



Employment Training Panel
STATE OF CALIFORNIA EMPLOYMENT TRAINING PANEL
POLICY COMMITTEE MEETING
In person
1100 J Street, Sacramento, CA, Sequoia Room
Thursday, June 26, 2025

POLICY COMMITTEE MEETING CALL TO ORDER

Chair Gretchen Newsom called the meeting to order at 1:01 p.m.

ROLL CALL

Present:

Gretchen Newsom

Jennifer Fothergill

Mike Hill

Rebecca Bettencourt (attending virtually).

Executive Staff:

Jessica Grimes, Director

Peter Cooper, Assistant Director

Kumani Armstrong, Assistant Director/Chief Counsel

ETP Representatives

Elisabeth Testa, Policy Manager

ACTION TO APPROVE MEETING AGENDA

No changes to June 26,2025 Agenda.

ACTION: Ms. Fothergill moved and Mr. Hill seconded approval of the June 26,2025 Meeting Agenda with no changes. All Policy Committee Members present voted in the affirmative.

Motion carried, 4 to 0.

ACTION TO APPROVE APRIL COMMITTEE MEETING MINUTES

No changes to April 24,2025 Meeting Minutes.

ACTION: Ms. Fothergill moved and Mr. Hill seconded approval of the April 24, 2025 Meeting Agenda with no changes. All Policy Committee Members present voted in the affirmative

Motion carried, 4 to 0.

PILOT GUIDELINE REVIEW STATUS UPDATE

We will be continuing with our comprehensive review of all our pilot and guidelines starting in August. The next few are Medical Skills and the CNA to LVN guidelines. The changes that were voted on by Panel for the veterans and newly named Justice Involved Opportunity Youth guidelines should be programmed on Cal-E-Force soon.

DISCUSSION REGARDING MEC SURVEY RESULTS

At the April Policy Committee meeting it was decided that an MEC survey would go out so that we could use the information to get a clearer picture of what was going on. The survey was not multiple choice but blank fields requiring narrative responses. The survey was 12 questions – one question to provide optional contact information, and one question to identify what type of respondent they were, with 10 narrative questions that will be reviewed today. We had 23 responses, 20 of which provided the optional contact information.

Public Comment

None

Committee Discussion

None

QUESTION 1: MEC's MAIN BUSINESS FOCUS

Public Comment

None

Committee Discussion

The ones where the true focus is training and workforce development seemed to stand out. Giving a better understanding as to the meaning of the training, why the training was occurring, the real focus on the delivery, the type of training that was occurring.

Agreed there are more processes and procedures in place for them to monitor, to recruit and to hold accountable.

In reading these you realize the variety, which you don't always see in the Panel packet.

QUESTION 2: GENERAL APPROACH TO APPLICATION PROCESS

Public comment

None

Committee Discussion

Basic question was asked regarding the 100E form or certification, what is the purpose and how is it different from the 100B?

Lis Testa responded that the 100B is like a demand list giving bare bones information. The certification statement (100E) is used to determine eligibility for the participating employers and contains more information. The 100E form is not included in the Panel packets.

How do we want to look at the applications in what detail. How are they approaching their funds? Are they creating the needs analysis? Here is the training that is needed and then providing that training or are they going to the employers saying what do you have, and they give the funds directly to the employer to do the training. There is an avenue of divide they should be honest in the application. The percentage of current versus new employers. For instance, we have 50 employees potentially, we have 20 in the 100B, we may be expecting some more given the scope that we are writing this around. There may be something we want to put in the application around these questions or structure.

A lot of the responses talked about timing and how long it may or may not take. One answer talked about three years from the initial employer conversations to the program implementation. Is that how it is? Is that a hinderance? Is that driven by statute or is the times that seems like a block because there's two years for the contract driven by Panel policy.

Is it how people go about it, when you read the detailed descriptions. Are they coming to Panel with a really buttoned up contract. We know exactly who we are going to use, here's the curriculum everyone is on board, very organized. Or are they going about it in a different way not spending as much time on the application. Potentially they are getting employers on board. It is more generalized. We may or may not use these employers. It feels like it is more about that.

Lis Testa agreed, especially when a MEC has never worked with a participating employer

before, it is going to take them longer to get that employer on board because they know nothing about ETP. That is an added step. It depends on how their business structure works, where they are pulling their PE's from, and where they are developing their contract. Part of it is our rules and timing on when they can come back for other contracts. Some are trying to time it so there is no funding gap so when one contract is finished, the next one starts.

It is also just a life cycle. It can take 3 years from start to finish from the initial application to come to Panel. Then you have two years, the length of the contract, then at the end you are closing out, getting all your invoices in and being paid.

This may be a conversation to continue later but from this question it showed that MEC's were taking into consideration establishing a clear relationship with the PE's, they have a clear collaborative approach with them, or they are bringing on a new PE. What we see at Panel sometimes it feels that sometimes there isn't that relationship that has been established. When the applicant is asked if they knew that they were included and the answer is no. We are trying to establish a baseline or questions to ask so there is at least a minimum standard of an established relationship with whom you are listing in your application. Employers should not be surprised that they are being included in a public application. One answered was that they referenced their previous contract and worked with the analyst to balance information for a new contract and the question of are you baking into the contract amount by taking what you did previously? Then we need to try to identify that relationship with the PE.

There may be some of the PE's that are non-committal and the initial conversation with them initial conversation with them and maybe included later. So, there is not a strong relationship.

When we do our analysis how does that fit with us for awarding the contract if we cannot see that relationship?

Peter Cooper, Assistant Director, asked if these were all repeat MEC's.

Lis Testa explained it was not asked, she thinks they were all repeat MEC's but 3 did not identify themselves.

Peter Cooper was wondering if any of them mentioned when they were looking at their approach to ETP, if any of them looked at sample contracts from other MEC's from previous years. It might be useful to have a good set of examples on our website of contracts from MEC's that are strong.

That suggestion was appreciated.

QUESTION 3: GEOGRAPHIC SERVICE AREA

Public Comment

None

Committee Discussion

A few red flags or interesting points that came up, one said that all the training they provided is offered online. Not sure any MEC has come through as all online training. Curious if its virtual instructor led and computer based or if it is truly computer based and what is the quality of the learning. Another says they only use vendors to provide training. 99% of the time they use not applicable on their proposals. So, a bit more about why we do that, when they say that they do use vendors to deliver the training. Realistically yes, the training is not always in the geographical area of any type of MEC.

Question to all Committee members do you find it important that the geographic service area be identified and then an explanation provided as to if they are outside of the service area? Maybe that is one of the questions that should be asked because it seems to me if you are within your geographic service area you are more likely to provide quality instruction, than reaching outside and focusing on the online component. There is a more generalized and stronger connection between the participating employer and the MEC that supervises everything and the worker that is being trained.

It could be about how the training is being provided and how the MEC is being managed. Is the training vendor coming on site to geographical A's location and then B. How are the contracts being managed are they providing training are they not providing training? Are they providing funds to employers that they have together? It is hard to question the quality of the training being provided because we are not an accredited institution. We need to focus on the employee receiving the training does it align with the mission of ETP and proceeding to high wage jobs, greater skills, opportunity advancement etcetera. Many of these can be statewide.

Dr. Grimes adding on to what was previously said. What we see with the 23 respondents is that there is a diversity of business models that are coming forward for the MEC. So, the questions when we think about reverse engineering, maybe the type of MEC determines whether there is more flexibility in terms of the geographic service area versus a more localized sub region or regions. The business models are different and there is a different approach to how they develop relationships with participating employers, how they cultivate that, whether they are repeat contractors' etcetera. A question could be added to Cal-E-Force. The templates previously mentioned may then say it looks a bit different if it's this type of MEC versus the application because a business model is going to change.

If you are just outside of your service area and there is no other vendor to handle it or a

company that has multiple locations that seems perfectly fine.

Concern is when Chambers of Commerce come in from specific counties that are then crossing over into each other that seems like a red flag, what is going on? Are they fighting over participating employers?

Additional Public Comment

Israel Dominguez, Saddleback College stated that the community colleges training on site locally. Some employers have other offices in other counties and request certain training or trainers at another location to travel there or deliver virtually.

Rocio Leon echoed what Israel said. They are statewide and the issue is consistency. To have the trainer and the curriculum done by the same agency.

Annie Rafferty, Duke College added to what Israel said they can identify small businesses that may have come to ETP as a single employer and ended up being a referral they may or may not have a community college that is serving their area. But we have 116 California community colleges with the ability to offer that training or build a subcontracting relationship.

QUESTION 4: EMPLOYER RECRUITMENT

Lis Testa explained that one respondent replied that PE's do not occur at the start of the contract. This MEC has historically only new hires on their contract and new hires are unemployed when they begin training but still need to be hired into an eligible PE at the end of the contract or at some point during the contract in order to complete their retentions and earn funds. The standard retention period is 90 days but can vary by population.

Public Comment

Rocio Leon explained that they are constantly recruiting in our statewide program which focuses exclusively on small manufacturers. There are constant changes to the contract.

Nathan Daily followed up on what Rocio said when the companies want to do training want to do it now and they will not show up on the 100B form but after the fact.

Israel Dominguez agreed with what Rocio said.

Committee Discussion

It's all about how they manage contracts and their approach. What are we trying to solve

with the MEC application? Maybe this is the chance to say what do we want to see at Panel from an amendment perspective for a MEC versus a single. Businesses change, adjustments change, businesses come in and out of a region. We need to be cognizant of the changes for example the Butte County MEC last Panel meeting where they completely pivoted due to the fires. What we may be approving of may not be the outcome. Some MEC's are more traditional, some are not.

When we are looking at the list of the employees there could be a box to check that they are previous employers and are participating or their potential employer. They we can differentiate. It is a concern if we receive an MEC proposal and well over 50% are potential employers. That brings up the question as to how they are going to be successful. What is the recruitment process.

It is good to know if they are repeat or not repeat but we need to look at performance. Where the performance has not been good in the past, we could strongly urge them to focus on this box then we just want this percentage for outreach because that is where the questioning comes in. How are you doing your outreach? What are the things that you are doing? That is the piece around the measure of success. It would be nice to have the percentage who are repeat contractors and the percentage of the potential.

QUESTION 5: DETERMINING DEMAND

Public comment

None

Committee Discussion

If a potential employer is listed, they need to be aware. It should not be a surprise. Whether a potential or whether they end up not utilizing it they need to be aware parties.

That shows that they have a relationship with them.

The conversation could be had then that they are listed on a public contract but that does not mean that you must commit.

Maybe list them as potential. A box to check if they are potential or actual. At the very least they know that they are being included.

Did we have a question about wages and how they define wages? The assumption is that the 100B employers are filtering into the wage calculation they are using for the average wages for these employees. So, there is a big gap, so what is the use of the 100 B, because the wages are not necessarily accurate. The wage bracket is a rough guide of wage is but if no one is utilizing someone who is under ETP minimum wage because they

are going to get a ping back in an audit. It is important to think about where the average wages come from. Again, every MEC is different, every audience is different, every approach. How does this add to the wages is what we are trying to get at. Sometimes you see advanced manufacturing, aerospace and life science for example, maybe the categories of people that are training and here is the percentage of what we are forecasting to spend on manufacturing versus on life sciences versus aerospace because it is not always clear. It might help us with our guidance as we are looking at MEC's.

Thinking that the 100 B is an administrative burden so if we have it should be really clean and consistent or get rid of it.

One of the challenges of making the 100B crisp and clean is does it become a hinderance against performance? Business changes so much, we need to give flexibility. So, if you don't get it crisp you are at risk of not being funded. It may not serve a great purpose, but it may help with wages.

What is the purpose then?

Dr. Grimes is agnostic with the purpose of the 100B. One of the tensions surfacing here is that the proposal shows the elements of the process that is sort of an art. There is an aspect of the quantitative meaning to our best knowledge, our best guess, what does demand look like based on the conversation we are having with x number employers, which may increase or decrease and is just beyond our control. Having that kind of framework is important. The proposal is the best scenario at the time but is not necessarily comprehensive of all the things that will happen in the future. The nomenclature can change but this idea of best-case scenario is based on conversations, data collected etcetera. This dovetails with what we already have on deck for a future Policy Committee meeting, the revisions and amendments.

That is a purpose, it is a preliminary plan.

Who is the audience? What is the impact that you are seeking and how are you going to be specific in delivering?

Lis Testa commented we are not a grant program; we are a performance-based contract. So, when they are asking for public funds, the demand list shows that they are not just asking for money and can use it how they want. They need to have a reason why they are going to have the capacity to handle \$500,000 versus \$200,000 etcetera. In showing how much of the contract was planned to be allocated to certain sections and one way to look at this is to look at how the job numbers are structured because they are structured by priority industry, not priority industry, veterans, not veterans.

QUESTION 6: CURRICULUM DEVELOPMENT

Public Comment

Rocio Leon CMTC was unable to provide feedback on the actual survey due to their firewall. CMT has a framework (general) curriculum that they provide and then customize. Flexibility is important.

Committee Discussion

Acknowledgement that it takes time not only for curriculum development, course design and if it is a Community College then there is a need for committee approval so it can take a long time.

Same thing at JTC's too, national standards.

One contract copied pasted a LinkedIn curriculum. Most of the time we get it in feedback and the narrative but not always. Should we ask a narrative question of how did you develop this curriculum and what is the anticipated impact?

This again goes to the fluidity of these contracts. In supporting industry and developing industry and what is needed based on demand at the time and many of the pivot's etcetera. If the contracts are fluid what is this truly serving? The question of what the purpose is and is it something that should be going in at the end and weeding out there, where training is not. Everyone knows what training is not covered. But the narrative of the application is talking more about what they are looking at doing. Who is the audience? What is the need that is coming? This is the percentage that will be training, this is the percentage virtual, this is the percentage in person training, this is the percentage of computer training. The curriculum listed is as useless as the 100B. Would it be better to put it in the audit trail at the end? It raises the question of some of the appendices and things that we ask to see when we read about how MEC's are going about their contracts. Maybe with this type of MEC, we require a curriculum list and another type we don't, it depends on the approach they are using. New hires maybe because they are going through a very dedicated training program.

The one exception is productive lab, because we see time and time again curriculum listed for productive lab that is not productive lab.

Productive lab is one type of MEC. If you are looking at ones that provide education only to the employer, they are probably not utilizing productive lab. If funds are going directly to the employer from the MEC contract that is when productive lab may be used. The question is what are you using your funds for? Is the MEC more of your assigning training dollars or is it more you are providing the training. If you are assigning training dollars, then we look at the productive lab element. If they are a combination, they must give us justification. Productive lab is an important one to have a conversation about. What kind

of MEC are you falling under.

When looking at the purpose the curriculum should match. It often doesn't, if they were able to tell us the nature of the conversation they had with the employers, what's new, what's emerging, is it different? Maybe it's to build a skill set, advanced training, a little narrative would help.

A little narrative building that connection and understanding what the impact is going to be.

Lis Testa commented that both for monitoring and audits and just administration of the contract for invoicing they must abide by our record keeping requirements, which is what delivery method, what training type, what course, when did you teach it, who taught it, who attended, all those things. They do need guidance ahead of time about what courses are allowed versus at the end. Roster requirements, the record keeping requirements, are part of this operationalizing of any changes made.

QUESTION 7: CURRICULUM DEVELOPMENT AND PE INVOLVEMENT

Public comment

None

Committee Discussion

This one depends on the provider, the contract holder and what the employer is asking for. We are not the quality of instructions police we are administering, allowing funds to go to the training of employees. Our hope is high quality instruction. It is nice to know how they are doing that but there is no way to enforce. It is important to remember that we are awarding this amount to you for you to go and do what you say you are doing. But it differs by industry.

This could be covered through a narrative as to what the relationship with the employer is in the development of this curriculum. What is the impact you are seeking with this curriculum?

QUESTION 9: REPEAT TRAINEES

Public comment

Rocio Leon stated employers are busy, companies are stretched. There is a labor shortage. Employers do not have time to spend hours and hours on training that is not vital. If they have individuals repeating training, there is a basis for it. Tracking is important to the contracting community this is a non-issue.

Committee Discussion

Training is complex, there are several things at play here. Certifications or could be a slow learner, if you fail the course etcetera. We need to have flexibility here too.

What are we trying to achieve here on repeat trainees? If I send employee A on a single employer contract to a course under my contract and we close out the contract, then I have a MEC and they are offering this training and I happened to send them there because it did not work the first time. Is that a problem? The curriculum list is a gauge and not the detailed minute detail they think as they manage their contract. So, Johnny goes to communications skills in one contract and communication skills in another contract. Is it questionable or other than or are there multiple courses under communication skills. How important is that curriculum list when you are managing that contract. We know they do not get resent unless there is an issue. Maybe not retraining someone on the same course in the same contract but a different contract maybe not be too much of a concern.

What is the advancement of the workers with their training and what is the impact that we are all seeking, how is the worker training bettering them in achieving higher wages and a better quality of life.

If they are retraining on the same topic, it may be a quality issue. We cannot control the quality of the training being delivered but if they are retraining everyone on the same topics that are not mandated or required for certification etcetera, there may be a question to ask at Panel.

Additional Public Comment

Nathan Daily pointed out that there is one thing to consider is the 200-hour cap on training in a single contract. Most trainees are never going to get close to that. So, you could put the same person in 3 or 4 contracts and still not hit that cap in a single contract. So, the trainees are hopefully getting high quality training, but they are not asking for an advantage or abusing the system in their opinion.

QUESTION 9: TRAINERS

Public Comment

Rocio Leon stated there is a vetting process for every trainer they use. They are industry experts. They have worked in the fields and are providing training. Employers are only going to do the training if it meets a need and will help their organization.

Committee Discussion

Is there some kind of evaluation process in place to verify the ongoing capability and appropriateness of the training, even if they are vetted originally?

ETPL has a list of certified or authorized trainers to be used. Is that the best practice to look into that if you are certified but it does not mean they are always quality and again we cannot enforce quality. Something to consider would be if they were on that list.

When reviewing applications and under the training vendors it is NA or unknown and it is frustrating because then how are you going to be successful if you have no idea who your training vendor is? Everyone answered this question wonderfully but that is not what is on the applications that go to Panel.

It comes down to the avenue of how it is funded.

QUESTION 10: FREE FORM

Public comment

Gabriel Jimenez, JDS Bay Area thanked the committee for providing the survey and the flexibility.

John Fox, San Bernardino College District quick note related to the 90-day retention the Cal-E-Force blocks the trainee from enrolling in another contract. Consider changing that rule.

Annie Rafferty, Butte College seconded John's comment.

Rocio Leon commented on the 90-day retention issue. Individuals cannot be enrolled in the next contract until the invoice is paid.

Barry Hathaway, JobTrain thanked the committee and is encouraged by the questions that are being asked.

Brianna Robinson, Opportunity Junction has similar models to Barry. She would like to have a different set of guidelines for SET MB and have the ratio of employee to trainer reconsidered.

FINAL COMMITTEE DISCUSSION

There are some good inputs that need further study to be investigated at a later date.

Thank you to MEC's who gave feedback. It painted a good picture of the complexities of the MEC contracts which will lead to a stronger approach and partnership.

The input was very thoughtful and valuable, people took time to answer, thank you to those who participated.

Very educational, encourage both Panel members, Staff and public to digest and suggest some new questions that might be developed to bring back to Policy Committee. Take away questions, who is the audience? What is the impact you are seeking? What are the different types of industries and monetary amount that you are investing these dollars into? Which are current or new participating employers (by percentage)? Need for strong MEC proposals and FAQ might be something to develop. Suggestions on the 100 B. Continued conversation looking at the 90-day retentions and development of new guidelines for a high barrier to employment, what that might look like.

OPPORTUNITY FOR PANEL MEMBERS TO REQUEST AGENDA ITEMS FOR THE FUTURE PANEL MEETING

Having the annual NAICS codes and priority industry selections come before Policy Committee prior to Panel for review, to make sure that those suggestions are vetted by Policy Committee to make sure they are aligned with priorities at ETP.

PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA

John Fox, San Bernardino Community College District added that one other issue with the NAICS code is that an employer with a multi-faceted business has only one NAICS code assigned to them, which sometimes comes out as a non-priority business. The work being done is what should be looked at.

MEETING ADJOURNMENT

Chair Newsom asked for a motion to adjourn the meeting.

ACTION: Ms. Fothergill moved and Mr. Hill seconded approval to adjourn the meeting. All Policy Committee Members present voted in the affirmative.

Motion carried, 4 to 0.

Meeting adjourned at 3:09 p.m.