



Training Proposal for:
California Manufacturers and Technology Association
Agreement Number: ET15-0353

Panel Meeting of: January 22, 2015

ETP Regional Office: Sacramento

Analyst: M. Mazzone

PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate SB <100	Industry Sector(s):	Manufacturing Aerospace and Defense Technology/IT Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Statewide	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
\$607,680		\$42,075 8%		\$649,755

In-Kind Contribution:	50% of Total ETP Funding Required	\$750,000
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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, Mgmt Skills, Mfg. Skills, OSHA 10/30	201	8-200	0	\$1,155	\$14.90*
				Weighted Avg: 60			
2	Retrainee Priority Rate SB <100	Business Skills, Computer Skills, Cont. Impr., HazMat, Mgmt Skills, Mfg. Skills, OSHA 10/30	225	8-100	0	\$1,668	\$14.90*
				Weighted Avg: 60			
3	Retrainee SB <100	Business Skills, Computer Skills, Cont. Impr., HazMat, Mgmt Skills, Mfg. Skills, OSHA 10/30	60	8-100	0	\$705	\$14.90*
				Weighted Avg: 30			

*This proposal was scheduled to be heard in December. Staff recommends “grandfathering” the CY 2014 wages to ensure there is no detriment caused by the cancellation of December’s meeting where, as here, some occupations would not meet CY 2015 wages.

Minimum Wage by County: \$16.25 in Alameda, Contra Costa, Marin, San Francisco, San Mateo, Santa Clara, Santa Cruz Counties; \$16.04 in Los Angeles County; \$15.98 in Orange County; \$15.60 in San Diego County; \$15.59 in Sacramento County; \$14.90 in all other 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
Administrative Support Staff 1		20
Administrative Support Staff 2		10
Customer Service and Sales Staff 1		20
Customer Service and Sales Staff 2		10
Manufacturing Production Staff, Technician, Maintenance Staff 1		69
Manufacturing Production Staff, Technician, Maintenance Staff 2		70
Supervisor 1		40

Supervisor 2		7
Manager 1		40
Manager 2		7
Manager 3		3
Engineer 1		100
Engineer 2		20
Engineer 3		10
Analyst 1		50
Analyst 2		10

INTRODUCTION

This is California Manufacturers and Technology Association (CMTA) (www.cmta.net) twelfth ETP-funded project. CMTA is a trade association representing a large number of California's manufacturing, processing, service, and technology-based companies. Headquartered in Sacramento, CMTA has worked closely with its member companies and ETP to implement successful work skills training programs for over 20 years. CMTA's comprehensive advocacy and educational initiatives seek to foster a business environment that will lead to the retention and creation of high-wage, high-skill jobs that will enhance the overall prosperity of California. CMTA promotes training programs and policies that help manufacturers achieve higher performance.

PROJECT DETAILS

CMTA has identified critical needs of California companies. Many industries have a high rate of technological change, and skill gaps have become increasingly wider. Companies must make sure that their employees are up-to-date with the latest technologies. Additionally, manufacturers are increasingly moving towards the production of high value-added products that require complex processes and high-skill workers. Recruitment at all levels of the firm for knowledgeable and skilled employees has been challenging. Lastly, California companies must be able to compete with foreign and domestic competitors. To do so, employers must strive to develop new products and services; increase productivity; and improve product quality, pricing, and customer satisfaction. ETP-funded training is critical to help close skill gaps and to respond to unique employer challenges and growth opportunities.

Training Plan

The proposed training will mainly target manufacturers but will include other industries (aerospace and defense, technology, IT) as well. CMTA serves companies statewide, but the core employers are located primarily in the Los Angeles area.

Business Skills (10%) – Training will be offered to all occupations. Administrative Support Staff will focus on skills such as Cost Control and Financial Analysis. Engineers and Technicians will train in Product Knowledge, Project Management, and Business Fundamentals. Customer Service and Sales Staff will be trained to provide information and support to customers.

Computer Skills (15%) – Training will be offered to all occupations. Training will provide Analysts, Engineers, and Manufacturing Staff with the skills to become more proficient in the use of software platforms such as Enterprise Resource Planning, database applications, and

Windows software applications. Customer Service and Sales team members will take Microsoft Office training to improve the quality and productivity of everyday assignments.

Continuous Improvement (30%) – Training will be offered to all occupations. Trainees will receive the skills necessary to reduce waste and increase productivity and product quality. Engineers will participate in Lean Initiatives such as ISO, Quality, and Statistical Process Controls to remain competitive in California.

Hazardous Materials (3%) – Training will provide Manufacturing Staff with the skills necessary to ensure a safe work environment when handling dangerous materials.

Management Skills (10%) – Training will provide Managers and Supervisors with Leadership and Managing Change skills to learn techniques to keep the workforce engaged, productive, and focused.

Manufacturing Skills (30%) – Training will be offered to Manufacturing Staff, Technicians, and Maintenance Workers in operating and maintaining new machinery and equipment as companies diversify products and move into new markets

OSHA 10/30 (2%)

OSHA 10/30 training is a series of courses “bundled” by industry sector and occupation. The coursework must be approved by, and the instructors must be certified by Cal-OSHA. Training hours may be delivered in a classroom setting or via CBT. When delivery is by CBT all training hours must be delivered in a classroom over a finite number of times, and the vendor must have a certified instructor present to confirm attendance. 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, or in the 50% limitation on CBT.

Commitment to Training

Larger employers have well-established training programs that include courses such as new employee on-boarding, basic job skills, employee diversity, supervisory law, and interviewing skills. Other employers are only able to provide government-mandated training such as safety, compliance, and sexual harassment prevention. Many of the participating employers, especially smaller businesses, do not have structured training programs due to budgetary constraints; classes are generally provided “as needed” and training is often repeatedly delayed. ETP funding will expand industry-specific training to upgrade employee skill sets.

Safety training is, and will continue to be, provided by the participating employers in accordance with all pertinent requirements under state and federal law.

➤ Training Infrastructure

Training will be delivered primarily at employer worksites, with occasional center-based classes for several employers with similar needs. CMTA has partnered with two training subcontractors to deliver topics in Business Skills and Continuous Improvement. Participating employers will also provide qualified trainers who will train their own employees only.

CMTA has three full-time staff for employer marketing and recruitment, training needs assessments, skill gap analyses, trainer recommendations and selection, class scheduling, and all ETP documentation and tracking activities.

Impact/Outcome

CMTA training will focus on Lean manufacturing, new technology, process improvement, effective communications, and certification training to standardized job skills and competencies. CMTA has partnered with the National Association of Manufacturers to implement a Skills Certifications System, whose goals are to standardize competencies and basic skills and provide employers with skilled workers for new production and growth opportunities.

Trainees may earn a National Institute for Metalworking Skills (NIMS) certification. The certification sets skill standards for the industry, certifies individual skills against the standards, and accredits training programs that meet NIMS quality requirements

Marketing and Support Costs

CMTA will market to an extensive database of current and potential members and other referrals. Marketing activities are done through newsletters, workforce development partnerships (such as the Bay Area Manufacturing Renaissance Council), trade shows, telemarketing, direct mailing, and in-person visits.

CMTA is requesting 8% support costs for the cost associated with employer recruitment; employer worksites visits to determine training needs, curricula design and schedules; and assisting employers with training plan implementation. Staff recommends the 8% support costs.

Curriculum Development

CMTA meets with frontline workers, managers, and training staff to understand current business needs and challenges and how companies respond to the challenges. Employers and trainees complete a needs assessment and work with CMTA staff to create a customized curriculum to improve production capacity and operational efficiency. CMTA also conducts course evaluations and surveys with trainees and employers to gauge results of the programs and surveys its members to discern local training requirements.

CMTA relies on research data from the National Association of Manufacturing (NAM) to ensure the curriculum provides the type of training required on a national level. The NAM-endorsed certification system combines traditional education with industry-based requirements. CMTA also surveys its membership to discern local training requirements.

Training Hours Limitation

Currently, small businesses are capped at 60 hours of training per trainee. CMTA is requesting a modification to the cap to provide small businesses up to 100 hours of class/lab training per person for Job Numbers 2 and 3. The need for 100 hours cap is based on current small business participating employers' need to train employees on new equipment or new software, and CMTA experiences in prior agreements. Approximately 10% of small business employers require additional hours.

RECOMMENDATION

Staff recommends approval of this proposal.

ACTIVE PROJECTS

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

Agreement No.	Approved Amount	Term	No. Trainees (Estimated)	No. Completed Training	No. Retained
ET14-0144	\$1,245,680	9/3/2013 – 9/2/2015	980	856	337

Based on ETP Systems, 55,831 reimbursable hours have been tracked, and \$1,138,215 earned (91% of approved amount). The Contractor projects final earnings of 100% based on training currently committed to by employers and in progress through July 2015.

PRIOR PROJECTS

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET12-0294	Statewide	2/6/2012 – 2/5/2014	\$749,199	\$749,199 (100%)
ET11-0219	Statewide	4/4/2011 – 4/3/2013	\$399,285	\$399,285 (100%)
ET10-0208	Statewide	10/5/2009 – 10/4/2011	\$366,082	\$365,903 (99%)

DEVELOPMENT SERVICES

N/A

ADMINISTRATIVE SERVICES

N/A

TRAINING VENDORS

Custom Corporate Communications in Redondo Beach has been retained to provide Continuous Improvement (Lean and Quality) and Business Skills training for a fee of approximately \$250,000.

Get Kaizened of San Ramon has been retained to provide Continuous Improvement training for a fee of approximately \$100,000.

Sierra Consulting Services in Cameron Park has been retained to provide Business Skills training for a fee of approximately \$100,000.

Other trainers will be identified for ETP record-keeping purposes, as they are retained.

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

8–200 Job Number 1

8–100 Job Numbers 2 and 3

Trainees may receive any of the following:

BUSINESS SKILLS

- Business Communication
- Business Fundamentals
- Communication
- Cost Control
- Customer Service
- Financial Analysis
- International Shipping
- Negotiating
- Planning and Organization
- Presentation
- Product Knowledge
- Project Management
- Relationship Building through Sales & Service
- Sales Strategies
- Supply Chain Management
- Time Management
- Writing

COMPUTER SKILLS

- Microsoft Office, Intermediate
- Microsoft Office, Advanced
- Enterprise Resource Planning Software
- Database Management
- Accounting Software
- Custom Programming
- Computer Skills for Equipment Maintenance
- CAD/CAM

CONTINUOUS IMPROVEMENT

- Benchmarking
- Building Successful Teams
- Interpreting and Analyzing Data
- ISO
- Leadership Skills for Front-Line Workers
- Lean Manufacturing
- Kaizen Methodology
- Performance Management
- Problem Solving
- Root Cause Analysis
- Six-Sigma
- Standard Work
- Statistical Process Control

- Team Problem Solving
- Train the Trainer

HAZARDOUS MATERIALS

- Ammonia Training

MANAGEMENT SKILLS (for Supervisors/Managers only)

- Leadership Skills
- Managing Change

MANUFACTURING SKILLS

- American Welding Society Certified Welder
- Assembly Procedures
- Blueprint Reading
- Certified Manufacturing Engineer
- Certified Manufacturing Technologist
- Certified Quality Engineer
- CNC Operator Certificate
- Cross-Training in Equipment/Production
- Electronics
- Equipment Maintenance
- Equipment Operations
- Forklift Training
- Good Manufacturing Practices (GMP)
- Hydraulics Training
- Industrial Math
- Job Instruction/Analyzing Jobs for Efficiency
- National Institute for Metalworking Skills (NIMS) Certification training
- Welding fundamentals
- Wiring
- Motor Controls
- Production Operations
- Programmable Logic Controllers (PLC)
- Pneumatics
- Shop Math
- Warehousing Operations & Distribution

OSHA 10/30 (OSHA Certified Instructor)

- OSHA 10 (Requires Completion of 10 Hours)
- OSHA 30 (Requires Completion of 30 Hours)

Safety Training cannot exceed 10% of total training hours per-trainee (This cap does not apply to Hazmat or OSHA 10/30)

Note: Reimbursement for retraining is capped at 200 total hours per trainee for Job Number 1 and 100 total hours per trainee for Job Numbers 2 and 3, regardless of method of delivery.

Participating Employers in Retrainee Multiple Employer Contracts

Contractor's Name: CMTA

CCG No.: ET15-0353

Reference No: 14-0730

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PRINT OR TYPE IN ALPHABETICAL ORDER

Company: CAMBRO Foodservice Equipment and Supplies

Address: 5801 Skylab Road

City, State, Zip: Huntington Beach, CA 92647

Collective Bargaining Agreement(s): NA

Estimated # of employees to be retrained under this Agreement: 100

Total # of full-time company employees worldwide: 781

Total # of full-time company employees in California: 243

Company: Dynamic Fabrication

Address: 2615 South Hickory Street

City, State, Zip: Santa Ana, CA 92707

Collective Bargaining Agreement(s): NA

Estimated # of employees to be retrained under this Agreement: 16

Total # of full-time company employees worldwide: 16

Total # of full-time company employees in California: 16

Company: Filger Manufacturing

Address: 133 Calle de Industrias

City, State, Zip: San Clemente, CA 92672

Collective Bargaining Agreement(s): NA

Estimated # of employees to be retrained under this Agreement: 20

Total # of full-time company employees worldwide: 20

Total # of full-time company employees in California: 20

Company: J&M Manufacturing

Address: 430 Aaron Street

City, State, Zip: Cotati, CA 94931

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 10

Total # of full-time company employees worldwide: 17

Total # of full-time company employees in California: 17

Participating Employers in Retrainee Multiple Employer Contracts

Contractor's Name: CMTA

CCG No.: ET15-0353

Reference No: 14-0730

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Company: Measurement Specialties, Inc.

Address: 20630 Plummer Street

City, State, Zip: Chatsworth, CA 91311

Collective Bargaining Agreement(s): NA

Estimated # of employees to be retrained under this Agreement: 60

Total # of full-time company employees worldwide: 3000

Total # of full-time company employees in California: 200

Company: NBTY Acquisition LLC DBA Leiner HEA

Address: 7366 Oranewood Ave.

City, State, Zip: Garden Grove, CA 92841

Collective Bargaining Agreement(s): NA

Estimated # of employees to be retrained under this Agreement: 200

Total # of full-time company employees worldwide: 17,000

Total # of full-time company employees in California: 654

Company: NBTY Manufacturing LLC

Address: 5115 E. La Palma Ave.

City, State, Zip: Anaheim, CA 92807

Collective Bargaining Agreement(s): NA

Estimated # of employees to be retrained under this Agreement: 200

Total # of full-time company employees worldwide: 17,000

Total # of full-time company employees in California: 654

Company: Seal Science

Address: 17131 Daimler

City, State, Zip: Irvine, CA 92614

Collective Bargaining Agreement(s): NA

Estimated # of employees to be retrained under this Agreement: 60

Total # of full-time company employees worldwide: 97

Total # of full-time company employees in California: 90

**Participating Employers in Retrainee
Multiple Employer Contracts**

Contractor's Name: CMTA

CCG No.: ET15-0353

Reference No: 14-0730

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Company: Silpac

Address: 1850 Russell Ave.

City, State, Zip: Santa Clara, CA 95054

Collective Bargaining Agreement(s): NA

Estimated # of employees to be retrained under this Agreement: 20

Total # of full-time company employees worldwide: 20

Total # of full-time company employees in California: 20

Company: T Hazegawa USA Inc.

Address: 14047 East 183rd St.

City, State, Zip: Cerritos, CA 90703

Collective Bargaining Agreement(s): NA

Estimated # of employees to be retrained under this Agreement: 60

Total # of full-time company employees worldwide: 82

Total # of full-time company employees in California: 74

Company: TR Manufacturing

Address: 45757 Northport Loop West

City, State, Zip: Fremont, CA 944538

Collective Bargaining Agreement(s): NA

Estimated # of employees to be retrained under this Agreement: 60

Total # of full-time company employees worldwide: 114

Total # of full-time company employees in California: 110

Company: VM Services, Inc.

Address: 1051 S. East Street

City, State, Zip: Anaheim, CA 92805

Collective Bargaining Agreement(s): NA

Estimated # of employees to be retrained under this Agreement: 60

Total # of full-time company employees worldwide: 13000

Total # of full-time company employees in California: 350

Participating Employers in Retrainee Multiple Employer Contracts

Contractor's Name: CMTA

CCG No.: ET15-0353

Reference No: 14-0730

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Company: VM Services, Inc.

Address: 6701 Mowry Ave,

City, State, Zip: Newark, CA 94560

Collective Bargaining Agreement(s): NA

Estimated # of employees to be retrained under this Agreement: 100

Total # of full-time company employees worldwide: 13,000

Total # of full-time company employees in California: 350

Company:

Address:

City, State, Zip:

Collective Bargaining Agreement(s):

Estimated # of employees to be retrained under this Agreement:

Total # of full-time company employees worldwide:

Total # of full-time company employees in California:

Company:

Address:

City, State, Zip:

Collective Bargaining Agreement(s):

Estimated # of employees to be retrained under this Agreement:

Total # of full-time company employees worldwide:

Total # of full-time company employees in California:

Company:

Address:

City, State, Zip:

Collective Bargaining Agreement(s):

Estimated # of employees to be retrained under this Agreement:

Total # of full-time company employees worldwide:

Total # of full-time company employees in California: