



DELEGATION ORDER

**Training Proposal for:
Boral Roofing LLC**

Agreement Number: ET16-0201

Approval Date: September 29, 2015

ETP Regional Office: San Diego

Analyst: M. Ray

PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate HUA	Industry Sector(s):	Manufacturing Services Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Orange, Riverside, San Joaquin, and San Bernardino	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: 625	U.S.: 1,600	Worldwide: 9,000
<u>Turnover Rate:</u>	5%		
<u>Managers/Supervisors:</u> (% of total trainees)	20%		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$96,228		\$0	\$0		\$96,228

In-Kind Contribution:	100% of Total ETP Funding Required	\$168,899
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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 Improvement, Hazardous Materials, Literacy Skills, Manufacturing Skills, OSHA 10, OSHA 30	198	8 - 200	0	\$486	\$15.07
				Weighted Avg: 27			

Minimum Wage by County: \$15.07 per hour for Riverside, San Joaquin, and San Bernardino Counties; and \$16.02 per hour for Orange 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

Health benefits of up to \$1.57 per hour may be used to meet the Post-Retention Wage.

Wage Range by Occupation

Occupation Titles	Wage Range	Estimated # of Trainees
Administrative Support		22
Supply Chain		1
Programmer		6
Senior Programmer		2
Accountant		6
Sales		12
Marketing		4
Technical Product		1
Operator		77
Technician		4
Mechanic		7
Electrician		8
Engineering		7
Quality Control		2
Supervisor		12
Manager		22
Senior Manager		5

INTRODUCTION

Founded in 1962, Boral Roofing LLC (Boral) (www.boralamerica.com), a subsidiary of Boral USA, is a premium provider of complete roofing and re-roofing solutions for architects as well as commercial and residential builders and roofers. Headquartered in Roswell, GA, Boral USA operates clay and concrete tile manufacturing plants as well as operations and distribution sites throughout the United States and Canada.

Boral has five California facilities located in the city of Irvine, Corona, Lathrop, French Camp, and Rialto. All five will participate in the proposed training plan. The corporate office located in Irvine will coordinate the implementation and administration of training.

PROJECT DETAILS

Boral's business depends on the housing market. With the ongoing housing recovery, sales are projected to increase 20% in the near term and as much as 100% in the next three to four years, increasing demand for the Company's products. Consequently, the continuous growth in the housing market will result in a 50-70% company growth nationwide.

In order for Boral to continue to meet industry demands as well as support its current and projected growth, Boral is committed to providing company-wide educational and skill development opportunities to its workforce in order to encourage upward mobility and promote retention. To realize these goals, the Company will provide an extensive business, computer, continuous improvement, literacy, and manufacturing skills training as well as certified safety training to its existing and newly-hired employees nationwide. With the help of ETP-funded training, the expected outcome of this training plan is to have a knowledgeable and highly-skilled efficient workforce that will allow the Company to remain viable in the marketplace.

Training Plan

Business Skills (15%) – Training will be offered to Supply Chain, Sales, Accounting, Supervisor, and Manager. Course topics in Customer Relations, Quality Assurance, Project Management, Sales, and Financial Skills will help trainees expand their knowledge of company products and provide superior customer service to exceed customer satisfaction and support increased customer demands.

Computer Skills (5%) – Training will be offered to all occupations. Course topics will include application skills training in Oracle, SAP, and MRP to provide trainees with the ability to better understand core business processes while Microsoft Office (Intermediate to Advanced) will provide trainees with skills to create documents and develop spreadsheets to improve output, accuracy, and efficiency.

Continuous Improvement (40%) – Training will be offered to all occupations. Boral is committed to empowering its workers to further their skills, which is necessary for career mobility and promotions. The Company will provide staff with comprehensive training in topics such as Process Improvement, Building High Performance Teams, Train-the-Trainer, Leadership, Motivation, Team Building, and Situational Leadership skills to work more cooperatively as a team and ensure that individuals remain focused on the Company's leadership values and overall business goals.

Literacy Skills (5%) – Training will be offered to all occupations in need of Vocational or Basic English communication skills. This will provide trainees the ability to communicate interdepartmentally and with co-workers within their departments.

Hazardous Materials (5%) – Training will be provided to select staff in the Manufacturing Operations and Environmental Health and Safety Department. Training in hazardous materials handling will provide trainees the skill sets needed to test, evaluate, and develop treatment plans for toxic materials that are encountered during the construction and clean-up phase of a project.

Manufacturing Skills (25%) – Training will be offered to trainees in the Manufacturing Operations Department. Training topics include Lean Manufacturing, Kaizen, Machine/Equipment Operation, Standard Operating Procedures, and Maintenance Processes. This training will develop necessary skills in all areas of production, processes, and procedures required to maintain existing and support new customer and industry demands.

OSHA 10/30 (5%)

This training is a series of courses “bundled” by industry sector and occupation. It consists of 10 hours of classroom or CBT training for journey-level workers and 30 hours for frontline supervisors. The coursework is geared to construction work, and also manufacturing. 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.

Commitment to Training

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. The Company spends an estimated \$43,000 annually on training at its California facilities. In the past, Company-funded training included a full range of mandatory and elective job-specific and company-wide topics in Process Improvement, Quality Assurance, Safety, Harassment Prevention, Lean Manufacturing, Machine Operations, Customer Service, Sales & Marketing, and Engineering Processes delivered via classroom, laboratory, on-the-job, or computer-based (self-paced) training.

➤ Training Infrastructure

The Company’s Human Resources Director and Administrator in collaboration with Plant Managers will oversee, manage, schedule, monitor, and track training. The training curriculum will also be developed by Human Resources staff with assistance from various groups in Engineering, Sales, Customer Service, and Manufacturing Operations.

High Unemployment Area

Approximately 107 trainees in Job Number 1 work in a High Unemployment Area (HUA), a region with unemployment exceeding the state average by at least 25%. The Company’s locations in San Joaquin and San Bernardino Counties qualify for HUA status under these standards. However, Boral is not asking for a wage and/or retention modification.

Temporary to Permanent Hiring

Some trainees in Job Number 1 come under Panel guidelines for “temporary to permanent” employment. Boral has retained 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 payroll with the temporary agency. However, the retention and post-retention wage requirements cannot be satisfied until after they have been hired by Boral. Until then, Boral will not receive progress payments.

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

- + Financial Skills
 - o Financial Statements
 - o Balance Sheets
- + Customer Relations
- + Planning
- + Decision Making
- + Supply Chain and Logistics
- + Quality Assurance
- + General Accounting Practices and Principles
- + Inventory Control
- + Project Management
- + Business Writing
- + Sales

COMPUTER SKILLS

- + Microsoft Office - Intermediate to Advanced
- + Oracle Application Skills
- + Systems, Applications, and Products (SAP) Application Skills
- + Material Requirements Planning (MRP) Application Skills

CONTINUOUS IMPROVEMENT

- + Leadership
 - o Coaching
 - o Communication
 - o Interpersonal Skills
- + Situational Leadership
- + Dealing with Conflict
- + Delegating and Building Accountability
- + Motivation Skills
- + Building High Performance Teams
- + Team Building
- + Strategic Planning
- + Managing Contractors
- + Train-the-Trainer
- + Process Improvement

HAZARDOUS MATERIALS

- + Hazardous Materials Handling

LITERACY SKILLS

- + Vocational English
- + Basic English Communication Skills

MANUFACTURING SKILLS

- + Lean Manufacturing
- + Kaizen

- ✚ Equipment Operation
- ✚ Machine Operation
- ✚ Machine Troubleshooting
- ✚ Process Scrap
- ✚ Color Mixing Skills
- ✚ Maintenance Skills
- ✚ Developing Standard Operating Procedures
- ✚ Shipping and Receiving Procedures
- ✚ Maintenance Processes

OSHA 10 (Certified OSHA Instructor)

- ✚ OSHA 10 (requires 10 hours completion)

OSHA 30 (Certified OSHA Instructor)

- ✚ OSHA 30 (requires 30 hours completion)

Literacy Training cannot exceed 45% of total training hours per-trainee
Safety Training cannot exceed 10% of total training hours per-trainee. This cap
does not apply to Hazmat, OSHA 10, or OSHA 30.

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