



RETRAINEE - JOB CREATION

Training Proposal for:

Alliant Techsystems Operations LLC

Agreement Number: ET16-0347

Panel Meeting of: January 22, 2016

ETP Regional Office: North Hollywood

Analyst: E. Fuzesi

PROJECT PROFILE

Contract Attributes:	Retrainee Job Creation Initiative Priority Rate HUA Veterans	Industry Sector(s):	Aerospace and Defense Engineering Manufacturing Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Los Angeles, Kern	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 224	U.S.: 12,000	Worldwide: 12,000
<u>Turnover Rate:</u>	8%		
<u>Managers/Supervisors:</u> (% of total trainees)	0%		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	=	Total ETP Funding
\$212,340		\$0		\$212,340
		(High Earner Reduction)		
		\$0		

In-Kind Contribution:	100% of Total ETP Funding Required	\$284,550
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TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Business Skills Computer Skills Cont. Impr. HazMat OSHA 10/30	124	8-200	0-60	\$1,350	\$20.00
				Weighted Avg: 75			
2	Job Creation Initiative Priority Rate	Business Skills Computer Skills Cont. Impr. HazMat OSHA 10/30	18	8-200	0-20	\$480	\$20.00
				Weighted Avg: 24			
3	Retrainee Priority Rate Veterans	Business Skills Computer Skills Cont. Impr. HazMat OSHA 10/30	22	8-200	0-60	\$1,650	\$20.00
				Weighted Avg: 75			

Minimum Wage by County: Job Number 1 (Retrainee) and 3 (Retrainee Veterans): \$16.48 in Los Angeles County, and \$15.60 in Kern County. Job Number 2 (Job Creation): \$13.73 in Los Angeles County, and \$12.77 in Kern County.

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

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

Although employer provides health benefits, they are not being used to meet Post-Retention Wage.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Job Number 1		
Assembler		10
Contract Specialist		4
Engineer		77
Information Technology Staff		2
Administrator		8
Analyst		10
Quality Control Staff		7
Technician		3
Job Number 2		
Engineer		11
Technician		2

Administrator		2
Analyst		3
Job Number 3		
Engineer		11
Technician		4
Administrator		3
Analyst		1
Assembler		2
Information Technology Staff		1

INTRODUCTION

Founded in 1990, Alliant Techsystems Operations LLC (ATO) (www.orbitalatk.com) is a wholly owned subsidiary of OrbitalATK, Inc. (Orbital) [Note: The parent company is not participating in this proposal.] ATO has two facilities. Its main facility is located in Northridge. It also has a testing facility in Ridgecrest. Both facilities will participate in the ETP Agreement.

Orbital is a global leader in aerospace and defense technologies. It designs, builds, and delivers space, defense, and aviation-related systems to customers worldwide. Its main products include launch vehicles, satellites, aerospace structures, missiles, defense electronics, precision weapons, armament systems, and ammunition. Headquartered in Dulles, VA with facilities in 20 states across the U.S. and several international locations, Orbital is comprised of three operating groups: flight, defense, and space systems. Its operations focus on precision weapons; tactical rocket motors used in air, sea, and land based systems; missile-warning systems; and ammunition and gun systems. The Company is the largest producer of small-caliber ammunition for the U.S. and it is a primary manufacturer of medium- and large-caliber ammunition. ATO also develops advanced capabilities for missile-defense interceptors, fuses and warheads, weaponized special-mission aircrafts, and propulsion control systems.

Veterans

ATO belongs to the Defense System Group serving the U.S. Army, Navy, Air Force, Marines, NASA, various federal civilian agencies, allied foreign governments, and commercial technology companies throughout the world. The Company is committed to the hiring and recruitment of Veterans.

PROJECT DETAILS

U.S. Government defense and aerospace spending has recently been cut, especially for military and space platforms. ATO is aware of the unpredictability and fluctuations in U.S. Government spending for these industries and has planned a number of initiatives to help deal with the fluctuations.

To cut down on costs, ATO is consolidating facilities, combining facilities with similar functions. The Company recently consolidated its Clearwater, FL facility to Northridge and will be building facilities to house equipment and technologies from the Clearwater facility. Training will be necessary for employees using this equipment.

Additionally, ATO is taking an aggressive approach to enhance efficiencies, quality, and production processes; implement Lean principles; and increase on-time product delivery. Training will give California's workforce transferrable skills, in-depth technical knowledge, and business acumen to achieve business goals and deliver quality products and services.

Retrainee - Job Creation

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

ATO has invested over \$1.2 million into consolidation and expansion. The Company is in the process of constructing a building to house the new equipment, and hiring a team to run it. The Company has committed to hiring 18 new employees (Job Number 2). The date-of-hire for all trainees in the Job Creation program will be within the three-month period before contract approval or within the term-of-contract. The Company also represents that these trainees will be hired into "net new jobs" as a condition of contract.

Training Plan

Business Skills (30%) – Training will be offered to all staff to provide ways to identify customer needs, solve problems, learn new business development skills, and improve product delivery.

Computer Skills (30%) – Training will be offered to all staff to help trainees become proficient in navigating the Company's internal systems and improved/upgraded platforms. MS Office is also necessary for trainees to perform general job functions.

Continuous Improvement (30%) – Training will be offered to all staff to provide quality concepts. Training will focus on quality assurance and quality management principles. Process Improvements will ensure that employees maintain the necessary skills to perform their jobs functions effectively. Engineers will gain skills associated with product creation and/or assembly.

HazMat (5%) – Training will be offered to all staff to provide environmental protection procedures. Training will focus on proper ways to handle hazardous materials and chemicals, and the correct way to clean/dispose of such materials. This training is a series of courses, specific to industry sectors involved in the transport of hazardous materials. The coursework will be 8 hours, and will be delivered by CBT. Completion of the training results in a certificate that expands employment opportunities. This coursework is will be provided by certified in-house personnel.

Certified Safety Training

OSHA 10/30 (5%) – OSHA 10/30 is a series of courses "bundled" by industry sector and occupation. It consists of 10 hours for frontline workers and 30 hours for administrators. This training is not required as a condition of doing business in California; however, the coursework must be approved by, and the instructors must be certified by Cal-OSHA. To ensure that each trainee receives certification, ETP will only consider payment earned upon completion of the full 10-hour or 30-hour course. OSHA 10/30 is not included in the 10% limitation on safety training.

For this project, OSHA 10/30 will be provided to all staff to ensure compliance with regulations about emergency action plans, personal safety equipment, recordkeeping and reporting, and becoming safety leaders. The courses will cover accident prevention, emergency response procedures, and monitoring the work area to ensure compliance with safety guidelines.

Commitment to Training

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

ATO's training budget is \$100,000 for the Northridge and the Ridgecrest facilities. This includes new-hire orientation and training, basic safety training, compliance, sexual harassment prevention, OSHA, and training for job-specific functions including OJT. The proposed contract will allow ATO to implement more training initiatives and increase training efforts on a larger scope.

➤ Training Infrastructure

ATO's in-house Training and Development Executive will administer the ETP project, facilitate the courses, and coordinate vendors.

High Unemployment Area

Five trainees in Job Number 1 work in a High Unemployment Area (HUA) with unemployment exceeding the state average by at least 25%. The Company's location in Ridgecrest (Kern County) qualifies for HUA status under these standards. However, ATO is not asking for a wage modification.

Impact/Outcome

ATO's goal is to enhance employee competencies that are vital to the long-term success of the organization and within the aerospace industry in California by delivering superb quality products, increase revenue which will help increase future training budgets.

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

N/A

ADMINISTRATIVE SERVICES

N/A

TRAINING VENDORS

To Be Determined

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

8-200 Trainees may receive any of the following:

BUSINESS SKILLS

- Business Development
- Business Process Management
- Capturing International Business
- Capturing New Business
- Cost Accounting Standard Rules
- Cost Price Analysis
- Defense Federal Acquisition Regulation Supplement
- Earned Value Management System (EVMS)
- Economics for Business
- Estimate At Completion (EAC) Project Management
- Federal Acquisition Regulation – Government Compliance
- Integrated Project Teams (IPT)
- Managing Negotiations
- Opportunity Creation

COMPUTER SKILLS

- .Net with C#
- ABACUS
- ADAMS – Engineering Software
- Cognos Business Intelligence
- Cognos Business Intelligence for Consumers
- EPIC
- ESD
- MS Excel (Advanced)
- MS PowerPoint (Advanced)
- MS Word (Advanced)
- Pro Engineer
- SharePoint Administration
- Systems Improved Numerical Differencing Analyzer (SINDA)

CONTINUOUS IMPROVEMENT

- AS9100 Quality Management Systems
- CAM Responsibilities
- Capability Maturity Model Integration (CMMI)
- Foreign Object Debris (FOD) 5S
- Geometric Dimensioning and Tolerance
- IPC/WHMA-A-620 Certification
- IPC-A-610 Certification
- ISO 14001
- ITAR (International Traffic in Arms Regulations)
- J-STD-001 Requirements for Soldered Assembly
- J-STD-001 Requirements for Soldered Electrical Assembly
- Optical Telescope and 3D Scanner
- Project Management

- Quality Management System (QMS) L113 Control of Nonconforming Material
- Quality Management Systems
- Radar Principles
- System Engineering

CBT Hours

Job Number 1: 0-60

Job Number 2: 0-20

Job Number 3: 0-60

BUSINESS SKILLS

- Business Financial Management (24 hrs.)
- Efficient Productivity (1 hr.)
- Fundamentals of Earned Value Management (40 hrs.)
- Policies & Procedures (24 hrs.)
- Security Strategic Planning (16 hrs.)

COMPUTER SKILLS

- CMMI/ESSP (8hrs.)
- Information Technology Infrastructure Library (ITIL) 3.0 Foundations (24 hrs.)
- OOP/UML/Rhapsody (1 hr.)

HazMat

- Hazardous Material Handling (8 hrs.)

OSHA 10/30 (OSHA certified instructor)

- OSHA 10 (requires completion of the full 10-hour course)
- OSHA 30 (requires completion of the full 30-hour course)

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery. CBT is capped at 50% of total training hours, per trainee excluding OSHA 10/30 or HAZMAT.