

**DELEGATION ORDER**



**RETRAINEE - JOB CREATION**  
**Training Proposal for:**  
**D.B. Building Fasteners, Inc.**

**Small Business**

**ET17-0214**

**Approval Date:** September 9, 2016

**ETP Regional Office:** North Hollywood

**Analyst:** M. Paccerelli

**CONTRACTOR**

- Type of Industry: Manufacturing  
Priority Industry:  Yes  No
  
- Number of Full-Time Employees
  - California: 23
  - Worldwide: 23
  - Number to be trained: 27
  - Owner  Yes  No
  
- Out-of-State Competition: NAICS Code Eligible
- Special Employment Training (SET):  Yes  No
- High Unemployment Area (HUA):  Yes  No
- Turnover Rate: 0%
- Repeat Contractor:  Yes  No

**FUNDING**

- Requested Amount: \$42,120
- In-Kind Contribution: \$50,368

**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 SB<100	Business Skills, Computer Skills, Mfg. Skills, HazMat.	23	8-60	0	\$1,560	*\$15.60
				Weighted Avg: 60			
2	Retrainee Priority Rate SB<100 Job Creation	Business Skills, Computer Skills, Mfg. Skills, HazMat.	4	8-60	0	\$1,560	*\$12.77
				Weighted Avg: 60			

\*It will be made a condition of contract that the trainees will never be paid less than the State of local minimum wage rate as in effect at the end of retention regardless of the wage expressed in this table. This highest minimum wage rate will prevail.

- Reimbursement Rate: Jobs # 1 & 2: \$26 SB Priority
- County(ies): San Bernardino; Sacramento
- Occupations to be Trained: Warehouse Staff, Production Staff, Sales Staff, Accounting Staff, Manager, Supervisor, Owner
- Union Representation:  Yes  
 No
- Health Benefits: Job #1: \$2.83 per hour

**SUBCONTRACTORS**

- Development Services: Training Funding Source (TFS) in Seal Beach assisted with development for a flat fee of \$2,900.
- Administrative Services: TFS will also perform administrative services for a fee not to exceed 13% of payment earned.
- Training Vendors: To Be Determined

**OVERVIEW**

Founded in 1992, D.B. Building Fasteners, Inc. (DB Fasteners) ([www.selfdrillers.com](http://www.selfdrillers.com)) started as a division of Duncan Bolt Company. In 1997, DB Fasteners incorporated as a manufacturer of foam enclosures used in metal building installation and distributor self-drilling fasteners, structural A325, and TC bolts for the metal building/roofing industries. The Company also assembles and custom paints self-drilling and sealing fasteners; and carries a full assortment of concrete wedge anchors and bolts.

This is DB Fastener’s first ETP Agreement. The Company is eligible as a single employer for standard retraining and priority-industry funding under the out-of-state competition provisions as a manufacturer.

## Need for Training

DB Fasteners is purchasing a 10,000 square foot building, which will double its manufacturing capabilities. The Company has invested \$109k in new machinery and equipment such as closure stamping machine, extension for wash line, paint booth and spray equipment. As a result, the Company is expanding all departments and must train workers to take on additional responsibilities with higher level of expertise.

The Company's goals are to reduce production errors by 50%, increase sales by 5%, reduce scrap/loss by 20%, and reduce order fill time to 24 hours. To meet these objectives and keep up with customer demand, DB Fasteners has developed a Training and Development Program with emphasis on cross-training and cultivating employees to operate at maximum efficiency.

## Retrainee - Job Creation

The Panel offers incentives to companies that commit to hiring new employees. Newly hired employees will be reimbursed at a higher rate, and trainees will be subject to a lower post-retention wage.

DB Fasteners has committed to hiring four new employees (Job Number 2). As the Company continues to expand its business capacity with the purchase of new equipment, DB Fasteners is creating new jobs in existing departments to meet increased customer demands.

Trainees must be hired within the three-month period prior to Panel approval or during the term of contract. Newly hired employees will be reimbursed at a higher rate and subject to a lower post-retention wage. Trainees will be hired into "net new jobs" as a condition of contract.

## Training Plan

Trainees will receive a combination of class/lab and E-learning delivered by in-house subject matter experts and outside vendors to be identified during the contract term.

**Manufacturing Skills:** Training will be provided to Owners, Production and Warehouse Staff in skills needed to operate new equipment and cross-train in different manufacturing processes.

**Computer Skills:** Training will be provided to all occupations. Training will focus on the Company's Enterprise and Manufacturing Resource Planning system and Computer-Assisted Design. Trainees will also learn inXsql software for inventory management, accounts receivable/payable, purchasing, general ledger, order processing and item fabrication.

**Business Skills:** Training will be provided to all occupations in communication, project management and customer service. Trainees will learn how to exceed customer expectations and create a culture of customer loyalty. Leadership training will also improve trainee accountability, empowerment, motivation, relationships and teamwork.

**Hazardous Materials:** Training will be provided to Production and Warehouse Staff on how to recognize, handle, store and process hazardous materials.

## Temporary to Permanent Hiring

DB Fasteners intends to train up to four workers (Job Number 2) under Panel guidelines for the Temporary-to-Permanent program. The Company has retained these employees on a temporary basis with the intention of hiring them into full-time, permanent positions after training. The average

time for “converting” temporary workers into full-time permanent employment is six months. It is expected that these workers will receive employer-paid share-of-cost for healthcare premiums upon hiring into full-time permanent employment.

Under Panel guidelines for the Temporary to Permanent program, trainees are eligible to participate in ETP-funded training pursuant to Unemployment Insurance Code Section 10201(c). Moreover, they will not be enrolled as trainees until after they have been hired into full-time, permanent employment. Until they are so hired, retention and post-retention wage requirements cannot be satisfied.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

**Exhibit B: Menu Curriculum****Class/Lab/E-Learning Hours**

8-60

Trainees may receive any of the following:

**BUSINESS SKILLS**

- + Communication/Coaching
- + Customer Service
- + Finance/Accounting Procedures
- + Inventory Control
- + Leadership Effectiveness
- + Lead Generation and Lead Development Strategies
- + Negotiation Skills
- + Planning
- + Product Knowledge
- + Reports
- + Selling Tactics
- + Sales Process
- + Social Media
- + Supply Chain Management
- + Time Management
- + Up-Selling and Cross-Selling
- + Work Processes/Procedures

**COMPUTER SKILLS**

- + Computer-Aided Design
- + inXsql software
- + eCommerce
- + Electronic Document Control
- + Engineering/Design Software
- + ERP/MRP/Financial/Preventative Maintenance/Inventory/Testing System
- + Manufacturing Software Applications
- + MS Office/Project
- + Payroll System
- + Project Management
- + Statistical Analysis Software
- + Website Design

**MANUFACTURING SKILLS**

- + Bill of Materials
- + Distribution/Supply Chain
- + Equipment Operation—including Maintenance
- + Good Manufacturing Processes
- + Inspection Techniques
- + Inventory Flow Control
- + Line Set-Up
- + Material Handling
- + Order Picking/Packing/Shipping/Receiving
- + Problem Solving
- + Process Design/Layout

- ✦ Process/Quality Improvement
- ✦ Root Cause Analysis/Corrective Action
- ✦ Product Design/Fabrication
- ✦ Quality Control Procedures
- ✦ Reducing Delivery Time
- ✦ Special Order Tracking
- ✦ Standard Operating Procedures
- ✦ Tooling

### **HAZARDOUS MATERIALS**

- ✦ Hazardous Material Handling/Processing/Manifests
- ✦ Hazardous Waste Compliance
- ✦ Hazardous Material Responder
- ✦ Spill & Leak Control

Safety Training cannot exceed 10% of total training hours per-trainee.

Note: Reimbursement for retraining is capped at 60 total training hours per trainee, regardless of the method of delivery.