

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	SB <100 Priority Rate	Business Skills, Computer Skills, Continuous Impr., Mfg Skills	28	8-60	0	\$676	\$15.97
				Weighted Avg: 26			
2	SB<100 Priority Rate HUA	Business Skills, Computer Skills, Continuous Impr., Mfg Skills	37	8-60	0	\$676	\$11.98*
				Weighted Avg: 26			
3	Job Creation Initiative SB<100 Priority Rate HUA	Business Skills, Computer Skills, Continuous Impr., Mfg Skills	8	8-60	0	\$754	\$10.00*
				Weighted Avg: 29			

*It will be made a condition of contract that the trainees in this Job Number will never be paid less than the statewide minimum wage rate as in effect at the end of retention regardless of the wage expressed in this table.

- Reimbursement Rate: Job #'s 1-3: \$26 SB Priority
- County(ies): Los Angeles
- Occupations to be Trained: Administrative Staff, Production Staff, Owner, Manager/Supervisor
- Union Representation: Yes
 No
- Health Benefits: Job #1: \$2.84 per hour Job #2: \$1.98 per hour

SUBCONTRACTORS

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

OVERVIEW

Founded in 1970 and located in Paramount, Denmac Industries, Inc. (Denmac) (www.denmac-ind.com) is a custom coating manufacturer. The Company specializes in coatings such as powder, vinyl, PVC, PVD, Teflon, and thermoplastic. These coatings are used on a variety of products from hand tools to aerospace components. Denmac serves many industries nationwide.

Need for Training

This will be Denmac's second ETP Agreement in the last five years. The last Agreement focused on training towards Six Sigma and ISO certifications. For this proposal, training will help the Company streamline processes. Denmac must improve efficiencies and offer shorter turn-around cycles to compete with overseas businesses. Denmac has upgraded its ERP and MRP software systems and is planning to roll out these new systems to the Production Department within the next few months.

In keeping with overall planned expansion, the Company started using a new technology called photo luminescent coating which enables objects coated to glow in the dark. This technology requires new equipment which will require significant training. In particular, the Company was recently retained to provide coating for football facemasks. This business opportunity will require the Company to hire Production Staff for a second shift in order to run equipment at full capacity.

Retrainee - Job Creation

The Panel is offering incentives to companies that commit to hiring new employees. Training for newly-hired employees will be subject to a lower post-retention wage.

Denmac is expanding its business capacity and purchasing new equipment as discussed above. The Company is committed to hiring eight employees for a second shift (Job Number 2). The date-of-hire for all trainees in the Job Creation program will be within the three-month period before contract approval or within the term-of-contract. Trainees will be hired into "net new jobs" as a condition of contract.

Training Plan

Business Skills – Training will be offered to all staff to increase communication and conflict resolution skills and become more efficient. Supervisors will learn to properly communicate with production staff, and address issues as they arise. Training in Project and Time Management will give employees the resources of effective customer relationship management.

Computer Skills – Training will be offered to all staff to increase the utilization of the new MRP system (Visual Shop). The new release of the system will eliminate re-keying data between two systems, which will lead to reduced errors and time delays. Additionally, the program will allow customers to track their orders.

Continuous Improvement – Training will be offered to all staff to increase operational effectiveness and efficiencies, reduce waste, and empower key staff to make decisions. Training will allow the Company to implement new processes, and trainees will learn how to document processes in order to ensure quality outcomes. Additionally, trainees will receive courses to work towards ISO certification which will open up new markets, especially in aerospace.

Manufacturing Skills – Training will be offered to Production Staff, Supervisors, and Managers to improve productivity, efficiency, and quality and reduce waste. These skills will help improve overall employee skill levels in product manufacturing.

Modifications

High Unemployment Area

All trainees in this proposal work in Los Angeles County, a High Unemployment Area with unemployment exceeding the state average by at least 25%.

➤ Wage Modification

The Panel may modify the ETP Minimum Wage by up to 25% if post-retention wages exceed the start-of-training wages. Denmac is requesting this wage modification to \$11.98 for Job Number 2 (Retrainee) and \$10.00 for Job Number 3 (Job Creation). In Job Number 2, post-retention wages must exceed the start-of-training wages.

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET11-0129	Paramount	01/06/2011- 01/05/2013	\$35,100	\$25,005 (71%)

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

8-60

Trainees may receive any of the following:

BUSINESS SKILLS

- Coaching
- Customer Service
- Finance
- Goal Setting
- Interpersonal Communication
- Inventory Control
- Leadership
- Negotiation
- Planning
- Procurement
- Product Knowledge
- Project Management
- Sales
- Time Management

COMPUTER SKILLS

- Enterprise Resource Planning (ERP)
- Financial Accounting System - Peachtree
- Manufacturing Resource Planning (MRP)
- Microsoft Office
- SolidWorks

CONTINUOUS IMPROVEMENT

- ISO
- Just in Time
- Process Improvement
- Productivity Improvement
- Quality Improvement
- Six Sigma
- Statistical Process Control
- Teambuilding

MANUFACTURING SKILLS

- Equipment Operations
- Good Manufacturing Practices
- Material Requirements Planning
- Pad Print Plate
- Photo Luminescence
- Screen Making
- Tool Making
- Warehouse Processes

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