

DELEGATION ORDER



RETRAINEE - JOB CREATION

Training Proposal for:

Ameriflex, Inc.

Agreement Number: ET16-0192

Approval Date: September 23, 2015

ETP Regional Office: San Diego

Analyst: S. Godin

PROJECT PROFILE

Contract Attributes:	Priority Rate Job Creation Initiative	Industry Sector(s):	Manufacturing Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Riverside	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 103	U.S.:103	Worldwide: 103
<u>Turnover Rate:</u>	5%		
<u>Managers/Supervisors:</u> (% of total trainees)	14%		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$40,000		\$0	\$0		\$40,000

In-Kind Contribution:	100% of Total ETP Funding Required	\$46,200
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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, Continuous Impr, HazMat, Mfg Skills, OSHA 10/30	50	8-200	0	\$720	\$15.07
				Weighted Avg: 40			
2	Job Creation Initiative Priority Rate	Business Skills, Computer Skills, Continuous Impr, HazMat, Mfg Skills, OSHA 10/30	5	8-200	0	\$800	\$12.33
				Weighted Avg: 40			

Minimum Wage by County: Job Number 1 (Retrainee): \$15.07 per hour for Riverside County; Job Number 2 (Job Creation): \$12.33 per hour for Riverside County.

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

Used to meet the Post-Retention Wage?: Yes No Maybe
Up to \$1.25 per hour may be used to meet the Post-Retention Wage.

Wage Range by Occupation

Occupation Titles	Wage Range	Estimated # of Trainees
JOB NUMBER 1 RETRAINEES		
Production Personnel		36
Administrative Support Staff		7
Supervisors/Managers		7
JOB NUMBER 2 JOB CREATION		
Production Personnel		4
Administrative Support Staff		1

INTRODUCTION

Founded in 1981 and located in Corona, Ameriflex, Inc. (AFI) (www.ameriflex.net) designs and manufactures highly engineered, precise custom parts for the aerospace, medical, semiconductor, scientific laboratory, high performance auto, and power (including gas, oil, and nuclear) industries. Its products include braided hoses, metal bellows, and metal flanges. However, the Company is best known as the foremost manufacturer of precision bellows and related vacuum products.

PROJECT DETAILS

AFI must ensure that its products are highly reliable. Product reliability depends on design and manufacturing process. For a successful manufacturing process, the Company must be able to quickly adapt to meet changing customer demands, requirements, and preferences. Additionally, AFI will be preparing employees for AS9100 certification. The certification uses strict standards for production and is required for manufacturers who produce for the aerospace industry. The certification will improve product quality and help the Company become a high-performance workplace.

Retrainee – Job Creation

AFI's sales revenue increased by 20% during the last 12 months and is expected to increase in the next few years. The Company also recently added additional CNC machines, an automated cleaning system, laser trimming equipment, and an automated hydro-former to meet increased customer demands. With this, AFI has committed to hiring 5 new employees (Job Number 2) during the Agreement's term. Trainees must be hired within the three month period prior to Panel approval or during the term of the contract and will be subject to a lower post-retention wage. These trainees will be hired into "net new jobs" as a condition of contract.

Training Plan

Business Skills (20%) – Training will be offered to all occupations. Customer service and communication skills will provide the necessary tools for trainees to interact with external and internal customers in a professional manner. Managers, Supervisors, and selected lead personnel will receive facilitator and coaching skills to become competent internal trainers.

Computer Skills (5%): Training will be offered to all occupations. Training on the Company's MRP system will provide staff with the skills to navigate the software, thus reducing errors and rework and improving inventory and production management to meet demands. Trainees will also receive training on SolidWorks and Advanced Microsoft Office.

Continuous Improvement (25%): Training will be offered to all occupations as it relates to specific job functions. Trainees will receive skill sets in a variety of Continuous Improvement topics such as AS9100, Process Improvement, Lean Manufacturing, 5S, Leadership Skills and Quality Standards to improve processes and product quality.

Hazardous Materials (5%): Production Personnel working with hazardous materials will receive skills training in hazardous waste/spill operations and emergency response and learn to properly complete material safety data sheets.

Manufacturing Skills (40%): Production Personnel and Managers/Supervisors will receive training in new equipment operations, maintenance and troubleshooting. Trainees will obtain skills to reduce waste, improve quality, and lengthen the life of the equipment. Additionally, workers will be cross-trained on machinery to increase manufacturing capability and shorten delivery times.

Certified Safety Training

OSHA 10/30 (5%): This training is a series of courses "bundled" by industry sector and occupation. It consists of 10 hours of classroom training for frontline Production Personnel and 30 hours for Supervisors and Managers. The coursework is geared to manufacturing, and also construction. Completion of the training results in a certificate that expands employment opportunities. The coursework must be approved by Cal-OSHA, and the instructors must be

certified by Cal-OSHA. This training provides a complete overview of occupational safety and health so that workers are more knowledgeable about workplace hazards

Temporary to Permanent Employees

The Company estimates that four of the five trainees in Job Number 2 (Job Creation) will fall under the Panel guidelines for “temporary to permanent” employment. Ameriflex will retain these employees through a temporary agency, with the intention of hiring them into full-time, permanent positions after training. These trainees must be determined eligible to participate in ETP-funded training before the start of training, while on the payroll with the temporary agency. However, the retention and post-retention wage requirements cannot be satisfied until after they have been hired.

Commitment to Training

AFI provides basic on-boarding training for all newly hired employees. Training consists of basic orientation and an overview of company policies and procedures. Informal on-the-job training is provided to Production Staff on an as needed basis. The training is provided by in-house staff. The Company does not have a designated training budget. ETP funds will not displace the existing financial commitment to training. The Company will provide safety training as required under state and federal laws.

Training Infrastructure

Training will be conducted by a combination of in-house trainers and training vendors. Trainers will collect training rosters after each training session. An in-house Administrative Support Staff person will forward scanned roster copies to AFI’s subcontracted project administrator, Training Funding Source (TFS), for data entry on the ETP tracking system. TFS will perform ETP administrative recordkeeping duties.

Impact/Outcome

Training goals include AS9100 Certification and increased competencies in manufacturing and continuous improvement skill sets necessary to remain competitive and provide career opportunities for employees to grow within the organization.

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

AFI retained TFS in Seal Beach to assist with development of this proposal for a flat fee of \$2,500.

ADMINISTRATIVE SERVICES

AFI also retained TFS to perform administrative services in connection with this proposal for a fee not to exceed 13% of payment earned.

TRAINING VENDORS

To Be Determined

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

8-200

Trainees may receive any of the following:

BUSINESS SKILLS

- + Coaching/Mentoring Skills
- + Facilitator/Train-the-Trainer Skills
- + Communication Skills
- + Customer Service Skills
- + Project Management
- + Product Knowledge

COMPUTER SKILLS

- + JobBoss
- + Project Management Software
- + UniPoint Electronic Document Control Software
- + Advanced MS Office Suite
- + Advanced Excel
- + SolidWorks/CAD

CONTINUOUS IMPROVEMENT

- + 5S
- + AS 9100
- + Lean Manufacturing Skills
- + Quality Standards
- + Leadership Skills
- + Process Improvement
- + Teambuilding
- + Decision Making & Problem Solving
- + Standard Operating Procedures

HAZARDOUS MATERIALS

- + Emergency Clean Up
- + Hazardous Materials Handling
- + Registration, Evaluation, Authorization and Restriction of Chemical Substances

MANUFACTURING SKILLS

- + Equipment Operation, Maintenance & Troubleshooting
- + Inspection Techniques
- + Manufacturing Process and Efficiencies
- + Good Manufacturing Practices
- + Tool Use and Maintenance

OSHA 10/30 (OSHA certified trainer)

- + OSHA 10 (requires completion of 10-hour course)
- + OSHA 30 (requires completion of 30-hour course)

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

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