



**Training Proposal for:
Bay Alarm Company
Agreement Number: ET15-0185**

Panel Meeting of: June 27, 2014

ETP Regional Office: Sacramento

Analyst: L. Lai

PROJECT PROFILE

Contract Attributes:	Retrainee SET Priority Rate Job Creation Initiative HUA	Industry Sector(s):	Construction Services Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Alameda, Contra Costa, Los Angeles, Orange, Sacramento, San Bernardino, San Diego, San Joaquin, San Mateo, Santa Clara, Shasta, Sonoma, Ventura	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 675	U.S.: 675	Worldwide: 675
Turnover Rate:	4%		
Managers/Supervisors: (% of total trainees)	N/A		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$232,500		\$0	\$0		\$270,000

In-Kind Contribution:	100% of Total ETP Funding Required	\$362,003
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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 SET Priority Rate	Business Skills, Commercial Skills, Computer Skills, Cont. Imp., PL-Comm. Skills	100	8-200	0-20	\$720	\$25.06
				Weighted Avg: 40			
2	Retrainee SET HUA Priority Rate	Business Skills, Commercial Skills, Computer Skills, Cont. Imp., PL-Comm. Skills	170	8-200	0-20	\$900	\$13.49
				Weighted Avg: 50			
3	Retrainee SET Priority Rate Job Creation	Business Skills, Commercial Skills, Computer Skills, Cont. Imp., PL-Comm. Skills	45	8-200	0-20	\$1,000	\$12.70
				Weighted Avg: 50			

Minimum Wage by County: Job Number 1 (SET/Priority Industry): \$20.32.
Job Number 2 (SET/HUA): \$12.19 per hour – Alameda County; \$11.70 per hour – Sacramento County; \$11.17 per hour - San Joaquin County.
Job Number 3 (Job Creation): \$13.55 per hour – Alameda, Contra Costa, San Mateo, and Santa Clara counties; \$13.37 per hour – Los Angeles County; \$13.32 per hour – Orange County; \$13.00 per hour – San Diego County; \$12.99 per hour – Sacramento County; \$12.19 per hour – San Bernardino, San Joaquin, Shasta, Sonoma, 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

\$1.70 per hour may be used to meet the Post-Retention Wage in Job Numbers 2 & 3.

Commissions have ranged from \$.99 to \$42.50 per hour over the past 12 months, with the average hourly commission being \$15.00. Commissions may be used by Sales Staff to meet the post-retention wage requirements.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Job Number 1 – SET FRONTLINE		
Sales Staff		15
Operations Staff		25
Installer/Dispatcher		30
Service Technician		30
Job Number 2 – SET / HUA		
Sales Staff		30
Operations Staff		40

Installer/Dispatcher		50
Service Technician		50
Job Number 3 – SET / JOB CREATION		
Sales Staff		10
Operations Staff		10
Installer/Dispatcher		15
Service Technician		10

INTRODUCTION

Bay Alarm Company (BAC), a subsidiary of BALCO Holdings, Inc. is the largest independently owned and operated security company in the United States. The Company offers a full range of security systems to approximately 100,000 residential and commercial customers across California, including burglar and fire alarm systems, access control and video surveillance.

Training will take place at BAC facilities in Alameda, Contra Costa, Los Angeles, Orange, Sacramento, San Bernardino, San Diego, San Joaquin, San Mateo, Santa Clara, Shasta, Sonoma, and Ventura.

As demand for security systems increases, BAC is experiencing greater competition from new entrants in the security marketplace. To remain competitive and continue to grow its customer base, BAC must stay on the cutting edge of security technology, and develop and implement technologically advanced security products and services. Some new technologies include migrating to 4G with higher data speed, implementing a new network, BayComm, enabling quicker response time, and expanding its ZWave-Z/IP video surveillance solutions.

This will be BAC's third contract within five years. Some curriculum topics are repeated from the previous agreements; however, the subject matter has been updated and improved per new technology and developments so there will be no duplication of training content in those courses. In addition, the trainee population has been expanded and now includes newly hired employees.

Retrainee - Job Creation

In support of job creation, the Panel is offering incentives to companies that commit to hiring new employees. Under the Retrainee-Job Creation program, training for newly hired employees will be reimbursed at a higher rate and trainees will be subject to a lower post-retention wage.

Based on market research, the company expects a 5% new customer growth each year in residential and commercial security systems. Therefore, the company expects to hire approximately 200 new employees in California over the next two years to keep up with the increased demand for residential and commercial security systems. Under this proposal, BAC is committing to hiring 45 new employees (Job Number 3). To be eligible for reimbursement under this Job Number, the trainees must be hired within the three-month period prior to Panel approval or during the term of the contract.

PROJECT DETAILS

Training Plan

Business Skills (15%) - Training will be offered to all occupations as it relates to their job function. Training will provide improved and consistent customer service through improved and Effective Communication Skills, New Customer Service Skills, Residential and Commercial Systems/Applications Protocols, and Technical Sales Skills/Contracts. Some courses will be delivered via Computer-Based Training (CBT).

Commercial Skills (50%) - Training will be offered to Service Technicians and Installer/Dispatcher Staff. Topics include BayComm Network System, New/Emerging Product/Technology Skills, System Installation/Service/Technician Skills, and ZWave-Z/IP Video Surveillance Technology. Training will enable workers to better install, maintain and serve BAC products and systems. Some courses will be delivered via Computer-Based Training (CBT).

Computer Skills (10%) - Training will be offered to all occupations. This training will help improve employee efficiencies when utilizing systems and computer applications that are applicable to the workers' individual job roles and responsibilities.

Continuous Improvement (15%) - Training will be offered to all occupations. This training will provide workers with skills to increase performance in the areas of Planning, Problem Solving, Decision Making, Team Building, and Team Leadership Skills.

PL – Commercial Skills (10%)

Productive Laboratory (PL) training in Commercial Skills is necessary for Installers and Service Technicians to gain practical skills that cannot be replicated in a classroom setting. The safety-net of an experienced field trainer to oversee the work of a new field employee is necessary to ensure that proper procedures are maintained in the field and that any issues and/or damages are avoided so the customer has a positive experience. The equipment to be used during PL will be specific per training needs and shall include various security system tools and products such as BayComm Network System, Interactive Video Capture Systems, ZWave-Z/IP Video Surveillance Technology.

PL Training process shall be application specific in the actual work setting. Trainers will be subject matter experts who will be dedicated exclusively to instruction.

PL training will be provided to approximately 70 Installer and Service Technician trainees. PL training is not expected to exceed 40 hours for Job Number 1 and 50 hours for Job Numbers 2 and 3. Trainees will receive a combination of Class/Lab and PL. No trainees will receive 100% PL. The trainer-to-trainee ratio will not exceed 1:3.

Commitment to Training

BAC's annual training budget for California is estimated at \$300,000, and is spent on basic job skills training, new employee orientation and on boarding, driver safety, ergonomics, anti-harassment, basic OSHA training, basic computer skills, fire code training, and California State Fire/Life Safety Apprenticeship Program.

The Company represents that ETP funds will not displace the 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.

➤ Training Infrastructure

BAC maintains one central point of contact for ETP training at its Headquarters in Pacheco, CA. This individual is responsible for the scheduling and tracking of all facility training and meeting with ETP staff. This representative will ensure that all training has proper documentation and meets ETP requirements.

Substantial Contribution

There is no Substantial Contribution applied because no single Bay Alarm facility has earned \$250,000 or more within the past five years.

SET/High Unemployment Area (HUA)

Under Special Employment Training (SET) companies are not required to demonstrate out-of-state competition. To qualify under SET, trainees must be earning at least the statewide average hourly wage at the end of the retention. (Title 22, CCR, Section 4409(a))

Job Number 2 trainees work in a High Unemployment Area (HUA), with unemployment exceeding the state average by at least 15%. The company’s locations in Alameda, Sacramento, and San Joaquin counties qualify for HUA status. These HUA trainees qualify for the ETP Minimum Wage rather than the statewide average hourly wage. BAC is requesting this wage modification.

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

The following table summarizes performance by BAC under ETP Agreements that were completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET12-0178	Statewide	11/21/11 – 11/20/13	\$222,750	\$208,773 (94%)
ET09-0444	Statewide	2/2/09 – 2/1/11	\$155,844	\$155,844 (100%)

DEVELOPMENT SERVICES

Training Funding Partners in Fountain Valley assisted with development for a flat fee of \$9,500.

ADMINISTRATIVE SERVICES

Training Funding Partners will also perform administrative services for a fee not to exceed 7% 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

- Effective Communication
- Residential & Commercial Systems/Applications Protocols
- Security Business Network/Customer Service
- Technical Sales/Contracts
- Train-the-Trainer

COMMERCIAL SKILLS

- BayComm Network System
- Enhanced Security Equipment
- Interactive Video Capture Systems
- New/Emerging Product/Technology
- Next Generation Cellular Communications
- Personal/Medical Alert Devices
- System Installation/Service/Technician
- Sensors/Wiring/Meters
- Wireless Transmission Signals
- ZWave-Z/IP Video Surveillance Technology

COMPUTER SKILLS

- Advanced Microsoft Office
- Alarm and Computer System Procedures
- Security Business Network Customer Database and Sales Software

CONTINUOUS IMPROVEMENT

- Planning/Efficiency
- Problem Solving/Decision Making
- Process & Quality Improvement
- Team Building/Effectiveness and Team Leadership

Productive Lab

0 – 40 Job Number 1

0 – 50 Job Numbers 2 & 3

COMMERCIAL SKILLS

- BayComm Network System
- Enhanced Security Equipment
- Interactive Video Capture Systems
- New/Emerging Product/Technology
- Next Generation Cellular Communications
- Personal/Medical Alert Devices
- System Installation/Service

- Sensors/Wiring/Meters
- Wireless Transmission Signals
- ZWave-Z/IP Video Surveillance Technology

CBT Hours

0 – 20

BUSINESS SKILLS

- Collection (4 hrs.)
- Effective Communication (4 hrs.)
- Time Management (4 hrs.)
- Team Leadership (4 hrs.)
- Dealing with Difficult People (4 hrs.)

COMMERCIAL SKILLS

- Mobile Fire Inspection (4 hrs.)
- SharePlus Lite (SharePoint mobile access) (4 hrs.)
- PSA (Professional Services Automation) Web Application (4 hrs.)
- DVR (Digital Video Recorder) Basics (4 hrs.)
- Fire Panel Programming (4 hrs.)

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.