

DELEGATION ORDER



Training Proposal for:

ABCO Technology, Inc.

Agreement Number: ET15-0370

Approval Date: January 6, 2015

ETP Regional Office: North Hollywood

Analyst: M. Reeves

PROJECT PROFILE

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

FUNDING DETAIL:

Program Costs	+	Support Costs	=	Total ETP Funding
\$90,360		\$6,273 8%		\$96,633

In-Kind Contribution:	50% of Total ETP Funding Required	\$85,500
-----------------------	-----------------------------------	----------

TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Advanced Tech., Computer Skills	45	8-200	0	\$1,925	\$18.00
				Weighted Avg: 100			
2	Retrainee SB <100 Priority Rate	Advanced Tech., Computer Skills	6	8-60	0	\$1,668	\$18.00
				Weighted Avg: 60			

Minimum Wage by County: \$16.04 per hour for Los Angeles County; \$15.98 per hour for Orange County; \$15.60 per hour for San Diego County; and \$14.90 per hour for Riverside, San Bernardino and Ventura counties

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

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

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

Wage Range by Occupation

Occupation Titles	Wage Range	Estimated # of Trainees
Job Numbers 1 and 2		
Systems/Network Engineer		20
Network Security Administrator		20
Office Administration Staff		6
Database Administrator/Developer		5

INTRODUCTION

ABCO Technology, Inc. (ABCO) (www.abcotechnology.com) was founded in 2000 as a vocational school specializing in computer training. ABCO currently provides basic and advanced training and certification courses in Information Technology (IT). The School’s training courses cover network and database administration, web development, and programming for various industries including manufacturing, aerospace, healthcare, banking, and high technology. Located in Los Angeles, ABCO serves employers in Los Angeles, Orange, Ventura, Riverside, San Bernardino, and San Diego counties.

The core participating employers in this proposal represent large and small businesses that meet the Panel’s out-of-state competition standards and represent Panel priority sectors. This core group accounts for at least 80% of the requested funding.

PROJECT DETAILS

Recent technological changes have led companies to switch to cloud-based platforms, new server technology, and the use of portable electronic devices. Microsoft, Cisco and other vendors issue periodic updates to their operating systems, software, and related products. Employers must respond by continually updating their IT hardware and software, which necessitates updating the skills of their workers. All of these changes require training to enable employees to operate successfully in an environment of new platforms and applications.

Training Plan

Advanced Technology (80%) – Training will be offered to Systems/Network Engineer, Network Security Administrator, and Database Administrator/Developer. These occupations are responsible for design, operation, administration, security, and troubleshooting of networks, systems, hardware and software. This training will help IT professionals improve technical skills with multiple platforms, effectively troubleshoot network issues, and address the specific infrastructure needs.

Due to the added costs associated with specialized training on expensive network equipment and sophisticated software, ABCO is requesting AT reimbursement of \$26 per hour for several courses for IT professionals. This level of training involves significant computer operating time, costly textbooks and training material, and expert instructors who earn up to \$45 per hour. The 1:10 trainer-to-trainee ratio will be maintained for AT training to allow for in-depth coverage of complex course material and personal attention from the instructor.

Computer Skills (20%) – Training will be offered to Office Administration Staff to enhance business support skills. These courses will include Intermediate and Advanced Microsoft Word, Excel, PowerPoint, Outlook, and Access training.

Curriculum Development

ABCO performs a needs assessment for each employer to define trainee roles and job duties using industry standard certifications as guidelines. The curriculum has been prepared according to job and company requirements, as provided by the employer.

ABCO receives program feedback through trainee and employer evaluations, as well as through meetings with members of its Program Advisory Committee (PAC). These PAC meetings provide valuable information regarding labor market conditions. During course delivery, students are encouraged to fill out evaluation forms describing their learning experience, including instructor effectiveness and relevancy of the material.

Trainer Qualifications and Training Coordination

ABCO uses no outside vendors and all school trainers are required to hold IT certifications in the subjects they teach. Instructors must have at least three years of work experience and strong mastery of the material as assessed by the Director of Education and faculty.

Training will begin upon ETP approval and will take place at either the School's facility (50% center-based) or at employer worksites (50%). ABCO personnel will coordinate all employer marketing, recruitment, assessment, and training activities. The School has a team of four employees that will be responsible for employer contact, class scheduling, and all ETP-related project coordination and administration.

Impact/Outcome

Upon completion of training, trainees may apply and test for various CompTia, Cisco, and Microsoft computer certifications. ABCO offers testing on campus and strongly encourages all students to complete a series of practice exams prior to attempting actual certification exams.

Marketing and Support Costs

ABCO markets its programs via the School's website, catalogs, brochures, fliers, blogs, and social media. ABCO staff also markets directly via personal visits and presentations to company managers interested in the ETP program. ABCO continuously conducts outreach activities to employers in the community and attendees at trade shows. The School also works with the South Bay Workforce Investment Board to train and help unemployed individuals.

ABCO also allocates resources to perform needs assessments and ongoing curriculum customization. The School is requesting support costs to fund extensive marketing efforts and the recruitment of additional participating employers. Staff believes 8% Support Costs are justified for the reasons set forth above.

Substantial Contribution

ABCO serves large and small companies, some of which may have received training in prior ETP contracts. If a large participating employer (over 100 full-time employees) has received the benefit of training with payment earned in excess of \$250,000 within the past five years, reimbursement for trainees at the same facility will be reduced by 15% to reflect that employer's substantial contribution to the cost of training. Funding for any employer that has previously been assessed a substantial contribution will be reduced by 30%. Small businesses with 100 or fewer full-time employees (Job Number 2) are not subject to this provision.

Training Agency Certification

Training agency eligibility requires certification by an independent third-party, as required for the type of school and course of study. Most schools must also be licensed by the Bureau of Private Postsecondary Education (BPPE), created in statute effective January 1, 2010. ABCO is BPPE approved.

Tuition Reimbursement

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

Commitment to Training

Participating employers currently provide company-wide training in basic job skills, basic computer skills, leadership, project management, Six Sigma, and other continuous improvement methods such as Enterprise Resource Management. The companies targeted for training in this proposal have very limited budgets and ETP funding will allow employers to meet training needs that surpass current internal resources.

ETP funds will not displace the existing financial commitment to training of participating employers. Safety training is provided by the participating employers in accordance with all pertinent requirements under state and federal law.

RECOMMENDATION

Staff recommends approval of this proposal.

ACTIVE PROJECTS

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

Agreement No.	Approved Amount	Term	No. Trainees (Estimated)	No. Completed Training	No. Retained
ET13-0306	\$30,240	04/02/13 – 04/01/15	21	13	13

Based on ETP Systems, 1146 reimbursable hours have been tracked for potential earnings of \$29,796 (99% of approved amount). The Contractor has submitted the final closeout invoice and is projected to earn 99% of the approved contract amount.

PRIOR PROJECTS

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned	
				\$	%
ET09-0150	Los Angeles	11/03/08 – 11/02/10	\$198,071	\$22,267	(11%)

During the term of this contract, ABCO’s primary obstacles to better performance were: (1) the School’s inexperience in marketing and selecting viable participating employers; (2) subsequent lack of employer commitment to training; (3) class scheduling problems; (4) the economic downturn; and (5) ABCO’s general lack of knowledge and understanding of ETP requirements.

As demonstrated by the School’s 99% earnings on its most recent ETP Agreement, ABCO now fully understands ETP program requirements and has developed better strategies for recruiting employers and assessing their training needs and commitment. ABCO has selected a dedicated ETP representative that has been with the school for several years. In addition, an experienced school counselor has been added to the ETP Team to assist in all operations. These representatives work with employers to explain the program, assess training needs, and complete Participating Employer Certification Statements.

To help ensure continued success, ABCO has carefully screened the core companies recruited for this program. Each employer’s commitment to workplace improvement through employee training must be established before a company will be considered. ABCO has asked employers to select and enroll only those employees they believe are committed to enhancing their performance and longevity with their company.

DEVELOPMENT SERVICES

N/A

ADMINISTRATIVE SERVICES

N/A

TRAINING VENDORS

N/A

Exhibit B: Menu Curriculum

Class/Lab Hours

8 – 200 (Job Number 1)

8 – 60 (Job Number 2)

Trainees may receive any of the following:

ADVANCED TECHNOLOGY

- ✦ CompTia A+ Certification 2011 Objectives
- ✦ Cisco Certified Network Associate
- ✦ Microsoft Certified Solutions Expert 2012: Server Infrastructure
- ✦ Oracle Database Administrator and Database Developer

COMPUTER SKILLS

- ✦ Microsoft Office Excel – Levels 2 & 3
- ✦ Microsoft Office Word – Levels 2 & 3
- ✦ Microsoft Office Power Point – Level 2
- ✦ Microsoft Office Outlook – Levels 2 & 3
- ✦ Microsoft Office Access – Levels 2, 3 & 4

Note: Reimbursement for retraining is capped at 200 total training hours per trainee for Job Number 1 and 60 total training hours per trainee for Job Number 2, regardless of the method of delivery.

Participating Employers in Retrainee Multiple Employer Contracts

Contractor's Name: ABCO Technology, Inc.

CCG No.: ET15-0370

Reference No: 14-0686

Page 1 of 1

PRINT OR TYPE IN ALPHABETICAL ORDER

Company: Broad PC, Inc.

Address: 1525 S. Broadway, 1st Floor

City, State, Zip: Los Angeles, CA 90015

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 6

Total # of full-time company employees worldwide: 7

Total # of full-time company employees in California: 7

Company: Denso Products and Services Americas, Inc.

Address: 3900 Via Oro Avenue

City, State, Zip: Long Beach, CA 90810

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 30

Total # of full-time company employees worldwide: 140,000

Total # of full-time company employees in California: 487

Company: Ducommun Incorporated

Address: 23301 Wilmington Avenue

City, State, Zip: Carson, CA 90745

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 15

Total # of full-time company employees worldwide: 3,200

Total # of full-time company employees in California: 1,000