptic processing equipment is primarily used in the bio-pharmaceutical and bio-processing industries to ensure that liquid mediums avoid contamination and health hazards while maintaining purity. Customers include pharmaceutical manufacturers, research companies, and drug developers.

Need for Training

This will be Asepco's first ETP-funded training project as it expands its product offerings, a line of redesigned actuators. This new line will broaden the range of products offered to customers. The new products are rugged, flexible, and easy to maintain, made from the highest-quality, solid-bar stainless steel. Training will allow the Company to produce these actuators at a lower cost than previous models. In addition, Asepco will need compliance training, as demand for its products expand into Europe and Asia to comply with international standards. With this training, Asepco's processes will comply with guidelines set by the International Organization for Standardization and the European Union.

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.

With the addition of a new actuator line and new equipment such as a milling machine and CAD workstations, the Company will be expanding business capacity and has committed to hiring five new employees (Job Number 2). The date-of-hire for all trainees in the Job Creation program will be within the three-month period before contract approval or within the term-of-contract. These trainees will be hired into "net new jobs" as a condition of the contract.

Training Plan

Asepco will execute this training plan by scheduling most of the training during production down times which occur every 3 months in cycles. Additionally, employees will receive training in phases, with a mix of occupations in most cases, so that there will always be sufficient staff (not being trained at that time) to manage the day to day operations. There are at least five internal trainers and two external training vendors who are ready to deliver training. Department Managers and Human Resources are coordinating the launch, oversight and administration of the ETP funded training. Trainees will receive the following courses via Class/Lab and E-Learning:

Business Skills - Training will be provided to all occupations in performance management, customer service, and marketing for the new service offerings. Training will increase product knowledge and enable staff to manage growth.

Computer Skills - Training will be provided to Technical Staff in 3D CAD modeling software which is needed for the redesign of the actuator line. Training will increase productivity, reduce rework, and improve efficiency.

Continuous Improvement – Training will be offered to all occupations in quality systems, ISO, and compliance training. Training will allow the Company to manufacture quality products to comply with international standards.

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

- ✚ Performance Management
- ✚ Customer Service, Sales & Marketing for New Initiatives

COMPUTER SKILLS

- ✚ 3D Computer-Aided Design (CAD) Training

CONTINUOUS IMPROVEMENT

- ✚ Quality Systems for New Initiatives
- ✚ ISO 9001:2015 Best Practices
- ✚ ISO 14001:2015 Best Practices
- ✚ ISO 18001 Best Practices
- ✚ European Conformity (CE) Marking Compliance Training
- ✚ European Pressure Equipment Directive (PED) Compliance Training
- ✚ Devices for Use in Explosive Atmospheres (ATEX) Directives Training

E-Learning Hours

8-60

BUSINESS SKILLS

- ✚ Project Management
- ✚ Customer Service, Sales & Marketing for New Initiatives

COMPUTER SKILLS

- ✚ 3D Computer-Aided Design (CAD) Training

CONTINUOUS IMPROVEMENT

- ✚ Quality Systems for New Initiatives
- ✚ ISO 9001:2015 Best Practices
- ✚ ISO 14001:2015 Best Practices
- ✚ ISO 18001 Best Practices
- ✚ European Conformity (CE) Marking Compliance Training
- ✚ European Pressure Equipment Directive (PED) Compliance Training
- ✚ Devices for Use in Explosive Atmospheres (ATEX) Directives Training

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:
Axis Energy Partners, LLC**

Small Business

ET17-0129

Approval Date: June 14, 2016

ETP Regional Office: Sacramento

Analyst: W. Sabah

CONTRACTOR

- Type of Industry: Manufacturing

 - Number of Full-Time Employees
 - California: 17
 - Worldwide: 17
 - Number to be trained: 19

 - 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
- Priority Industry: Yes No
- Owner Yes No

FUNDING

- Requested Amount: \$29,640
- In-Kind Contribution: \$19,768

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		
	Retrainee SB <100 Priority Rate	Business Skills, Computer Skills, Cont Imprv., Literacy Skills,	14	8-60	0	\$1,560	\$16.10
				Weighted Avg: 60			
	Retrainee Job Creation Initiative SB <100 Priority Rate	Business Skills, Computer Skills, Cont Imprv., Literacy Skills,	5	8-60	0	\$1,560	*\$14.00
				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 State or local minimum wage rate as in effect at the end of retention (Final Payment) regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

- Reimbursement Rate: Job #'s 1 & 2: \$26 SB Priority
- County(ies): Sacramento
- Occupations to be Trained: Accounting Staff, Marketing Staff, Logistics Staff, Sales Staff, Credit Representatives, Human Resources Staff
- Union Representation: Yes
 No
- Health Benefits: N/A

SUBCONTRACTORS

- Development Services: N/A
- Administrative Services: N/A
- Training Vendors: None

OVERVIEW

Founded in 2011, Axis Energy Partners, LLC (AEP) (www.axisep.com), is a full service LED lighting company that manufactures and distributes various LED lighting products. The Company performs energy assessments of existing lighting and designs LED solutions that are tailored to a customer’s facility. Their LED lighting solutions create a safer lighting environment, reduce energy consumption, and decreases maintenance costs from the facilities’ annual budget. AEP’s primary customers are electrical contractors, building owners, facility service managers, architects and engineers. The Company also sells their products to Home Depot and Ace Hardware around the nation.

Need For Training

Over the years, there have been major changes in the lighting industry as it converted from incandescent lighting to LED lighting. Incandescent lighting is usually measured in terms of Kelvin and is considered 'harsh' lighting, while LED is measured in Lumens and is considered 'Soft' lighting. Customers are now demanding LED lights to save energy and AEP plans to remain competitive in the market by creating new LED product lines that will be more efficient and use less wattage. AEP's staff requires significant training on technical lighting information as LED lighting has very unique effects from its unique combination of color, hue, lumens, wattage, and other specifications.

In addition, AEP recently implemented a new Customer Relationship Management (CRM) system using Salesforce technology. Staff needs training on the new software to run customers credit, track customer purchases, and manage all forms of communication. ETP training will improve marketing techniques, sales techniques, warehousing, inventory management and logistics.

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

With the shift from incandescent to LED lighting and increasing customer demand, AEP plans to hire additional employees to support the tracking of customers through their internal software system. The Company needs to hire Credit Representatives to work directly with clients on inventory drop-ship stocking models, negotiate prices with vendors, and checking the credit of customers before approving sales transactions.

AEP has committed to hiring 5 new employees (Job Number 2). The date-of-hire for all trainees in the Job Creation program will be within the three-month period before contract approval or within the term-of-contract. These trainees will be hired into "net new jobs" as a condition of contract.

Training Plan

Trainees will receive between 8-60 hours of Classroom/Laboratory training. Training will be provided by in-house trainers.

Business Skills: Training will be offered to all occupations to improve communication skills, increase product knowledge, identify customer needs, and improve productivity. Training course topics will include Customer Service, Merchandising, Marketing, Product Knowledge, Sales, and Communication Skills.

Computer Skills: Training will be offered to all occupations to expand and enhance their skill set in their upgraded internal software system, collect and analyze expenses, and manage processes efficiently. Marketing and Sales Staff will receive training on salesforce to properly utilize the program and reach new customers. Training course topics include Headset Operation and Software applications such as Salesforce, Gmail, Windows, and Cirrus Insight.

Continuous Improvement: Training will be offered to all occupations to encourage employees to work in teams and make quick decisions. Training is designed to improve and implement new

working processes and increase product/process quality. Training course topics include Production Operations & Workflow, Process Improvement, and Project Management.

Literacy Skills: Training will be provided to all employees who must overcome language barriers in the workplace to improve employee teamwork and productivity. Training course topics will include Basic English and Basic Math.

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

- Marketing
- Merchandising
- Product Knowledge
- Customer Service
- Sales
- Communication Skills

COMPUTER SKILLS

- Software Applications
 - Salesforce
 - Gmail
 - Windows
 - Cirrus Insight
- Headset Operation

CONTINUOUS IMPROVEMENT

- Problem Solving
- Team Work
- Decision Making
- Team Building
- Coaching and Motivation
- Leadership
- Trainer the Trainer
- Interview Skill

Literacy Skills

- Basic English
- Basic Math
 - Markup and Margin Calculations
 - Working with Percentages
 - Energy Savings Calculations
 - Discount Calculations

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.



**Training Proposal for:
Hi Tech Electronic Manufacturing Corporation**

Small Business

ET17-0108

Approval Date: May 26, 2016

ETP Regional Office: San Diego

Analyst: M. Ray

CONTRACTOR

- Type of Industry: Manufacturing

 - Number of Full-Time Employees
 - California: 64
 - Worldwide: 64
 - 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: 7%
 - Repeat Contractor: Yes No
- Priority Industry: Yes No
- Owner Yes No

FUNDING

- Requested Amount: \$20,800
- In-Kind Contribution: \$18,888

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. Imp., Mfg. Skills	20	8 - 60	0	\$1,040	\$16.46
				Weighted Avg: 40			

- Reimbursement Rate: \$26 SB Priority
- County(ies): San Diego
- Occupations to be Trained: Administrative Support, Engineering, Production, Manager/Supervisor
- Union Representation: Yes
 No
- Health Benefits: N/A

SUBCONTRACTORS

- Development Services: N/A
- Administrative Services: N/A
- Training Vendors: Expert Resource in Upland will provide Computer and Continuous Improvement Skills.

OVERVIEW

Located in San Diego, Hi Tech Electronic Manufacturing Corporation (HTEM) (www.hitem.com) provides manufacturing services to original equipment manufacturers (OEMs) in several industry sectors: medical instrumentation, defense and aerospace, motion camera, networking and telecommunications, high-end computer, and industrial and medical equipment. HTEM's products include total system assembly and subassemblies; electro-mechanical subassemblies; complex printed circuit board assemblies that utilize advanced surface-mount and through-hole technology; and mechanical and molded cable and harness assemblies.

HTEM also provides OEMs with new product introduction services; and test engineering; flexible materials management; comprehensive testing; product diagnostics and repair; and packaging, order fulfillment, and distribution services. HTEM is AS9100, ISO 13485:2003, ISO 9001:2008 certified. The Company is International Traffic in Arms Regulations (ITAR) compliant and, for governmental contracting purposes, is designated as a Small Disadvantaged Business (Minority Owned). HTEM is a repeat ETP contractor; however, has not had an ETP Agreement in over five years.

HTEM reports that its highly-diversified customer base and market concentrations are changing as customer expectations continue to grow. This is partly due to new industry regulations and certification requirements. In order to keep pace, the Company must improve its business processes and services, while continuing to maintain high quality.

HTEM is committed to provide its workers with complex training to focus on completing certification requirements. In addition to keeping up-to-date with the ITAR regulations, AS9100 and ISO certifications, the Company is committed to become National Aerospace and Defense Contractors Accreditation Program (Nadcap) certified. Nadcap, a global cooperative accreditation program for aerospace engineering, defense and related industries, will provide the Company a cost-effective approach to special processes, products, continuous improvement, and independent certification to become a high-performing workplace. To further support this goal, the Company acquired an outside vendor to provide full Nadcap services including customized training, gap assessments, requirements planning, document development and internal auditing.

Through this proposal, HTEM will be able to provide its workers the skills necessary to obtain and maintain certifications (testing will be at its expense). ETP funding will not only allow the Company to provide extensive Continuous Improvement Skills training to address the strategic goals mentioned above, but also provide business, computer and manufacturing skills training to accommodate changes in the overall business and manufacturing processes once the Company gains Nadcap certification.

Training Plan

Business Skills – Training will be provided to all occupations in purchasing procedures, customer service, contract review and product knowledge. Training will give employees the skill set to effectively implement customer solutions to improve customer satisfaction.

Computer Skills – Training will be offered to all occupations as it pertains to their job functions. Training in EAuditNet.com (Nadcap) will be delivered in a classroom setting by an outside vendor. Training in various software application skills will also be delivered to workers to streamline processes and improve customer responsiveness across all departments.

Continuous Improvement – Training will be offered to all occupations. In addition to upgraded ITAR, AS9100 and ISO training, trainees will receive extensive Nadcap training to maintain and increase market segments while complying with quality standard requirements.

Manufacturing Skills – Training will be offered to Engineering, Production and Manager/Supervisor to develop their skills in production, processes and procedures. Training in various machineries will allow trainees to operate equipment more efficiently. Training topics such as Good Manufacturing Processes, Quality Inspection and Testing Procedures, Kitting Procedures, and Electronic Static Discharge will provide trainees with skills necessary to improve product quality and the Company's overall manufacturing processes.

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

- Turn-Key Quote Procedures
- Purchasing Procedures
- Quote vs Buy Procedures
- Customer Service
- Engineer Change Order Procedures
- Contract Review
- Supplier Registry Review
- Risk Management
 - Corrective Action
 - Preventive Action
 - Internal Audit
- Customer-Related Processes
 - Customer Property/Customer-Furnished Materials
 - Customer Feedback
- Product Knowledge

COMPUTER SKILLS

- Software Application Skills
- National Aerospace and Defense Contractors Accreditation Program
 - EAuditNet.Com

CONTINUOUS IMPROVEMENT

- National Aerospace and Defense Contractors Accreditation Program
 - Introduction
 - EAuditNet.Com
 - Non-Conformance Reporting with Root Cause & Corrective Action
 - Electronics Requirements
 - Implementation
- International Traffic in Arms Regulations
- International Organization for Standardization
- AS9100

MANUFACTURING SKILLS

- Surface-Mount Technology
 - Set-Up
 - Breakdown
 - Reflow
 - Backup
- Soldering Procedures
 - Hand Soldering
 - Wire Solder
 - Solder Paste Printing
 - Solder Maintenance
- Automated Obstacle Inspection
- Quality Inspection and Testing Procedures

- Kitting Procedures
- Machine Operation
- Operating Procedures
- Product Specifications
- Good Manufacturing Processes
- Electronic Static Discharge

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



**Training Proposal for:
McCarthy Building Companies, Inc.**

Agreement Number: ET16-0474

Approval Date: June 8, 2016

ETP Regional Office: San Diego

Analyst: J. Davey

PROJECT PROFILE

Contract Attributes:	SET Retrainee Priority Rate	Industry Sector(s):	Construction Engineering Green Technology Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Orange, San Francisco	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 584	U.S.: 2,238	Worldwide: 2,238
<u>Turnover Rate:</u>	11%		
<u>Managers/Supervisors:</u> (% of total trainees)	N/A		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$99,684		\$0	\$0		\$99,684

In-Kind Contribution:	100% of Total ETP Funding Required	\$267,733
------------------------------	---	------------------

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	Business Skills, Commercial Skills, Computer Skills, OSHA 10	213	8-200	0-10	\$468	\$27.89
				Weighted Avg: 26			

Minimum Wage by County: Job Number 1: \$21.28 Priority Statewide Average Hourly Wage
Health Benefits: Yes No This is employer share of cost for healthcare premiums – medical, dental, vision.
Used to meet the Post-Retention Wage?: Yes No Maybe
 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
Estimator		15
Project Assistant Manager		38
Project Assistant Superintendent		37
Project Engineer		70
Project Scheduler		3
Project Senior Engineer		30
Scheduling Manager		4
Senior Estimator		12
Senior Scheduler		4

INTRODUCTION

Founded in 1864 and headquartered in St. Louis, MO, McCarthy Building Companies, Inc. (McCarthy) provides a wide range of construction services to clients throughout the U.S. (mccarthy.com). Building projects include commercial buildings, industrial structures, schools, and hospitals. In 2002, McCarthy became a 100% employee-owned business.

The Newport Beach and San Francisco locations will participate in this training plan. Each location is involved in multiple phases of construction services: general contracting, management, and design/build.

PROJECT DETAILS

This will be McCarthy’s second proposal. In the prior proposal, McCarthy provided skills training to its frontline workers in a variety of Business, Commercial, and Computer skills related to construction operations and project management. Much of the same skills training will be

offered in this proposal but only for trainees who did not benefit from training in the previous project. Training will not be duplicated.

Training is designed to improve productivity by implementing advanced technologies. Today, construction bids are primarily generated using 3D design/build technology. This technology allows McCarthy to ensure that architectural and building plans adequately reflect how various components of a building's structure work together. This 3D technology also allows McCarthy to more quickly prepare for any potential redesign work that may occur before construction starts. After a bid is won, mobile technology is used throughout the design, scheduling and construction processes. The Company will roll out Apple iPads to most of its construction project staff with Building Information Management, construction management, and project management software installed. The 3D technology and iPads together will improve processes and allow employees to make decisions in real time.

Green/Clean Operations

As a general contractor in the building construction industry, McCarthy has been a leader in creating high-performance, sustainable buildings for many years. As leading sustainable builders, the Company stays abreast of the latest developments to achieve high performance and green building construction goals. Hundreds of McCarthy employees are LEED Accredited Professionals.

Managers/Supervisors

McCarthy reports that the occupations of Project Assistant Manager and Scheduling Manager do not manage employees as part of their job responsibilities. They perform frontline duties and directly interface with clients. Therefore, under SET guidelines, they are eligible to participate in ETP-funded training.

Training Plan

Training will take place at McCarthy's Newport Beach and San Francisco locations, as well as job sites where on-site class/lab facilities are available. Training will be provided by in-house trainers and outside vendors.

Business Skills (35%): Training will be offered to all staff in project development, negotiations, and cost-management analysis. Staff will learn to effectively identify best practices to ensure project success and also reduce uncertainties that occur during transitions from the preconstruction to the construction phase when purchase orders and subcontracts are issued.

Commercial Skills (30%): Training will be offered to all staff. Courses will focus on concrete, layout skills, managing subcontractors, and scheduling. Trainees will learn the skills to deliver better building services for client's projects.

Computer Skills (25%): Training will be offered to all staff and will provide the tools necessary for visual enhancements data and diagrams, reports, and project analysis. Also, training in Oracle software systems will provide the tools to efficiently manage contracting and bonding, paperwork documentation, and payroll. Proficiency in software programs will be enable staff to discover and address potential problems which will ultimately help to control expenses and improve quality management.

Certified Safety Training (5%)

OSHA 10. This training is a series of courses “bundled” by industry sector and occupation. It consists of 10 hours of classroom or CBT training for journey-level workers. The coursework is geared to construction work, and also manufacturing. Completion of the training results in a certificate that expands employment opportunities. The coursework must be approved by Cal-OSHA, and the instructors must be certified by Cal-OSHA. McCarthy will provide OSHA 10 to frontline workers. Some field staff will need OSHA 10 to meet federal and state contracting requirements.

Computer-Based Training (5%)

Up to 10 hours of ancillary CBT will be provided to all staff to supplement training provided in the classroom. Training will be provided in Business, Commercial and Computer Skills.

Commitment to Training

McCarthy spends \$530,680 annually on training at its California facilities. The Company has conducted the following training in the past: company orientation, safety training, job-specific training, state mandated training for new staff, California labor laws and regulations, anti-harassment training for supervisor level and above, and others as-needed 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

McCarthy has dedicated administrative staff at each location to help with administration and a dedicated project administrator to oversee all aspects of scheduling, recordkeeping, and other administrative duties. The administrator is located at the Newport Beach facility where records will be kept.

LMS Recordkeeping

Staff has reviewed and approved the use of a Learning Management System for recordkeeping.

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET14-0109	Statewide	08/05/2013– 08/04/2015	\$143,280	\$28,671 (20%)

McCarthy reports that the major reason for poor performance was poor internal communication between the project administrator and the other offices, sites, and trainers, regarding administrative details of the

ETP program and how ETP-funded training worked. McCarthy provides extensive company training to its employees with an emphasis on safety. The administrator did not adequately differentiate for internal trainers and managers the difference between company training which is not reimbursed by ETP and ETP-funded training which is reimbursable. In addition, the original administrator retired during the term of the Agreement, complicating the transfer of administrative responsibilities. McCarthy continued to provide training; however, it was not documented/recorded and, therefore, not reimbursable by ETP. For this new proposal, the Company has a dedicated project manager and administrative staff to be responsible for project administration.

The new project administrator has developed a plan to remedy deficiencies in the administrative practices in the previous project. Training administrators will meet with managers and trainers throughout the year to carefully construct a training plan for their needs. Training administrators, managers, and trainers now have clear contacts and understand what documentation must be submitted after every meeting, and what training topics qualify for ETP reimbursement. The training administrator will identify what constitutes qualified, reimbursable training. At a jobsite level, there is constant communication between field staff and administrative oversight to ensure training delivery. Because only one ultimate point of contact has been established for both regions (northern and southern California), training information and rosters will be easily managed and processed through the Company's LMS, ensuring proper tracking of training.

The Company also has a plan for internal communication and updates to resolve any issues before they become problematic and drastically improve program performance:

- Presenting progress reports of ETP training to Director and VP;
- Presenting training progress updates at group meetings;
- Presenting training progress reports at biannual, region-wide shareholder seminars;
- Communicating new and upcoming trainings via monthly e-mails and newsletters; and,
- Reviewing training rosters and addressing unexcused absences for various trainings with upper management.

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

- ✚ Basic Legal
- ✚ Basic Presentation Skills
- ✚ BIM Addendums
- ✚ Builders Risk
- ✚ Business Writing
- ✚ Client Presentation Skills
- ✚ Conflict Management
- ✚ Construction Finance
- ✚ Customer Application for Payment
- ✚ Customer Relations
- ✚ Decision Making
- ✚ Developing New Opportunities
- ✚ Emotional Intelligence
- ✚ Genuine Collaboration
- ✚ Professional Services (Consultant Agreements)
- ✚ Communicating with Influence and Persuasion
- ✚ Insurable Risk
- ✚ Managing Builders Risk through Oracle
- ✚ Managing MEP (Mechanical, Electrical, Plumbing) Contractors
- ✚ Material Tolerances
- ✚ Maximizing Profits
- ✚ McCarthy Communicators (Public Speaking)
- ✚ Non-Insurable Risk
- ✚ Owning the Business Deal
- ✚ P6 Scheduling
- ✚ Planning
- ✚ Productivity
- ✚ Project Startup
- ✚ Revenue Projection Spreadsheet
- ✚ Site Logistics
- ✚ Subcontractor Buyout (Bid and RFP Evaluations)
- ✚ Subcontractor Management and Default
- ✚ Subcontractor Prequalification and CDI Management
- ✚ Subcontractor Prequalification and Financial Statements
- ✚ VisualStory (Brainstorming)

COMMERCIAL SKILLS

- ✚ Basic Elevation and Transit
- ✚ Building Systems
- ✚ Concrete
- ✚ Dust Control
- ✚ First Installation Inspections
- ✚ Layout Skills

- ✚ Managing Defaulted Subcontractors
- ✚ Managing Subcontractors
- ✚ Material Tolerances
- ✚ MEP (Mechanical, Electrical, Plumbing)
- ✚ Profit Projections
- ✚ Scheduling
- ✚ Site Logistics

COMPUTER SKILLS

- BlueBeam
- ✚ Building a Project Schedule in Microsoft® Project 2010
- ✚ Knowledge Builder
- ✚ Microsoft Office – Intermediate/Advanced
- ✚ Navisworks
- OneNote
- Revit
- Sketchup
- Teamsight
- ✚ Oracle PA
- ✚ BIM 360 Field
- ✚ BIM Awareness ILT
- ✚ BIM Bootcamp

OSHA 10 (OSHA certified instructor)

- ✚ OSHA 10 (requires completion of full 10-hour course)

CBT Hours
0-10







BUSINESS SKILLS

- ✚ Change Orders – 2 hours, 30 minutes
- ✚ Commissioning – 2 hours
- ✚ Documentation – 15 minutes
- ✚ Timekeeping – 1 hour, 10 minutes
- ✚ Why Finance Matters – 10 hours
- ✚ Scheduling – 30 minutes
- ✚ Subcontractor Prequalification and Financial Statements – 1 hour

COMMERCIAL SKILLS

- ✚ Flooring Coordination Demo – 1 hour
- ✚ Job Cost – 2 hours, 15 minutes
- ✚ Labor Cost and Productivity – 1 hour, 15 minutes
- ✚ Managing Subcontractors – 45 minutes
- ✚ On-Site Renewable Energy – 1 hour
- ✚ Planning – 30 minutes
- ✚ Productivity – 30 minutes
- ✚ Project Startup – 45 minutes
- ✚ Records Management – 20 minutes
- ✚ Roofing Essentials – 1 hour
- ✚ Shared Folders – 30 minutes

COMPUTER SKILLS

-  BIM Awareness – 30 minutes
-  BIM 360 Field – 3 hours
-  BIM 360 Glue – 2 hours
-  BlueBeam Uses at McCarthy – 1 hour
-  Email Archive – 20 minutes
-  Email Etiquette – 30 minutes
-  Navisworks – 2 hours
-  Revit – 2 hours
-  Sketchup – 2 hours
-  Stormwater Management – 1 hour

Note: Reimbursement for retraining is capped at 60 total training hours per-trainee, regardless of method of delivery. CBT is capped at 50% of total training hours, per-trainee.

DELEGATION ORDER



**Retrainee - Job Creation
Training Proposal for:
Red Door Interactive, Inc.**

Small Business

ET17-0109

Approval Date: June 14, 2016

ETP Regional Office: San Diego

Analyst: M. Ray

CONTRACTOR

- Type of Industry: Technology/IT Services
Priority Industry: Yes No

- Number of Full-Time Employees
California: 72
Worldwide: 72
Number to be trained: 80
Owner Yes No

- Out-of-State Competition: NAICS Code Eligible
- Special Employment Training (SET): Yes No
- High Unemployment Area (HUA): Yes No
- Turnover Rate: 2%
- Repeat Contractor: Yes No

FUNDING

- Requested Amount: \$41,600
- In-Kind Contribution: \$56,800

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 SB <100 Priority Rate	Business Skills, Commercial Skills, Continuous Improvement, PL - Commercial Skills PL - Computer Skills	63	8 - 60	0 - 10	\$520	\$20.00
				Weighted Avg: 20			
2	Retrainee SB <100 Priority Rate Job Creation Initiative	Business Skills, Commercial Skills, Continuous Improvement, PL - Commercial Skills PL - Computer Skills	17	8 - 60	0 - 10	\$520	\$20.00
				Weighted Avg: 20			

- Reimbursement Rate: Job #'s 1 & 2: \$26 SB Priority

- County: San Diego
- Occupations to be Trained: Administrative Support Staff, Information Technology Staff, Professional Staff, Technical Project Manager, Manager/Supervisor, and Owner

- Union Representation: Yes
 No

- Health Benefits: N/A

SUBCONTRACTORS

- Development Services: N/A
- Administrative Services: N/A
- Training Vendors: B2B CFO in Encinitas will provide training in Business Skills; Lean Business Solutions in San Diego will provide training in Continuous Improvement; Duarte Academy in Sunnyvale will provide training in Business Skills; University of California, San Diego will provide training in Continuous Improvement; and HR Results in San Diego will provide training in Business Skills.

OVERVIEW

Founded in 2002, and headquartered in San Diego, Red Door Interactive, Inc. (Red Door) (www.reddoor.biz) provides creative internet strategy and design; marketing and advertising; user experience and information architecture; branding and personas; digital analytics; and software architecture and programming. These services help its clients attract new customers, drive new sales of customer products and services, and retain and grow each client's customer base to drive profitability of their online initiatives. Red Door's customer base includes medium-sized companies and divisions of large corporations such as ASICS, SKLZ, Bosch & Thermador, San Diego County Credit Union, Univision, Shea Homes, Qualcomm, and CenturyLink.

This will be the third Agreement between ETP and Red Door in the last five years. In its two previous projects, the Company was able to standardize work processes and deliver formal, structured training in internet technologies, social media strategies & technologies, search engine optimization strategies, and process improvement skills for workers at the Company's San Diego and Carlsbad locations.

The ever-changing landscape of the digital marketing industry has required Red Door to continually focus on constant technological updates of its products and services. To confront ongoing changes, Red Door must continue to provide its workforce with extensive training focusing on high-level technical and customer service skills necessary to continue to serve its clients and increase market shares. Training will occur at its current San Diego location and new Encinitas facility.

To realize its business goals, the Company has committed to emphasize on storytelling and presentation skills using digital art to effectively depict its customers' business to improve marketing results for its customers in order to maximize their customer's respective markets. To this end, Red Door created a product and services roadmap to provide detailed, data-driven insights for superior strategic marketing recommendations for customers to tell their stories. To further support its goals, Red Door recently adopted a number of new platforms such as DOMO (big data dashboarding), SharePoint (document management), Kentico (content management system for websites), and Jama (requirements traceability management) in order to fully integrate the Company's web content management, online marketing, and intranet in order to evolve its services and improve marketing effectiveness.

With the continued support from ETP-funded training, Red Door is once again in a position to provide extensive knowledge and skills training to its California workers to assist the Company's customers to successfully align their marketing efforts with their overall business goals. Funding will continue to allow the Company to exceed customer expectations, improve output, and increase its global presence.

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.

In April 2016, in an effort to expand its business capacity and workforce with more physical space, Red Door moved its entire Carlsbad workforce to a new location in Encinitas. In this proposal, the Company has committed to hiring 17 new employees (Professional Staff, Administrative Support Staff, Technical Project Managers, Managers/Supervisors, and Information Technology Staff). The Company had begun hiring in March, 2016 and will continue

to hire quarterly (between three and four workers) through the first half of 2017. These newly-hired workers (Job Number 2) will allow the Company to meet increased demands of current customers and service an increasing client base.

The date-of-hire for all trainees in the Job Creation program will be within the three-month period before contract approval or within the term-of-contract. These trainees will be hired into “net new jobs” as a condition of contract.

Training Plan

In this proposal, some curriculum topics are repeated from the prior agreement; however, Red Door ensures that the subject matter has been updated and/or improved; thus, no duplication of training will occur in those courses. Employees who participated in the prior training plan will not receive the same skill sets delivered previously. In addition, the proposed project will include a large percentage (27%) of newly-hired Job Creation trainees (Job Number 2) who have not received ETP training in the past.

The following training will be delivered by both in-house trainers and outside training vendors via class/lab, E-Learning, and Productive Laboratory setting at the Company’s San Diego and Encinitas locations:

Business Skills – Training will be offered to all occupations as it pertains to their job duties. Course topics include: Standard Operating Procedures, Financial Acumen, Risk Management Best Practices, Time Management, Effective Sales and Client Presentations, Negotiation Skills, and Interpersonal Communication Skills. These skill sets are necessary to attract, sell, service, and maintain new as well as current accounts.

Commercial Skills – All occupations will receive training as it relates to their individual job functions. Training will include New Product/Service Knowledge, CRM Platforms, Statistics and Data Mining/Predictive Analytics, DOMO Platform, and Google Analytics. Training will allow employees to update their skills necessary to rollout SharePoint, a new document management system, to improve efficiency and maintain high quality and clarity in client work.

Computer Skills – Training will be offered to all occupations. Course topics will be in new and existing software systems such as Programming Languages, Kentico, and Responsive Design as well as Microsoft Office Suite. Training will provide employees the skills to effectively utilize its systems to refine and formalize the Company’s new deliverables and services to support telling stories with data.

The Company also plans to use CBT as a delivery method. Business and Computer Skills in CBT will allow self-paced reinforcement of Class/Lab training at a trainee’s workstation.

Continuous Improvement – Training will be offered to all occupations to improve processes and efficiencies throughout the Company by providing topics such as Leadership Skills and Project Management Fundamentals. With the opening of Red Door’s new location, Lean Six Sigma training will allow the Company to provide employees with tools on how to streamline operations, improve processes, and increase customer service.

Productive Laboratory – Commercial and Computer Skills

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

Through this proposal, Red Door requests PL training in both Commercial and Computer Skills. PL training is necessary to successfully perform the Company's standard marketing functions. PL training will be specific to the Company's products, services, and software systems. Topics will be the same as the Commercial and Computer Skills mentioned above and will be delivered to reinforce class/lab training. Training will allow workers to successfully produce a client deliverable or other project work product using new tool, technology, or process that will enable project teams to complete a client request.

A tasks and competencies evaluation has been provided which reflects PL course topics may take up to 16 hours to complete for approximately 20 to 35 Professional Staff and Technical Project Managers who are significantly impacted by the Company's overall strategic business goals.

PL trainers will be qualified and/or certified to instruct and deliver the course content and material. Trainers will be responsible for directing the operations and instructions as well as providing immediate feedback to the trainee as work is performed. Trainers will document all training daily.

The trainer-to-trainee ratio for PL will be 1:1. Training is conducted during work hours, and the trainee and trainer are in constant communication and involved in a detailed analysis of the assigned work. Since the trainer's time is dedicated to training/coaching/evaluation, there is a lower production rate by the trainee. Often, the training period affects the deliverable in productivity and quality. As such, it is expected that PL training will be provided in a structured environment where trainees may produce less, requiring some rework during the training period.

Temporary to Permanent Hiring

Red Door intends to train 17 workers in Job Number 2 under Panel guidelines for "temporary to permanent" employment. The Company will retain these employees on a temporary basis, with the intention of hiring them into full-time, permanent positions after training. Red Door hires entry-level college graduates or less-experienced employees to allow the Company to train them into applying standard marketing skills specific to Red Door's templates and processes. Historically, Red Door is able to convert the majority of these temporary workers into permanent positions. The overall process may take up to six months.

Therefore, the average time for "converting" temporary workers into full-time permanent employment is approximately six months. It is expected that these workers will receive employer-paid share-of-cost for healthcare premiums while on temporary status, and upon hire into full-time permanent employment.

These trainees must be eligible to participate in ETP-funded training pursuant to Unemployment Insurance Code Section 10201(c). However, they cannot be enrolled as trainees until after they have been hired by Red Door. Moreover, until they are so hired, retention and post-retention wage requirements cannot be satisfied and Red Door will not receive progress payments.

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET14-0238	Carlsbad and San Diego	12/31/13 – 12/30/15	\$49,140	\$37,650 (77%)
ET12-0195	Carlsbad and San Diego	12/23/11 – 12/22/13	\$49,400	\$49,400 (100%)

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

8 – 60

Trainees may receive any of the following:

BUSINESS SKILLS

- Standard Operating Procedures (SOP)
 - Document Management on Intranet (SharePoint: Documents - Part 1: Document Management)
 - Applying Styles to Documentation on Intranet (SharePoint: Documents - Part 2: Applying RDI Styles)
 - SharePoint Search
 - Requirements Management & Quality Best Practices in JAMA
 - Invoicing Best Practices
- Financial Acumen
 - Financial Acumen for Managers
 - Financial Acumen for Client Services Department
 - Financial Acumen for Technical & Professional Staff (Ownership Thinking)
 - Project Estimation for Demand and Capacity Data
- Risk Management Best Practices
- Time Management
- Effective Sales and Client Presentations
 - Sales & Marketing Presentation Skills (Pitch Prep Process)
 - Presentation Skills & Advanced Presentation Skills (Public Speaking)
 - The Basics of Storytelling
 - Storytelling for Marketing Campaigns
 - Storytelling for C-Suite Presentations
 - Content Development Principles - Video, PPT, Graphs & Charts, Illustrations
- Negotiation Skills
- Interpersonal Communication Skills

COMMERCIAL SKILLS

- New Product/Service Knowledge:
 - Search Engine Optimization - Advances in Technologies and Algorithms
 - Social Media Strategies & New Platforms
 - Paid Media - Display Strategies & Technology Advances
 - Paid Media – Social and Advertising Strategies & Technical Advances
 - Digital Analytics (New Tools and Technological Advances)
 - Emerging Technologies: Big Data, Social Networks, eCommerce, Mobile & Responsive Design, Loyalty Programs, KnowledgeBase
- CRM Platforms: Kentico CRM Functions
- Statistics and Data Mining/Predictive Analytics
- DOMO Platform: Database Mining & Dashboard Presentations
- Google Analytics

COMPUTER SKILLS

- PHP, Javascript, HTML 5
- Programming Languages - .NET
- Kentico Platform
- Responsive Design
- Microsoft Office Suite
 - Advanced Excel
 - PowerPoint
 - Advanced Outlook/Exchange

CONTINUOUS IMPROVEMENT

- Lean Six Sigma
- Leadership Skills
- Project Management Fundamentals

Productive Lab

0 – 16

COMMERCIAL SKILLS (1:1 ratio)

- New Product/Service Knowledge:
 - Search Engine Optimization - Advances in Technologies and Algorithms
 - Social Media Strategies & New Platforms
 - Paid Media - Display Strategies & Technology Advances
 - Paid Media – Social and Advertising Strategies & Technical Advances
 - Digital Analytics (New Tools and Technological Advances)
 - Emerging Technologies: Big Data, Social Networks, eCommerce, Mobile & Responsive Design, Loyalty Programs, KnowledgeBase
- CRM Platforms: Kentico CRM Functions
- Statistics and Data Mining/Predictive Analytics
- DOMO Platform: Database Mining & Dashboard Presentations
- Google Analytics

COMPUTER SKILLS (1:1 ratio)

- PHP, Javascript, HTML 5
- Programming Languages - .NET
- Kentico Platform
- Responsive Design

CBT Hours

0 – 10

BUSINESS SKILLS

- Presentation Skills
 - Creating a Presentation (1 hour)
 - Planning a Presentation (1 hour)
 - Delivering a Presentation (1 hour)
 - Communicating Effectively with Senior Executives (1 hour)
- Business Writing
 - How to Write Clearly & Concisely (2 hours)
 - Know your Readers and your Purpose (1 hour)

- Customer Service
 - Fundamentals (1 hour)
 - Confrontation & Conflict (1 hour)
- Interpersonal Communication
 - Listening (1 hour)
 - Communicating w/Confidence (1 hour)

COMPUTER SKILLS

- Microsoft Office Suite
 - Advanced Excel (3 hours)
 - PowerPoint (3 hours)
 - Advanced Outlook/Exchange (2 hours)
 - Sharepoint 2013 (1 hour)

Note: Reimbursement for retraining is capped at 60 total hours, per-trainee, regardless of method of delivery. CBT is capped at 50% of total training hours, per-trainee. PL is capped at 16 hours per-trainee.



**Training Proposal for:
Reliable IT, LLC dba Broadleaf Group**

Small Business

ET17-0103

Approval Date: June 8, 2016

ETP Regional Office: San Diego

Analyst: M. Ray

CONTRACTOR

- Type of Industry: Technology/IT Services
Priority Industry: Yes No
- Number of Full-Time Employees
 - California: 22
 - Worldwide: 170
 - Number to be trained: 22Owner Yes No
- Out-of-State Competition: NAICS Code Eligible
- Special Employment Training (SET): Yes No
- High Unemployment Area (HUA): Yes No
- Turnover Rate: 5%
- Repeat Contractor: Yes No

FUNDING

- Requested Amount: \$28,600
- In-Kind Contribution: \$46,562

TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee SB <100 Priority Rate	Business Skills, Computer Skills, Continuous Impr	22	8-120	0	\$1,300	\$16.51
				Weighted Avg: 50			

- Reimbursement Rate: \$26 SB Priority
- County: Orange
- Occupations to be Trained: Administrative Support, Technical, Engineer, Manager/Supervisor
- Union Representation: Yes
 No
- Health Benefits: \$1.50 per hour

SUBCONTRACTORS

- Development Services: Training Funding Source (TFS) in Seal Beach assisted in the development of this application for a flat fee of \$1,900.
- Administrative Services: TFS will also provide administrative services for an amount not to exceed 13% of payment earned.
- Training Vendors: To Be Determined

OVERVIEW

Formed in 2005 and headquartered in Massachusetts, Reliable IT, LLC dba Broadleaf Group (Broadleaf) (www.broadleafgroup.com) specializes in technology implementation and managed services. The Company analyzes customers’ technology and level of need including business support services, network solutions, on-demand services, security/systems solutions, unified communications, and managed IT. Customers include financial, banking, and manufacturing companies nationwide. Broadleaf has offices in five states, including California. This proposal will target training for workers at the Tustin location in the San Diego region.

Need for Training

Broadleaf competes in a market that must respond to rapid technological changes and increasingly-complex customer expectations. Its goal is to exceed those expectations by developing new, cutting-edge products and product enhancements. To realize this goal, Broadleaf is planning to expand its offerings into new areas such as Cloud Management (Services and Storage) and Virtualization.

Further, the customer base is expanding. In 2014, Broadleaf acquired a small company that provides customized IT services solely to the banking industry. With the acquisition, the Company revamped its services and adopted new network strategies to meet specific IT and business needs of banks. The Company will follow this strategy to expand its products and services, while incorporating new technology offerings, systems, and procedures including Cisco products and services, network monitoring, and security assessments.

Training Plan

ETP training will begin upon approval and will be delivered by in-house trainers. Broadleaf may also procure outside vendors to provide training. Training will be delivered via Class/Lab.

Business Skills – Training will be offered to all occupations. Training topics include Business Development, Coaching/Communication, Customer Service, Product Knowledge, and the Entrepreneurial Operating System (EOS). Training will allow workers to better understand the Company's products and internal processes in order to provide superior service to its customers.

Computer Skills – Training will be offered to all occupations. Training will be in the Company's new and existing software systems including Cisco, Citrix, Cloud Services, Microsoft Suite, Network Monitoring, Salesforce, Storage Area Networks, and Virtualization. Training will allow workers to keep up with changing technology and customer demands.

Continuous Improvement – Training will be offered to all occupations. Training will focus on leadership skills, teamwork, quality improvements, process improvements and goal setting to improve business performance through effective customer support.

Modifications: Maximum Hours and Term Duration

Broadleaf is requesting to increase the small business maximum hours from 80 to 120 hours and the term duration from 12 months to 24 months to address the most critical skills training needed for workers. The modifications will help the Company plan and implement its business-processes improvement initiative using the Entrepreneurial Operating System model to instill focus, discipline, and accountability throughout the organization. The initiative will consist of weekly delivery of Identify, Discuss, Solve Level 10 Strategy to all workers to increase and improve decision-making skills and customer service delivery.

RECOMMENDATION

Staff recommends approval of this proposal.

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

8 – 120

Trainees may receive any of the following:

BUSINESS SKILLS

- + Business Development
- + Coaching/Communication
- + Customer Service
- + Entrepreneurial Operating System (EOS)
- + Sales Skills
- + Product Knowledge

COMPUTER SKILLS

- + Cisco
- + Citrix
- + Cloud Backup/Storage/Services
- + Disaster Recovery
- + Email System
- + Microsoft Link
- + Microsoft Office
- + Microsoft Project
- + MS Sharepoint/Exchange/Windows
- + Network Monitoring
- + Salesforce (CRM)
- + Security
- + Storage Area Networks
- + Virtualization
- + Windows Server
- + Windows Workstation

CONTINUOUS IMPROVEMENT

- + Goal Setting
- + Process Improvements
- + Quality Improvements
- + Problem Solving
- + Teamwork
- + Leadership Skills

Note: Reimbursement for retraining is capped at 120 total hours per-trainee, regardless of method of delivery.

DELEGATION ORDER



RETRAINEE - JOB CREATION

Training Proposal for:

SeaSpine, Inc.

Agreement Number: ET17-0114

Approval Date: June 14, 2016

ETP Regional Office: San Diego

Analyst: J. Davey

PROJECT PROFILE

Contract Attributes:	Job Creation Initiative Priority Rate Retrainee	Industry Sector(s):	Biotechnology/Life Sciences Engineering Manufacturing Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Orange, 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: 230	U.S.: 270	Worldwide: 280
<u>Turnover Rate:</u>	5%		
<u>Managers/Supervisors:</u> (% of total trainees)	16%		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$93,132		\$0	\$0		\$93,132

In-Kind Contribution:	100% of Total ETP Funding Required	\$174,930
-----------------------	------------------------------------	-----------

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 Priority Rate	Business Skills, Computer Skills, Cont. Imp., Mgmt. Skills	222	8-200	0	\$306	\$17.00
				Weighted Avg: 17			
2	Retrainee Priority Rate Job Creation	Business Skills, Computer Skills, Cont. Imp., Mgmt. Skills	63	8-200	0	\$400	\$17.00
				Weighted Avg: 20			

Minimum Wage by County: Job Number 1: \$16.51/hr for Orange County and \$16.46/hr for San Diego County

Job Number 2(Job Creation): \$13.76/hr for Orange County and \$13.72/hr 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 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
Job Number 1		
Administrative Staff		32
Engineers		15
Finance/Accounting Staff		8
IT Staff		5
Legal Staff		2
Production Staff I		32
Production Staff II		22
Purchasing Staff		3
Sales/Marketing Staff		20
Technicians		50
Managers I		18
Managers II		15

Job Number 2		
Administrative Staff		8
Engineers		5
Finance/Accounting Staff		5
IT Staff		5
Production Staff		10
Sales/Marketing Staff		7
Technicians		15
Managers I		3
Managers II		5

INTRODUCTION

Headquartered in Carlsbad and founded in 2002, SeaSpine, Inc. (SeaSpine) designs, develops and delivers advanced spinal technologies for surgeons and their patients. Until July 1, 2015, Integra LifeSciences Holdings owned SeaSpine and its two affiliated companies, SeaSpine Sales, LLC and Isotis Orthobiologics, Inc.

SeaSpine's orthobiological products consist of a broad range of advanced and traditional bone graft substitutes. Products are designed to improve bone fusion rates following a wide range of orthopedic surgeries, including spine, hip, and extremity procedures. These products facilitate spinal fusion in minimally invasive surgery (MIS), complex spine, deformity and degenerative procedures. This training proposal is for SeaSpine and its two affiliated companies.

PROJECT DETAILS

On July 1, 2015, Integra LifeSciences Holdings divested its ownership in SeaSpine, establishing SeaSpine as an independent company. As a result of the spinoff, the Company is currently experiencing growth. This prompted the Company to relocate from its 22,000 square foot facility in Vista to an 81,000 square foot facility located in Carlsbad (December 2015). The Company is also investing in the expansion of its orthobiologics manufacturing capacity and new product launches in the Company's hardware business and other business development opportunities. The Company expects full-year 2016 revenue to increase 2% to 5% over full-year 2015 revenue.

SeaSpine anticipates the release of its new products in 2016. New products include a comprehensive portfolio of spinal hardware solutions, including unique interbody devices, MIS solutions, and deformity correction products, as well as IsoTis, a leading brand in orthobiologics. In addition, there will be a full range of osteoconductive and osteoinductive solutions utilizing unique demineralized bone, and synthetic matrices.

SeaSpine's goals are to provide high quality, competitive products for the spine fusion market. The Company is dedicated to delivering excellence and reliability in its innovative products to orthopedic and spine surgeons worldwide. ETP funding will allow the Company to train its workforce as new products are launched. Training will increase job skills and new product knowledge, which is crucial to support the Company's growth.

Nanotechnology

In August 2015, SeaSpine announced the launch of its Ventura™ NanoMetalene® transformational intervertebral body fusion. NanoMetalene is an ultra-thin layer of commercially pure titanium molecularly bonded to an orthobiologic implant (PEEK-OPTIMA®). It is applied in a proprietary high-energy, low-temperature surface process and encompasses the entire implant. This new nanotechnology increases the surface area for potential titanium and bone interaction compared to the same implant with coated endplates only.

Retrainee - Job Creation

SeaSpine anticipates hiring as many as 100 new workers in 2016 and 2017. In this proposal, SeaSpine has committed to hiring 63 additional workers during the term of the Agreement in net new jobs (Job Number 2). SeaSpine 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.

As previously reported the Company expanded its facilities and added new products because of its spin-off. In addition, the Company has secured extensive funding over the next three years to finance its expected growth. This financing will accelerate several organic strategic objectives, including expansion of its orthobiologics manufacturing capacity and new product launches in its hardware business, as well as provide additional capital to pursue other business development opportunities. The Company currently has 30 open positions and anticipates filling more positions (from financial analysts, product monitoring, engineering, purchasing, sales, customer service, etc.) over the next two years.

Training Plan

SeaSpine will provide the following skills via class/lab and E-learning at its three participating facilities in Carlsbad, Irvine and Vista.

Business Skills (10%): Training will be offered to all occupations. Training will provide employees with skillsets necessary to handle higher volumes of production, enhance decision-making, and increase customer satisfaction. Training will also provide employees with improved communication skills, product knowledge, and better understanding of the Company’s overall business processes. Training will include Project Management, Effective Communication Skills, Customer Service training, and other business-related skills.

Computer Skills (70%): Training will be offered to all occupations. Training will provide employees with skills to use the ERP software systems effectively. Workers will also receive training in Microsoft Office applications at the intermediate and advanced levels and the Company’s new Human Resource Information System.

Continuous Improvement Skills (10%): Training will be offered to all occupations. To support productivity and product innovation, training will include problem solving skills, quality control, and process improvement.

Management Skills (10%): Training will be offered to Managers. To support staff effectively, Managers need training on coaching, communication, leadership skills and other job-related skills. These skillsets will allow Management to become effective business leaders and help improve their overall performance and enable them to lead their staff.

Commitment to Training

SeaSpine 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. SeaSpine has budgeted \$250k for training during the current (2016) year. Employees also receive new-hire orientation, sexual harassment prevention, basic computer and supervisory skills. The Company will continue to provide enhanced management, product, and sales training in addition to all pertinent requirements under state and federal law

➤ Training Infrastructure

SeaSpine's Human Resources department has a team of five staff dedicated to scheduling training, enrolling trainees, tracking training hours, and meeting with ETP staff. In addition, the Company will use a third-party vendor, RSM US, LLP, to assist with enrolling, tracking, and recording training hours.

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

RSM US, LLP in Los Angeles assisted with development for a flat fee of \$1,000.

ADMINISTRATIVE SERVICES

RSM US, LLP 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/E-Learning**

8-200

Trainees may receive any of the following:

BUSINESS SKILLS

- Project Management
- Effective Communication Skills
- Customer Service Training
- Sales/Marketing Skills Training

COMPUTER SKILLS

- Microsoft Office Suite (Intermediate and Advanced)
- Oracle ERP Application
- Human Resource Information System Application

CONTINUOUS IMPROVEMENT

- Problem Solving
- Team Building
- Production Improvement
- Quality Control
- Operations Improvement
- Workflow Improvement
- Process Improvement
- FDA (Orthobiologics)
- ISO Training

MANAGEMENT SKILLS (Managers Only)

- Coaching and Developing
- Critical Skills
- Critical Thinking
- Problem Solving/Decision Making (management focus)
- Performance Management
- Leadership

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



DELEGATION ORDER

**Training Proposal for:
Thoro Packaging, Inc.**

Agreement Number: ET17-0132

Approval Date: June 14, 2016

ETP Regional Office: San Diego

Analyst: M. Ray

PROJECT PROFILE

Contract Attributes:	Priority Rate Retrainee	Industry Sector(s):	Manufacturing 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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 186	U.S.: 186	Worldwide: 186
Turnover Rate:	6%		
Managers/Supervisors: (% of total trainees)	13%		

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	\$100,529
-----------------------	------------------------------------	-----------

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	Business Skills, Computer Skills, Continuous Improvement, Manufacturing Skills	143	8 - 200	0	\$684	*\$15.60
				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 State or local minimum wage rate as in effect at the end of retention (Final Payment) regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

Minimum Wage by County: \$15.60 per hour in Riverside 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 \$2.93 per hour may be used to meet the Post-Retention Wage.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Administrative Support		8
Customer Service		7
Sales/Marketing		10
Quality Inspection		5
Manufacturing/Maintenance		73
Production Planning		13
Engineering/Information Technology		2
Shipping/Receiving/Driver		7
Manager/Supervisor I		14
Manager/Supervisor II		3
Manager/Supervisor III		1

INTRODUCTION

Founded in 1967, Thoro Packaging, Inc. (Thoro) (www.thoropkg.com) is a family-owned printing and folding carton manufacturer. Located in Corona, the Company offers custom design, folding cardboard containers for the medical; biotech; pharmaceutical; health and beauty; gourmet food and confections; and other consumer product industries such as 3M, Arbonne, Neutrogena, Johnson & Johnson, See’s Candy, Pack West, and Julep Beauty.

The Company also offers structural design, prepress, in-house ink lab, green packaging, printing, hot stamping, braille-embossing, die-cutting, and finishing. It also uses its own

proprietary processes such as ThoroPrototype™ to incorporate prototyping technology with coloring, inking, coating, embossing, scoring, and die-cutting capabilities.

PROJECT DETAILS

Thoro continues to grow, from its inception with a single, one-color printing press and small die-cutter, to a company with two operations in one location, earning \$30M in annual sales. Currently, the Company occupies a 54,000 square foot facility for manufacturing and packaging products with an adjacent 38,000 square feet for warehousing finished products.

In April 2016, Thoro acquired another building adjacent to its Corona location. The acquisition of this additional building adds another 38,000 square feet to house \$300,000 new state-of-the-art gluing, milling, rubber, and die-cutting machines to expand the Company's manufacturing capabilities to meet increased customer demands. These machineries will be installed and implemented through the end of 2016 which requires the Company to provide training and cross-training on their operation.

The newly-acquired facility also required the Company to develop and implement a Continuous Improvement Program which focuses on Lean concepts and process improvements initiatives. To further support this endeavor, Thoro hired a new Lean Engineer responsible for implementing 5S Organizational Strategy to create, extend, and sustain the lean culture and principles to assist the Company to make significant improvements in efficiency and become a high-performing workplace.

Training Plan

Thoro invested heavily in assessing its workers' training needs based on the Company's overall business goals mentioned above. To this end, the Company has designed training courses to meet these needs and with the assistance of ETP training, Thoro will be able to invest in a more comprehensive training program to be delivered to 143 of 186 of workers in the following skills:

Business Skills (10%) – Training will be provided to Administrative Support, Customer Service, and Manager/Supervisor. Training topics include Customer Order Processes, Goal Setting and Achieving Key Processes, and Communication Skills will enable staff to increase customer service and business standards with new or improved services and internal procedures.

Computer Skills (10%) – Training will be provided to all trainees as it pertains to their job duties. Staff will receive intermediate and advanced Microsoft Office as well as the Company's Customer Relationship Management (CRM) application skills training in order to allow personnel to effectively automate repetitive tasks and production processes in and across functions.

Continuous Improvement (50%) – Training will be provided to all occupations to transition the entire organization into a Lean manufacturing model. As the Company continues to grow, Thoro is committed to providing its workers with skills necessary to keep up with its strategic goals. Training will include Problem Solving, Team Building, 5S Organizational Strategy, Lean Concepts, and Process Improvement.

Manufacturing Skills (30%) – Training will be provided to Manufacturing/Maintenance, Quality Inspection, Production Planning, Shipping/Receiving/Driver, and Manager/Supervisor. Training topics include Good Manufacturing Practices, International Organization for Standardization (ISO), Fabrication and Assembly Operations, Equipment and Process Skills, Shop Math for Manufacturing, and Glue/Die Cutting Equipment to enable workers to effectively operate equipment in order to improve efficiency, streamline workflow, and reduce waste.

Commitment to Training

Thoro spends approximately \$70,000 annually on training. The current training method consists of classroom, workshops, and on-the-job training. In the past, training has been offered to all departments and levels of management. Specialized training is provided to workers specifically for equipment and machine use, for example, when training staff operate a new die-cutter.

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

Thoro designated its new Lean Engineer to administer the ETP program and will be responsible for the overall implementation and management of ETP training. The Company also plans to contract with an administrative subcontractor to assist with ETP project administration. The subcontractor has a dedicated staff to ensure attendance rosters are being submitted weekly for data entry into the ETP online systems.

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

Thoro retained Anderson Business Coaching (ABC) in Redlands to assist with development of this proposal for a flat fee of \$3,000.

ADMINISTRATIVE SERVICES

Thoro also retained ABC to perform administrative services in connection with this proposal 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

- Customer Order Processes
- Goal Setting and Achieving Key Processes
- Communication Skills

COMPUTER SKILLS

- Microsoft Office (Intermediate & Advanced) Application
- Customer Relationship Management (CRM) Software Application

CONTINUOUS IMPROVEMENT

- Problem Solving
- Team Building
- 5S Organizational Strategy
- Lean Concepts
- Process Improvement

MANUFACTURING SKILLS

- Good Manufacturing Practices
- International Organization for Standardization (ISO) Training
- Fabrication and Assembly Operations
- Equipment and Process Skills
- Shop Math for Manufacturing
- Glue and Die Cutting Equipment

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.