

EMPLOYMENT TRAINING PANEL

**Annual Report
2003-04**

THE PANEL

ETP is governed by a seven-member* Panel that sets policy for the operation of the Program, and meets each month in different parts of the State to consider and act on policy issues and training proposals. Panel members have backgrounds in business, labor, economic development and job training. They include:

Marsha H. Kwalwasser, Chairperson, reappointed to the Panel in July 2003 by Governor Gray Davis, and has been a member since March 2001. Ms. Kwalwasser is the Director of Government Relations for Northrop Grumman Corporation. She served four years as Chief of Staff, and later as Chief Deputy Controller for then – California State Controller Gray Davis.

Aram Hodess, Vice Chairperson. He has been a member since April 1999, and was reappointed to the Panel in December 2002 by Senate President Pro Tempore John Burton. He is the Business-Manager of the Plumbers and Steam Fitters Union, Local 159.

Barry Broad, appointed to the Panel in January 2002. Mr. Broad is the principal in the Law Offices of Barry Broad, which specializes in government relations and administrative law. In his career he has served in various positions, including legislative counsel for the California Teamsters Public Affairs Counsel, and as staff counsel to the Public Employment Relations Board.

Tyrone R. Freeman, appointed in June 2002 by Speaker of the Assembly, Herbert Wesson. In 1999 he became the General President of the Service Employees International Union (SEIU) Local 434B, Long Term Care Union in Los Angeles. Mr. Freeman is also an International Vice President of SEIU and Chair of the Southern California SEIU State Council.

Paul R. Kiesel, appointed November 2003 by Governor Gray Davis. Mr. Kiesel is an attorney and partner in the law firm of Kiesel, Boucher & Harson. He has served on the Board of Governors for the California and Los Angeles Trial Lawyers Association. He has also served on the Board of Governors for the Association of Business Trial Lawyers. Mr. Kiesel holds the "Public" Governor's appointee position on the Panel.

Robert M. Lennox, reappointed in July 2003 by Governor Gray Davis, has been a member since March 2001. In 1987, Mr. Lennox was elected President of the Teamsters Union, Local 495. He now serves as Secretary-Treasurer of the Teamsters Joint Council 42 in El Monte.

Thomas E. Rankin, a Panel member since January 2000, was reappointed in April 2003 by Speaker of the Assembly, Herbert Wesson. He is President of the California Labor Federation, AFL-CIO, and its former Research Director and Legislative Representative. Mr. Rankin previously served as Chairman of the State Commission on Health and Safety, and Workers' Compensation.

** Although ETP's legislation requires eight members appointed to serve on the Panel, since the Trade, Technology and Commerce Agency was dissolved, there is no longer a representative from that agency.*

MISSION STATEMENT

The mission of ETP is to provide financial assistance to California businesses to promote customized worker training through partnerships with government, business, and labor for the purpose of:

- ◆ Attracting and retaining businesses that promote a healthy California environment;
- ◆ Providing workers with good jobs that pay good wages;
- ◆ Successfully competing in the global economy; and
- ◆ Promoting the value of employee training.

VISION STATEMENT

ETP will maximize leveraging of ETP funding by partnering with other Workforce Development programs to strengthen the skills of California workers and maintain a healthy state economy.

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Preface

A BRIEF HISTORY OF THE EMPLOYMENT TRAINING PANEL

The Employment Training Panel (ETP) administers a statewide economic development program to support the California economy, by ensuring that employers have the skilled workers they need to compete globally. The Panel¹ effectively performs the role of a statewide economic development partner by collaborating with business, labor, and other public entities.

ETP was created in 1982 with the initial mandate of addressing the large displacement of workers resulting from plant closures, by moving the unemployed quickly into jobs, or by saving jobs of workers threatened with displacement. This was done as an experiment in diverting Unemployment Insurance (UI) tax dollars. Since then, the program has been significantly expanded to benefit the overall California economy, by primarily focusing its funds on the retraining of incumbent workers of businesses challenged by out-of-state competition – a role which the Panel fulfills as California’s only training program for incumbent workers. The program’s success was validated in 2001, when ETP became a permanent economic and workforce development program.

ETP’s success has been the result of several unique features:

- **Businesses Pay the Tax that Funds the Program** – This, in turn, serves the workforce needs of those California employers. No General Fund monies support the program.
- **Joint Labor/Management Collaboration** – Panel members have backgrounds in business, labor, and job training to ensure fair representation of all constituencies.
- **Training is Customized to Businesses Needs** – Employers decide which workers need training, develop their own training plans, and select their own trainers.
- **Businesses Match State Investment** – Employers match at least one dollar of private money for every dollar spent by the State for training.
- **A Catalyst for Employer Provided Training** – Recognizing the benefits of worker training, employers who participate in projects increase their own investment in training their workers.
- **Pay-for-Performance Ensures Training for Real Jobs** – A key feature is the 100 percent performance-based contracting requirement, which ensures that training is tied to a real job. Contractors are paid only if training results in a trainee working at least 90 days in a training related job, at a required wage.

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

Given these features and its ongoing success, the program is recognized nationally as a model training program. Since it began in 1983, ETP has served California well, by training approximately 600,000 workers for more than 55,000 businesses, most of which are small firms.

The program is funded through the Employment Training Tax (ETT), which is levied on the California employers who participate in the UI system. This tax provides revenues for the Employment Training Fund (ETF), which was established solely to fund ETP. ETP has typically averaged \$70 to \$100 million in training funds annually. Although ETF shortfalls and fund diversions to other programs have reduced the Panel's appropriation in recent years, it is anticipated that an improving economy will result in the restoration of the full appropriation in future years.

Partnering For Success

Key partners are enlisted for marketing outreach to target industries, to ensure the needs of all constituencies are adequately addressed. These partners included the California Manufacturers and Technology Association and the California Labor Federation, AFL-CIO. ETP has achieved clear and focused targeting to specific industries through marketing contracts with these partners, ensuring both business and labor representation.

The Panel also works closely with the Employment Development Department, Workforce Investment Boards, the California Chamber of Commerce, training consultants, and other interested stakeholders to make the program accessible to businesses. In the report year, collaboration with workforce development partners continued to achieve mutual goals and to improve the California business climate.

The California Labor and Workforce Development Agency (LWDA) acts as an umbrella organization overseeing seven major departments, boards, and panels, including ETP, all serving California businesses and workers. All departments within the LWDA share the Agency's goal of improving access to employment and training programs and ensuring that California businesses and workers have a level playing field in which to compete and prosper.

As the only joint business/labor program with customized worker training for both incumbent and unemployed workers, the program is vital to LWDA. Over the past year, ETP has been a significant incentive as part of LWDA's objectives to foster broad-based economic development initiatives. The program's customized training offers an effective economic development tool in support of the State's export base and primary industries, and plays a critical role not only in preventing businesses from leaving California, but also in attracting new business into the State.

One of the primary strengths of the program is its ability to continually adjust to the changing needs of the State's economy. The Panel's own program evaluations, along with program and process improvements, have helped to ensure that it is able to adjust to varying economic needs – during times of both economic expansion, and downturn.

LOOKING FORWARD

While, the Panel anticipates further challenges in the future, it continues to be an instrumental tool in bringing new jobs to the State and in retaining jobs in California. Although ETP's priorities remain consistent with the Governor's, there are uncertainties regarding future funding levels and the program's future location within the government's organizational structure. The latter is unclear, pending the final outcome of the California Performance Review (CPR).

The CPR Report, the Governor's comprehensive review of California government, proposes sweeping changes in the structure and function of State government, with possible impacts on the Panel. However, it is certain that the Panel's function in support of economic development and incumbent worker training will continue. While the initial CPR Report includes a recommendation that the Panel itself be eliminated as a governing board (along with 118 other boards and commissions), it proposes continuation of the program within a new super-Agency.

Therefore, despite these uncertainties, ETP's future as a program appears to be bright over the long term. As the economy recovers and expands, new revenues are expected to generate increased ETF resources for the program. In turn, ETP will continue to play a key role in support of California businesses and workers as they work to compete in the 21st century.

THE ANNUAL REPORT

The Panel is pleased to submit its Annual Report for FY 2003-04, which describes the actions and accomplishments for the past year, as it enters its third decade as a program. The Panel looks forward to working with its many customers and stakeholders in the years ahead to continue serving the training needs of California businesses and workers.

Since contracts cover a span of 24 months, the Report covers:

- 1) Last fiscal year's activities and funding approvals, including a description of new policies and training initiatives, and funding targets for next year;
- 2) Contracts approved in prior years that were completed during the fiscal year, providing data on the results of those contracts with respect to businesses and trainees served; and
- 3) Contracts approved prior to the report year, which were still ongoing at the end of the fiscal year.

Appendices are included that provide detail on FY 2003-04 revenues and expenditures, a list of contracts approved in areas of high unemployment in the report year, completed contract data, and demographic data on program participants.

2003-04 FISCAL YEAR HIGHLIGHTS

PANEL ACTIONS

- *Approved 189 new training projects, amounting to \$54 million, for the retraining and retention in employment of nearly 55,000 workers (including both incumbent and unemployed workers), at an average cost of \$987 per trainee.*
- *Targeted business and industry with the highest return on investment of training dollars to the California economy (i.e., traditional and high-tech manufacturing, telecommunications, computer programming and systems design, software production, multimedia/entertainment, and biotechnology). Manufacturing and high-technology companies received 69 percent of all newly approved training funds.*
- *Prioritized training for small businesses, permanently establishing a Small Business Program to facilitate direct contracts with businesses having 100 or fewer employees.*
- *Updated policies and requirements through collaboration with workforce development partners, including refinement of its Apprenticeship Policy, and changes in its Critical Proposal regulation to support statewide economic development.*

COMPLETED CONTRACTS

- *280 contracts approved and implemented prior to the report year were completed. (Actual performance achieved in completed contracts results more than two years after initial project approval.)*
- *Performance data for these completed contracts is important in measuring impacts, such as cost benefits, trainee wages, and workers, businesses and industries served. Last year's data showed:*
 - *Contractors earned \$61 million for the successful training and retention in employment of 57,620 workers; the average training cost per trainee was \$1,059 (including \$5,520 per previously unemployed worker (new hire), and \$955 per retrainee).*
 - *The average hourly wage earned after training and employment retention was \$11.84 for previously unemployed workers (new hires), and \$26.31 for retrainees.*
 - *Businesses in manufacturing and high technology sectors earned 64 percent of all funds earned.*
 - *Small firms comprised 74 percent of all businesses served; 47 percent had 50 or fewer workers.*

YEAR IN REVIEW

“My most immediate priority can be summed up as jobs, more jobs, and even more jobs...”

Governor Arnold Schwarzenegger (2004 State of the State Address)

A YEAR OF CHANGE AND CHALLENGE

Fiscal Year (FY) 2003-04 brought a significant climate of change to California, as a historic recall election saw Arnold Schwarzenegger elected Governor, resulting in new priorities for the State and the ETP program. With a \$12 billion budget shortfall, high unemployment, and businesses leaving California, the new Governor quickly made economic development his top priority. As one of California’s key economic tools, ETP saw itself with a heightened role in helping attract and retain businesses in the State.

The Panel was challenged, however, by critical funding issues in the report year. A shortfall in the General Fund, decreasing Employment Training Fund (ETF) revenues, and ETF diversions to other programs, contributed to a marked decrease in the Panel’s appropriation for the year. Historically, ETP has received an annual appropriation of close to \$76 million. However, due to revenue shortfalls, the Panel’s appropriation was reduced in the report year to \$35.6 million. Subsequently, \$17.7 million of that amount was taken out of the Panel’s appropriation and used to address a deficit in the ETF. These funding cutbacks were accompanied by staff reductions of close to 25 percent over the past two years.

RESPONDING TO THE CHALLENGE

These challenges required new strategies for addressing the workforce needs of businesses and workers, while also supporting new economic development initiatives to help the State’s economy grow. Despite its reduced funding and staffing, ETP continued in its key role as the only incumbent worker training program in the State, supporting the retraining needs of California businesses faced with out-of-state competition – primarily small businesses.

Given its significantly reduced appropriation and further budget cutbacks to address the ETF deficit, the Panel quickly instituted a number of funding limitations to maximize the best use of its limited funds (see “FY 2003-04 Contract Activity” on page 9).

Strategic planning was also key to this effort . In updating its Strategic Plan, the Panel sought input from customers and stakeholders, and held a strategic planning session in May 2003, attended by various economic experts. The result was a Plan with clear objectives aimed at targeting key industries, undertaking new economic development initiatives, refining processes and procedures for enhanced customer service, conducting program evaluations, and further automating its contracting processes.

The Panel worked closely with its marketing partners in business and labor, as well as with other workforce development entities to ensure trained workers in high-wage, high-skilled jobs. Training funds were also targeted to high unemployment areas of the State to assist firms and employees in those lagging economies. On a more limited scale, the Panel also continued funding the training of unemployed workers, in order to help create jobs and promote workers' employment security.

During the report year, a number of program policies and regulations were updated, including establishment of the Small Business Program as a permanent program, refinement of the Apprenticeship Training Policy, and adoption of a regulatory change for increasing the Panel's role in economic development, which was subsequently approved as an emergency regulation by the Office of Administrative Law.

ECONOMIC DEVELOPMENT INITIATIVES

A highlight of the report year was ETP's increased role in new statewide economic development efforts aimed at business attraction and retention, and job creation. Working with the Administration, the Labor Agency, the California Business Investment Services (CalBIS) Unit of EDD, and numerous statewide and local economic partners, the Panel streamlined program requirements to increase its ability to provide training incentives as part of larger efforts to grow businesses and create jobs in the State.

The Panel accomplished this by approving amendments to its regulations to provide incentives for companies: a) locating into California, b) expanding their California workforce, or c) retaining the California workers and making efforts to remain in the State, rather than relocating elsewhere. Two important incentives for potential contractors were provided by: a) allowing higher training reimbursement rates for these projects above the rates available in other funding categories, and b) allowing waivers to other ETP requirements, on a case by case basis, such as record keeping criteria and training delivery methods.

As a result, in the report year, the Panel played a role in the start-up of several key initiatives (led by the Labor Agency and CalBIS), to promote California and demonstrate its business friendly climate. These include efforts involving Virgin Air, Genentech, and Abbott Diabetes Care. This also helped set the stage for increased economic development efforts in FY 2004-05 and future years.

FY 2003-04 CONTRACT ACTIVITY

During the report year, staff administered more than 650 training contracts. These included: a) 189 new agreements approved in the report year; b) 280 contracts approved in prior years which completed in the report year; and c) 184 contracts approved prior to FY 2003-04 which were still active at the end of the fiscal year. The table below illustrates this activity.

	NEW APPROVED CONTRACTS IN REPORT YEAR	CONTRACTS COMPLETED DURING REPORT YEAR	ONGOING CONTRACTS IN REPORT YEAR	TOTAL
CONTRACTS	189	280	184	653
TRAINEES	54,664	57,620	79,755	192,039

a) New Approved Contracts

Guided by its Strategic Plan, the Panel worked closely with its marketing partners to target businesses and industries with the greatest impact on California’s economy. A majority of funds was targeted to basic industries, such as manufacturing and high technology. These basic industries produce rippling effects in the State’s economy, increasing the return on the investment in training, as they affect other industries that rely on them, such as services, trade and transportation.

Given its reduced appropriation and reduced training funds in the report year, the Panel maximized the use of its limited funds by approving a number of funding limitations. They included:

- Placing a moratorium on funding of truck driver training, budget-based contract reimbursements, and first-time training agencies and grant recipients;
- Limiting training for non-frontline workers; and
- Restricting additional marketing and research contracts for the second half of the fiscal year.

(Additional moratoria on Welfare-to-Work, Structured On-Site Training, and Career Ladder projects remained in effect for the fiscal year, and will continue indefinitely.)

As a result of its targeting strategies in the report year, the Panel approved

\$54 million for 189 new training contracts, for the training and employment retention of approximately 55,000 workers. (Using its incremental funding approach to maximize its limited funding, the Panel encumbered all \$38.6 million of the year's available funds, including \$28.6 million for new training contracts and \$10 million to cover prior year liabilities. (See Appendix A-1, "FY 2003-04 Revenue and Expenditures".)

The Panel funded training for high-wage, high-skill jobs in California's basic industries, and also supported businesses and workers in areas of the State affected by recent economic downturns. The Panel approved \$9.2 million to train nearly 10,000 workers in high unemployment areas (HUA). (See Appendix A-2.) Of this amount, \$465,000 was to upgrade the skills of nearly 400 "working poor" trainees (i.e., employed workers who have full-time jobs, but earn low wages, and need training to move to higher-wage, secure employment), most of whom received waivers to the ETP minimum wage criteria, with the requirement for at least a 7 percent wage increase after training and employment retention. (HUAs are defined as counties or sub-county areas with rates at least 25 percent higher than the State average, based on data from EDD's Labor Market Information Division.)

Given its reduced appropriation, the Panel encumbered all of its available training funds for the year by December, 2003. Subsequently, after all the year's training funds were encumbered, staff continued to develop training contracts that met Panel priorities, in anticipation of funding availability in the 2004-05 fiscal year.

b) Completed Contracts

A total of 280 contracts, approved in prior years, were completed during the report year, providing assistance to 2,644 employers for the training and employment retention of 57,620 workers, at an average cost of \$1,059 per trainee. Data from these completed contracts reflected the Panel's continuing emphasis on funding training for high-wage, high-skilled workers in industries that positively impact California's economy:

- Businesses in all major industries in California received assistance, with most funds going to manufacturing and high technology sectors.
- Of all businesses served, 74 percent were small (i.e., employed 250 or fewer workers); 60 percent had 100 or fewer workers; and 31 percent had 20 or fewer workers.
- The average post-training and employment retention wage for workers who were unemployed at the beginning of training was \$11.84 an hour; retrainees averaged \$26.31 an hour.
- Occupations trained were primarily frontline workers, including production workers, clerical and office support, technical support, sales and customer

service representatives, machinists and machine operators, nurse assistants, and hospitality workers.

- Sixty-two contracts serving HUAs were completed during the report year. These represented \$14.1 million for the successful training and retention of 12,360 workers in HUAs - a significant benefit for California. About 3,700 of these HUA trainees were “working poor”, at a training cost of \$4.3 million, representing 30 percent of the HUA funding.

(See Appendix B-1 “Completed Contract Data” and Appendix B-3, “Completed Contracts In FY 2003-04”.)

c) Ongoing Contracts

A total of 184 contracts approved prior to FY 2003-04 were still active at the end of the fiscal year. This represents a significant additional workload for monitoring and fiscal staff, including project monitoring visits, the provision of technical assistance to contractors, and the processing of invoices.

SUPPORTING SMALL BUSINESS

In the report year, the Panel continued its emphasis on assisting small businesses, since small companies employ most of California’s workers and serve as the economic engine of the State. As previously described above, under “Completed Contracts”, almost three-fourths of businesses served were small.

ETP serves small employers through both direct contracts with single employers, and multiple-employer contracts (i.e., contracts with employer consortia or training agencies that train workers of multiple employers). Historically, most small businesses participating in ETP-funded training have done so through multiple-employer contracts, since they often lacked the resources to enter into direct contracts for the training.

During the report year, however, a Small Business Pilot Project (SBPP) was completed, which tested streamlined and expedited contracting processes, in order to increase the number of small employers who contract directly with ETP for training. The SBPP resulted in an increase in direct small business contracts by 59 percent over the previous year, and in permanent changes to the contracting process for small businesses. An independent evaluation of the SBPP was completed during the report year which validated its success. (See “Evaluating the Program”, page 13.)

ENHANCING CUSTOMER SERVICE

ETP strives to provide excellent service to its customers. During the report year many enhancements to existing processes and systems were added. Seamless monitoring and development of training contracts was established in all field offices, as all analysts were trained in both functions to provide continuous service to customers throughout the contracting process. The ETP Internet website was improved, to make information more accessible to customers, and several automated systems were adapted to meet customer needs more fully.

Using the Strategic Plan as a guide, staff continued the development and enhancement of online systems, including the online Orientation and Request for Eligibility Determination, online Application, the online Enrollment System, Computer-Based Training Tracking System, and the online Invoice Authorization System. These efforts have greatly enhanced the Panel’s ability to provide online services to it customers.

On-Line Contracting Enhancements	
<i>Program Orientation and Eligibility Determination</i>	During the report year, staff completed an evaluation of the online Program Orientation and the Eligibility Determination system. The evaluation, which surveyed users of the online Orientation, assessed the original implementation, the increased efficiencies and accessibility for customers, and the impact of the online eligibility determination on the contracting process. Based upon the results of the evaluation, staff is enhancing the Orientation and consolidating the determination of contracting eligibility with a preliminary application process.
<i>Trainee Eligibility Process</i>	To simplify and expedite the online trainee eligibility process and enrollment of trainees, trainee signatures are no longer required to be submitted. Contractors are required to keep trainee signatures on file, while submitting other required information online, such as proof of eligibility.
<i>Training Tracking System</i>	An enhanced automated tracking system was implemented to provide automated enrollment and invoicing, and convenient and efficient monitoring data for all agreements. This system provides the contractor with crucial data entry and reporting capabilities such as online data entry, training roster reports, and individual trainee summary reports, as well as expanded data management capabilities.
<i>Invoice System</i>	Automation of the online Invoice Authorization System has significantly streamlined the receipt, review and payment of training invoices. While the online Invoice Systems have been continuously updated, this enhancement, adding automated authorization of submitted invoices, has greatly reduced the time to invoice for the Agreement holder. It has also reduced errors and unnecessary delays in the release of payments. The physical submission of paper invoices is no longer required, which saves processing time and costs associated with mailing of original documents.

EVALUATING THE PROGRAM

The Panel continued to conduct program evaluations, to ensure it continues to meet the changing needs of California's businesses and workers. In the report year, three research studies were completed, including: an evaluation of the Small Business Pilot Project, a study of the effectiveness of the ETP program, and a study of ETP's role in funding Career Ladder projects.

Small Business Pilot Project Evaluation

The Small Business Pilot Project (SBPP) was initiated in FY 2002-03 to test streamlined and expedited contracting processes, in order to increase the number of small employers who contract directly with ETP for training assistance. The SBPP continued through FY 2003-04. Participation was limited to eligible small employers that employ 100 or fewer workers, and who met out-of-state competition requirements. The modified contracting process has the following features:

- A simplified eligibility and application process, reducing the field office processing time to five days or less;
- Requires fewer training hours to make the training process more feasible for small firms;
- A briefer training agreement document, reducing processing time, after approval, to as little as one day; and
- A modified two-payment schedule that allows for an expedited (5-10 day) invoicing process.

Subsequently, an independent evaluation of the SBPP was conducted by researchers from the Ohrenschall Center for Entrepreneurship, College of Business, at the California State University, San Francisco (CSUSF). They found that the pilot was successful in increasing the number of single employer contracts with small firms and recommended the SBPP be expanded and made permanent. As a result, the Panel approved a new Small Business Program (SBP) as a permanent method of funding direct contracts with small businesses having 100 or fewer workers.

ETP Effectiveness Study

A comprehensive evaluation of the program was completed by researchers from California State University, Northridge (CSUN) in the report year, which assessed: 1) the impacts of ETP-funded training on trainees, participating employers, and the State economy; and 2) the level of employer-supported training in California.

Major findings included the following:

- Completing ETP training results in substantial economic gains for trainees. Retrainee completers had earnings gains \$2,087 higher than non-completers, while new hire completers had earnings gains \$4,647 higher than non-completers.

- Trainees with the lowest pre-training earnings experienced the largest earnings gains -- i.e., ETP training completers whose prior year earnings were less than \$25,000 year (i.e., \$12 an hour) had an average earnings gain of 40 percent after training and employment retention. This compares to gains of 9 percent for trainees with prior year earnings between \$25,000 and \$55,000, and 2.2 percent for trainees with prior year earnings greater than \$55,000.
- Trainees who completed training experienced more employment stability than non-completers, and were unemployed less.
- ETP is an effective catalyst for continued employer-provided training:
 - After the contract ended, 75 percent of firms served by single employer contracts continued some or all of the training funded by ETP.
 - Companies participating in ETP training are below industry benchmarks for investing in the training of their workers.
 - One year after participating in ETP training, these same employers increase their per-employee investment in worker training by 35 percent, compared to the level of training investment prior to ETP training.
- Companies reported that participating in ETP training had positive impact on performance in terms of: improved product quality; improved communication; increased use of new production technology/methods; reduced error rates, down time, and scrap; and greater competitiveness.

The researchers' recommendations included: redesigning the role of multiple employer contractors; targeting ETP investments for impact; and refocusing the training of unemployed workers on a) job creation as a result of business expansion or retention, or b) serving a "bottleneck" occupation -- i.e., a shortage of workers, based on a documented statewide demand.

While the Panel has not yet taken action on the study recommendations, the research findings have and continue to play a role in their funding decisions, on a case-by-case basis.

Career Ladder Study

The California Career Ladders to the 21st Century program was initiated by ETP in January 2001, in collaboration with the Employment Development Department, to help businesses identify and build job ladders for the advancement of entry-level workers. Since the initiative began, approximately \$2 million had been approved for Career Ladder 10 projects, to train 1,500 workers. However, in 2003, a moratorium was placed on Career Ladder projects, pending an evaluation to determine ETP's role in funding such projects.

Thus, an independent evaluation was conducted by the research group, MGT of America, during the report year. The study clarified the term "Career Ladders", better defined ETP's role in funding Career Ladder projects, and determined which types of

projects are the best investments, and what project criteria are essential for successful outcomes.

However, given ETP's funding situation, the Panel determined that the moratorium on Career Ladder projects would continue until further notice.

APPENDICES

A) NEW FUNDING APPROVAL DATA

A-1) FY 03-04 REVENUE AND EXPENDITURES

**A-2) CONTRACTS APPROVED IN
HIGH UNEMPLOYMENT AREAS IN FY 03-04**

B) COMPLETED CONTRACT DATA

B-1) FY 2003-04 COMPLETED CONTRACT DATA

B-2) TRAINEE CHARACTERISTICS

B-3) LIST OF FY 2003-04 COMPLETED CONTRACTS

FY 2003-04 REVENUE AND EXPENDITURES

Monies from the Employment Training Fund (ETF) are appropriated in the annual Budget Act to ETP and other programs. In Fiscal Year (FY) 2003-04, a total of \$99.8 million was available in the ETF. Historically, ETP’s annual appropriation has been close to \$76 million. However, given reduced ETF revenues, ETP’s initial appropriation was reduced to \$35.6 million, with the remaining \$64.2 million going to other programs (see below). ETP’s appropriation was subsequently reduced further in the report year to \$17.9 million, as a result of the ETF deficit adjustments.

In addition, \$32.3 million in funds that were not earned by contractors in past year contracts supplemented the budget appropriation for reinvestment in new training projects. Thus, ETP had a total of \$50.6 million in total funds available in the report year. Of this amount, \$28.7 million was available for new training contracts.

As indicated, below, under “ETF Appropriations to other Programs”, the Employment Development Department (EDD), the Department of Social Services (DSS) and the Department of Industrial Relations (DIR) also receive a portion of training funds through Budget Act transfers. Last year, those ETF appropriations included: \$56.4 million to DSS for CAL-Works, \$2.9 million to DIR in support of the Division of Apprenticeship Standards, and \$4.7 million to EDD for the collection of the Employment Training Tax.

A. Revenue and Expenditure Report	FY 2003-04
<u>Available Monies in Employment Training Fund (ETF)</u>	\$99,848,000
<u>ETF Appropriations to Other Programs:</u>	
Department of Social Services/CalWorks	(\$56,432,000)
Dept of Industrial Relations/Div Apprenticeship Stds	(\$2,930,000)
Statewide General Administrative (Pro Rata)	(\$155,000)
EDD Tax Branch (ETT Collection)	(\$4,730,109)
Total	(\$64,247,109)
<u>ETP Revenue:</u>	
Appropriation to ETP	\$35,600,891
Funds Reinvested	\$32,291,766
Revenue Shortfall for 2003-04 FY	(\$17,700,000)
Budget Adjustment per Control Section 3.60	\$411,000
Budget Adjustment per Control Section 4.10	(\$24,000)
Total	\$50,579,657
<u>Expenditures</u>	
California Manufacturing Technology Program	(\$2,126,000)
Program Administration	(\$8,674,642)
Marketing and Research	(\$1,163,007)
Training:	
New Contracts	\$28,625,086
Prior Year Contract Liability	\$9,990,922
Total	(\$38,616,008)
	(\$50,579,657)

As indicated, \$50.6 million was available to the Panel for program administration, marketing and research, and training:

- **Program Administration:** \$8.7 million was spent for program operational costs, including EDD support.
- **Marketing and Research:** \$1.2 million was spent on strategic marketing and research to identify and target the best use of limited funds. These funds were prioritized for marketing, research and evaluations conducted by outside consultants under contract to the Panel. Expenditure of marketing funds included marketing agreements with the California Manufacturers and Technology Association, and the California Labor Federation, which were awarded through a Request for Proposal process. Research funds were expended for services provided by EDD’s Labor Market Information Division, and for external research studies.
- **Training:** The Panel encumbered all \$38.6 million of its available training funds. In addition, the Panel, as required by the FY 2003-04 Budget Act, provided \$2.1 million to support the Manufacturing Technology Program, which provides matching grants and technical assistance to California non-profit corporations and public agencies, for the development of manufacturing technology in the State.

B. CHARACTERISTICS OF TRAINING PROJECT APPROVALS

Training funds were approved under: a) the regular Economic Development category, primarily for the retraining of incumbent workers in businesses threatened by out-of-state competition, as well as training for unemployed workers; and b) the Special Employment Training (SET) category for businesses and workers not eligible under regular program criteria. (Within the Economic Development and SET categories, the Panel approved \$9.2 million for training in high unemployment areas in the State.)

FY 2003-04 FUNDING COMMITMENTS*

	Total	Economic Development	SET
Approved Training Projects**	189	162	36
Training Funds Encumbered (in millions)	\$38.6	\$32.7	\$5.9
Workers Targeted for Training	39,126	32,438	6,688
Average Cost per Trainee***	\$987	\$1,008	\$882

* \$15.4 million in future years funds was also committed for these projects, to be encumbered incrementally, based on project performance.

**Includes several projects with both Economic Development and SET funding categories.

***Overall average cost per trainee for new hires was \$4,322; for Retraitees it was \$815.

Training was targeted to the State's basic industries, primarily manufacturing and high-technology sectors. Of approved funds, 61 percent went to businesses in manufacturing; another 8 percent was approved for businesses in non-manufacturing high technology sectors, such as software development, computer programming, and multimedia/entertainment. This is a slight decrease from last fiscal year, when 60 percent of total training funds went to manufacturing businesses, and 13 percent to other high tech firms.

C. HIGH UNEMPLOYMENT AREAS

Training funds of \$9.1 million were approved for 56 contracts, for the training of almost 10,000 workers in 26 counties with areas of high unemployment. Industries served were manufacturing, services, construction, agriculture, and trade. Amounts dedicated to HUAs ranged from \$1,560 to \$657,760 per contract. A small portion of the \$9.1 million (about 5 percent) went to working poor trainees, who qualified for wage waivers provided they receive at least a 7 percent wage increase upon completion of employment retention. (See Appendix A-2 for a listing of approved HUA contracts.)

**Contracts Approved In High Unemployment Areas (HUA)
FY 2003-04**

APPENDIX A-2

Contractor	HUA County(ies)	Industry	Portion of Contract Approved in HUAs	# of Trainees in HUAs
Adir International dba La Curacao*	Los Angeles	Retail	\$241,800	115
AECOM Technology Corporation	Alameda, Kern, Los Angeles, Santa Clara	Design & Eng Svs	\$53,165	97
Agilent Technologies, Inc	Santa Clara	Hi Tech Manufacturing	\$409,500	10
American Business College	Santa Clara, Stanislaus	Various Services	\$132,768	17
Apffels Gourmet Coffee	Los Angeles	Food Processing	\$17,040	41
Associated General Contractors of California	Fresno, Riverside, San Joaquin, Santa Clara, Santa Cruz, Los Angeles, Ventura	Construction	\$45,694	420
Baumbach & Piazza, Inc	San Joaquin	Engineering Services	\$12,480	43
Baxter Health Care Corporation	Los Angeles	Biotechnology	\$431,067	110
Best Buy, Inc.	Tulare	Retail Distribution(hi tech)	\$295,880	6
Blue Shield of California	San Joaquin	Health Care	\$463,463	4
California Manufacturing Technology Assoc	Madera	Manufacturing	\$363,980	84
California Manufacturing Technology Center	San Bernardino	Manufacturing	\$32,678	0
Career Academy	Sutter	Services	\$209,775	26
Center for Employment Training	Santa Clara, Alameda, San Joaquin	Various	\$386,984	97
Chevron Products Company	Contra Costa	Manufacturing	\$266,035	400
D.T. Mattson Enterprise, Inc. dba Pro-Line*	Riverside	Manufacturing	\$61,920	202
Deluxe Packages	Sutter	Manufacturing	\$35,200	269
El Camino Community College District/CACT	Los Angeles, Orange, Riverside, Ventura	Manufacturing	\$236,800	37
Employers Group	Los Angeles, Monterey, Santa Clara, Ventura	Various	\$122,769	45
Employers Group	Los Angeles, Santa Clara	Various	\$164,725	310
Fair Isaac Corporation	Santa Clara	Hi Tech Manufacturing	\$74,693	820
Farmworkers Institute for Education and Leadership Development*	San Mateo, Ventura, Kern, Tulare	Agriculture	\$88,900	311
Fujicolor Processing, Inc	Los Angeles	Manufacturing	\$7,540	38
Golden Capital Network	Butte	Various	\$2,684	2
Gooden Watch Repair	Los Angeles	Services	\$11,700	463
Goodwill Industries of San Joaquin Valley*	San Joaquin, Stanislaus, Merced, Fresno, Tulare	Services	\$173,625	100
Harte-Hanks, Inc	Riverside	Printing	\$16,831	41
Herburger Publications, Inc	Sacramento	Printing	\$11,040	0
Hilmar Cheese Company, Inc	Merced	Food Processing	\$176,449	61
Holly Sugar Corp dba Spreckels Sugar Co	San Joaquin, Fresno, Imperial	Manufacturing	\$205,621	287
Kern Community College District	Kern	Various Services	\$8,340	96
Leprino Foods	Kings, San Joaquin	Food Processing	\$453,544	1,100
Los Angeles County Electrical Training Trust	Los Angeles	Construction-Electrical	\$104,485	81
Marich Confectionery Company	San Benito	Food Processing	\$10,920	19
McCormick & Company, Inc.	Monterey	Manufacturing	\$177,650	34
Novellus Systems, Inc	Santa Clara	Manufacturing	\$657,760	19
Oxman College	Riverside	Services	\$109,922	24
Pacific Coast Producers	San Joaquin	Agriculture/Food Process	\$108,472	59
Pacific Coast Producers Distribution Center	San Joaquin	Agriculture/Food Process	\$467,974	15
Pactiv Corporation	Los Angeles	Manufacturing - Pkg	\$195,650	55
Payroll People, Inc	Fresno	Payroll Services	\$16,000	191
PolyOne Corporation	Los Angeles	Manufacturing	\$1,872	32
R. Lang Company*	Tulare	Manufacturing	\$216,000	220
Ross Stores, Inc	Riverside	Retail Distribution	\$629,200	40
Sacramento Area Elecrical JATC	Sutter, Yuba, San Joaquin, Colusa	Construction	\$26,733	249
Sargent Fletcher, Inc.	Los Angeles	Manufacturing	\$233,064	385
Semiconductor Equipment & Materials Int'l	Santa Clara	Trade	\$163,930	425
Shorty Custom Antennas	Fresno	Manufacturing	\$1,560	492
Solectron Corporation	Los Angeles, Santa Clara	Hi Tech Manufacturing	\$300,612	277
"The Bridge", Indian Training Trust Fund	Riverside, San Joaquin	Construction	\$208,366	340
The Roman Catholic Cemeteries of the Diocese of Oakland	Alameda	Burial Services	\$16,000	882
TriNet Networking and Training Inc	Los Angeles	Mfg & High Tech Services	\$50,611	47
UAW Labor Employment & Training Corp	Los Angeles	Aerospace Mfg	\$159,850	43
VISX, Inc	Santa Clara	Laser Equip Mfg	\$91,728	15
WESS-DELL, Inc	Santa Clara	Manufacturing	\$24,400	6
Western Wood Fabricators	Sutter	Manufacturing	\$7,960	14
TOTAL - 56 contracts			\$9,195,409	9,616

* Fully or Partially Working Poor Trainees - Provided a Waiver from ETP Wage Requirements.

Working Poor (5 contracts)

\$464,956
5%

363
4%

FY 2003-04 COMPLETED CONTRACT DATA

Two-hundred and eighty contracts approved in prior years were completed during the report year. Training in these contracts focused on skills to assist employers in implementing technological innovations, diversifying goods and services, and transitioning to high-performance workplaces. The training provided workers with the skills required for long-term employment at good wages, and helped California employers remain competitive in the international economy.

During the report year, training was completed under three funding categories:

- The Economic Development category funds projects that have out-of-state competition, and meet normal trainee eligibility requirements. Typically, this funding category comprises 90 percent of approved funds.
- The Special Employment Training (SET) category funds projects that do not have out-of-state competition, or that do not meet normal trainee eligibility requirements, yet still address ETP’s legislative priorities.
- The Welfare-to-Work category funds training for employed current or former CalWORKs participants. (There is currently a moratorium on any new training under this category.)

A. SUMMARY OF COMPLETED CONTRACTS*

The following table illustrates last year’s completed contracts by funding category. The Panel funded training in high-wage, high-skill jobs for a total of 57,620 trainees at an average cost of \$1,059 per trainee.

	Total	Economic Development	SET	Welfare To Work
Number of Contracts	280	248	28	17
Amount Earned (in millions)	\$61.0	\$49.9	\$4.4	\$6.7
Retained in Employment	57,620	48,198	3,843	5,579
Cost per Trainee	\$1,059	\$1,035	\$1,160	\$1,195

* See Appendix B-3, “Completed Contracts” for a listing of the year’s completed contracts.

Seventeen completed contracts were funded under the Welfare to Work (W2W) category, which was authorized in 1998 (through amendments to ETP’s enabling legislation) to fund training for employed workers who are either current or former welfare recipients. The intent was to provide training to help these new entrants to the world of work stay employed and succeed in their jobs. However, difficulties in recruiting eligible trainees and participating businesses for W2W projects were continuous issues for W2W projects. Funding for new W2W projects was suspended in 2001, given these issues and ETF transfers to DSS for CalWORKs.

APPENDIX B-I

In last year's completed contracts, the percentage of actual to planned placements was 58 percent (69 percent for new hires, and 57 percent for retrainees). The 57 percent rate for retrainees was down slightly from the previous year's 59 percent, with the completion rate affected by impacts of 9/11, and the recent downturn in the economy. At 69 percent, the new hire completion rate improved significantly over the FY 2002-03 rate of 53 percent. This appears to be largely the result of several large projects with high placement rates serving demand industries, including machining, health care, and transportation.

The average cost per trainee decreased last year, both overall and for the Economic Development category. (The average cost per trainee was \$5,520 for new hires, and \$955 for retrainees.)

B. RETRAINEES AND NEW HIRES SERVED BY SIZE OF BUSINESS

The following table provides numbers of trainees by size of business served. Fifteen percent of all retrainees were employed by small businesses (i.e., 250 or fewer employees), while sixty-seven percent of all new hires were employed by small firms.

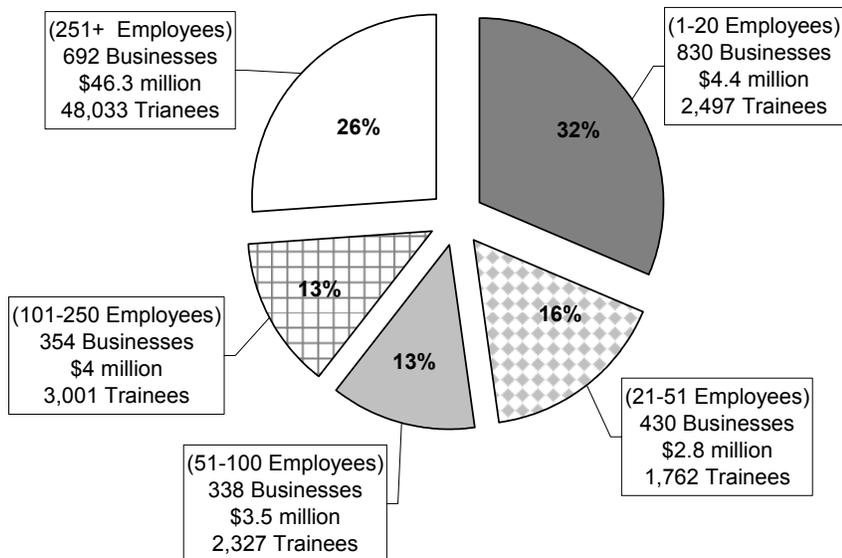
Business Size	Retrainees	New Hires	\$ Earned Amount
1-20	2,132	365	\$4,389,338
21-50	1,584	178	\$2,834,667
51-100	2,194	133	\$3,455,771
101-250	2,805	196	\$3,945,864
251+	47,595	438	\$46,374,301
Totals	56,310	1,310	\$60,999,941

C. BUSINESSES SERVED BY SIZE

Close to 2,650 businesses were served in last year's completed contracts. Of those, 74 percent were small (i.e., 250 or fewer workers). Of all businesses served, 60 percent had 100 or fewer workers; 47 percent had 50 or fewer workers; and those with 20 or fewer employees represented 32 percent of all businesses served. (This is comparable to the prior fiscal year, when 75 percent of businesses served were small, and 61 percent had only 100 or fewer workers.) Overall, small businesses earned 24 percent of all training dollars expended last year.

The Panel serves small employers through both direct contracts with single employers, and multiple-employer contractors (MEC) such as employer consortia, or training agencies that train workers of multiple employers. Contracting directly with 108 small businesses last year, the Panel funded training for 3,926 workers. Another 1,844 small businesses were served through 41 multiple employer contracts, which provided training for 5,661 workers in these small firms.

**NUMBER & SIZE OF BUSINESSES SERVED IN
2003-04 COMPLETED CONTRACTS**



D. TRAINING BY INDUSTRY

The Panel funded training in all major industries in California, with a majority of contracts and funds going towards the manufacturing sector. Businesses in non-manufacturing, high technology sectors such as software development, biotechnology, telecommunications, and multi-media/entertainment also earned a significant percentage of available funds.

<p><u>Manufacturing</u> 34,660 trainees \$33.9 million (56% dollars earned) 45% businesses served</p>	<p><u>Services</u> 1,499 trainees \$4.1 million (7% dollars earned) 17 % businesses served</p>
<p><u>High Technology*</u> 8,180 trainees \$6.7 million (11% dollars earned) 5 % businesses served <small>*includes software development, multimedia/entertainment, computer programming and systems design, and telecommunications.</small></p>	
<p><u>Trade</u> 3,049 trainees \$3.7 million (6% dollars earned) 5% businesses served</p>	<p><u>Other**</u> 10,232 trainees \$12.4 million (20 % dollars earned) 29% businesses served <small>**Includes agriculture, construction, transportation, and finance.</small></p>

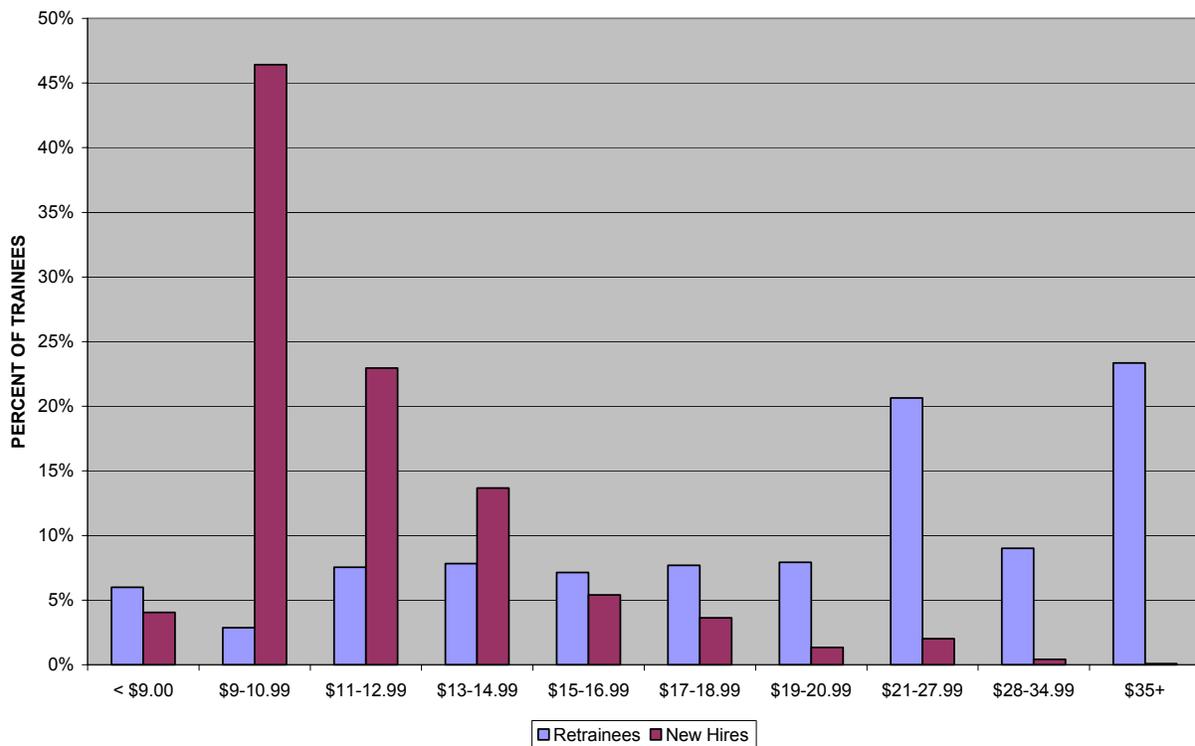
These industry data show that the percentage of funds earned by manufacturing and high-tech firms in completed contracts increased over the previous year, from 60 percent to 67 percent. At the same time, however, the percentage of businesses served in those industries remained at 50 percent.

E. TRAINEE WAGES

The average post-training and retention wage for workers who were unemployed at the start of training (new hires) was \$11.84 an hour; for retrainees, it was \$26.31 per hour. The following chart provides the distribution of wages. While new hire wages were only up slightly compared to last year's \$11.49 per hour new hire wage, retrainee wages were up significantly from last year's wage of \$22.44, due to a high number of completers in large manufacturing and high tech companies whose wages are typically high.

It is important to note that while ETP primarily supports training for high-wage, high-skill jobs, it also supports training for lower wage workers to assist them in advancing to better paying, more secure jobs. In the report year, 18 percent of ETP trainees earned less than \$13.00 per hour. This is consistent with prior years' data and reflects ETP's ability to assist workers at both ends of the wage spectrum.

HOURLY WAGES AFTER TRAINING



F. TYPES OF TRAINING

Given ETP's emphasis on training for manufacturing and high tech jobs, the most common types of training in these contracts were: Continuous Improvement, Computer Skills, Production Techniques, Customer Service, Assembly Work, Computer Numerical Control, Computer Networking and Programming, Project Management, Statistical Process Control, Communication Skills, Total Quality Management, Hazardous Materials, and Management Skills.

G. OCCUPATIONS

Occupations trained were primarily frontline workers, including production workers, assemblers, clerical and office support, technical support, sales and customer service representatives, machinists and machine operators, nurse assistants, and hospitality workers.

H. LITERACY TRAINING

The Panel supports literacy training, defined as writing, reading, language comprehension, math, and Vocational English as a Second Language (VESL), where such training has a demonstrated link to job skills training. Twenty-seven of the year's completed contracts included literacy components for 2,988 participants at a cost of \$2.6 million for VESL. Literacy training provides English speaking skills to some lower wage workers to facilitate their vocational skills training and success on the job. Contract data shows that this category of training was primarily provided for production workers in the manufacturing industry.

I. TRAINEE DEMOGRAPHICS

Trainee demographic data indicates that 58 percent of retrainees were male, while 62 percent of new hires were male. The male representation of retrainees was higher than in the corresponding labor force category of employed workers, and the male representation of new hires was higher than in the corresponding labor force category of unemployed workers. For both new hires and retrainees, the biggest percentage of age groups served were 35-44 years old, while in the labor force, the largest percentage of unemployed age groups were less than 25 years old. ETP new hires were more likely to be single than married, while ETP retrainees were more likely to be married, both of which are consistent with the California labor force.

The ETP retrainees were at least as well educated as the California labor force, but the ETP new hires were slightly less educated, with 57.5 percent of new hires having a high school education or less, compared to 40.6 percent in the labor force. Both ETP retrainees and new hires were more diverse ethnically than the California labor force. (See Appendix B-2 for trainee characteristics data.)

J. TERMINATED CONTRACTS

Last year, 32 contracts were terminated prior to completion of the contract term. (This is a continuing improvement from FY 02-03, when 35 contracts terminated.) In some cases, some training occurred, but in others, training never began. Most of the contracts were terminated due to changes in the company's economic conditions, including plant closure or sale of company, increase in business, turnover and staff reductions, and changes in priorities. In only a few cases were contracts terminated because the contractors were unable to comply with ETP performance requirements.

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

Characteristic	Employment Training Panel		California Labor Force	
	New Hire Percent	Retrainee Percent	Unemployed 2003	Employed 2003
SEX:				
Female	38.1%	41.9%	42.9% a/	45.2% a/
Male	61.9%	58.1%	57.1% a/	54.8% a/
AGE: a/				
<25	4.9%	2.7%	28.5% a/	13.6% a/
25-34	26.9%	25.1%	22.6% a/	23.7% a/
35-44	31.9%	31.9%	22.0% a/	26.1% a/
45-54	25.3%	27.3%	17.4% a/	22.9% a/
55-64	10.1%	11.7%	7.7% a/	11.1% a/
65+	0.9%	1.3%	1.2% a/	2.7% a/
EDUCATION:				
Less than H.S. Grad.	18.5%	10.7%	18.7% b,d/	18.7% b,d/
H.S. Graduate	39.0%	30.9%	21.9% b,d/	21.9% b,d/
Some College	29.6%	20.3%	27.7% b,d/	27.7% b,d/
College Graduate	11.8%	29.2%	21.2% b,d/	21.2% b,d/
Post Graduate	1.1%	8.9%	10.5% b,d/	10.5% b,d/
MARITAL STATUS:				
Married	45.1%	55.9%	38.8% a/	55.9% a/
Single	54.9%	44.1%	61.2% a/	44.1% a/
ETHNICITY:				
White	31.9%	44.9%	49.4% a,c/	56.8% a,c/
African-American	11.8%	6.6%	7.6% a,c/	4.2% a,c/
Hispanic	38.1%	28.3%	33.6% a,c/	30.4% a,c/
Asian	8.1%	14.1%	9.4% a,c/	8.6% a,c/
Native American	1.2%	0.5%		
Other	8.9%	5.6%		
VETERAN:				
Yes	9.5%	4.2%	2.9%	10.7%
No	90.5%	95.8%	97.1%	89.3%

a/ Based on 2003 annual averages from Employment Status Report.

b/ Percentages are for total population 25 years and older.

c/ Data for "other" ethnicities not available.

d/ Data is not separated by individual category of employed or unemployed. Civilian Labor Force data are based on the March 2004 census provided by the Bureau of Labor Statistics in the Current Population Survey conducted by the Bureau of the Census.

COMPLETED CONTRACTS IN FY 2003-04

APPENDIX B-3

Contractor Name	County	Business Size**	Industry	Retrainees	New Hires	Contract Earned	Percent Earned
21ST CENTURY INSURANCE GROUP	MULTI COUNTIES	5	Finance	322		\$655,536	84%
A & D ENGINEERING, INC.	SANTA CLARA	5	Trade	29		\$58,146	78%
ACI BILLING SERVICES, INC.	LOS ANGELES	2	Finance	0		\$0	0%
ADIR INTERNATIONAL DBA LA CURACAO*	LOS ANGELES	5	Trade	387		\$406,380	95%
ADVANCED MFG. AND DEVELOPMENT, INC.	MENDOCINO	3	Manufacturing	57		\$83,935	30%
AEROSOL SERVICES COMPANY, INC.	LOS ANGELES	5	Manufacturing	68		\$88,128	60%
AFFYMETRIX, INC.	YOLO	5	Manufacturing	58		\$70,276	34%
AGILENT TECHNOLOGIES, INC.	SANTA CLARA	5	Manufacturing	6,829		\$3,087,140	84%
AGRILINK FOODS - WATSONVILLE	SANTA CRUZ	5	Agriculture	50		\$78,756	36%
AI METRIX, INC.	EL DORADO	1	High Technology	14		\$10,920	67%
AIRCRAFT HINGE, INC.	LOS ANGELES	1	Manufacturing	16		\$12,480	80%
ALFLEX CORPORATION	LOS ANGELES	4	Manufacturing	226		\$177,280	96%
AMBASSADOR VOCATIONAL INSTITUTE LLC DBA AVI	LOS ANGELES	6	Manufacturing	57		\$76,038	79%
AMERICA CHUNG NAM, INC.	LOS ANGELES	2	Service	31		\$56,700	100%
AMERICAN LICORICE COMPANY	ALAMEDA	4	Manufacturing	173		\$107,952	51%
APFFELS GOURMET COFFEE	LOS ANGELES	2	Manufacturing	0		\$0	0%
APPLIED COMPANIES	LOS ANGELES	2	Manufacturing	38		\$69,588	71%
ARADIGM CORPORATION	ALAMEDA	4	High Technology	166		\$189,884	49%
AREA TRUCK DRIVING SCHOOL	MULTI COUNTIES	6	Trade		16	\$61,280	16%
ATMEL CORPORATION	SANTA CLARA	5	Manufacturing	115		\$45,940	22%
AUTOMOTIVE DEALERSHIP BUSINESS SCHOOL	MULTI COUNTIES	6	Finance		59	\$122,527	51%
B. BRAUN MEDICAL, INC.	ORANGE	5	Manufacturing	280		\$198,764	42%
BALBOA INSTRUMENTS INCORPORATED	ORANGE	3	Manufacturing	88		\$96,768	58%
BALL WESTERN CAN COMPANY, LLC	STANISLAUS	5	Manufacturing	48		\$28,536	11%
BAXTER HEALTHCARE CORPORATION	LOS ANGELES	5	Manufacturing	120		\$65,650	13%
BAY AREA VIDEO COALITION	SAN FRANCISCO	6	Other	460		\$689,760	58%
BEARING INSPECTION, INC.	ORANGE	3	Manufacturing	18		\$19,500	95%
BOONE INTERNATIONAL, INC.	RIVERSIDE	5	Manufacturing	50		\$52,000	60%
BP WEST COAST PRODUCTS LLC	LOS ANGELES	5	Manufacturing	71		\$146,445	100%
CALIFORNIA BANKERS ASSOCIATION*	MULTI COUNTIES	6	Finance	307		\$170,692	35%
CALIFORNIA CHASSIS, INC.	ORANGE	2	Manufacturing	26		\$59,840	87%
CALIFORNIA MANUFACTURERS AND TECHNOLOGY ASSOCIATION SERVICE CORPORATION	MULTI COUNTIES	6	Manufacturing	211		\$438,566	88%
CALIFORNIA NATURAL PRODUCTS	SAN JOAQUIN	3	Manufacturing	83		\$63,896	36%
CALIFORNIA STATE UNIVERSITY DOMINGUEZ HILLS FOUNDATION	LOS ANGELES	6	Trade	78		\$39,553	28%
CALLAWAY GOLF COMPANY	SAN DIEGO	5	Manufacturing	143		\$103,800	52%
CAPAX MANAGEMENT AND INSURANCE SERVICES	STANISLAUS	2	Finance	32		\$37,472	60%
CARDSERVICE INTERNATIONAL, INC.	VENTURA	5	Finance	62		\$62,320	6%
CCL PLASTIC PACKAGING	LOS ANGELES	5	Manufacturing	0		\$0	0%
CCT COMPUTER LEARNING CENTER	MULTI COUNTIES	6	Construction	176		\$270,260	100%
CELESTICA, INC. (SAN JOSE FACILITY)	SANTA CLARA	5	Manufacturing	85		\$85,944	62%
CENTER FOR EMPLOYMENT TRAINING*	SANTA CLARA	6	Service		203	\$1,250,856	66%
CENTURY HOUSING CORPORATION*	LOS ANGELES	6	Construction		103	\$526,021	64%
CERTANCE, LLC	ORANGE	5	Manufacturing	10		\$24,560	50%
CERTIS USA, L.L.C.	KERN	5	Manufacturing	37		\$60,540	68%
CHARTER COMMUNICATIONS ENTERTAINMENT II, LLC	LOS ANGELES	5	Service	29		\$16,055	4%
CHEAP TICKETS, INC.	LAKE	5	Service	0		\$0	0%
CHEESE AND PROTEIN INTERNATIONAL, LLC	TULARE	5	Manufacturing	155		\$216,260	88%
CHEN-TECH INDUSTRIES, INC.	ORANGE	2	Manufacturing	28		\$7,520	87%
CITATION PRECISION	SAN BERNARDINO	5	Manufacturing	3		\$1,092	2%
CITY OF SUNNYVALE*	MULTI COUNTIES	6	High Technology	97		\$120,590	23%
COLE INSTRUMENTS CORPORATION	ORANGE	2	Manufacturing	22		\$33,600	91%
COLOR AD INC.	LOS ANGELES	2	Manufacturing	21		\$16,380	66%
COMP USA, INC.	MULTI COUNTIES	6	Manufacturing	57		\$147,933	74%

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

*Special Employment Training (SET) Category

B3-1

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

COMPLETED CONTRACTS IN FY 2003-04

APPENDIX B-3

Contractor Name	County	Business Size**	Industry	Retrainees	New Hires	Contract Earned	Percent Earned
COMPREHENSIVE TRAINING SYSTEMS, INC.	SAN DIEGO	6	Service		76	\$444,980	84%
CONCORD SHEET METAL PRODUCTS, INC.	CONTRA COSTA	1	Manufacturing	2		\$960	62%
CONOCOPHILLIPS	LOS ANGELES	5	Manufacturing	37		\$24,440	18%
CONSOLIDATED ENGINEERING LABORATORIES*	MULTI COUNTIES	4	High Technology	148		\$217,680	73%
CREST COATING, INCORPORATED	ORANGE	2	Manufacturing	23		\$20,320	100%
CUPERTINO ELECTRIC, INC.*	SANTA CLARA	5	Construction	100		\$52,000	41%
CYPRESS GROVE CHEVRE, INC.	HUMBOLT	1	Manufacturing	4		\$3,120	100%
CYPRESS SEMICONDUCTOR CORPORATION	SANTA CLARA	5	Manufacturing	256		\$136,580	19%
D.T. MATTSON ENTERPRISES INC DBA PRO-LINE	SAN BERNARDINO	1	Manufacturing	24		\$18,720	80%
DAVIS INDUSTRIES	LOS ANGELES	1	Manufacturing	9		\$7,020	90%
DELGADO FRAMES D.B.A. DELGADO BROS.	LOS ANGELES	2	Manufacturing	12		\$11,520	100%
DELPHI CONNECTION SYSTEMS - IRVINE	ORANGE	5	Manufacturing	166		\$240,624	57%
DENTAL MASTERS LABORATORY DBA DURA METRICS, INC.	MULTI COUNTIES	2	Manufacturing	21		\$66,532	63%
DILFRE, INC. DBA DIMENSIONAL INSPECTION LABS	ALAMEDA	1	Service	6		\$4,680	86%
DREAMWORKS, LLC	LOS ANGELES	5	High Technology	241		\$257,160	100%
DUAL GRAPHICS, INC.	LOS ANGELES	2	Manufacturing	31		\$16,620	85%
E*TRADE GROUP, INC.	SACRAMENTO	5	High Technology	174		\$263,092	74%
EATON AEROSPACE, LLC	LOS ANGELES	5	Manufacturing	0		\$0	0%
ECONOLITE CONTROL PRODUCTS, INC.	ORANGE	1	Manufacturing	81		\$99,684	80%
EDGESOFT, INC.	LOS ANGELES	1	High Technology	7		\$5,460	78%
EMPOWER RF SYSTEMS, INC.	LOS ANGELES	1	Manufacturing	9		\$2,880	100%
ENTERTAINMENT INDUSTRY DEVELOPMENT CORPORATION OF SOUTHERN CALIFORNIA	MULTI COUNTIES	6	Other	925		\$1,415,427	53%
ESCONDIDO MEDICAL INVESTORS LIMITED PARTNERSHIP DBA LIFE CARE CENTER OF ESCONDIDO	SAN DIEGO	5	Service	41		\$67,860	17%
EXXON MOBIL CORPORATION	MULTI COUNTIES	5	Manufacturing	568		\$596,596	76%
FINELITE, INC.	ALAMEDA	2	Manufacturing	30		\$24,000	81%
FISHER INVESTMENTS, INC.	SAN MATEO	4	Finance	0		\$0	0%
FLOWERVE CORPORAATION	LOS ANGELES	5	Manufacturing	124		\$207,840	64%
FOUNDATION COLLEGE, LLC	MULTI COUNTIES	6	Manufacturing	1020	203	\$1,749,397	57%
FRITO-LAY, INC. - IRVINE	MULTI COUNTIES	5	Manufacturing	261		\$195,792	86%
FRONTLINE SALES, INC.	LOS ANGELES	1	Trade	9		\$5,260	74%
GABRIEL MEDIA GROUP, INC.	LOS ANGELES	1	Service	3		\$2,340	30%
GARDCO LIGHTING, INC.	ALAMEDA	5	Manufacturing	61		\$64,360	98%
GENCORP AEROJET*	MULTI COUNTIES	5	Manufacturing	1,092		\$1,069,136	89%
GENERAL SECURITY SERVICE, INC.*	LOS ANGELES	2	Service	64		\$126,240	78%
GENESIS TECHNOLOGY PARTNERS	LOS ANGELES	2	Service	36		\$57,160	93%
GENSA CORPORATION	SACRAMENTO	1	High Technology	3		\$9,360	42%
GEORGE G. GLENNER ALZHEIMER'S FAMILY CENTERS	SAN DIEGO	6	Service		74	\$370,814	74%
GEORGE RICE & SONS	LOS ANGELES	5	Manufacturing	0		\$0	0%
GLENDALE COMMUNITY COLLEGE PROFESSIONAL DEVELOPMENT CENTER*	LOS ANGELES	6	Manufacturing	1265		\$1,942,779	98%
GOLDEN STATE BULB GROWERS, INC.	MULTI COUNTIES	3	Agriculture	122		\$118,340	74%
GOODWILL INDUSTRIES OF SAN JOAQUIN VALLEY INC.*	SAN JOAQUIN	6	Service		32	\$119,105	38%
GORDON LABORATORIES	LOS ANGELES	1	Manufacturing	0		\$0	0%
GOTRAIN, INC.	MULTI COUNTIES	6	Manufacturing	132		\$111,319	57%
GOTTSCHALKS, INC.	FRESNO	5	Trade	232		\$520,416	100%
GRIMMWAY ENTERPRISES INC. DBA GRIMMWAY FARMS	KERN	5	Agriculture	3,501		\$4,018,920	80%
HACOR, INC.	LOS ANGELES	5	Manufacturing	0		\$0	0%
HAND'S ELECTRONIC ASSEMBLY LLC	LOS ANGELES	1	Manufacturing	0		\$0	0%
HANSON LAB FURNITURE	LOS ANGELES	1	Manufacturing	10		\$7,800	100%
HAWKER PACIFIC AEROSPACE	LOS ANGELES	5	Manufacturing	195		\$121,844	62%

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

*Special Employment Training (SET) Category

B3-2

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

COMPLETED CONTRACTS IN FY 2003-04

APPENDIX B-3

Contractor Name	County	Business Size**	Industry	Retrainees	New Hires	Contract Earned	Percent Earned
HERBALIFE INTERNATIONAL OF AMERICA, INC.	LOS ANGELES	5	Manufacturing	624		\$463,196	100%
HIGH SIERRA PLASTICS	INYO	2	Manufacturing	17		\$33,536	35%
HILMAR CHEESE COMPANY	MERCED	4	Manufacturing	12		\$7,280	100%
HIRSCH ELECTRONICS CORPORATION	ORANGE	2	Manufacturing	60		\$66,720	96%
HOLLY YASHI, INC.	HUMBOLT	1	Manufacturing	15		\$11,700	60%
HUTCHINSON SEAL CORPORATION	LOS ANGELES	5	Manufacturing	27		\$31,590	45%
IDEAL GRINDING TECHNOLOGIES, INC.	LOS ANGELES	1	Manufacturing	0		\$0	0%
INDUSTRIAL MODIFICATION & REPAIR, INC.	LOS ANGELES	1	Manufacturing	0		\$0	0%
INJEX INDUSTRIES, INCORPORATED	ALAMEDA	4	Manufacturing	48		\$96,100	87%
INSURANCE EDUCATIONAL ASSOCIATION	MULTI COUNTIES	6	Finance	268		\$134,578	40%
INTERNATIONAL BUSINESS MACHINES CORPORATION	SANTA CLARA	1	Manufacturing	1,013		\$626,782	59%
INTERNATIONAL CIRCUITS AND COMPONENTS, INC. (ICCI)	ORANGE	3	Manufacturing	29		\$23,920	100%
INTERSTATE HOTELS, LLC, DBA LAGUNA CLIFFS MARRIOTT RESORT	ORANGE	5	Service	16		\$7,995	9%
ITT INDUSTRIES GOULDS PUMPS INC., VERTICAL PRODUCTS	LOS ANGELES	5	Manufacturing	67		\$122,501	67%
ITT INDUSTRIES, INC., DBA BIW CONNECTOR SYSTEMS	SONOMA	3	Manufacturing	77		\$56,758	75%
JABIL CIRCUIT, INC.	SANTA CLARA	5	Manufacturing	43		\$30,980	29%
JAFRA COSMETICS INTERNATIONAL, INC.	VENTURA	5	Manufacturing	0		\$0	0%
JDS UNIPHASE CORPORATION	MULTI COUNTIES	5	Manufacturing	781		\$799,852	34%
JOHN H. HARLAND COMPANY	SAN DIEGO	5	Manufacturing	27		\$22,680	68%
JOHNSON CONTROLS, INC.	ALAMEDA	5	Manufacturing	118		\$108,960	63%
JOHNSON MATTHEY, INC.	SAN DIEGO	5	Manufacturing	19		\$11,128	27%
JOSEPH PHELPS WINERY AND VINEYARDS	NAPA	2	Manufacturing	8		\$2,560	67%
KEECO, LLC	SAN MATEO	4	Trade	15		\$7,050	17%
KLA-TENCOR CORPORATION	MULTI COUNTIES	5	Manufacturing	3,007		\$1,439,540	89%
KNIGHTSBRIDGE PLASTICS, INC.	ALAMEDA	1	Manufacturing	0		\$0	0%
KRAFT FOODS INC. - MODESTO	STANISLAUS	5	Manufacturing	165		\$175,428	99%
KRAFT FOODS NABISCO BISCUIT WEST, INC.	ORANGE	5	Manufacturing	11		\$57,200	11%
KRAFT FOODS NORTH AMERICA, INC. - FRESNO	FRESNO	5	Manufacturing	195		\$204,092	66%
L & L CUSTOM SHUTTERS, INC.	ORANGE	3	Manufacturing	7		\$15,400	88%
L3 COMMUNICATIONS SECURITY & DETECTION SYSTEMS	ORANGE	3	Manufacturing	118		\$73,632	90%
LA TORTILLA FACTORY	SONOMA	2	Manufacturing	32		\$8,840	70%
LAM RESEARCH CORPORATION	ALAMEDA	5	Manufacturing	329		\$228,280	23%
LEE MAH ELECTRONICS, INC.	SAN FRANCISCO	5	Manufacturing	0		\$0	0%
LEFIELL MANUFACTURING COMPANY	LOS ANGELES	3	Manufacturing	30		\$15,600	14%
LEPRINO FOODS COMPANY	MULTI COUNTIES	5	Manufacturing	665		\$1,306,240	83%
LIBERATE TECHNOLOGIES	SAN MATEO	5	High Technology	13		\$10,400	8%
LIGHTCONNECT, INC.	ALAMEDA	2	High Technology	0		\$0	0%
LONG BEACH WORKFORCE DEVELOPMENT BUREAU	MULTI COUNTIES	6	Manufacturing	436		\$260,334	57%
LONG BEACH WORKFORCE DEVELOPMENT BUREAU*	MULTI COUNTIES	6	High Technology	133		\$242,049	51%
LOS ANGELES TIMES	LOS ANGELES	5	Manufacturing	119		\$62,660	4%
MAGNUS MOBILITY SYSTEMS INC	ORANGE	1	Service	9		\$4,680	56%
MARICH CONFECTIONERY	SAN BENITO	2	Manufacturing	0		\$0	0%
MAVCOMM LLC	ORANGE	1	Trade	10		\$16,800	17%
MCCORMICK & COMPANY, INC.	MONTEREY	5	Manufacturing	199		\$127,556	64%
MCP FOODS DBA FIRMENICH INC.	ORANGE	5	Manufacturing	37		\$30,120	39%
MEDTRONIC AVE, INC.	SONOMA	5	Manufacturing	400		\$612,400	68%
METLIFE INVESTORS GROUP, INC.	ORANGE	4	Finance	90		\$184,510	100%
MINI MICRO STENCIL, INC.	SAN DIEGO	1	Manufacturing	3		\$2,340	60%
MINI MICRO STENCIL, INC.	ORANGE	5	Trade	9		\$154,399	14%

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

*Special Employment Training (SET) Category

B3-3

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

COMPLETED CONTRACTS IN FY 2003-04

APPENDIX B-3

Contractor Name	County	Business Size**	Industry	Retrainees	New Hires	Contract Earned	Percent Earned
MONTEREY MUSHROOMS, INC.	MULTI COUNTIES	5	Agriculture	93		\$48,360	26%
MWS WIRE INDUSTRIES	LOS ANGELES	1	Manufacturing	22		\$5,800	79%
NATIONAL TECHNICAL SYSTEMS, INC.*	LOS ANGELES	5	High Technology	134		\$188,696	60%
NETWORK APPLIANCE CORPORATION	SANTA CLARA	5	High Technology	34		\$35,920	36%
NORTHROP GRUMMAN CORPORATION*	LOS ANGELES	5	Manufacturing	254		\$329,296	37%
NORTHROP GRUMMAN MISSION SYSTEMS	MULTI COUNTIES	5	Manufacturing	770		\$723,092	17%
NORTHROP GRUMMAN SPACE TECHNOLOGY	MULTI COUNTIES	5	Manufacturing	1,867		\$3,435,858	39%
NTMA TRAINING CENTERS OF SOUTHERN CALIFORNIA	MULTI COUNTIES	6	Manufacturing	410	169	\$2,651,957	88%
NVISION, INCORPORATED	NEVADA	2	Manufacturing	10		\$3,960	54%
OAKLAND PRIVATE INDUSTRY COUNCIL, INC.	ALAMEDA	6	Other			\$0	0%
OLAES ENTERPRISES, INC. (DBA ODM)	SAN DIEGO	2	Manufacturing	23		\$27,552	38%
OPTION ONE MORTGAGE CORPORATION	ORANGE	5	Finance	35		\$18,200	27%
ORLANDO SPRING CORPORATION	ORANGE	1	Manufacturing	18		\$14,040	82%
OWENS DESIGN INCORPORATED	ALAMEDA	1	Manufacturing	10		\$7,800	83%
PACIFIC BELL TELEPHONE COMPANY	MULTI COUNTIES	5	High Technology	6,812		\$4,995,200	61%
PACIFIC COAST PRODUCERS	SAN JOAQUIN	5	Manufacturing	167		\$234,055	100%
PACIFIC COLLEGE	ORANGE	6	Service		30	\$119,700	60%
PACIFIC DATA IMAGES LLC, D.B.A. PDI/DREAMWORKS	SANTA CLARA	5	Manufacturing	228		\$204,324	97%
PACIFIC LIFE INSURANCE COMPANY	ORANGE	5	Finance	864		\$897,680	100%
PACIFICA CAPITAL	SAN DIEGO	1	Service	13		\$8,280	56%
PACIFICARE HEALTH SYSTEMS, INC.	ORANGE	5	Finance	1,374		\$770,976	35%
PANTRONIX CORPORATION	ALAMEDA	2	Manufacturing	54		\$12,960	72%
PEERLESS SYSTEMS CORPORATION	LOS ANGELES	3	High Technology	6		\$3,120	7%
PELICAN PRODUCTS, INC.	LOS ANGELES	4	Manufacturing	140		\$145,600	100%
PELICAN ROPE WORKS	ORANGE	1	Manufacturing	6		\$2,760	100%
PENSKE AUTOMOTIVE GROUP, INC.*	LOS ANGELES	5	Trade	614		\$319,280	76%
PERFORMANCE MATERIALS CORPORATION	VENTURA	2	Manufacturing	0		\$0	0%
PERILLO INDUSTRIES DBA CENTURY ELECTRONICS	LOS ANGELES	1	Manufacturing	18		\$7,200	90%
PHARMINGEN	SAN DIEGO	4	Manufacturing	232		\$301,252	76%
PLUTUS ENTERPRISES*	LOS ANGELES	2	High Technology	4		\$4,500	7%
POWDERCOAT SERVICES INC.	ORANGE	2	Manufacturing	15		\$3,820	86%
PREPRODUCTION PLASTICS, INC.	RIVERSIDE	2	Manufacturing	18		\$22,000	41%
PRIMED MANAGEMENT CONSULTING SERVICES, INC.*	CONTRA COSTA	4	Service	78		\$71,729	75%
PRIMUS TRANSPORTATION COMPANY, LLC	SAN MATEO	3	Transportation	57		\$263,796	71%
PROACTIVE PACKAGING AND DISPLAY	SAN BERNARDINO	1	Manufacturing	30		\$23,400	94%
PROFESSIONAL CAREER INSTITUTE	LOS ANGELES	6	Service		5	\$25,535	17%
PROJECT EMPLOYMENT PROG., INC. DBA SAN DIEGO HOSPITALITY INST	SAN DIEGO	6	Service		21	\$80,430	53%
R. B. ZACK & ASSOCIATES INC.	LOS ANGELES	1	High Technology	6		\$4,680	86%
R. LANG COMPANY	TULARE	2	Manufacturing	56		\$130,600	59%
RECOT INC., DBA FRITO LAY, INC. - MANTECA	MULTI COUNTIES	5	Manufacturing	15		\$18,317	19%
RECOT, INC. DBA FRITO-LAY	KERN	5	Manufacturing	312		\$357,240	86%
RECOT, INC., DBA FRITO-LAY, INC. - MODESTO	STANISLAUS	5	Manufacturing	468		\$407,584	97%
RECOT, INC., DBA FRITO-LAY, INC. - VISALIA	TULARE	5	Manufacturing	116		\$121,660	75%
REDWOOD EMPIRE ELECTRICAL TRAINING TRUST*	MULTI COUNTIES	6	Construction	37		\$21,571	58%
REFRIGERATING ENGINEERS TECHNICIANS ASSOCIATION (RETA)	MONTEREY	6	Manufacturing	123		\$181,027	68%
REISGEN, INC., D.B.A. CONTRACTED COMPUTER TRAINING	LOS ANGELES	6	High Technology	144		\$64,650	13%
RIM CORPORATION*	MULTI COUNTIES	5	Service	30		\$24,960	33%
ROY E. WHITEHEAD, INC.	RIVERSIDE	2	Manufacturing	20		\$13,320	95%

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

*Special Employment Training (SET) Category

B3-4

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

COMPLETED CONTRACTS IN FY 2003-04

APPENDIX B-3

Contractor Name	County	Business Size**	Industry	Retrainees	New Hires	Contract Earned	Percent Earned
SAES PURE GAS, INC.	SAN LUIS OBISPO	5	Manufacturing	29		\$26,234	77%
SAFWAY, INC.*	MULTI COUNTIES	5	Trade	292		\$249,800	50%
SAF-T-CO SUPPLY, INC.	ORANGE	1	Trade	10		\$7,800	63%
SAINT GOBAIN CONTAINERS - MADERA	MADERA	5	Manufacturing	0		\$0	0%
SAMSUNG INFORMATION SYSTEMS AMERICA, INC.	SANTA CLARA	5	High Technology	8		\$15,520	21%
SAN DIEGO CONVENTION & VISITORS BUREAU	SAN DIEGO	2	Service	66		\$76,640	77%
SANTA CRUZ MILLWORK	SANTA CRUZ	1	Manufacturing	4		\$3,120	86%
SANTA MONICA COLLEGE	LOS ANGELES	6	Trade	46		\$106,467	54%
SANYO ENERGY (USA) CORPORATION	SAN DIEGO	3	Trade	40		\$23,056	66%
SAWING SERVICES CO.	LOS ANGELES	1	Construction	5		\$2,000	83%
SCRANTOM ENGINEERING, INC.	ORANGE	5	Manufacturing	0		\$0	0%
SEARS LOGISTICS SERVICES, INC.	LOS ANGELES	5	Trade	300		\$592,800	100%
SEARS, ROEBUCK & COMPANY	SAN BERNARDINO	5	Trade	267		\$266,546	50%
SEASCAPE RESORT	SANTA CRUZ	3	Service	52		\$43,680	87%
SERCOMP CORPORATION	LOS ANGELES	2	Manufacturing	11		\$8,580	42%
SHEAHOMES SOUTHERN CALIFORNIA DIVISION	ORANGE	5	Construction	68		\$35,360	45%
SHEFFIELD PLATERS, INC.	SAN DIEGO	1	Manufacturing	4		\$3,120	100%
SILICON VALLEY COLLEGE	MULTI COUNTIES	6	Service		106	\$608,970	59%
SIMMONS COMPANY	LOS ANGELES	5	Manufacturing	158		\$102,670	40%
SMC CORPORATION OF AMERICA	ORANGE	5	Manufacturing	86		\$81,315	100%
SMS TECHNOLOGIES, INC.	SAN DIEGO	4	Manufacturing	69		\$59,176	39%
SOLID STATE STAMPING, INC.	RIVERSIDE	2	Manufacturing	26		\$20,280	81%
SONOMA COUNTY JUNIOR COLLEGE DISTRICT	MULTI COUNTIES	6	Manufacturing	171		\$95,076	47%
SOUTHLAND STONE USA, INC.	LOS ANGELES	1	Trade	16		\$3,200	94%
SOUTHWEST MARINE, INC.	SAN DIEGO	5	Manufacturing	344		\$190,320	85%
STANDARD REGISTER COMPANY	YOLO	5	Manufacturing	72		\$147,863	60%
STILLMAN SEAL CORPORATION	SAN DIEGO	5	Manufacturing	60		\$66,560	84%
SUMMIT INVESTMENTS LOAN CORPORATION	SAN DIEGO	1	Finance	9		\$3,840	28%
SUNAMERICA, INC.	LOS ANGELES	5	Finance	242		\$462,336	33%
SUNRISE MEDICAL, INC.	FRESNO	5	Manufacturing	194		\$130,048	19%
SWF COMPANIES	FRESNO	4	Manufacturing	0		\$0	0%
SYSCO FOOD SERVICES OF CENTRAL CALIFORNIA, INC.*	STANISLAUS	5	Trade	191		\$270,570	60%
SYSCO FOOD SERVICES OF LOS ANGELES, INC.*	LOS ANGELES	5	Trade	339		\$515,112	99%
SYSCO FOOD SERVICES OF SAN FRANCISCO, INC.*	ALAMEDA	5	Service	238		\$262,136	75%
SYSCO FOODS SERVICES OF SACRAMENTO*	SUTTER	5	Service	144		\$245,390	59%
T CHRISTY ENTERPRISES	ORANGE	2	Trade	37		\$24,960	100%
TCI PRECISION METALS	LOS ANGELES	2	Manufacturing	60		\$93,344	65%
TECHFLEX PACKAGING, LLC	LOS ANGELES	1	Manufacturing	15		\$7,200	94%
TECHNICAL DIFFERENCE INC.	SAN DIEGO	1	Manufacturing	18		\$14,040	100%
TECHNICOLOR CINEMA DISTRIBUTION	SAN BERNARDINO	5	Manufacturing	37		\$36,400	50%
TECHNIFORM METAL CURVING, INC.	SAN BERNARDINO	2	Manufacturing	33		\$45,400	22%
TELEPLAN INTERNATIONAL	PLACER	5	High Technology	17		\$13,528	10%
TELSCAPE COMMUNICATIONS	LOS ANGELES	3	High Technology	13		\$15,080	5%
TENAYA LODGE AT YOSEMITE	MULTI COUNTIES	5	Service	96		\$89,440	63%
TENNECO AUTOMOTIVE, INC.	LOS ANGELES	5	Manufacturing	13		\$7,384	14%
THE CASTLE PRESS	LOS ANGELES	1	Manufacturing	31		\$12,420	89%
THE CLOROX COMPANY	MULTI COUNTIES	5	Manufacturing	1,055		\$979,484	87%
THE CORPORATION FOR MANUFACTURING EXCELLENCE DBA MANEX	MULTI COUNTIES	6	Manufacturing	1528		\$1,254,209	81%
THE GOODRICH CORPORATION	LOS ANGELES	5	Manufacturing	21		\$32,726	74%
THE NAPA-SOLANO UNITED ASSOCIATION OF PLUMBERS & STEAMFITTERS*	SONOMA	6	Construction	37		\$25,074	90%

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

*Special Employment Training (SET) Category

B3-5

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

COMPLETED CONTRACTS IN FY 2003-04

APPENDIX B-3

Contractor Name	County	Business Size**	Industry	Retrainees	New Hires	Contract Earned	Percent Earned
THE PACIFIC LUMBER COMPANY	HUMBOLT	5	Manufacturing	85		\$72,080	98%
TIDAL SOFTWARE, INC.	SANTA CLARA	2	Manufacturing	0		\$0	0%
TLD DISTRIBUTION	LOS ANGELES	2	Trade	28		\$21,840	88%
TORRANCE VAN AND STORAGE DBA S & M MOVING SYSTEMS	LOS ANGELES	4	Transportation	0		\$0	0%
TOSHIBA AMERICA INFORMATION SYSTEMS, INC.	ORANGE	1	Manufacturing	323		\$276,904	56%
TRIMCO FINISH	ORANGE	3	Construction	55		\$58,304	91%
TRINITY CONSTRUCTION DBA TRINITY ENGINEERING, INC.	SONOMA	1	Manufacturing	10		\$24,960	63%
TRUCK DRIVING ACADEMY*	MULTI COUNTIES	6	Transportation		193	\$739,190	100%
TST, INC.	SAN BERNARDINO	3	Manufacturing	118		\$132,757	88%
U. S. RIGGING SUPPLY CORPORATION	ORANGE	1	Trade	6		\$2,520	81%
ULTIMATE JUICE COMPANY	MULTI COUNTIES	5	Manufacturing	76		\$130,923	31%
UNICHEM INDUSTRIES, INC.	ORANGE	1	Trade	9		\$4,380	100%
UNIGEN CORPORATION	ALAMEDA	2	Manufacturing	26		\$20,280	100%
UNISYS CORPORATION, SUPPLY CHAIN OPERATIONS	SAN DIEGO	5	Manufacturing	200		\$163,475	94%
UNITED DEFENSE L.P.	SANTA CLARA	5	Manufacturing	29		\$47,320	50%
UNITED EDUCATION AND COMPUTER COLLEGE*	MULTI COUNTIES	6	Trade	69		\$73,670	98%
UNITED PARCEL SERVICE	TULARE	5	Transportation	70		\$81,268	86%
UNITED TRUCK & CAR DRIVING SCHOOL, INC.	MULTI COUNTIES	6	Transportation		20	\$76,600	40%
VEKTREX ELECTRONIC SYSTEMS, INC.	SAN DIEGO	1	High Technology	6		\$2,380	63%
VENTURA COUNTY ELECTRICAL JOINT APPRENTICESHIP TRAINING COMMITTEE*	VENTURA	6	Construction	19		\$15,463	21%
VERTIS, INC.	MULTI COUNTIES	5	Manufacturing	37		\$50,728	3%
VIANSA WINERY AND ITALIAN MARKETPLACE	SONOMA	3	Manufacturing	48		\$74,400	70%
VICTRON, INC.	ALAMEDA	4	Manufacturing	283		\$378,800	97%
VIDEO PRODUCTS GROUP	VENTURA	1	Manufacturing	10		\$7,800	100%
VIDEO SYMPHONY ENTERTRAINING, INC.	LOS ANGELES	6	Other	218		\$225,655	34%
WACHOVIA CORPORATION	SACRAMENTO	5	Finance	259		\$152,340	13%
WEARUNDER, INC.	LOS ANGELES	1	Manufacturing	0		\$0	0%
WEST SAN GABRIEL VALLEY CONSORTIUM DBA CAREER PARTNERS	MULTI COUNTIES	6	Manufacturing	123		\$122,119	62%
WIRELESS TECHNOLOGY INC.	LOS ANGELES	1	Manufacturing	11		\$3,520	92%
WYNN OIL COMPANY	LOS ANGELES	5	Manufacturing	72		\$70,952	75%
Z MICROSYSTEMS, INC.	SAN DIEGO	1	Manufacturing	32		\$14,700	100%
				56,310	1,310	\$60,999,941	55%

*Special Employment Training (SET) Category

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