

PANEL PACKET

JULY 2016





TABLE OF CONTENTS

Panel Meeting of July 22, 2016

PRELIMINARY MATTERS

Directions to Meeting Site
Future Meeting Sites
Prior Meeting Minutes
Key Program Elements

OTHER MATTERS

Legislative Update

REVIEW AND ACTION ON PROPOSALS

Consent Calendar

Tab

ARS National Services Inc. -----	1
Bluebeam, Inc. -----	2
CHA Hollywood Medical Center, L.P. dba Hollywood Presbyterian Medical Center -----	3
Harris & Bruno Machine Co., Inc. dba Harris & Bruno International -----	4
Heritage Distributing Company -----	5
LiDestri Foods, Inc. -----	6
OpenX Technologies, Inc. -----	7
Optima Tax Relief, LLC -----	8
Santa Monica Seafood Company -----	9
SingerLewak, LLP -----	10
Sysco Central California, Inc. -----	11

Proposals for Single-Employer Contractors

Tab

San Diego Regional Office

Physicians for Healthy Hospitals, Inc. -----	12
Reborn Cabinets-----	13

Sacramento Area Regional Office

Anheuser – Busch, LLC -----	14
-----------------------------	----

Proposals for Multiple-Employer Contractors **Tab**

North Hollywood Area Regional Office

Glendale Community College Professional Development Center ----- 15

Santa Monica Community College District -----16

San Francisco Area Regional Office

Northern California District Council of Laborers Construction Craft Laborers

Joint Apprenticeship Training Center -----17

Sacramento Area Regional Office

Carpenters Training Committee for Northern California ----- 18

SUMMARY OF DELEGATION ORDERS

Delegation Orders

Tab

B.T. Automotive, Inc. dba All Foreign and Domestic Auto Body, Inc.
Caseworx, Inc.
Dauntless Industries, Inc. dba Dauntless Molds
E.A. Machining, Inc.
Easy Turf, Inc.
Lance, Soll & Lunghard, LLP
Mida Industries, Inc.
PBM Supply & Mfg.
Plastic Specialties and Technolitics, Inc. dba Natvar Holdings,
Inc. QCM Inc. dba Veris Manufacturing
Ridge Communications Inc.
Semiconductor Tooling Services, LLC
SVC Manufacturing, Inc.
Tone Software Corporation



M e m o r a n d u m

To: Panel Members

Date July 22, 2016

From: Stewart Knox
Executive Director

File: Panel Memo Doc.

Subject: **Directions to Meeting Site**

The Employment Training Panel will meet on FRIDAY, **July 22, 2016 at 9:30 a.m.**

**California Environmental Protection Agency
Sierra Hearing Room, 2nd Floor
1001 I Street
Sacramento, CA 95814**

Telephone (916) 327-5640 (ETP Central Office)
FAX: (916) 445-5972 (ETP Central Office)

Directions to the California Environmental Protection Agency - Sierra Hearing Room

From Sacramento International Airport:

- Take **Hwy 5 South**
- Exit on "**J**" **Street** to **11th St.**
- Turn Left on **11th Street**
- Turn Left on **I Street**
- **1001 I Street**

From San Francisco

- Take **I-80 E**
- Merge onto **I-5 N**
- Exit on "**J**" **Street** to **11th St.**
- Turn Left on **11th Street**
- Turn Left on **I Street**
- **1001 I Street**



M e m o r a n d u m

To: Panel Members

Date July 22, 2016

From: Stewart Knox
Executive Director

File: Mtg. Site Memo

Subject: **Future Meeting Sites**

<p>July 22, 2016</p>	<p>California Environmental Protection Agency Time: 09:30 AM Sierra Hearing Room, 2nd Floor 1001 I Street Sacramento, CA 95814</p>
<p>August 26, 2016</p>	<p>California Environmental Protection Agency Time: 09:30 AM Coastal Hearing Room, 2nd Floor 1001 I Street Sacramento, CA 95814</p>
<p>September 23, 2016</p>	<p>California Environmental Protection Agency Time: 09:30 AM Coastal Hearing Room, 2nd Floor 1001 I Street Sacramento, CA 95814</p>
<p>October 28, 2016</p>	<p>California Environmental Protection Agency Time: 09:30 AM Sierra Hearing Room, 2nd Floor 1001 I Street Sacramento, CA 95814</p>



**STATE OF CALIFORNIA
EMPLOYMENT TRAINING PANEL**
California Environmental Protection Agency
1001 I Street
Byron Sher Auditorium, 2nd Floor
Sacramento, CA 95814
June 24, 2016

PANEL MEMBERS

Barry Broad
Chair

Janice Roberts
Vice-Chair

Gloria Bell
Member

Sonia Fernandez
Member

Leslie McBride
Ex-Officio Member

Gretchen Newsom
Member

Edward Rendon
Member

Sam Rodriguez
Member

Executive Staff

Stewart Knox
Executive Director

Maureen Reilly
General Counsel

STATE OF CALIFORNIA
EMPLOYMENT TRAINING PANEL
California Environmental Protection Agency
1001 I Street
Byron Sher Auditorium, 2nd Floor
Sacramento, CA 95814
June 24, 2016

I. PUBLIC PANEL MEETING CALL TO ORDER

Chairman Broad called the meeting to order at 9:36 a.m.

II. ROLL CALL

Present

Gloria Bell
Barry Broad
Sonia Fernandez
Leslie McBride
Gretchen Newsom
Sam Rodriguez (departed at 11:21 a.m.)

Absent

Edward Rendon
Janice Roberts

Executive Staff Present

Stewart Knox, Executive Director
Maureen Reilly, General Counsel

III. AGENDA

Chairman Broad asked for a motion to approve the Agenda.

ACTION: Mr. Rodriguez moved and Ms. Bell seconded the motion that the Panel approve the Agenda.

Motion carried, 6 - 0.

IV. MINUTES

ACTION: Ms. Newsom moved and Mr. Rodriguez seconded the motion that the Panel approve the Minutes from the May 25, 2016 meeting.

Motion carried, 6 - 0.

V. REPORT OF THE EXECUTIVE DIRECTOR

Stewart Knox, Executive Director, said, welcome and good morning Panel members, applicants, and stakeholders. Following the Panel meeting in May, we have a smaller Panel meeting today with approximately \$8.4M in projects with another \$436,000 in Delegation Orders, for a total of just under \$8.9M.

Mr. Knox said, we are now at the end of this Fiscal Year (FY) 2015/16. Today's funding is primarily coming out of the FY 2016/17 fund with a July 1st start date. We are working with the Administration to look at a higher appropriation for the Budget Year 2017/18 which will enable us to push more projects forward. This is being looked at favorably based on the level of demand and current performance levels. At this time, we have approximately \$90.4M available.

Diana Torres, San Diego Regional Office Manager, Gregg Griffin, North Hollywood Regional Office Manager, Creighton San Francisco Regional Office Manager, and Willie Atkinson, Sacramento Regional Office Manager, are here today to present the Single Employer and Multiple Employer Projects.

Regarding the Alternative Fuels and Vehicle Technology Program, we mentioned at the last Panel meeting that we signed another \$2M Interagency Agreement in partnership with the California Energy Commission going into the new FY 2016/17. Also, the one-time \$2M appropriation for drought funding has been completely expended.

In regards to Core Funding for FY 2016/17, today the Panel will consider \$8.4M in projects with an additional \$436,000 approved by Delegation Order. Should the Panel approve all the projects today, ETP will have approximately \$82M for the remainder of the FY 2016/17.

Under Delegation Order, all project proposals are capped at \$100,000 to be approved by the Executive Director on a continuous flow basis, and as of today, 8 projects were approved totaling over \$436,000.

For FY 2016/17 funding to date, we have approximately 380 projects submitted, with a value of just over \$55M; this amount is down compared to last year. If all the projects are approved today, the Panel will have approved close to \$8.4M in proposals. Financially we are in great shape as we move into the next FY.

Turning to the FY 2016/17 Fund Status Report, there are a few items that will take place this FY which is the implementation of the online system, Employment Training Management System (ETMS), and the relocation of our two offices this year; Sacramento and San Diego Regional Office.

Regarding applications for contracts that are remaining in the Regional Offices: Single Employer Contract requests are at \$35M; \$38M in allocation. Multiple Employer Contract (MECs) requests are at \$7.6M; \$18M in allocations. Small Business has \$4.8M in demand; \$5.8M in allocations. Critical Proposals are at \$632,000 in demand; \$6.9M in allocations. Apprenticeships are at \$5.4M in demand; \$11.5M in allocations. Overall demand is approximately \$55M.

Regarding the number of projects remaining in the Regional Offices: Single Employers 121, MECs 12, Small Business 103, Critical Proposals 3, and Apprenticeships 13 for a total of 252. AAU by category: Single Employers 69, MECs 16, Small Business 46, Critical Proposals 0, and Apprenticeships 15 for a total of 146. Our staff has done a great job of getting the funds approved; 75% of the projects have been assigned to the Regional Office thus far.

Mr. Knox said, at the last Panel meeting, some policy issues came up. One of them is the Out-of-State Competition (OSC), which Ms. Reilly will address later on today. The other issue is health benefits as a share of employer costs, and twice a year funding for Apprenticeship Program. Currently, we can do twice a year funding for Apprenticeship Program; ETP funding allocations can be done on a flow basis by school semester. The Panel can review apprentice funding along with the Multiple Employer Contracts twice a year; likely, we could do that in October and March. The Joint Apprenticeship Training Committee (JATC) could submit an application twice a year, or on a flow basis application, for both eligibility and development. Regardless, they can control by contract term date; start date could be done prospective, meaning that they can start the contract at any time as long as they are in the same FY. I would like to form a small working group to further this discussion twice a year in the same FY. If any of the Panel members are interested in joining the conversation with the JATCs, please let me know and we will put some dates together.

Regarding low priority sectors, the issue that comes up is, what does low priority mean? Currently, we hold the low priority proposals for almost three quarters, and if there's funding left over at the end of the year, we bring them before the Panel. This year, I would like to suggest that we hold them for two quarters, and bring them to the Panel twice a year by sector, and depending on where we're at on our funding, we can determine the likelihood of being funded or not for the year. I feel that this is a fair way to determine eligibility, and more clear to the businesses in that application pool.

Regarding health benefits, Ms. Newsom has made some really good points on the health care premiums as we move forward. We are looking at assigning a value of employer-paid share of cost for health premiums. There are several studies that we're looking at; we are looking at a value cap of \$2.50 per hour. This will be the value cap across-the-board for all occupations, and we can discuss this further at the next Panel meeting. If any of the employers need to meet the post-retention wage, the maximum would be \$2.50 per hour. A lot of things have changed, since the Panel took that direction years ago. One is the Affordable Care Act; this is mandated by the Federal Government to have as part of the package for employers of 50 or more. The evaluation is based on staff knowledge and experience at this point. We are also looking at Covered California Care, and we're still gathering information to bring to the Panel for some recommendations and policies around that.

In regards to legislation, Mr. Knox said, I don't have anything new to report to the Panel at this time.

VI. MOTION TO ADOPT CONSENT CALENDAR PROJECTS

Mr. Knox asked for a motion to adopt Consent Calendar Items #1 through #8.

B&B Manufacturing Co.....	\$109,980
Giligia College.....	\$117,545
Grifols Biologicals Inc.....	\$216,000
Morgan Advanced Ceramics, Inc.....	\$115,200
Multi Cable Link.....	\$111,820
TubeMogul, Inc.....	\$172,800
Vavrinek, Trine, Day & Co., Certified Public Accountants, LLP.....	\$123,000
Workforce Connections, Inc.....	\$199,590

ACTION: Ms. Bell moved and Mr. Rodriguez seconded approval of Consent Calendar Items #1 through #8.

Motion carried, 6 – 0.

VII. REQUEST MOTION TO DELEGATE IN EVENT OF LOSS OF QUORUM

Mr. Knox asked for a motion for the Panel to delegate authority to the Executive Director to approve Proposals and other action items on the Agenda in consultation with the Panel Chair or Vice Chair.

ACTION: Ms. Bell moved and Ms. Fernandez seconded the approval to delegate authority to the Executive Director in event of loss of quorum.

Motion carried, 6 – 0.

Mr. Broad said, I just want to make a comment about removing items from the Consent Calendar for the benefit of the people in the audience and our Panel. Any member of the Panel can remove any item from the Consent Calendar. If that party happens to be present, we can hear them on the same day. But ordinarily, with the Consent Calendar, the folks whose projects are on it are not present at the Panel meeting. We would then roll over to the next Panel meeting, and be taken up for consideration at that point so that the proponents of the project would be here. It's a privilege to have a project on the Consent Calendar, not a right. So, at any point, any Panel member should feel no constraint about removing items from the Consent Calendar if they so desire.

VIII. REPORT OF THE GENERAL COUNSEL

Maureen Reilly, General Counsel, said, she would present some recommendations in the form of options to the Panel regarding an emerging issue: the determination of employer eligibility in regard to whether or not the employer faces Out-of-State Competition (OSC).

Ms. Reilly began referring to a series of PowerPoint slides as shown below by title. (See *Panel Packet June 2016* for the full slides.)

What is OSC?

Staff is going to propose an expanded approach to determining OSC. This is a very important aspect of eligibility for all employers. That includes single employer contracts, small business, and participating employers in the MEC. The purpose of having this requirement in our enabling legislation was that ETP funding must foster retention of jobs threatened by OSC. By the way, this is why OSC only applies to retraining proposals, not new-hire training proposals. Without showing OSC, the only way you can get core program funding is through the Special Employment Training (SET) which is a corollary to OSC. Basically, the OSC requirement drives the post-retention wage, which will be presented later on the next slides.

Internet & OSC

The issue: should ETP accept web-based delivery of goods or services as a form of competition for the purpose of determining OSC? This may seem silly because we live in an Internet world today. However, it is an issue that has been emerging in recent years. We have to remember, ETP was created in statute in 1984, and the OSC requirement was added in 1994. So, it was about two decades ago that the Panel adopted its enabling regulation, and started formulating policy around this aspect of eligibility. Both the statute and the regulation are silent on the issue of web-based delivery. It was not a consideration at the time, and there's no formal policy. In other words, we're dealing with no direction in the governing rules, and we do not have a formal policy.

Adapting to Change

Over the past several years, web-based delivery has been accepted by staff in determining OSC when it's integrated in the business model. Sometimes in professional services, there really is no other interface between the service provider and the client. Tax advice is often of nature; also investment advice, finance and insurance. Very few people even see a banker anymore if they're dealing with a large portfolio or investment; certainly the same is true for insurance, it's all done over the Internet now. We have funded Internet publishing with respect to OSC. Obviously, this is recognizing web-based delivery. The issue has been "sneaking up" on us. But now we are struggling with it, and we need a policy direction. What we do today, is a case-by-case analysis under regulation Section 4416. This is very fact-specific; that's what case-by-case means. It depends on facts and circumstances of the particular issue before you and it's very time-consuming. The outcomes are varied and even inconsistent from one proposal to another.

Section 4416 Overview

The governing regulation starts off by defining "employer" as each location, even down to the functioning unit in that location. There are four basic factors that we follow for case-by-case analysis. Again, this is very fact specific, it has to do with "stream of revenue", and whether or not competition from another state is routine.

However, some industries are "deemed to meet" OSC in our regulation, and that includes all manufacturing. Some industries are carved out from the in-depth threshold analysis, and there are different standards for those industries. All OSC analysis follows the National American Industry Classification System (NAICS) codes as set forth in Section 4416.

What is NAICS?

The National American Industry Classification System (NAICS) was developed by panel of experts in 1997. It has been updated several times since. It is used by government to track business trends and data. In fact, in the US, it's published by the Federal Office of Management Budget. There are 20 industry sectors that are further broken down into over 1000 industry codes.

NAICS Sectors

The sectors are two-digit; such as Manufacturing Sector 31 to 33. The codes themselves get very granular up to 5-digit, broken down into subsector, industry group, industries, and other details unique to the US business environment.

Magic Bullet NAICS

When the NAICS code is deemed to meet OSC, we call it the "magic bullet". This is because the employer goes directly through: "Yes, you face OSS for all locations." That's what happens with Manufacturing and with 14 ancillary industries. Agriculture is one of those industry sectors, along with Mining, most Publishing, (except internet publishing) and some Professional Services. Three industries are carved out from the full analysis, as I mentioned earlier. They are: mortgage banking, destinations resorts, and call centers. This "carve out" was created by regulation amendment in 2006.

Why Employers Want OSC

Employers want OSC. As I mentioned earlier, without OSC, your only core program funding is SET. And here's the issue: OSC wages are lower. The standard wage requirement is based on the Regional Average for the preceding Calendar Year (CY). The highest regional wage is \$17.02 per hour in CY 2016. SET wages are considerably higher, because they are based on a Statewide Average. In CY 2016, it was \$28.37 per hour. SET wages can be modified under the governing regulation. They can go down to \$21.28 per hour for priority industries; that's healthcare, and building trades. As I mentioned earlier, healthcare and building trades hardly ever face OSC, because there are so geographic specific. In other words you don't go to another state, normally, if you need emergency care, or for your treating physician. And with building trades, the jobs are where the building is located.

Wage vs. Priority Rate

Again, on the wage issue: SET is a higher wage; OSC is lower. The other wage variation that's typical is High Unemployment Area (HUA). With SET funding the wage requirement go down below the Statewide Average for training an HUA.

A separate issue is "priority industry" which drives the reimbursement rate. Both OSC and priority industry are governed by the NAICS codes. An employer can qualify for the priority industry rate, and still be held to the SET wage, and that does happen with healthcare and building trades.

Note on Apprenticeship

Relating back to what I said earlier, that most building trades do not face OSC, there is an exception for apprentice training. The Panel made a policy decision to pull the Apprenticeship Program from SET funding based on the nature of collective bargaining. This is because so many large employers are included in the trade associations that negotiate to

form the Joint Apprenticeship Training Committees (JATC), and large employers often face OSC in bidding on public works projects and other large commercial projects. However, as part of that same policy decision, the Panel said Apprenticeship would be held to the SET wage.

Key Sectors

Getting back to regulation Section 4416, as I mentioned, some industry sectors are “deemed to meet” OSC, and some are “carved out” more from the more rigorous analysis. Healthcare and building trades are a separate breed of cat also. That brings us to some key sectors the Panel might want to consider, if it determines to accept web-based delivery of goods or services. Such a decision would open the possibility of more proposals from industries that otherwise would not qualify for ETP by reason of the wages: Wholesale Trade, Retail Trade, Transportation & Warehouse. Also, some Information, Finance & Insurance, and some Accommodation/Food Services.

Funding Priorities

With funding priorities, let me emphasize, all of Retail Trade could be opened up. That would include auto and other dealerships such as that, and I only mentioned that because of the remarks made at the last Panel meeting. All of finance and insurance would open up, and that includes mortgage banking. We do bring mortgage banking forward now as OSC, not as SET, because of the carve out in the regulation. These issues get mingled.

Sector Breakdown

We chose some comparisons for display on two pie charts. They show the number of contracts and the money approved. As you can see, the Finance & Insurance and Retail Trade sectors are relatively small in comparison to overall funding.

Retail Trade Demand

For Retail Trade, the current demand for proposals waiting to be approved is: two Applications in Development; and one Pending Pre-application. Again, this has not been a large volume of our business.

OSC and Funding Priorities

Summary OSC and Funding Priorities are twin issues. Accepting web-based delivery opens up funding for Retail Trade Sector 44 to 45, I’m focusing on this because Retail Trade has historically been a low priority for the Panel. If the Panel does not want to open up to Retail Trade, or any other sectors, then the funding priorities must be made clear. And this relates back to what Mr. Knox just explained about allocations and adjustments of allocations.

Recommendation

Staff recommends, at this point in time, that the Panel formally accept web-based delivery of goods or services as a form of competition in determining OSC. Then the Panel would need to address the funding priorities in the Strategic Plan each FY. Note that the Strategic Plan can be reviewed mid-FY, or more often. Priorities can shift and what gets designated as a low priority will depend on the allocation of remaining funds as we move through the FY, which Mr. Knox also talked about.

Two Options

Partly to just narrow the focus of an incredibly complex issue, staff is presenting two options for discussion by the Panel. Both of these options, I should note, do conform to the existing statutory and regulatory framework. As I mentioned, the statute and regulation are now silent on this issue. Eventually, the regulation could be clarified. In the meantime, staff would still conduct its usual Section 4416 analysis, but would include web-based competition along with the other factors.

Option 1

Option 1: Accept web-based delivery; all industry sectors and all industries.

Option 2

Option 2: Accept web-based delivery, but not for Retail Trade Sector 44 to 45. If the Panel accepts web-based delivery for Retail Trade now, it will be hard not to next FY. This is not the same as funding priorities, which are more intrinsically susceptible to modification as supply versus demand changes throughout the FY. Again I'm noting that mortgage banking, which is in the Finance & Insurance Sector, is already a "carve out". That will always be a matter of priority industry designation, and will not change just because we accept web-based delivery.

Epilogue

The OSC determination can be automated eventually, and we're trying to move in that direction. You've heard about the new data management system. This is the wave of the future, including data analytics and everything else. NAICS of course is a numerical indicator. This would be easy to program. So moving toward the future, other than saying we accept web-based delivery as more NAICS codes are recognized as ancillary and deemed to meet OSC, we could eliminate the need for that case-by-case analysis. This would further streamline the process.

Ms. Reilly said, please let me know if you have any questions.

Mr. Broad asked, are there questions or comments from the Panel members?

Mr. Rodriguez said, I just want to add that I read the memo, and with the presentation, I understand the statutory requirements, and this Panel member is actually comfortable with the case-by-case analysis, because it's interpreted, not restricted. I'm very comfortable, given that web-based delivery and projects of services are continuously evolving.

Mr. Broad said, it seems to make sense, as a general proposition, to accept web-based delivery as a more or less industry sectors. Conflating that with what is a high priority and low priority for us is a separate question. Historically, we've been uncomfortable in retail sales or the financial industry where there is a history or a danger that our money would go towards training people in high pressure sales technique that frequently become the subject of concern, whether that would be in the press or regulators. Of course, the most recent issue that came to mind was the series of proposals we got in the years leading up to the financial meltdown of 2008 from mortgage companies that swore up and down that our money was not being used to train people in high pressure sales techniques, or in a conduct that would otherwise be questionable and certainly are low priority. Whether they were telling

the truth or not, some of them wound up on the list of companies that went bankrupt, because of high pressure sales techniques and business practices. Confirming our gut sense, this should be a low priority area.

To further illustrate, I would distinguish between training commissioned car salespeople on sales techniques on how to get a buyer to part with greater amount of money than they have to, versus training a department store clerk on new software that would make them more competitive. Although they are both in the retail business, they seem to be worlds apart. The issue comes down to whether we fund certain sales techniques. The shorthand should create a rebuttable presumption that when people are paid on commission that that might be the way to draw us into an analysis of whether that is the sort of project we would fund.

Maybe we don't have a problem funding clerical workers or mechanics in an auto dealership, but maybe we're not going to fund the sales training for car dealers and mortgage companies that engage in high-pressure sales techniques. The issues of web-based delivery versus high and low priorities are distinct and separate issues; and it should be dealt with separately. I can support moving to web-based delivery in all industry sectors, but I don't think that that should allow us to shoehorn in what would otherwise be a low priority industry for other reasons that has anything to do with whether or not it's web-based competition or web-based delivery. I would look to staff for suggestions on how to parse those things out from a voting point of view.

Ms. Fernandez said, I completely agree with you, because the purpose of this Panel is to create opportunities. I don't necessarily feel that that takes place when someone is basing their ability to live off of a commission. If they are not making that sale, what is the base rate? I feel more comfortable creating opportunities and funding projects where we know that people are going to possibly have an opportunity to move up and make more money; and I think that's why we serve here on this Panel.

Ms. McBride said, I think Ms. Fernandez makes a very good point. The companies benefit from the program, because they're getting the training. ETP was established for the worker to be able to come in, get greater skills set, work their way up through the company, and we need to keep that underlying thought process on a case-by-case basis. I'm not sure who made the comment in regard to time-consuming; it maybe more time-consuming for us to have more conversations, but I think it's worth it, because that means that we are following the intent of the program.

Mr. Rodriguez said, I concur with my colleague. I've been on the Panel now for 4 or 5 years. I have read the statute, and an editorial on the New York Times in 1976 praised Governor Brown. The whole scene behind it was human capital. We've been addressing a lot of different issues concerning delivery, meaning methodology and technology. I think sometimes we get distracted in missing that this is all about human capital instead of California.

Ms. Newsom said, I just want to note that I share the same sentiment of three Panel members, and I also have concerns with the recommendation to accept web-based delivery for all industries. That could potentially open a floodgate from the retail industry, and further

push the wages down by taking them out of the SET and putting them down to OSC. Is that how I heard it correctly, Ms. Reilly? Because that's how I interpret it.

Ms. Reilly said, that is a possibility, which is why I pointed it out. I agree with the Panel Chair that these are two separate issues. One is OSC determination, and the other one is priority funding. The nexus is across the wages, because the wages are so different between OSC and SET, but they can be handled differently. I just wanted to mention it in this presentation to make the Panel aware of the nexus.

Mr. Broad said, these things are very subtle. If people are paid by piece rate, that creates a challenge for us. In some circumstances it may be problematic, and in some circumstances it may not. For example, we were faced with an issue involving agriculture and piece rate workers. Our money was going to train people on how to perform a job really fast, but what if you are not physically able to do the job fast enough, do you lose your job? Then it was an issue of what is our money actually going for? How is that beneficial to the workers? How does that make them more employable to give them extra skills? We are just subsidizing the employer's way of determining whether one person is physically capable of picking crops, or packing food faster than another person. The only way to deal with the issues is on a case-by-case basis.

Mr. Broad said, you could also have someone who is paid piece rate, and the training doesn't have anything to do with the issues mentioned. The training could be entering information on a new tracking system that the employer just invested in, and that could have everything to do with OSC, but has nothing to do with priority issue, because they are paid piece rate or commission sales. I think we have to look at the issue, and identify areas that are heightened scrutiny, or make a decision that it's a low priority. If it's a low priority, the employer should have the opportunity to make the argument and show that there's something different about their training program, and fund it nonetheless.

There were no further questions or comments from the Panel.

Steve Duscha, Consultant

Mr. Duscha said, I agree with Mr. Broad. There are a lot of babies in the bath water that would be disadvantaged by simply placing all the retail and finance in the low priority industry. I certainly don't want to argue for mortgage bankers or car dealers today. You have funded training for grocery store clerks and department store managers who make pretty good money through SET in the retail industry. You have also funded distribution centers and new hires in retail. If you put retail down in the lowest priority, that's kind of a dungeon to where only adult entertainment sits now. Based on that principle, you could never reach any of these other things in retail. I agree that there should be some flexibility in whatever you do.

The other issue is wage; it's about who qualifies for ETP funding at what wage. I really think that the whole wage issue needs to be looked at in depth by the Panel with the Affordable Care Act. With the rise in the state minimum wage, the ETP wages are strange; they're extremely complicated. There is a continuous effort to qualify for lower wages in the ETP system, and I can't keep track of it. The whole issue should be reviewed by the Panel. I

think you should take an overall look of how you control the wages, and what you want and don't want to fund.

The other tool you have to regulate is the type of business and occupation that Mr. Broad mentioned. You have a responsibility to fund trainings that result in long-term job security. That means you shouldn't be funding high turnover jobs, which is another characteristic of many of these retail and high pressure sales job. I would step back and take six months to try to figure this out, rather than trying to figure it out today, because there are important issues here. Thank you. Mr. Broad said, thank you.

Larry Mandell, Training Refund Group

Mr. Mandell said, this is not the part of the presentation that I thought I would be speaking at; that will be a little bit later in the day. Since there's been a nexus now between auto dealerships, high pressure sales, and SET, I thought it might be important at this point to bring up something about the wages.

I have handed a printout that shows projects and wages that are coming before the Panel. Those are six different auto dealerships and wages. The wages are principally commissioned, both on sales and service. Almost all auto services are done on a piece work. What used to be called flag time is now called commission. All of them receive the minimum wages required by law.

One of the reasons why you see commission in the auto industry, and many other retail sales, is college degree. It's virtually impossible to get a job in any other type of industry at this point in sales. It's pretty much required. I have been a hiring authority for over 30 years in various industries, and I would not consider anybody that did not have a degree, but the auto industry does. As you can see, from the information that I've handed out, sales run from \$40 to \$60 more per hour. In any sense, I consider that a good paying job.

When it comes to technicians, most of what they do is associated with computers. They have to use analytical tools to determine what is wrong with the car. The days of the parts changes are gone. So, the commission is a key point that leads to profitability, not only for the worker, but also for the company, because a significant portion of that revenue comes from the service. That's how the dealerships make their money, because they make very little on the new car side.

There will be a representative from the California New Car Dealers Association to address the priority issues, which is where I expected to be speaking, and not at this point. As you can see from the wages, I'm perfectly happy with the SET, as long as it doesn't get buried with the lowest priority, as Mr. Duscha said. These are good paying jobs, and to throw them out because 15 years ago the industry had a reputation of high-pressure techniques is not the case anymore, and there'll be testimony to that later. Dealerships have lost their license, because of high-pressure techniques. Customers come into the dealership on their own; nobody forced them to walk in, and nobody forces them to walk out.

The point I would like to make at this point of the presentation, these are good paying jobs. They give people opportunities to create a sales career, when no one else will hire them.

And is the turnover rate a little higher? Yes, it is, because some people aren't cut out to be salespeople. But ETP is not going to be funding those people because they'll burn out fairly quickly. These are good jobs. They pay high revenue; they generate significant revenue for the state in taxes. I hope the Panel will consider that. This is one of the few areas where, from a sales position, all companies have commission salespeople. Everybody does it. It's just not this industry. That's how salespeople are incentivized. I asked the Panel to consider that when they make the recommendations and approve items on the agenda today. Thank you.

There were no further testimonies or comments from the public.

Mr. Broad said, the issue comes back to the Panel. Do we want to take action on this now, or do we want to think about it some more? I'm personally persuaded that you ought to be able to count when evaluating whether there's OSC; and look at whether the form of that competition is internet sales. That seems consistent with the nature of reality. Then there's a secondary question about whether that's applicable across the board, and whether we have various options here.

Ms. Reilly suggested Option 3, with Option 1 and Option 2; just make everything reimbursable as a SET wage, not as OSC. My response is, in reality, in that industry, people do face OSC depending on where they are; so then it's denying reality in another way. I think the issue with retail is determining what is probably not necessarily in this decision, but in the decision about what is high and low priority industry, or some other condition that we might set.

Mr. Broad said, I don't want to make value judgements because there are constitutional problems with making value judgements about industries. The casing point is the perennial; you'll never get off the low priority list as the adult entertainment industry, which is a value judgment about the service that is delivered, because there's probably OSC there too. We don't want to make a content-based judgment, which goes to the First Amendment issue, as opposed to the value of that training to the participants over a lifetime career. No one has argued vigorously, from the adult entertainment industry, that it should leave that list. So, the question is, how do we proceed? We proceed on the basis of motion, and I'm prepared to entertain a motion. If there's no motion, then were not deciding anything today. That's up to the Panel members.

Mr. Knox said, you don't have to make a motion. Mr. Duscha makes a good point in terms of tying it to wages. We can continue to do case-by-case analysis, since the regulation is loose enough. Mr. Rodriguez and I had a conversation about this; we can make interpretations. We can look at the wage issues, and outside of that; we could still look at it as SET. If they're looked at as SET, that's more of a combination of Option 2. Then what we can do is look at it, and bring it back to the Panel, based on percentage of the commission, or some relevant information on wages.

Mr. Broad said, I think Mr. Duscha has a good point. We need to get back to the reason as to why we are here. Why are we here? We're here to fund job trainings that help workers achieve higher income and skill level. We are not here to be winners and losers by industry sector. We're constantly challenged by the fact that there's a wage depression or

compression in society over the years that I've been on this Panel. We have funded numerous projects that are low-wage jobs. The turnover is high and the career paths aren't great. And that's why we get excited about healthcare, because there tends to be career paths in healthcare from lower wage, lower skill to higher wage, higher skill. In the manufacturing industry, it seems to always sort of work out in that way.

I guess that might leave us with case-by-case scenario, but I don't think that we should say that for right now. If someone says "I'm facing a challenge from my competitors who are selling on the internet", or "I have a brick-and-mortar establishment", or they have both, we are not saying that doesn't count, we're just saying we can consider it.

Mr. Knox said, the sales have to be 25% or more outside of California, if they can prove it. The tipping point of the issue is the way that it's currently written, 25% of the sales. I would argue that, although not car dealership, but unless they're on the border. The sales have to be 25% or more outside the state.

Ms. Reilly said, I just want to make a comment. The reason why I bring this to the Panel is it's honest. Every day we have to make decisions about whether or not to accept internet competition, and we have done it one way or another; it also depends on the fact and circumstances. To have a clear policy direction is important one way, or the other; either we do, or we don't. We are looking to the Panel for that policy direction. The whole issue about funding priorities and wages can be addressed separately; we are just pointing that out to you in making this presentation.

Mr. Broad said, the problem here is looking at whether they have 25% of their sales on the internet. That isn't really the issue, because you could have a brick-and-mortar establishment in which you have no presence on the internet, and get killed by OSC and foreign competition by competitors who have nothing but that, right?

Ms. Reilly said, that would be part of the analysis; there are two prongs to the analysis. Regardless of whether you accept web-based delivery, there is still the analysis. It just would make things more consistent across the board as we do these eligibility determinations. But yes, the analysis would remain, and that's what I meant about the statutory and regulatory framework remaining intact.

Mr. Rodriguez said, I remain on the case-by-case basis.

Mr. Broad said, we have one solid vote for a case-by-case basis. Do we have a solid view of this from anybody else?

(Ms. McBride asked a question, but it was inaudible)

Ms. Reilly said, we have it, except we don't always accept the web-based delivery. So it's a case-by-case analysis; it would remain case by case analysis. The question is, do we accept the Internet?

Mr. Broad said, I think the issue from the policy perspective is that selling over the Internet becomes a greater percentage. Having a case-by-case basis starts to be out of sync with

reality, which is not a case-by-case basis. Then you start raising the question of whether our staff is acting arbitrarily, because every office and staff can look at it in different ways. That's where it becomes problematic, and that's why they're asking for a policy direction from us, because they don't want to be acting arbitrarily. That's the issue.

Mr. Knox said, you saw the charts; the numbers are fairly small at this point. We do recognize that that can grow over time, that's part of the issue. We can bring that back and tie it closer to the wages side and have different recommendations that may tie to that. That probably seems clearer to me, and give us some time to actually look at the analysis.

Ms. Newsom said, that's my preference.

Ms. Reilly said, we can bring that back as a review of the Strategic Plan, or as a separate issue and ancillary codes. The issue still remains; do we accept web-based delivery at this point? Sometimes we're doing it, but not at other times. We would like some policy direction from the Panel.

Mr. Broad said, it looks like you are not going to get that today from my vantage point. We need to keep thinking about this, and maybe bring it back with a more refined recommendation about how you think it can work. I think that we should separate the question about high and low priority projects, and industry sectors. Those issues should be dealt with separately. The issue of whether we accept web-based delivery for the determination of OSC doesn't have anything to do with the high and low priority sector, but it's an analysis across the board. That makes the most sense to me.

Mr. Rodriguez said, where it says "continue by case-by-case analysis under the existing statutory regulatory framework, but accept web-based delivery as a form of competition in determining OSC for industry sector", we need more clarification on the second part of Option 1. Mr. Broad said, okay. Staff, is that sufficiently confusing? Let's move on.

IX. REVIEW AND ACTION ON PROPOSALS

Ms. Torres said, before we present the projects, I would like to acknowledge the retirement of Suzanne Godin. She is the project analyst from our San Diego Regional Office and has served the state for 26 years. She began her career in state service working for the Department of Fair Employment and Housing, and served the remaining 24 years of her state service with ETP. Prior to state service, she worked for the Building Trades Entry Level Training Program helping women and American Indians enter the trades. She also worked for the Urban League overseeing Equal Employment Opportunity Compliance and Construction Industry, and worked for Community Connection Resource Center assisting ex-offenders to enter the workforce. For many years, she served as a board member and delegate, including Chairman of the Board of Directors for the San Diego Indian Human Resource Center. We want to thank Ms. Godin for her years of service to ETP, and a lifetime of dedication to California workers. Mr. Broad said, thank you for bringing that to our attention. Thank you, Suzanne, for everything. Have a fabulous retirement.

Single Employer Proposals

C.W. Driver, Incorporated

Diana Torres, Manager of the San Diego Regional Office, presented a Proposal for C.W. Driver, Incorporated (CWD) in the amount of \$199,840. Founded in 1919 and headquartered in Pasadena, CWD provides custom design, engineering, general contracting and construction management services across a broad spectrum of industries including education, healthcare, biomedical, entertainment, retail, industrial and government.

At the request of a Panel member, this proposal was removed from the Consent Calendar as noticed for last month's meeting, and held over to this month. This will be CWD's fourth ETP Agreement and the third project within the past five years. There is no Substantial Contribution being applied because no single CWD facility has earned \$250,000 or more within the past five years.

Ms. Torres said, I'd like to point out on Page 2 of 6 that they will need health benefits for the incumbent workers for both Job Number 1 and Job Number 2, and administrative and support staff for Job Number 1 and Job Number 2.

Ms. Torres introduced Lynda Hauke, Manager of Professional Development.

Ms. Newsom said, from the previous month's application, you had a rate of \$5.02 to meet the post-retention wage using the healthcare premium, and it's been reduced to \$2.52. Thank you for the clarification. Can you describe the healthcare package and out-of-pocket cost for your employees? Ms. Hauke said, our healthcare package is 100% employer-sponsored, and the employees have the option to choose from PPO to HMO plans, including dental, vision, and ancillary benefits. Ms. Newsom said, thank you. Ms. Hauke said, in my experience, I've only had two employees in the past three contracts that needed to take healthcare benefits into consideration to be qualified. Our employees are highly compensated.

Ms. Bell asked, what is the waiting period before an employee can receive healthcare benefits? Ms. Hauke said, they are qualified after 30 days.

Mr. Broad said, Panel members, let's not back slide; we have to do this through the Chairperson. I'm just going to remind you gently, we've got the new more authoritarian regime at play.

There were no further questions from the Panel.

ACTION: Ms. Fernandez moved and Ms. Roberts seconded approval of the proposal for C.W. Driver, Incorporated in the amount of \$199,840.

Motion carried, 6 – 0.

North American Health Care, Inc.

Ms. Torres presented a Proposal for North American Health Care, Inc. (NAHCI) in the amount of \$741,132. Founded in 1976, NAHCI owns and manages skilled nursing communities and a rehabilitation company for senior care. NAHCI offers skilled nursing, memory care, hospice care, and respite care services; adult day programs; and rehabilitation services such as physical, occupational, and speech therapies.

Ms. Torres introduced James Ellis, Vice President.

There were no questions from the Panel.

ACTION: Ms. McBride moved and Ms. Bell seconded approval of the proposal for North American Health Care, Inc. in the amount of \$741,132.

Motion carried, 6 – 0.

PaeDae, Inc. dba Mobile Majority

Ms. Torres presented a Proposal for PaeDae, Inc. dba Mobile Majority (Mobile Majority) in the amount of \$358,002. Mobile Majority is a rapidly growing technology company specializing in vertically-integrated mobile digital advertising.

Ms. Torres introduced Art Alizarov, Chief People and Privacy Officer.

Mr. Broad asked, are you a publicly traded company? Mr. Alizarov said, not yet. But that is our aspiration. Mr. Broad said, okay. When you become publicly traded, that's the last we'll ever see from you, because you'll own half of San Francisco.

ACTION: Ms. Newsom moved and Ms. Fernandez seconded approval of the proposal for PaeDae, Inc. dba Mobile Majority in the amount of \$358,002.

Motion carried, 6 – 0.

Performance Food Service – Southern California, a Division of Performance Food Group, Inc.

Ms. Torres presented a Proposal for Performance Food Service – Southern California, a Division of Performance Food Group, Inc. (PF – So. CA) in the amount of \$182,000. Founded in 1987, PF – So. CA is an assembly food service distribution operation specializing in Italian and Italian-American food products, equipment, food related products, and non-food items used within the food service industry.

At the request of a Panel member, this proposal was removed from the Consent Calendar as noticed for last month's meeting, and held over to this month.

Ms. Torres introduced Shelly Stratton, Vice President Human Resources, and Judith Kreigsmann, Judith Kreigsmann Services.

Ms. Newsom asked, could you describe your healthcare package and out-of-pocket expense for your workers? Ms. Stratton said, yes. There is an out-of-pocket cost. We offer full benefits for medical, dental, vision, and 401(k) plan. Ms. Newsom asked, in addition to what you are contributing, how much, roughly an hour, is the out-of-pocket cost? Ms. Stratton said, it's a minor amount. Ms. Newsom asked, how much would that be? For some people, they feel that a minor amount might be \$2.50, and others feel it's exceeding \$5.00. So, roughly, per hour, how much would the cost be? Ms. Stratton said, roughly per hour, I would say \$1 to \$2. Ms. Newsom said, okay.

Ms. Bell asked, I understand you are new to the organization; about four months or so. I would suggest that you continue to utilize your resources to the maximum, so that you can be successful. Have you had any contact with your facility in Livermore to find out why they weren't successful with their project? How is your program going to look differently than your Livermore facility? Ms. Stratton said, that's a great question. First off, I would say that I have had contact with them. We put a conference call together to find out what caused their low performance. I come from a company where we had this contract, and I was able to be instrumentally involved in that. I am familiar with the process and administrative portion of it; we're already up and ready to go. I have the support of the president of my operation. This goes all the way up to corporate to make sure that I have 100% approval in place. We're relying on our location to be successful. Ms. Bell said, thank you.

Mr. Broad asked, would you comment on your prior performance? Ms. Stratton said, yes. The Livermore facility was at a \$60,000 contract, and I know that they only got 20% of that. Mr. Broad said, this is a question to staff. With the prior performance issue, how was this current proposal analyzed and approved? Was it right-sized? This time they are coming back for ten times the amount of what they earned. Ms. Stratton said, let me elaborate on the structure of the company. We're a stand-alone; my operation is not necessarily affiliated with the other facility, but obviously, we're under the same company. They are less than one-third the size of our operation, so we're much significantly higher than that. I have a team underneath me that would be helping, and we have an infrastructure in place here. The other facility didn't have the infrastructure and the training culture, which I was deliberately hired and brought on to the company to do. My position was created to grow the talent and develop the team. Mr. Broad said, okay.

There were no further questions from the Panel.

ACTION: Ms. Bell moved and Ms. Fernandez seconded approval of the proposal for Performance Food Service – Southern California, a Division of Performance Food Group, Inc. in the amount of \$182,000

Motion carried, 6 – 0.

PRL Glass Systems, INC.

Gregg Griffin, Manager of the North Hollywood Regional Office, presented a Proposal for PRL Glass Systems, INC. (PRL Glass) in the amount of \$401,200. Founded in 1989, PRL Glass seeks training for its employees and those of its affiliate, PRL Aluminum, Inc. This will be PRL Glass' second ETP agreement.

Mr. Griffin introduced Imelda Pinole.

There were no questions from the Panel.

ACTION: Ms. McBride moved and Ms. Fernandez seconded approval of the proposal for PRL Glass Systems, INC. in the amount of \$401,200.

Motion carried, 6 – 0.

Snap-On Logistics Company

Mr. Griffin presented a Proposal for Snap-On Logistics Company (Snap-On) in the amount of \$149,760. Snap-On manufactures quality hard tools, power tools, tool boxes, diagnostic software, calibration equipment and other tool accessories. This will be the second ETP Agreement for the Company.

Mr. Griffin introduced Kanchan Bhaskaar, Human Resources Manager.

Ms. Newsom said, your application states that you're using \$3.48 to meet the post-retention wage using the healthcare premium. I would like you to expand on the health care package for the employees. Ms. Bhaskaar said, we offer a full health care package and it's market competitive. Dental, visual, and medical benefits are available through Kaiser; HMO and PPO. As far as the gap is concerned on the benefit, there is a 2% gap. We are going to look at that, and try to close the gap. Ms. Newsom asked, did you state that it's 100% employer-sponsored, or is there an out-of-pocket cost? Ms. Bhaskaar said, there is a little bit of out-of-pocket cost; it's about a few cents per hour.

Ms. Newsom asked, do you have any feedback on your last agreement, which had an 87% achievement rate, to ensure that you have a similar or higher performance rate? Ms. Bhaskaar said, yes; that was our first agreement, we were at 87%, which I felt was good. We are continuously improving in everything.

There were no further questions from the Panel.

ACTION: Mr. Rodriguez moved and Ms. Newsom seconded approval of the proposal for Snap-On Logistics Company in the amount of \$149,760.

Motion carried, 6 – 0.

Teledyne Controls, LLC

Mr. Griffin presented a Proposal for Teledyne Controls, LLC (Teledyne) in the amount of \$339,560. Founded in 1966, and headquartered in El Segundo, Teledyne is a learning provider of sophisticated onboard avionic and ground based electronic systems.

Mr. Griffin introduced Lorena Villa, Human Resources Manager.

Ms. Bell said, this is your first contract. Have you managed other contracts with ETP in the past? Ms. Villa said, no. I have not. Ms. Bell asked, will you be utilizing your training consultant? Ms. Villa said, that is correct. We have a training department to make sure that we have enough resources to manage the program. Ms. Bell said, we want you to be successful. Be sure to reach out to your representative, because we want you to come back, and ask for more funding. Ms. Villa said, we would like to come back.

Ms. Fernandez asked, since this is your first agreement, what is the level of commitment of support from your organizational leadership? Ms. Villa said, I would not take less than 100%. Ms. Fernandez said, okay. Thank you.

There were no further questions from the Panel.

ACTION: Ms. Bell moved and Ms. Fernandez seconded approval of the proposal for Teledyne Controls, LLC in the amount of \$339,560.

Motion carried, 5 – 0.

(Mr. Rodriguez departed at 11:21 a.m.)

Wonderful Pistachios & Almonds LLC

Mr. Griffin presented a Proposal for Wonderful Pistachios & Almonds LLC (Wonderful) in the amount of \$749,070. Founded in 1989, Wonderful, previously known as Paramount Farms International LLC, requests funding for its employees and two closely affiliated entities, Wonderful Growers Cooperative, and Cal Pure Produce Inc. All three entities are wholly-owned subsidiaries of the Wonderful Company LLC in Los Angeles. This will be the second ETP Agreement with Wonderful.

Mr. Griffin said, I would like to make a note that they have an active contract with ETP under the Rapid Employment Strategies Pilot on Natural Disasters (RESPOND) pilot program that will end later this year, therefore Substantial Contribution does not apply.

Mr. Griffin introduced Loren Meigide, Senior Director of Human Resources.

Ms. Newsom asked, are any of the employees listed on your application compensated on a piecework system? Mr. Meigide said, no. We do not have piecework for the employees.

There were no further questions from the Panel.

ACTION: Ms. Fernandez moved and Ms. Bell seconded approval of the proposal for Wonderful Pistachios & Almonds LLC in the amount of \$749,070.

Motion carried, 5 – 0.

Cox Communications California, LLC dba Cox Communications California

Ms. Torres presented a Proposal for Cox Communications California, LLC dba Cox Communications California (Cox California) in the amount of \$457,179. Cox California is a multi-service/cable service provider in Southern California. This is the sixth proposal between Cox California and ETP within the last five years.

Cox California hires veterans on a regular basis, and is committed to hiring and training at least 15 veterans under this proposed agreement (Job Number 4). Cox California is a repeat contractor with payment earned in excess of \$250,000 and a former Substantial Contribution at the 15% level at various facility locations in San Diego County.

Ms. Torres said, on Page 2 of 7, there is a typo under the post-retention wage for health benefits. \$3.71 will be used to meet the ETP minimum wage, not \$5.44. That is a mathematical error on staff's part. The health benefits for Job Number 1 and Job Number 2 will be for the incumbent workers; Field Service Technician 1 and Sales Staff 1. For Job Number 3 and Job Number 4, which is under Job Creation, will not need health care benefits to meet the ETP minimum wage.

Ms. Torres introduced Linda Kavanaugh, Acting Vice President of Human Resources, Kimber Hanrahan, Director of Training Delivery, Jim Barrier, Manager of Training Delivery, and Ann Ervin, Director, Tax Credit Company.

Ms. Fernandez said, first of all, I'm happy to see the veterans hiring component in this proposal. Hopefully, that will expand, and you will continue to hire more veterans. My question is in regards to the employees. What happened to the employees in San Diego and Orange County when the department moved out of state? Ms. Kavanaugh said, there were other opportunities within the organization. A lot of the employees moved where the jobs went. One of our call centers is located in Arizona, which is pretty close, and the employees were offered \$15,000 to move. Most people have not seen \$15,000, and they were happy to move where the jobs were. We also had positions locally, as well as other locations. Ms. Fernandez said, I'm happy to know that the workers were not completely displaced, and that opportunities were created for them to be able to continue with their careers. Thank you.

There were no further questions from the Panel.

ACTION: Ms. McBride moved and Ms. Bell seconded approval of the proposal for Cox Communications California, LLC dba Cox Communications California in the amount of \$457,179.

Motion carried, 5 – 0.

Stearns Lending, LLC

Ms. Torres presented a Proposal for Stearns Lending, LLC (Stearns) in the amount of \$202,080. Founded in 1989, Stearns is a privately owned mortgage bank headquartered in Santa Ana.

Ms. Torres said, there is a typo on Page 3 of 5. They will be training three individuals, not five, under the Job Creation. This is consistent with the information on Page 2 of 5. I'm going to try my best to explain the wage range by occupation. The incumbent workers for Job Number 1, which is the bulk of the training proposal, all of the occupations, except for the managers, will need to include health benefits for at least a portion of those proposed for the workers. Those health benefits are \$1.75. In addition to the Sales Staff in the same job number, which we broke down into four different groups, the first group will be exempt. They will need commissions in order to meet the ETP minimum wage.

Ms. Torres introduced Delane Olin, Senior Vice President, Training and Developments, and Farrah Talei, Training Coordinator.

Mr. Broad asked, Ms. Torres, on Page 2 of 5, it says, "according to Stearns, Sales Staff in Groups 1 and 2 are exempt"; exempt from what? Ms. Torres said, exempt from the state of California minimum wage compensation.

Mr. Broad asked, are they outside sales people; they don't work inside their offices? Ms. Olin said, they're outside sales staff. Mr. Broad asked, do they spend more than half of their time calling on customers? Ms. Olin said, that is correct. Most of our loans are purchase loans and referral-based business, and generally, the real estate agents are the ones who are influential on those decisions. We do business-to-business and wholesale loans, but our primary sales clients are the real estate agents. They are the ones referring the business into Stearns.

Mr. Broad said, assume for the moment that that group of workers are indeed outside sales persons, and they are exempt from the minimum wage, if they don't have a guaranteed wage, I don't see how we can fund them. Ms. Olin said, I understand where you're coming from, especially hearing the discussions earlier today. We have a couple of different compensation structures. Most of our outside sales are commission only, but they have a recoverable draw of \$9.23 per hour. We examined our compensation for our sales people prior to this project and discovered that of the 245 employees, 90% of them have exceeded the ETP minimum wage requirement; the ones who didn't were fairly new.

Mr. Broad said, leaving aside the question about the 100% commission salespeople, if we are prepared to fund them, are you prepared to say to them that you can only get the training money if they earn above the ETP minimum wage, or the state minimum wage? Ms. Olin said, yes, we are. Mr. Broad said, okay.

Mr. Broad asked, of the 957 employees, how many outside sales person are exempt from minimum wage? Ms. Olin said, of the 954 trainees, 245 sales people are exempt from minimum wage.

Mr. Broad said, with regard to the outside sales person, what are we training them to do with this money? Ms. Olin said, a good deal of our training will be around the substantial legislative changes in the mortgage industry, and redesigning our process to ensure that our originators are operating compliantly. Our company has been in business for 25 years, and we were one of the few that survived the crisis. I attribute a lot of that to the fact that we are very conscious with compliance, having a no-tolerance policy, or operating outside of that. Another huge focus of our training is on products, and ensuring that our originators are well aware of our product offering, how each of them works, the qualification requirements, and ensure that we are putting customers in the right products. Another portion of our training is on technology. Our company switched out pretty much every piece of the technology, including our loan origination system last year. We spent a large amount of time on software training. Mr. Broad said, okay.

Mr. Broad asked, how many of the trainees have direct communication with the borrowers? Ms. Olin said, of the 245, about half of those. There are two different sales channels. One would be direct conversation with borrowers, and the other is a wholesale channel where they work directly with the mortgage brokers. Mr. Broad asked, when they have direct communication with the borrowers, what are they talking to them about? Are they individuals that have already applied for a loan, or are they prospective borrowers? Ms. Olin said, it's a combination of both. Generally, on the wholesale side, the consumers approach the broker directly, and the brokers make the decision as to where to sell the loans. In those instances, they don't speak to the consumer; we're providing a service to the broker. On the retail side, we have conversations with the borrower. They are in the market to purchase a home, and the real estate agent has referred them directly to our company. The borrowers that are coming to us have an idea of how much they want to borrow. At that point, we review their credit and present them with loan options.

Mr. Broad asked, what are we training those employees to do? Ms. Olin said, I'm sorry if I misunderstood your previous question. When I answered earlier about compliance and technology, that's what we're training our employees to do. One thing that is important to know is consumer protection, because that's a big concern. We now have federal laws in place that govern on how we can pay our originators. Prior to 2010, the originators could be paid based on the type of product or interest rate, and now, that is against the law. Of course, we abide by that. So the originators cannot be paid on a per loan basis, or based on the type of loan. Their compensation is based off of the total funded volume.

Mr. Broad said, I'm sorry for dominating this line of question, but this has been an issue of mine for a very long time. I felt like we really got burnt in 2008, because I was asking someone who seemed just as genuine and nice as you these very same questions. They had received superior training, because I certainly couldn't detect that they were completely lying. But anyway, I'm not suggesting that you are that person here.

Mr. Broad said, I don't want our money, in any way, to train people on how to get borrowers into loans that they can't afford. If they were to ask me for my opinion, I would say scream and run out of the room, because that's a very bad idea. I'm worried about up-selling to people who are buying more than what they can afford. I am now reading that the heat is off, and that changes have been made in the law, but high pressure practices are creeping back up in the lending industry. I hate to think that we're going to let our guard down. For a while,

nobody from the mortgage industry came before the Panel, because it would have been embarrassing after all the recession. But the two of you seem like very nice people, and you've answered our questions appropriately.

Mr. Broad said, reassure me that there is no way that I'm going to read about your company in the paper the next time there is a recession. This is a real concern to us, because the mortgage industry has a checkered history. Ms. Olin said, I definitely understand that, and I see your perspective clearly. Unfortunately, there were a lot of bad decisions that were made in the mortgage industry in the previous years. I think that there's not a person in the country who hasn't suffered that. For what it's worth, I should get some points for bravery. Mr. Broad said, you should get extra points for bravery, and you're very articulate.

Ms. Olin said, to answer your question, as mentioned earlier, a lot of legislative changes were made, and that doesn't solve everything. You can pass regulations, but if the companies don't take them seriously, then the regulations are good for nothing. Going back on the originator compensation, there was a time when I can say, "Mr. Broad, I'm going to place you in this 2-1 adjustable rate mortgage loan, because it's the right decision for you", only to find out later that you weren't well informed. As I mentioned earlier, there is not an incentive for the originator to sell an FHA loan versus a VA loan. There are different loan structures where you can have a higher interest rate with low closing cost, or vice versa. The originator is paid exactly the same, regardless of how that loan is structured, so that's one protection.

Ms. Newsom asked, what about your wholesale department and the mortgage brokers, do they have an incentive when they're selling to their clients? Ms. Olin said, the mortgage brokers do not have incentives. With mortgage brokers, they can be paid one of two ways. One is the flat percentage of the loan, and it cannot vary from loan to loan. If I'm a broker and my agreement with Stearns Lending is 1%, that agreement is across those loans. The other way the broker can forgo that commission is exchange the charging fee to process the loan, or an application fee. There is a limit to that as well, and that is federally regulated, which is 3%. There is also a limit on that compensation, and its across-the-board, it cannot be based on loan characteristics. We also had some recent regulation around the ability to repay. We have to evaluate every loan to show that you are qualified to pay that loan. It has really changed the landscape on adjustable-rate loans, were borrowers would qualify for lower payments, and then the payment goes up to an amount that they can't afford. Now, you can qualify based on the highest amount of payment, and things of that nature. It's definitely a concern. Single-handedly, I would love to carry the flag, and say we're not all crazy; we're not criminals. I think we have to prove ourselves.

Mr. Broad asked, from our perspective, how do we know? These are subtle things. When a first-time home buyer is looking for low monthly payments and you get them in an adjustable-rate mortgage, but in five years, their payments would be doubled, that's a bad idea. You need to ask yourself if they can afford the payments, and most people can't afford it. The loan will eventually be sold in six months, and then becomes someone else's problem. Maybe we should fund training that involves legal compliance. Although we're not supposed to fund training that is mandatory, or training on how to get somebody into a loan that maximizes profits; in other words, sales technique. Then I ask myself, how much can we micromanage this, and ask our staff to micromanage it? We hope that we don't wind up funding a project that we will end up in the paper, and regret deeply, as we did the last time.

I'm genuinely puzzled. You obviously strike me as a good and brave person. You've been very candid, and I appreciate that.

Ms. Fernandez asked, I have a question I'd like to ask regarding the commission-based individuals. If they're commission-based, are you paying into the unemployment insurance (UI) for them? Ms. Olin said, I don't know the answer to that. That is something that I could find out from our human resource department. Ms. Fernandez said, that would be necessary to find out, because if you're not paying it, then we're technically funding people that are not contributing into the fund.

Ms. Reilly said, it is a requirement that all trainees must be employed full-time, permanent, and meet retention. The only way we can check retention is when the base salary is reported to EDD as part of payroll reporting for tax withholding for UI. In this case, the salary would be the commission. The retention requirement goes in the contract.

Ms. Fernandez asked, how do you do that with commission? Ms. Reilly said, Ms. Torres, can you address that? Ms. Torres said, it's based on the reported salary for those individuals; they pay the UI. The reported salary would be the commission that goes in there.

Mr. Broad said, what would happen here is the salesperson on commission, not outside sales, are obligated to receive minimum wage and there's a commission sales plan. So there are payroll taxes paid on that person. An outside salesperson that has no sales is owed no money. Therefore, no tax is paid for them within that pay period if they don't earn any commission; that's how outside sales work. In that situation, it's not that the tax is not owed on them; it just may not be paid if there are no earnings. I don't know where that places us. However, we started this conversation with regard to outside salesperson: are you willing to accept to be paid no less than the state minimum wage for all hours worked? The problem there is that they are not necessarily recording their hours, because they are outside sales people, and they're not subject to any of those rules.

Ms. Reilly said, regulation Section 4418 explains how commission sales are to be used in determining the post-retention wage. We can accept them as long as they are verifiable, which would mean reported to EDD. Mr. Broad said, but that could mean that they didn't earn anything, or hardly anything at any given pay period. In theory, you can retain someone who earns no money. They could be retained, but in that retention month, and the month after that, they earn their buck and a half, because they didn't sell anything. Ms. Reilly said, then they wouldn't meet the wage requirement at the end of retention as needed to earn final payment, but we can put that in the contract to make it more specific. That's the basic trainee eligibility requirement; they have to be employed full-time. We can only verify wage retention using the EDD database, which requires payroll reporting by the employer.

Mr. Broad said, I'm prepared to vote for this if we exclude training curricula related to sales techniques. I'm very comfortable with paying for how to follow the law. I don't know if you can cut it that way for commissioned salespeople. If we're going to pay for them, they need to be paid the state minimum wage, or amount equal to the state minimum wage for all hours worked. They have to be guaranteed a full-time salary equivalent, regardless of what their sales are, which you said you would agree to.

Ms. Olin said, I just want to make sure that I understand correctly. I'm a training person, so I can't modify the compensation structure. Mr. Broad said, you don't have to modify the compensation structure. The training is on your nickel if you don't meet the condition, not ours. You eat the cost. Ms. Olin said, I just want to restate to make sure that I understand. We would not be reimbursed for training hours for the employees, unless they meet the ETP minimum wage, is that correct? Mr. Broad said, yes, for the full-time worker. Ms. Olin said, quite honestly, I thought that was the rule. Mr. Broad said, it is for everybody else, except outside salesperson. That's the only group of employees that I could think of that are in that situation. Even professional employees, like administrative and executives that are exempt in other ways, but they're paid on a salary basis. They have to receive a salary; they can't receive less than their salary. But the problem with outside salesperson is there is no guarantee of anything that's required under the law. They're just totally out there. It was the Fuller brush person, that's where it came from, going door to door selling things on a commission sales basis. There aren't many of them left, but you have them.

Ms. Reilly said, at the time of development, I thought there was a guaranteed draw: \$19,700 a year for outside sales. Ms. Olin said, it's a recoverable draw. There are two types of draw. When a new employee is hired, there is a guaranteed period of time until they are able to learn how to operate and start their pipeline. Our salespeople also have a \$9.23 per hour draw that they receive, even if they don't make a sale. Ms. Reilly asked, is that for outside sales too? Ms. Olin said, yes.

Ms. Reilly said, we calculated \$9.23 against a 35 hour workweek, instead of 40 hours, and it comes to \$10.70 an hour, which meets at least the state minimum wage. Mr. Broad asked, how does it get to be 35 hours versus 40 hours? Ms. Reilly asked, Ms. Olin, did you calculate the \$9.23 per hour based on a 40 hour workweek? Ms. Olin said, that is based on a 40 hour work week. Ms. Reilly said, the requirement in our regulation is at least 35 hours a week. When you calculate 35 hours per week, you hit the state minimum wage. Mr. Broad asked, why wouldn't you make it times 40 hours as opposed to 35 hours a week? Ms. Reilly said, our minimum threshold for full-time employment is 35 hours a week; we looked into it because \$9.23 an hour would not meet the state minimum wage. Mr. Broad said, I'm trying to make this work for us, not them, which would mean the state minimum wage time of 40 hours per week. Ms. Reilly said, if it's 40 hours a week, then they don't meet the requirements. Mr. Broad said, they are going to have to meet it, or we are not going to pay. That would be our condition; they have to earn at least that much per week; that's what we're saying. Mr. Broad said, it doesn't matter how they get the guaranteed minimum wage or earn it as part of commission, or whatever, but they have to get there. If they don't get there, we don't pay. It has to be during the training period and the retention; the whole time.

Ms. Torres said, first of all, I would like to thank Ms. Fernandez for bringing up the UI question, because this is a different type of animal. You started with one conversation, and moved to another. Whatever you decide on, I want to clarify for contract language about the 90-day retention period. The amount in the quarterly bucket, divided by 35 hours is what it comes out to. I just want to clarify that you're talking about the sales people getting paid a guaranteed wage per hour outside of the retention period during the agreement. Mr. Broad said, the problem here is every other employee, even commissioned salespeople, are guaranteed the minimum wage for all hours worked. Ms. Torres said, right; for all hours worked. Mr. Broad said, outside sales are not guaranteed a penny. Ms. Torres said, that's

correct. Mr. Broad said, it would have to cover the whole training period through the retention period. Ms. Torres said, that's what I wanted to clarify. Mr. Broad said, the risk that they're taking is their payment system. If they don't get there, they don't get reimbursed, and that's just the luck of the draw. Ms. Torres said, right. Mr. Broad asked, does that make sense? Does every body on the Panel understand what I'm getting at?

Ms. Newsom said, there are multitude components to this application that I don't feel comfortable with, and a lot of it is based on today's conversation. One, this is an applicant from the financial services industry, an industry that is not one of our priority industries. The application has been significantly revised, since I've pulled it from the Consent Calendar at the last meeting. I would also like to thank the staff for their diligence in expanding upon the employee compensation practices, which I'm not comfortable with at this point.

I looked at your website: adjustable rate mortgages, and jumbo loans. In my background working for the financial crisis, and great commission in helping to produce that report, this does not vote well for me. I also want to bring up this article that was issued by the LA Times last year entitled: "*After subprime collapse, non-bank lenders again dominate riskier mortgages.*" It goes on to state, "Penny Mac, Amerihome Mortgage and Stearns Lending have several things in common. All are among the nation's largest mortgage lenders, and none of them is a bank. All are headquartered in Southern California, the epicenter of the last decade's subprime lending industry. And all are run by former executives of Countrywide Financial, the once-giant mortgage lender that made tens of billions of dollars in risky loans that contributed to the 2008 financial crisis." I just don't feel comfortable in investing our dollars in this industry at this point.

Ms. McBride said, in light of the very fine presentation that our guests have provided today in trying to give us comfort and understanding with how their system and training work, can we give them an opportunity to go back, and work with staff and their organization, rather than just kill this here? Let's give them an opportunity to come back, and give us better comfort. We may not get there, but it will give you an opportunity to go back and restructure this. I apologize to our staff, because I know that this would mean spending more time, but I would rather spend more time, and make the company feel that they've been heard with regard to the training that needs to happen. Perhaps, eliminate the training for outside sales position, where we have great concern; consider what the Panel members have said; review it, come back and restructure. I don't think it's going well in your favor today. That would be one way to approach this. That doesn't mean that things are going to change, but it would give you an opportunity to think this through a little bit further.

Ms. Bell said, I'm feeling very uncomfortable about how this is all coming down. I have dealt with outside sales; employees who don't make anything. I'm concerned with the commission piece as well. If we were to vote right now, I would totally vote against any type of funding for Stearns.

Mr. Broad said, it's pretty clear that the votes are not here under any circumstance, since at least three of us have stated some concerns. Maybe you want to take this back and rework it with staff, and see if you can come up with some formula that can work. The newspaper article regarding Countrywide and other companies are also an issue.

Mr. Broad said, I would like staff to inquire whether outside sales people meet the legal definition in the wage order of the Industrial Welfare Commission, which requires that they spend predominantly more than half of their time outside an office setting. Their house could be there office too; and include physical traveling. We have to comply with the law, and there are several issues here. I appreciate you coming forward, and you have been very candid. If I was going to send somebody, I would send you, but it didn't quite work. Why don't you go back and restructure, and see how you do. Ms. Olin said, thank you for your time. I appreciate it.

The proposal for Stearns Lending, Inc. failed for lack of a motion.

Intuitive Surgical, Inc.

Creighton Chan, Foster City Regional Office Manager, presented a Proposal for Intuitive Surgical, Inc. (ISI) in the amount of \$395,876. Founded in 1995 and headquartered in Sunnyvale, ISI manufactures surgical robots used across cardiac, urology, gynecologic, colorectal, pediatric and general surgical disciplines. This is ISI's third ETP Agreement in five years.

ISI is a repeat contractor with payment earned in excess of \$250,000 at the Sunnyvale facility within the past five years. Accordingly, reimbursement for trainees at the Sunnyvale facility in Job Number 1 (Retrainee) and Job Number 3 (Veteran/Retrainee) will be reduced by 15% to reflect the Company's \$33,324 Substantial Contribution to the cost of training.

Mr. Chan introduced Megan Gage, Global Talent Development Manager.

Ms. Bell asked, can you tell me about the process of converting temporary employees to permanent employees? Ms. Gage said, most of our employees are brought on full-time. However, we have some employees that are brought in through our temporary agency. Our front-line workers in manufacturing are provided training from day one, and they work hand in hand with our full-time employees as they transition into their permanent position.

Ms. Bell asked, do you operate 24 hours a day, 7 days a week? Ms. Gage said, not 24 hours a day, 7 days a week, but we have some employees who work some evenings and weekends, depending on product manufacturing. Ms. Bell said, thank you.

Ms. Fernandez said, I want to commend you for having the Individuals with Disability and veteran component as part of your project. I think you have a great track record, and I wish you a lot of success, and thank you for adding those two components. Ms. Gage said, thank you, and we're very proud of it.

ACTION: Ms. Bell moved and Ms. Fernandez seconded approval of the proposal for Intuitive Surgical, Inc. in the amount of \$395,876.

Motion carried, 5 – 0.

The Wine Group, Inc.

Willie Atkinson, Sacramento Regional Office Manager, presented a Proposal for The Wine Group, Inc. (TWG) in the amount of \$749,988. Founded in 1981, TWG operates 13 wineries throughout the world, producing more than 56 million cases of wine in the U.S. This will be TWG's third ETP-funded training project in the last five years.

Mr. Atkinson introduced Krista DeBie, Technical Training and Communications Director of Human Resources, and Beth Ingle, Consultant.

Ms. Bell asked, do you operate 24 hours a day, 7 days a week during harvest season? Ms. DeBie said, we operate 24 hours a day; 5 days a week, sometimes 6 days. Ms. Bell asked, do you have any temporary employees? How do you recruit employees? Ms. DeBie said, there would be a small percentage that would be temporary, but most of them are hired full-time. Ms. Bell said thank you.

ACTION: Ms. Fernandez moved and there was a second on the approval of the proposal for The Wine Group, Inc. in the amount of \$749,988.

Motion carried, 5 – 0.

Troon Golf, LLC

Mr. Atkinson presented a Proposal for Troon Golf, LLC (Troon) in the amount of \$450,750. Founded in Scottsdale, Arizona, Troon has become the largest third party manager of golf courses and golf club operation in the world.

Mr. Atkinson introduced Jon Vespar, Director of Golf and Steve Benson, Consultant.

Mr. Broad asked, does your company manage the golf operation at the Silverado Resort? Mr. Vespar said, yes. We manage the golf operation and maintenance for Silverado. We are basically a third party management company. We have a lot of other venues that we can assist with; club house design, food and beverage, golf course construction, sales and marketing, information technology, and accounting. We have a lot of opportunities for our associates to grow, not just necessarily in the golf operation itself.

Mr. Broad asked, are the employees your direct employees? Mr. Vespar said, they are our associates. Mr. Broad said, ok. So, in a place like Silverado, when you're golfing, the golf course employees are yours, but when you walk into the hotel, they are employees of the resort? Mr. Vespar said, yes. That is correct. Mr. Broad asked, is that a common division of labor in the resort industry? Mr. Vespar said, typically, in our resort facility, we partner with Starwood and Wyndham. But in a standalone operation, like The Classic Club in Palm Desert, The Westin Mission Hills in Rancho Mirage, and The Indian Wells Resort, they are operating the entire facility; food and beverage, and all the other components as well. Mr. Broad said, okay. Thank you.

Ms. Newsom asked, what is the out-of-pocket cost of healthcare for your workers? Mr. Vespar said, Troon Golf offers 100% health care package, and we share the cost with that.

There were no further questions from the Panel.

ACTION: Ms. McBride moved and Ms. Bell seconded approval of the proposal for Troon Golf, Inc. in the amount of \$450,750.

Motion carried, 5 – 0.

Truck Accessories Group, LLC

Mr. Atkinson presented a Proposal for Truck Accessories Group, LLC (TAG) in the amount of \$253,726. TAG is headquartered in Indiana, with manufacturing facilities in Pennsylvania and Woodland, California. The Company manufactures truck caps, tonneaus, retractable bed covers, and aluminum and plastic automotive components.

TGA is a repeat contractor with payment earned in excess of \$250,000 and a former Substantial Contribution at the 15% level, at the Woodland facility, within the past five years. Accordingly, reimbursement for trainees at this facility in Job Number 1 will be reduced by 30% to reflect the Company's \$93,930 Substantial Contribution to the cost of training.

Mr. Atkinson said, on Page 5 of 5, under the prior projects table, the payment earned shows 3%, which is \$15,300. However, it has been updated to reflect the earned payment of \$258,777; 53% of the awarded agreement amount. This is how we right-sized the current agreement for funding request.

Mr. Atkinson introduced Fred Saldivar, Human Resources Manager, and Christian Alvarez, Consultant.

Ms. Newsom asked, can you please describe your healthcare package? Mr. Saldivar said, it's very minimal; less than \$1.

ACTION: Ms. McBride moved and Ms. Fernandez seconded approval of the proposal for Truck Accessories Group, LLC in the amount of \$253,726.

Motion carried, 5 – 0.

Multiple Employer Proposals

Apprentice & Journeymen Training Trust Fund of the Southern California Plumbing and Piping Industry

Mr. Griffin presented a Proposal for Apprentice & Journeymen Training Trust Fund of the Southern California Plumbing and Piping Industry (P&P Trust) in the amount of \$949,221. P&P Trust provides training for workers in the plumbing and pipefitting industry.

Mr. Griffin introduced Armando Pulido, Executive Director.

Ms. Fernandez said, I just want to commend you for hiring veterans. It seems like it's always the trade that lead the way in creating opportunities. I really want to thank you for that. You have a great track record, and I would like to make a motion to approve.

Mr. Pulido said, I just like to say that the veterans program is supported by our international, even though the veterans don't stay in California. We offer them the training and ability access to join anywhere they want. Thank you.

ACTION: Ms. Fernandez moved and Ms. Newsom seconded approval of the proposal for Apprentice & Journeymen Training Trust Fund of the Southern California Plumbing and Piping Industry in the amount of \$949,221.

Motion carried, 5 – 0.

California Workforce Association

Mr. Atkinson presented a Proposal for California Workforce Association (CWA) in the amount of \$941,325. CWA is a non-profit, membership-based association serving the local workforce development delivery system. CWA's membership represents all 48 of the Workforce Investment Boards (WIB) in the State of California.

Mr. Atkinson introduced Bob Lanter, Executive Director and Steve Duscha, Consultant.

There were no questions from the Panel.

ACTION: Ms. Fernandez moved and Ms. Bell seconded approval of the proposal for California Workforce Association in the amount of \$941,325.

Motion carried, 5 – 0.

X. ACTION ON STRATEGIC PLAN FY 2016/17

Mr. Knox said, the FY 2016/17 Strategic Plan was previewed by the Panel members last month, and the Funding Allocations and Caps were approved. We have added other pieces to the Strategic Plan, and Mr. Maslac will be presenting a brief overview.

Mario Maslac, Employment Training Panel, Planning and Research (P&R) Unit Manager

Mr. Maslac said, good afternoon Mr. Chairman and Panel members. I would like to provide you with a brief overview of the Fiscal Year 2016/17 Strategic Plan. Before I do, I would like to mention another retirement in our Central Office. Melinda Walton, Applications and Assessment Unit (AAU) Manager, retired on June 15th. Ms. Walton was with ETP for just under 10 years, and she helped develop the AAU, which centralized the eligibility and determination of applications. She will be missed. Ms. Bell said, thank you. We wish her well.

Before I proceed, I would like to thank all the members of the P & R Research Unit who did an exemplary job of putting this year's plan together. They are Elisabeth Testa, Tiffany Woodruff, Brian Lytle, Jeff Brooks, John Saunders and Madison Hummel.

The Strategic Plan for this year has been updated with a few minor revisions, and some of the sections have been moved around. In addition to ETP's vision and mission statement, introduction, overview and accomplishments, the Strategic Plan also includes goals and objectives, administrative strategies, economic overview, priority industries, workforce trends, strategic initiatives and alliances.

ETP's priority industries identified in the Strategic Plan are deemed most vital to the State's economic health. They are the focus of ETP's marketing efforts, and the employers in these industries have a higher reimbursement rate. The priority industries remain unchanged from the prior FY. They are agriculture, allied healthcare, biotechnology and life sciences, construction, green/clean technology, goods movement and transportation logistics, information technology services, manufacturing, multimedia/entertainment, and technical services.

The Strategic Plan includes information about the workforce trends which includes the Workforce Innovation and Opportunity Act (WIOA), employer-based training, training for special populations like retirees and older workers, veterans, drought victims, and middle skill workers. The workforce trends section also focuses on sector strategies and different partnerships. The plan also covers strategic initiatives which are drought relief, green technology, alternative renewable fuel and vehicle technology program (ARFVTP), career technical education (CTE), apprenticeship training pilot, support for veterans, and serving small business.

ETP's strategic alliances include the state and local Workforce Investment Board (WIB), as well as some apprenticeship training pilot program, job creation and retention, and working with High Unemployment Areas (HUA), as well as various marketing contracts.

Under the Administrative Strategies, this section includes information about the Employment Training Management System (ETMS), which is scheduled to launch at the end of July; maximizing funds, funding caps, funding allocations, lowest priority funding priorities, and other limitations. To maximize limited funding, ETP will continue to incrementally encumber training funds, incentivize retraining for newly-hired employees, apply high earner reductions to repeat contractors, apply substantial contribution levels, and adjust funding priorities and limitations including funding caps. The funding caps are subject to revisions by ETP based on adjustments to projected revenue collection of the employment training tax, and other factors. The need for flexibility in setting funding caps is an aspect of strategic planning.

The Funding Caps remain the same: Single Employer \$750,000; Single Employer Small Business \$50,000; Critical Proposals \$900,000; Multiple Employer Contract (MEC) \$950,000; MEC Apprentice Training per program sponsor \$450,000. Projects with multiple sponsors may not exceed the MEC cap. The caps on AB 118 and drought funding will be determined on a case-by-case basis. Funding for active contracts may be increased on a case-by-case basis depending on performance. The caps may be adjusted upward on a case-by-case basis with justification.

The funding priorities and limitations were presented at the last Panel meeting. The funding allocations are: Multiple Employer Contracts (MECs) \$20M; Single Employers \$45M; Small Business \$6M; Critical Proposals \$6.9M; Apprenticeship/non-traditional \$12.5M; overall total of \$90.4M.

One thing that I would like to point out is the lowest priorities. This was a placeholder. We will be removing retail trade and mortgage industry, and we will correct this in the Strategic Plan. All the other industries listed are carryovers from before, such as retraining of employees of training agencies, all training in the adult entertainment industry, gambling, and truck driving schools. Some of the other limitations we have are support costs, substantial contribution, high earner reduction, and employer demand for MECs; they have to demonstrate that there is employer and demand for training.

Strategic Plan Goals and Objectives:

1. *Enhance the Visibility of the ETP Program.* The objectives are: partner with public and private sector, State and local economic and workforce development organizations, including GO-Biz, to identify projects that demonstrate a direct economic impact to the State; partner with public and private stakeholder to increase outreach and raise awareness about the ETP program; educate legislative members and staff on the availability of training funds for their constituencies; continue to work with the Labor and Workforce Development Agency (LWDA) on labor workforce objectives in alignment with the Governor's office.
2. *Target California's Key Industries.* The objective is to target program funds to ETP priority industries.
3. *Continue Support for Small Businesses.* The objectives are: improve outreach to small businesses through partnerships and develop new models for serving small business.
4. *Support Governor's Initiatives and Hard-to-Serve Populations.* The objectives are: continue to expand veterans program; expand services to serving people with barriers to employment; continue targeting training projects in the Central Valley region, rural California, Imperial Valley, and other HUAs; expand career opportunities for workers through support of pre-apprenticeship and apprenticeship programs; support worker returning to or remaining in the labor market; support workers and businesses impacted by the drought; continue to support green technology, training and jobs, and promote the use of industry recognized certifications.
5. *Enhance ETP's Impact on Job Creation and Retention.* The objective is to continue the Job Creation Pilot Program, and continue to work with Go-Biz on Critical Proposal designations to increase Job Creation impacts.
6. *Increase the Efficiency and Effectiveness of the ETP Program.* The objectives are: deploy ETP's new Data Management Information System to improve program efficiencies, and to ensure comprehensive, seamless data collection and reporting; continue ongoing, internal evaluation and assessment of program and contracting processes; continue to partner with the LWDA to coordinate workforce services delivery; continue to maximize funding through the use of funding priority caps and allocations.

Mr. Maslac said, we recommend that the Panel approve the Fiscal Year 2016/17 Strategic Plan, with the direction to staff to incorporate any requested changes. Staff further recommends that the Panel delegate authority to the Executive Director for final approval, prior to submitting the Strategic Plan to the Administration and Legislature. Thank you for your time, and I would be happy to answer any questions you may have.

Ms. Newsom asked, did you state that you are going to remove the mortgage banking from the lowest priorities list? Mr. Maslac said, yes; that will be removed. That was part of Ms. Reilly's presentation earlier; mortgage banking and retail trade. Those two industries were not on there last year. Of course with the Panel's direction, we can keep it in. Ms. Newsom said, I'd like to keep it in.

Mr. Broad said, I'd like to keep the mortgage banking on the list. I think we ought to focus on commission sales involved in retail. The other industry that I would like to add would be multi-level marketing firms. I don't know that we've ever had them, but they are mired in controversy continuously. The subject of consent creates an investigation, and so on. It's pretty obvious who they are. That would enable a general retail merchant, like the supermarket or department store, or anybody else, for training. Also, by focusing on commission sales in the retail industry, if you have an auto dealership and we're training mechanics on new techniques to work on engine, to me, that should be a low priority.

Ms. Bell said, thank you for the presentation, Mr. Maslac. I'm glad to see the agriculture on the priority industry list. On slide 14, where it says "continue targeting training projects in the Central Valley region, rural California, Imperial Valley, and other HUA", are there other areas with HUA, or are you targeting the highest area in the state of California? Mr. Maslac said, HUA are always a priority. We have a list of all of them throughout California. Ms. Bell asked, are they leveled? Mr. Maslac said, we treat them all equally. Ms. Bell asked, which HUA is the highest? Mr. Knox said, Imperial and Colusa County are the two highest areas in the state of California; usually around 24% to 25%. We can pull out an HUA within an urban area too. Ms. Bell said, thank you.

There were no further questions from the Panel.

Mr. Broad said, I'd like to make a motion to approve the Fiscal Year 2016/17 Strategic Plan, while maintaining the mortgage banking, changing retail trade to commission sales within the retail trade, and adding multi-level marketing firms. Ms. Newsom seconded approval of the Strategic Plan for Fiscal Year 2016/17.

Mr. Broad asked, are there any further discussion? We will now take public comments before we vote.

XI. PUBLIC COMMENTS

Larry Mandell, Training Refund Group

I'm Larry Mandell with Training Refund Group, and joining me is Monica Baumann from the California New Car Dealers Association. I apologize this morning for sounding a little strident, but I've been in sales in my entire career, and it seems to me it was an attack on my profession, and so I apologize for that.

The first thing I want to mention is, car dealers do meet the minimum wage. Everybody gets paid, whether they sell or not. I'm not sure I understood Mr. Broad's comment. Is it anybody that receives any type of commission or additional compensation to their pay, or those that are on straight commission? I'm not quite sure. Mr. Broad said, I would say employees where they are on a commission sales plan, or outside sales. Mr. Mandell said, we have no outside sales in our industry. Mr. Broad said, no; you have no outside sales. Mr. Mandell said, it's all inside sales. Mr. Broad said, those jobs are low priority, and that doesn't mean that wouldn't apply to mechanics. We're talking about the commissioned sales jobs. We're not talking about commissions or incentive pay that may exist in some other way. I am quite familiar, as a lobbyist for the machinist union, how incentive pay works for mechanics in the auto industry; I do understand that. That's a little different than commission sales. The issue we have is the interface with the public. Mr. Mandell said, okay. Mr. Broad said, I'm selling you a car, not fixing your motor, and if you do it quickly, you'll get a bonus; that is not our concern. It's the same issue we have in the mortgage banking areas.

Monica Baumann, California New Car Dealers Association

Good afternoon. My name is Monica Baumann, and I'm the director of the California New Car Dealers Association. Mr. Mandell asked me to speak today to address some misconceptions about the industry.

Training by nature is a prospective activity. The ways that the industry were in the past should not inform the training that we fund in the future. Three things have really come together to shape how the automotive industry is moving into the future, particularly in the sales realm. Please stop me at any time if you want additional information. I'll try to move quickly, so it doesn't take up all of your time.

First, we have far more information regarding pricing. What that has resulted in is far less negotiation regarding price per vehicles, whether that's through car dealers, or simply the internet. The number of resources out there that we are seeing is far less pressure in sales price. That is shown through much research and the decrease in the margin for the purchase of a new vehicle. That's been well-established throughout the market for about 10 years. It's a growing trend that we expect to see moving forward. That is combined in addition with a renewed focus on customer satisfaction.

Secondly, Customer Satisfaction Index (CSI) is used in the industry, and it's now one of the major factors for how dealerships are compensated for individual sales of vehicles and manufacturers. It's frequently the most important determinant in whether or not a franchise continues to operate. I frequently appear in front of the New Motor Vehicle Board that deals

with the relationship between manufacturers and franchise car dealers. CSI is frequently the number one reason for seeking to close down a dealership. CSI is based entirely on customer satisfaction and the purchase of the vehicle. Those are the two things combined to really change the way the cars are sold, and the tactics that are used for getting people into vehicles.

Thirdly, we're seeing a vast increase in the number of option and changes in the vehicle itself. Whether those are autonomous features, various versions of electric vehicles, such as semi-electric or fully electric, and additional new onboard entertainment system are just some of the examples. I raise these issues, because the focus on sales is moving away from the stereotype of a "gold-chain" sales man that we have in our head from the 1970's, and more towards the product specialist that's helping a person get into a vehicle that has new devices and features that no one has ever seen before. This is the movement of our industry. As a perspective program training, I was hoping that we will not have a thumb on the scale. We're moving in a different direction, and our dealership should have the opportunity to present that information to you in the future.

Mr. Broad said, we have a Strategic Plan every year. You're perfectly free to come back next year should it pass in this form, and see how much progress has been made to a different model than has existed in the past.

Ms. Baumann asked, are there any other information we can provide; what additional change in the industry would you like to see? Mr. Broad said, I'm not sure. If the pharmaceutical industry came in here, and requested funding on how to train their outside sales people on techniques to get doctors to buy their drugs, we're probably going to have a lot of questions. It's not just you guys, it's across the whole economy in those areas that share certain characteristics.

There's a continuous level of public questioning about issues in this industry. For example, the truck driving schools are not here, because they probably don't have a lot to say, and I'm glad that Trump University is not here, because it's the same issue; same story as the trade schools. They continue to have that problem. They're not here, because we had the Corinthian meltdown this year. They're probably going to wait for a while until the heat dies down.

Generally, commission sales situations tend to be an area that has issues. Maybe you can come back, and say our salespeople are paid on a salary basis. That's why I change it, because I didn't really feel like the entire retail industry should be a low priority. If you have a sales force that's paid on a salary, then we probably won't see the same kind of issues. You're always free to make that argument on a case-by-case basis. You won't automatically get the training fund, but if you say, "there's something different here, take a look", you're always free to do that. You are free to move forward with a proposal, even if our staff doesn't recommend it, the Panel will certainly listen. I'm not comfortable departing from this funding priority list.

Ms. McBride asked, is the industry moving away from the commission based customer service person versus a sales person? Ms. Baumann said, there's been a lot of experimentation in both directions. Yes, there are certainly more dealerships that are looking

towards that. It's not a salary, because they would not qualify for an overtime exemption under a different system, so it will be an hourly wage. They are moving towards a non-commission system, but they will continue to have a commission aspect to their compensation for decades to come, because it is a customer service industry. When you provide the service, there is an incentive there.

Ms. Baumann said, there isn't a lot of public interest of whether the doctors are pushing Cialis versus Viagra in the pharmaceutical industry. We do have a public interest in making sure people are in the best cars available; new cars. With the growth of the electric vehicle (EV) section, that is one of the major priorities for this administration. Shutting down this kind of training program at a time when we need to get more people into these vehicles might have some unintended consequences. This is a different industry than the ones that have been cited. We would like the opportunity to not have the thumb on the scale, and to present opportunities to your staff and to this Panel in the future that would address your concerns more specifically.

Mr. Broad said, we have another funding program through AB 118 that funds electronic and low emission vehicles without the same set of limitations that are otherwise in our statutes. If you want to come in for AB 118 funding, you're perfectly free to do that for your salesforce or anybody else.

Ms. McBride said, I haven't purchased a car in over 15 years, and I might have the luxury to do that this year. It's an entirely different experience than what it was, and I commend the industry for making it a much more pleasant experience as a consumer. From the last Panel meeting, didn't we decide that we could do a review every six months, or am I confusing that with another point? Mr. Broad said, yes.

Ms. McBride said, if the industry is seeing these evolvments, maybe we can have further discussions at a later time. If we see enough experiences or presentations that come through AB 118 that makes sense, and if our feelings, as a Panel changes at that point, we can certainly look at it from that respect, as it appears that there's not an interest in making that little tweak today.

Mr. Broad asked, are there any further discussions? Do you have anything more to add? Ms. Baumann said, you mentioned that the other industries that have been called out aren't up here. We are here, and we're confident in our industry. We're standing behind it, and I hope that you would take that into account when considering whether or not to place a one-size-fits-all guidance on this kind of application. Thank you. Mr. Broad said, you're welcome.

There were no further public comments.

Mr. Broad said, we have a motion and a second before us.

ACTION: Mr. Broad moved and Ms. Newsom seconded approval of the Strategic Plan for Fiscal Year 2016/17, as amended on the record to modify the staff recommendations for Lowest Funding Priority as follows: maintain mortgage banking; change Retail Trade to commission sales within Retail Trade; and add multi-level marketing firms.

Motion carried, 5 – 0.

Mr. Broad said, Mr. Maslac, thank you so much for your presentation.

XII. MEETING ADJOURNMENT

Mr. Broad adjourned the meeting at 1:00 p.m.

Single Employer Contractor

A single employer, ranging from a small business to a large publicly-traded corporation, may contract directly with the Panel. Usually, these are retraining projects for current employees.

- Unless funded under Special Employment Training (SET), a single employer must face out-of-state competition.
- A single employer must be subject to the Employment Training Tax.
- The employer must also make an “in kind” contribution toward the cost of training, as follows: 1) 100 or fewer employees, at least 50% of the ETP-funded amount; 2) more than 100 employees, at least 100% of the ETP-funded amount.
- The employer must provide union letters of support for employees who are represented. The employer should also be able to show how the training will enhance job security and improve opportunities for advancement.
- A single employer must establish the need for the particular training curriculum proposed.
- The employer must establish its ongoing commitment to training and represent that ETP funds will not displace existing resources.
- All single employer contracts are capped at \$750,000.

These features apply to core program funding.

Multiple Employer Contractor

A Multiple Employer Contractor (MEC) may be a group of employers or a training agency, or a Workforce Investment Board.

- Up to 8% of program costs may be approved as additional funding for recruitment, placement and assessment activities. For New Hire training, the MEC may receive up to another 4% (total 12%). These costs must be justified.
- The project may be retraining or new hire training, or a combination of both. Training may take place at the worksite or a training center, or both.
- All MECs are capped at \$950,000. MECs with Small Business are capped at \$1.2M (\$950,000 for any size employer; \$250,000 for Small Business only)

Retraining

- Training hours for retrainees are capped at 200. The Panel may modify this cap for good cause on a case-by-case basis.
- The MEC must provide union letters of support for represented employees.
- The MEC must make an “in kind” contribution toward the cost of training, of at least 50% of the ETP-funded amount. These contributions may consist of:
 - 1) wages/benefits paid during training by participating employers;
 - 2) development, recruitment, placement, and assessment costs; and,
 - 3) facility and material expenses.
- The MEC must provide a list of participating employers to demonstrate actual employer demand for the occupational skills in the curriculum.
- The MEC must have a core group of participating employers for at least 80% of the training plan.
- Participating employers must be subject to the Employment Training Tax.
- Participating employers must demonstrate an ongoing commitment to training, and represent that ETP funds will not displace existing resources.

New Hire Training

- Training hours are capped at 260. The Panel may modify this cap for good cause on a case-by-case basis.
- The MEC must have a plan for recruiting trainees and participating employers. As part of this plan, the MEC must have an advisory board of participating employers qualified to provide guidance on needed occupational skills.
- Training must be for job-related skills that apply to specific occupations in a given industry or to specialized occupations across an industry spectrum.
- For all occupations, the MEC should be able to show a statewide or local shortage of skilled workers.

These features apply to core program funding.

Delegation Order Process

- The Panel has delegated authority to the Executive Director, without consultation with the Panel Chair, to approve (1) small business (100 or fewer employees) for \$100,000 or less, and (2) single and multiple employer proposals for \$100,000 or less.
- This procedure allows projects to be approved on a flow basis. This process recognizes the need for just-in-time training, and reduces or eliminates the need for a Consent Calendar.
- An ETP130 and Curriculum is prepared for each proposal. They are reviewed and approved after the Executive Director signs off. The effective date will be the date specified by the Field Analyst and if no date is specified, the earliest effective date of contract is the day after the project is approved by the Executive Director.
- A copy of approved Delegation Orders is included in each month's Panel Packet, for projects approved prior to the Panel meeting, as an information item.



Memorandum

To: Panel Members Date: July 22, 2016

From: Stewart Knox, Executive Director File:

Subject: LEGISLATIVE UPDATE

1. The following bills have been introduced in the 2015-16 legislative session that has a *potential or direct impact* on the Employment Training Panel (ETP) program:

AB 1598 (Assemblyman Philip Ting) Budget Act of 2016 & SB 825 (Senator Mark Leno) Budget Act of 2016

Summary: These are the budget bill placeholders for this year's budget.

Status: AB 1598 (Ting) & SB 825 (Leno): Budget Act of 2016: Introduced January 7, 2016. SB 825 was heard a second time, amended, and re-referred to the Senate Committee on Budgets & Fiscal Review on June 6, 2016. AB 1598 was read a second time, amended, and re-referred to the Committee on Budgets on June 1, 2016.

2. The following bills have been introduced in the 2015-16 legislative session that *may have a potential impact* on the Employment Training Panel (ETP) program, or that *may be of interest* to the Panel:

AB 1029 (Assemblyman Jim Frazier) Veterans: Service Providers

Summary: Would allow entities meeting specified requirements to apply to the Department of Veterans Affairs to become certified California veteran service providers. The bill would require the department to maintain a list of certified California veteran service providers on its Internet Web site, including the type of supportive services provided by the providers. The bill would require that certification would remain valid for 3 years unless the entity is decertified by the department.

Status: Bill was amended and re-referred to the Senate Committee on Appropriations on June 21, 2016. AB 1029 was also read for the second time in committee on June 21, 2016. Bill currently resides at the Senate Committee on Appropriations.

AB 2642 (Assemblyman Eduardo Garcia) Removing Barriers to Employment Act

Summary: Would enact the Removing Barriers to Employment Act, which would establish the Breaking Barriers to Employment Initiative within the Labor and Workforce Development Agency. The bill would require the initiative to be led by the Secretary of Labor and Workforce Development and authorizes the secretary to assign all or part of the administration of the initiative to one or more entities within the agency's oversight, or to authorize another state agency, under specified conditions, to administer a portion of the initiative.

Status: Bill was last referred to the Assembly Committee of Appropriations on 4/27/16.



RETRAINEE - JOB CREATION

Training Proposal for:

ARS National Services Inc.

Agreement Number: ET17-0140

Panel Meeting of: July 22, 2016

ETP Regional Office: San Diego

Analyst: M. Ray

PROJECT PROFILE

Contract Attributes:	Retrainee Job Creation Initiative	Industry Sector(s):	Services Priority Industry: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Counties Served:	San Diego, 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: 320	U.S.: 423	Worldwide: 423
<u>Turnover Rate:</u>	15%		
<u>Managers/Supervisors:</u> (% of total trainees)	5%		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$100,600		\$0	\$0		\$100,600

In-Kind Contribution:	100% of Total ETP Funding Required	\$333,371
-----------------------	------------------------------------	-----------

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	Business Skills, Computer Skills	240	8 - 200	0 - 9	\$375	*\$15.60
				Weighted Avg: 25			
2	Retrainee Job Creation	Business Skills, Computer Skills	10	8 - 200	0 - 9	\$1,060	*\$13.72
				Weighted Avg: 53			

*It will be made a condition of contract that the trainees in this Job Number will never be paid less than the State or local minimum wage rate as in effect at the end of retention (Final Payment) regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

Minimum Wage by County: Job Number 1: \$15.60 per hour in San Bernardino and \$16.46 per hour in San Diego

Job Number 2 (Job Creation): \$13.72 per hour in San Diego

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

Up to \$2.85 per hour for Job Number 1 and up to \$0.72 per hour for Job Number 2 may be used to meet the Post-Retention Wage.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Job Number 1		
San Diego County		
Administrative Support		47
Account Representative (Call Center Staff)		110
Manager/Supervisor		7
San Bernardino County		
Administrative Support		3
Account Representative (Call Center Staff)		70
Manager/Supervisor		3
Job Number 2		
San Diego County		
Administrative Support		2
Account Representative (Call Center Staff)		6
Manager/Supervisor		2

INTRODUCTION

Founded in 1987, ARS National Services Inc. (ARS) (www.arsnational.com) is a third-party accounts receivable management agency that provides debt collection services including managing post charge-off receivables for financial institutions including major banks and credit card companies such as JP Morgan Chase and Citibank. The Company also provides consumers payment options and methods to allow them to resolve past due debts. This will be the Company's first ETP Agreement.

Headquartered in Escondido, ARS has three call centers located in Escondido, Rancho Cucamonga and Jacksonville, FL. The proposed training will target approximately 250 workers at the Company's Southern California facilities located in Escondido and Rancho Cucamonga.

ARS is an entity eligible for standard retraining as a company primarily engaged in providing services directly to customers located both inside and outside of California, as outlined under 22CCR, Section 4416(d)(3,4).

Retrainee - Job Creation

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

To support the expansion of the Company's existing business capacity from consumer credit card companies and new customers from auto (servicing new/used car, motorcycle, and motorsports loans) and healthcare industry (servicing overdue premium/copay), ARS has committed to hiring 10 new employees (Administrative Support, Account Representative [Call Center Staff] and Manager/Supervisor) at its Escondido facility. These newly-hired workers (Job Number 2) will allow the Company to meet increased demands of current customers and service an increasing client base.

ARS represents that 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. The Company also represents that these trainees will be hired into "net new jobs" as a condition of contract.

PROJECT DETAILS

ARS is growing as the customer demands increase. For example:

- In 2015, two major clients consolidated its network which required ARS to provide additional services, increasing the Company's market share;
- In January 2016, one of the Company's existing clients obtained additional market share into a new asset class which will allow ARS' services to expand into the auto industry;
- In January 2016, ARS obtained its first new client in the healthcare industry. This customer provides outsourced staffing, billing, and revenue cycle management to approximately 3,400 hospitals, clinics, and physician groups nationwide. This new customer relationship will result in the Company's expansion into this new market; and
- ARS is currently in the final stages and will complete its contract negotiations at the end of 2016 for a new customer in student lending (servicing defaults on federally-funded student loans).

To successfully support increased customer demands and continue to provide exemplary customer service, ARS must be up-to-date on the latest regulations, issues, and business plans

in all aspects of collection services for existing customers and new markets. To help meet this challenge, ARS has committed to enhance company-wide business processes.

To start, in 2015, ARS named a new Chief Executive Officer and President who is driving the Company to become a learning organization, fully investing in improving the skills of its workers. The vision is to provide greater opportunities for employees to grow professionally as the Company expands its business. To this end, the Company developed a more structured training program that will provide its workers with increased skills to achieve a higher level of customer service. A key part of this strategy is to provide significant ongoing learning and development opportunities to its employees.

To support its strategic goals, the Company also invested approximately \$80,000 on a new phone system, LiveVox, and \$10,000 for a new software system, SharePoint. Both systems will be implemented in August 2016. Training in these new systems is expected to be delivered in the next two years.

With the help of ETP funding, ARS will be able to supplement some of its Business and Computer Skills training specifically for improving trainee's ability to work efficiently and effectively. The overall training plan will allow the Company to provide the highest level of transparency and integrity in every interaction with clients, supporting increased customer expectations and ARS' commitment to long-term success.

Training Plan

Training will be delivered by in-house subject matter experts, however, the Company may acquire outside training vendor's. The proposed training plan consists of the following skills:

Business Skills (70%) – Training will be provided to all occupations. Training topics include Communication, Customer Relations, Leadership and Time Management skills to improve customer service and interpersonal skills. Skills training in coaching, critical and creative thinking, process improvement, project management, goal setting, sales, problem solving, and team building will allow trainees to build effective relationship between employees and customers.

Computer Skills (30%) – Training will be provided to all occupations as it pertains to their job duties. Staff will receive training in various software systems including Sage 300, SharePoint, Cisco, VMware, Network+, and Security+. Training will allow workers to navigate data successfully and systems to increase efficiencies.

Computer-Based Training Modification

Normally, CBT hours are capped at 50% of total training hours per-trainee. However, under this proposal, ARS is asking to be reimbursed for up to 100% CBT. (See Exhibit B).

ARS states that to enable workers to stay current and keep clients in compliance with regulatory changes, trainees need company-mandated training topics (Anti-Money Laundering; Call Recording and Disclosure; Equal Credit Opportunity; Fair Credit Reporting; Fair Debt Collection Practices Act; Fair Lending Policy; Recognizing Financial Elder Abuse etc.) Training in these topics will also ensure that workers treat customers with respect and understanding.

The Company reports that Commercial Skills training delivered via CBT will allow flexibility to provide the above company-mandated training based on stages of development and production throughout the two-year term of the proposed Agreement. CBT is a major part of ARS' training

practices and policies designed to prepare and support its workforce. It provides deeper understanding of financial services strategies and processes. The self-paced CBT delivery method will allow workers to participate in training during the workday when it best suits their job schedule or staffing demand.

CBT is typically used to supplement planned instructor-led learning to ensure a solid understanding of the concepts presented. Although the majority of ETP training will be delivered via classroom/laboratory, up to 50% (120 of 240 trainees) in all occupations in Job Number 1 (incumbent workers) may receive all their training via CBT (up to 9 hours, per trainee). The request to fund 100% CBT will allow the Company to include these trainees in the proposed training plan.

Commitment to Training

ARS' annual training budget is approximately \$300,000 for Escondido and \$170,000 for Rancho Cucamonga. The current training method consists of classroom, laboratory, on-the-job, and CBT setting. The Company provides mandatory Business, Computer and Continuous Improvement Skills training as well as optional CBT modules from its Learning Resource Center. In addition, ARS provides additional training to enhance skills in products and services for any changes in policies or regulations. ARS represents that ETP funds will not displace the existing financial commitment to training.

➤ Training Infrastructure

ARS has retained an administrative subcontractor to assist with ETP project administration. The Company's Vice President of Talent Resources will oversee the ETP project and meet with ETP staff during monitoring visits. A Talent Resources Coordinator will work with the training team, collect and maintain original documentation (paper-based attendance rosters), and submit a copy to the administrative subcontractor for data entry into the ETP online systems.

ARS has eight full-time staff members dedicated to recruitment and training. Four of whom are responsible for curriculum design and training delivery. The staff has also been designated to schedule, implement and deliver ETP training.

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

Training Funding Source in Seal Beach assisted with development for a flat fee of \$6,900.

ADMINISTRATIVE SERVICES

Training Funding Source will also perform administrative services for a fee not to exceed 13% 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

- Communications Skills
 - Asking Effective Questions
 - Creating Meaningful Conversations
 - Finding the Right Pace
- Customer Relations
 - Building Relationships over the Phone
 - Creating a Positive Customer Experience
- Coaching Skills
- Critical Thinking Skills
- Creative Thinking Skills
- Negotiation Skills
 - Finding the Right Solution
- Leadership Skills
 - Lead with your Strengths
 - Accountability
 - Conducting a Successful Meeting
- Time Management Skills
 - Prioritizing Made Simple
- Process Improvement
- Project Management
- Document Management
- Goal Setting
- Problem Solving Skills
- Sales Skills
- Team Building
- Writing Effective Policies and Documenting Procedures

COMPUTER SKILLS

- Adobe
- WordPress
- Columbia Ultimate Business Solution
- Data Analysis Skills
- Microsoft Office (Intermediate and Advanced)
- Prezi Presentations
- Software Programming Skills
- Sage 300
- SharePoint
- Structured Query Language
- Cisco Networking
- Data Security
- Windows Server and Active Directory
- VMware
- Network+
- Security+

- LiveVox (Telecomm)
- Information Technology Infrastructure Library

CBT Hours

0 - 9

COMMERCIAL SKILLS

- Anti-Money Laundering (0.5 hour)
- Call Recording and Disclosure (0.5 hour)
- Equal Credit Opportunity (0.5 hour)
- Fair Credit Reporting (0.5 hour)
- Fair Debt Collection Practices Act (0.5 hour)
- Fair Lending Policy (0.5 hour)
- Recognizing Financial Elder Abuse (0.5 hour)
- General Banking Industry Knowledge (0.5 hour)
- Information Technology Security and Privacy (0.5 hour)
- Protecting Customer Privacy (0.5 hour)
- Protecting Customers through the Fair Credit Reporting Act (0.5 hour)
- Unfair, Deceptive, or Abusive Acts or Practices (0.5 hour)
- Computer Systems (1 hour)
- Servicemembers Civil Relief Act (0.5 hour)
- Treating Customers Fairly (0.5 hour)
- State Laws (0.5 hour)

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, in Job Number 2.



RETRAINEE - JOB CREATION

Training Proposal for:

Bluebeam, Inc.

Agreement Number: ET17-0149

Panel Meeting of: July 22, 2016

ETP Regional Office: North Hollywood

Analyst: E. Wadzinski

PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate Job Creation Initiative	Industry Sector(s):	Technology/IT Services Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Los Angeles, San Diego	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: 196	U.S.: 223	Worldwide: 228
<u>Turnover Rate:</u>	10%		
<u>Managers/Supervisors:</u> (% of total trainees)	16%		

FUNDING DETAIL

<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">Program Costs</td></tr> <tr><td style="text-align: center;">\$120,288</td></tr> </table>	Program Costs	\$120,288	-	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">(Substantial Contribution)</td> <td style="text-align: center;">(High Earner Reduction)</td> </tr> <tr> <td style="text-align: center;">\$0</td> <td style="text-align: center;">\$0</td> </tr> </table>	(Substantial Contribution)	(High Earner Reduction)	\$0	\$0	=	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">Total ETP Funding</td></tr> <tr><td style="text-align: center;">\$120,288</td></tr> </table>	Total ETP Funding	\$120,288
Program Costs												
\$120,288												
(Substantial Contribution)	(High Earner Reduction)											
\$0	\$0											
Total ETP Funding												
\$120,288												

In-Kind Contribution:	100% of Total ETP Funding Required	\$367,082
-----------------------	------------------------------------	-----------

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, Mgmt. Skills	176	8-200	0-100	\$558	\$23.08
				Weighted Avg: 31			
2	Retrainee Priority Rate Job Creation	Business Skills, Computer Skills, Mgmt. Skills	24	8-200	0-100	\$920	\$23.08
				Weighted Avg: 46			

Minimum Wage by County: Job Number 1: \$16.48 per hour for Los Angeles and \$16.46 for San Diego. Job Number 2 (Job Creation): \$13.73 per hour for Los Angeles and \$13.72 for San Diego

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

Although employer provides health benefits, they are not being used to meet the ETP Wage.

Wage Range by Occupation

Occupation Titles	Wage Range	Estimated # of Trainees
Job Number 1		
Marketing Staff		25
Professionals (Administration/Training/IT/Operations)		40
Product Specialist		3
Developers		4
Manager		20
Senior Manager		10
Software Professional I		46
Software Professional II		28
Job Number 2 (Job Creation)		
Marketing Staff		3
Professionals (Administration/Training/IT/Operations)		5
Product Specialist		1
Developers		1
Manager		1
Senior Manager		1
Software Professional I		6
Software Professional II		6

INTRODUCTION

Founded in 2002 and headquartered in Pasadena, Bluebeam, Inc. (Bluebeam) (www.bluebeam.com) is a software company that specializes in designing tools for creating, editing, collaborating and sharing PDF documents. It also develops innovative desktop, mobile and cloud solutions for digital collaboration. Bluebeam's solutions are used by architectural, engineering and construction firms, oil and gas companies, manufacturers, government agencies and municipalities. Bluebeam has offices in San Diego, Chicago and Manchester. Only the San Diego and Pasadena offices will participate in Bluebeam's first ETP Agreement.

PROJECT DETAILS

Bluebeam is experiencing significant expansion of its client base; both geographically and by industry. This growth has led to an increase in revenue of approximately 35% annually since 2009. The Company has achieved this by expanding its sales globally and increasing staff and products to meet demand. Bluebeam needs to hire and train staff, as well as develop and expand current employees' skillsets. Trainees require skills in the development of new products and customer support initiatives for Bluebeam to grow market share. Training is also focused on better customer service to retain clients.

Retrainee - Job Creation

To meet customer demand due to Bluebeam's global expansion, the Company needs to create additional positions. The Panel offers incentives to companies that commit to hiring new employees. Training for newly-hired employees will be reimbursed at a higher rate and trainees will be subject to a lower post-retention wage. However, Bluebeam is not requesting the lower post-retention wage for Job Creation trainees.

To support its 35% new and expanded business demand Bluebeam will hire 24 new employees (Job Number 2). Training will equip new employees with skills to develop and support new software products.

The date-of-hire for these trainees 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

Training will take place at the Company's two facilities in Pasadena and San Diego. It will be delivered by a combination of in-house subject matter experts and outside training vendors (to be identified during the contract term). All trainees will be offered Computer-Based Training (CBT). CBT courses will supplement class/lab training based on training plans developed with Managers. CBT is not done as a group and is not scheduled training; CBT will allow trainees to complete and schedule training at their own pace allowing workers more flexibility to schedule training. Due to constant advancements and changes in technology, additional CBT courses will be added throughout the term of the Contract.

Business Skills (35%) – Training will be offered to all occupations. This training will focus on customer service, communication, product knowledge, time management and job specific skills related to each occupation. Trainees will learn techniques to improve customer relations throughout all business activities to ensure the Company remains competitive.

Computer Skills (45%) – Training will be offered to Software Professionals, Product Specialists and Developers. Training will focus on Bluebeam’s product development.

Management Skills (20%) - Training will be offered to Managers. This training will aid Managers to lead departments, and foster additional company growth.

Commitment to Training

ETP funds will not displace the existing financial commitment to training. The Company spends approximately \$390,000 annually on ongoing training in orientation, mandatory compliance training and on-the-job training as needed.

➤ Training Infrastructure

Bluebeam will begin training upon Panel approval, with qualified in-house trainers in place. The Company plans to hire outside training vendors if necessary. Bluebeam has four internal employees to oversee the administration and implementation of training (Training Director, Training Assistant and two Training Support Specialists).

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

BDO Company in Los Angeles assisted with development for a flat fee of \$5,000.

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

- Industry knowledge
- Competitive landscape
- Business communications
- Business basics
- Customer centric/concierge approach
- Project management
- Time management
- Job-specific master classes
- Customer service training

COMPUTER SKILLS

- Bluebeam Revu
- Other Bluebeam software
- Communication software
- Concur
- Excel and other office applications (Intermediate or Advanced)
- Project management software
- CRM software
- DocuSign
- Video conferencing software
- Design software
- Programming languages
- Programming frameworks
- Networks
- Security

MANAGEMENT SKILLS (Managers/Supervisors only)

- Leadership skills
- Strengthsfinder training
- Effective feedback
- Mentoring
- Interviewing skills for hiring managers
- Manager/Supervisor training

CBT Hours

0-100

BUSINESS SKILLS

- Time management tips (33m)
- Time management fundamentals (2h 51m)
- Critical thinking (1h 6m)
- Organization communication (1h 20m)
- Leading productive meetings (1h 22m)
- Managing for results (1h 21m)
- Project management simplified (1h 19m)

- Delegating tasks to your team (50m)
- Enhancing your productivity (45m)

COMPUTER SKILLS

- Practical design patterns in JavaScript (3h 10m)
- Full stack web development with Python (3h 2m)
- Rapid ES6 training (4h 16m)
- InDesign secrets (21h 15m)
- Motion graphics for video editors: working with storyboards (1h 57m)
- After effects tips and techniques: rendering and exporting (2h 26m)
- HTML5 web storage, IndexedDB and File System (5h 29m)
- SEO fundamentals (3h 27m)
- Real-time Web with Node.js (5h 23m)
- Excel 2016: pivot tables in depth (3h 42m)

Note: Reimbursement for retraining is capped at 200 total hours per trainee, regardless of method of delivery. CBT is capped at 50% of total training hours, per trainee.



Training Proposal for:

CHA Hollywood Medical Center, L.P. dba Hollywood Presbyterian Medical Center

Agreement Number: ET17-0155

Panel Meeting of: July 22, 2016

ETP Regional Office: North Hollywood

Analyst: M. Paccarelli

PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate SET Medical Skills Training	Industry Sector(s):	Healthcare Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Los Angeles	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No SEIU 121RN		
Number of Employees in:	CA: 991	U.S.: 991	Worldwide: 6,500
<u>Turnover Rate:</u>	8%		
<u>Managers/Supervisors:</u> (% of total trainees)	0%		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$252,720		\$126,360 50%	\$0		\$126,360

In-Kind Contribution:	100% of Total ETP Funding Required	\$600,350
-----------------------	------------------------------------	-----------

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 Medical Skills Training SET	MST Didactic & Clinical Preceptor, Cont. Improvement, Computer Skills	585	8-200	0	*\$216	\$21.28
				Weighted Avg: 24			

*Reflects Substantial Contribution

Minimum Wage by County: Job Number 1 (SET Priority Industry): \$21.28 per hour statewide
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
 Up to \$4.00 per hour may be used to meet the Post-Retention Wage.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Registered Nurse I		393
Registered Nurse II		100
Licensed Vocational Nurse		92

INTRODUCTION

Founded in 1924, CHA Hollywood Medical Center, L.P. dba Hollywood Presbyterian Medical Center (HPMC) (www.hollywoodpresbyterian.com) is a 434-bed acute care hospital that provides medical services such as emergency care, orthopedic surgery, cancer care, highly-specialized fetal surgery, and comprehensive cardiac care to the residents of Hollywood, Los Angeles, and surrounding areas.

HPMC is continually incorporating new technologies and methodologies into the workplace to improve patient care and outcomes based on needs data, new trends in risk management, and clinical issues. The initiatives targeted for training include Code Management; as well as new Heart Saver courses such as Stroke, STEMI, Central Line Management, Critical Care, EKG Procedures, and Wound Management. Training will continue to address new and emerging protocols in accordance with the Affordable Healthcare Act.

This proposal is targeted to approximately 585 Registered Nurses (RN) and Licensed Vocational Nurses (LVN). It is supported by SEIU Local 121RN and a letter of support has been provided to ETP. HPMC is eligible for ETP funding under Special Employment Training provisions for frontline workers and qualifies for ETP’s priority industry reimbursement as a healthcare employer.

PROJECT DETAILS

This will be HPMC's fourth ETP Agreement within the last five years. In the prior Agreements, ETP funds allowed HPMC to increase graduate nurse hiring to contend with an ongoing nursing shortage, raise the proficiency levels of all staff in core skills; and cross-train nurses in other disciplines. Prior ETP Agreements also focused on training that supported HPMC as a newly-certified Stroke, Chest Pain, and STEMI Center; promoted full utilization of the Paragon McKesson computer system; and hired/trained new nurse graduates.

While the new proposal addresses many of the same ongoing issues, it will be targeted to new and changing clinical and regulatory initiatives, as indicated above or to individuals that did not receive the training in the prior Agreement.

Training Plan

Medical Skills Training (MST) (90%)

The Panel has established a "blended" reimbursement rate for nurse upgrade training, recognizing the higher cost of delivery for the Clinical Preceptor model. For this project, approximately 493 RNs and 92 LVNs will participate in clinical skills training classes. Recognizing a higher cost of delivery for clinical skills training, the \$22 per hour rate, will apply to both Didactic and Preceptor modes of delivery.

MST will comprise of at least 90% of the total curriculum. Classroom training (Didactic) will be provided to all RNs and LVNs to learn the newest techniques and methodologies associated with each of the curriculum topics and to assimilate best practices into the daily routine. Clinical Preceptor training will be delivered to nurses with emphasis on bedside skills in specific units. New nurses and Incumbent nurses that are cross-trained will work with a Preceptor to validate skills and become familiar with patient acuity levels and the level of care that the hospital requires.

Computer Skills (5%) - Training will be offered to all trainees in EMR skills training, some of which are updates while new nurses will be introduced to the system. Trainees will also receive training in Advanced and Intermediate MS Office, so trainees can fully utilize it and help them improve overall output, accuracy, and efficiency.

Continuous Improvement (5%) - Training will be offered to all trainees in various topics such as CORE measures, organization and time management, teambuilding, and performance and quality improvement.

Special Employment Training (SET) Wage Modification

Under Special Employment Training (SET), the participating employer is not required to demonstrate out-of-state competition. To qualify under SET, trainees must be earning at least the statewide average hourly wage of \$28.37 at the end of retention.

Trainees employed in a priority industry qualify for a SET wage modification up to 25% below the statewide average hourly wage. HPMC requests this wage modification of \$21.28 for trainees in Job Number 1.

Substantial Contribution

HPMC is a repeat contractor with payment earned in excess of \$250,000 and a former Substantial Contribution at the 30% level, at the Los Angeles facility within the past five years

(see Prior Project Tables below). Accordingly, reimbursement for trainees at this facility in Job Number 1 will be reduced by 50%, to reflect the hospital's \$126,360 Substantial Contribution to the cost of training.

Commitment to Training

HPMC continually provides as much technical training as possible to new and incumbent workers within its yearly budgetary and time constraints. This year's budget is approximately \$1.2 million, which covers administrative and training salaries, equipment, and supplies. The SEIU Education Fund provides some off-hours training opportunities for staff and also some tuition for RNs. These resources notwithstanding, staff estimates that expenses for this year will exceed the budget based on the need for new medical quality improvement programs alone.

The hospital is asking for Panel funding to help support its growing mandates and requirements. ETP funding supplements the organizational expenditures by offsetting expenses and allowing for purchase of necessary equipment, software, and supplies. ETP funds will allow HPMC to train more nurses than would otherwise be possible.

ETP funds will not displace the existing financial commitment to training. Safety training is provided in accordance with all pertinent requirements under state and federal law.

➤ Training Infrastructure

Training will begin upon ETP approval, and will be delivered by the Education Coordinator, the Director of Education, Education Department clinical educators, and outsourced subject matter experts. Since this is HPMC's fourth ETP Agreement, the Hospital has well-established internal administrative procedures to capture training using rosters completed according to ETP guidelines, which help maximize earnings and performance. The Education Coordinator and Director of Education will administer the contract.

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET14-0218	Los Angeles	11/25/13- 11/24/15	\$255,990	\$126,528 (49%)*
ET12-0310	Los Angeles	02/14/12- 02/13/14	\$99,844	\$99,844 (100%)
ET10-0223	Los Angeles	09/26/09- 09/25/11	\$160,480	\$72,939 (45%)**

*ET14-0218: HPMC over-performed the incumbent worker training (Job Number 1), but under-performed the Job Creation training (Job Number 2). Over 100% of training was provided to incumbent workers, but not all funds were utilized in Job Creation because HPMC did not hire "net" new jobs as originally anticipated.

****ET10-0223:** According to HPMC there was continuous transition in Education Department leadership from 2009 until May 2011 when a new Director was hired. As a result, there were large gaps in trainee enrollment and training rosters were not submitted and entered into the tracking system. Since then, HPMC had stabilized its leadership and has re-established a core of dedicated staff knowledgeable in ETP requirements, as reflected in its 100% performance under ET12-0310.

To ensure the success in this new proposal, HPMC requested a much more modest training plan specifically for incumbent trainees only. There is no Job Creation component in the new 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:

CONTINUOUS IMPROVEMENT

- Case Management/Discharge Planning
- Charge Nurse Training
- Communications Skills
- Conflict Resolution
- CORE Measures
- Crisis Prevention Intervention (CPI)
- Critical Thinking Skills
- Culturally Appropriate Care
- Customer Service
- Documentation Skills
- Frontline Leadership Skills
- Organization and Time Management Skills
- Preceptor Skills
- Performance and Quality Improvement
- Team Building

COMPUTER SKILLS

- Microsoft Office/Excel Skills (Intermediate and Advanced)
- Electronic Medical Records Application Skills
- HealthStream Online Learning Modules

MEDICAL SKILLS TRAINING – DIDACTIC

- Acute Myocardial Infarction
- Advanced Cardiac Life Support (ACLS)
- Arterial Blood Gas (ABG) Interpretation
- Basic Life Support (BLS)
- Body Mechanics
- Breast Feeding & Lactation
- Care of the Cardiac Patient
- Care of Pediatric Patients (Acute Care, Intensive Care)
- Care of the Stroke Patient
- Central Lines Management
- Chest Tube Care & Management
- Code Blue Response & Procedures
- Critical Care Nursing Skills
- Decontamination Procedures
- Diabetes Care & Management
- Dysrhythmia Recognition & Interpretation
- Educating the Patient & Family
- EKG & Cardiac Monitoring
- Electronic Fetal Monitoring (Beginning & Advanced)
- Emergency Care of the Burn Patient
- Emergency Room Nursing Skills

- Equipment Skills (IV pumps, cardiac telemetry, vital signs, pulse-oximeter, ventilators, specialty beds and mattresses, etc.)
- Evidence Based Practices
- Gastrointestinal Assessment and Management
- Hemodynamic Monitoring
- Infection Control
- Intravenous (IV) Insertion & Therapy
- Kinetic Therapy
- Labor, Delivery and Postpartum Nursing Skills
- Laboratory Skills
- Medical/Surgical Nursing Skills
- Medication Administration & Management
- Moderate Sedation
- Neonatal Advanced Life Support (NALS)
- Neonatal Infant Pain Scale (NIPS)
- Neonatal Nursing Skills
- Neonatal Resuscitation Provider (NRP)
- New Graduate Nursing Skills
- Occupational Therapy Skills
- Orthopedic Nursing Skills
- Ostomy & Continence Care
- Pain Management (Acute & Chronic)
- Patient Assessment & Care
- Patient Fall Prevention
- Pediatric Advanced Life Support (PALS)
- Perioperative Nursing Skills
- Physical Therapy Skills
- PICC Line Insertion
- Pre and Post-Operative Care
- Radiology Skills
- Rapid Response Skills
- Renal Assessment & Management
- Respiratory Assessment & Care
- Restraints
- Simulation
- Speech Therapy Skills
- S.T.A.B.L.E.
- Telemetry Nursing Skills
- Total Parenteral Nutrition (TPN)
- Transfer Techniques
- Triage Nursing Skills
- Trauma Nursing Skills
- Ventilator and Tracheotomy Care
- Wound & Skin Care

MEDICAL SKILLS TRAINING – CLINICAL PRECEPTOR

- **Emergency Department Training**
 - Emergency Room Nursing Skills
 - OB Trauma

- Triage Nursing Skills
- Care of Pediatric Patients
- Pain Management
- Infection Control

- **Intensive Care Unit/Critical Care Unit Training**
 - Critical Care Nursing Skills
 - Patient Assessment & Care
 - Intra-Aortic Balloon Pump (IABP) Therapy
 - Ventilator & Tracheotomy Care
 - Hemodynamic Monitoring
 - Pre and Post-Operative Care
 - Pain Management
 - Infection Control

- **Laboratory Services Unit**
 - Laboratory Skills
 - Bloodborne Pathogens
 - Venipuncture
 - Laboratory Testing Procedures
 - Infection Control

- **Long Term Care Unit (Subacute, Skilled Nursing, Transitional Care, and Hospice)**
 - Patient Assessment & Care
 - Medical/Surgical Nursing Skills
 - Total Parenteral Nutrition (TPN)
 - Ventilator & Tracheotomy Care
 - Pre and Post-Operative Care
 - Orthopedic Nursing Skills
 - Pain Management
 - Infection Control

- **Medical/Surgical Unit Training**
 - Patient Assessment & Care
 - Medical/Surgical Nursing Skills
 - Pre and Post-Operative Care
 - Orthopedic Nursing Skills
 - Equipment Skills
 - Infection Control
 - Medication Administration & Management
 - Pain Management

- **Operating Room & Post-Anesthesia Care Unit (PACU) Training**
 - Patient Assessment & Care
 - Trauma Nursing Skills
 - Perioperative Nursing Skills
 - Pre and Post-Operative Care
 - Equipment Skills
 - Infection Control
 - Malignant Hyperthermia
 - Medication Administration & Management
 - Pain Management

- **Pediatric Services Unit**
 - Care of Pediatric Patients (Acute Care, Intensive Care)
 - Patient Assessment & Care
 - Pre and Post-Operative Care
 - Equipment Skills
 - Infection Control
 - Patient Assessment & Care
 - Pediatric Advanced Life Support (PALS)
 - Medication Administration & Management
 - Respiratory Assessment & Care
 - Infection Control

- **Obstetrics Unit Training**
 - Patient Assessment & Care
 - Labor, Delivery and Postpartum Skills
 - Neonatal Nursing Skills
 - S.T.A.B.L.E .
 - Electronic Fetal Monitoring
 - Neonatal Resuscitation Provider (NRP)
 - Neonatal Advanced Life Support (NALS)
 - Respiratory Assessment & Care
 - Infection Control

- **Radiology Services Unit**
 - Radiology Skills
 - CT Skills
 - Ultrasound Skills
 - Equipment Skills
 - Patient Assessment & Care
 - Patient Fall Prevention
 - Infection Control

- **Rehabilitation Services Unit**
 - Physical Therapy Skills
 - Occupational Therapy Skills
 - Speech Therapy Skills
 - Patient Assessment & Care
 - Kinetic Therapy
 - Post-Operative Care
 - Care of the Stroke Patient
 - Care of Cardiac Patients
 - Patient Fall Prevention
 - Equipment Skills
 - Infection Control

- **Respiratory Services Unit**
 - Respiratory Assessment & Care
 - Code Blue Response & Procedures
 - Advanced Cardiac Life Support (ACLS)
 - Basic Life Support (BLS)
 - Patient Assessment & Care
 - Care of Pediatric Patients
 - Care of the Cardiac Patient

- Ventilator & Tracheotomy Care
- Neonatal Resuscitation Provider (NRP)
- Equipment Skills
- Infection Control

- **Telemetry Unit Training**
 - Care of the Cardiac Patient
 - EKG & Cardiac Monitoring
 - Dysrhythmia Interpretation
 - Telemetry Nursing Skills
 - Pre and Post-Operative Care
 - Intravenous (IV) Therapy
 - Equipment Skills
 - Infection Control

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



April 27, 2016

Employment Training Panel
C/O Linda Kim
Hollywood Presbyterian Medical Center
1300 N. Vermont Ave.
Los Angeles, CA 90027

To Whom It May Concern:

SEIU 121RN is pleased to partner with Hollywood Presbyterian Medical Center to provide a structured training program for covered employees. Through this training program we hope to receive many benefits including:

- * Core foundational skills to all employees allowing them to communicate better, handle conflict, think on their own, deal with customer service / patient issues and to work more harmoniously as a team.

- * Elevate basic skills where they are able to assimilate best practices into everyday work situations.

- * Adequately train registered nurse graduates and retain them in employment for at least 2 years after the program's conclusion.

We have provided input into the training topics that our members need to fulfill their everyday duties more successfully and look forward to favorable approval of Hollywood Presbyterian's approval by the Employment Training Panel.

Thank you for making a program like this available to California employers and employees.

Sincerely,

A handwritten signature in black ink, appearing to read "Tina Bordas".

Tina Bordas, LVN
Representative
SEIU 121RN
626-639-6150

1040 Lincoln Ave.

Pasadena, CA 91103

Phone: (626) 639-6200

Fax: (626) 395-7538

FIGHT FOR SAFE STAFFING AND QUALITY PATIENT CARE



Training Proposal for:

**Harris & Bruno Machine Co., Inc. dba
Harris & Bruno International**

Agreement Number: ET17-0166

Panel Meeting of: July 22, 2016

ETP Regional Office: Sacramento

Analyst: K. Smiley

PROJECT PROFILE

Contract Attributes:	Priority Rate Retrainee	Industry Sector(s):	Manufacturing Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Placer	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: 128	U.S.: 135	Worldwide: 149
<u>Turnover Rate:</u>	18%		
<u>Managers/Supervisors:</u> (% of total trainees)	16%		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$108,000		\$0	\$0		\$108,000

In-Kind Contribution:	100% of Total ETP Funding Required	\$164,190
-----------------------	------------------------------------	-----------

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. Imp., Mfg. Skills, PL-Mfg. Skills	60	8-200	0	\$1,800	\$15.60
				Weighted Avg: 100			

Minimum Wage by County: \$15.60 per hour in Placer 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

Up to \$1.50 per hour may be used to meet the Post-Retention Wage.

Wage Range by Occupation

Occupation Titles	Wage Range	Estimated # of Trainees
Engineers		3
Production Staff	*	27
Administrative Staff	*	8
Welder	*	6
Sales Staff	*	5
Marketing Staff		1
Managers		10

*It will be made a condition of contract that these trainees will never be paid less than the State or local minimum wage rate as in effect at the end of retention (Final Payment) regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

INTRODUCTION

Founded in 1948 and headquartered in Roseville, Harris & Bruno Machine Co., Inc. dba Harris & Bruno International (Harris) (www.harris-bruno.com) manufactures automated reliable coating and inking systems for printing presses in the flexo, offset, and corrugated industries worldwide. Their clients include Komori, KBA, Hewlett Packard, and Shutterfly. The Company has offices in Germany, Japan, China and South America. Only the Roseville location will participate in training.

PROJECT DETAILS

To remain competitive, Harris will lease a 20,000 square foot facility in Rocklin. This additional facility will allow Harris to produce more products at a faster rate. Harris has also purchased \$1.3 million in machinery to be installed in September 2016 at the new location. This machinery includes Bystronic Press Brake, Roller Conveyor Belt and several Mazak Corp CNC machines.

This new equipment will require training for trainees to effectively use and maintain the machinery.

This will be the third Agreement between ETP and Harris within the last 5 years. The first ETP Agreement focused on newly purchased machinery and upgrading the skill sets of production workers. The second ETP Agreement focused on customer service and upgrading the skill sets of the Administrative Staff. None of the trainees will repeat courses already taken.

Training Plan

Harris will use a combination of internal and external subject matter experts in the manufacturing industry in the following:

Business Skills (15%): Training will be offered to Managers, Engineers, Administrative, Sales and Marketing Staff to increase business practice knowledge. Training will focus on developing critical thinking skills, sales techniques and customer services skills. Courses will include Business Strategies, Critical Thinking and Goal Setting.

Computer Skills (5%): Training will be offered to Engineers, Managers, Administrative, Sales, Marketing and Production Staff. Courses include Excel, Word and Enterprise Resource Planning Software. This training will increase efficiency in tracking and shipping inventory.

Manufacturing Skills (60%): Training will be offered to Production Staff, Welders, Engineers and Managers to increase production efficiency and knowledge of production practices. Topics will include Mills Operation, Lathes Operation and Advanced Machining Technology to increase production knowledge and efficiencies.

Continuous Improvement (20%): Training will be provided to all occupations to enhance process efficiencies and teamwork among incumbent staff. Courses will Process Improvement, Assembly Line Development, and Team Development.

Productive Laboratory

The Panel recently adopted guidelines for training delivered in a Productive Laboratory (PL) setting. PL trainees may produce goods for profit as part of the training in the courses identified under the Curriculum. The instructor must be dedicated to training delivery during all hours of training, and special attendance rosters will be used to assist in monitoring.

Harris will train 30 Production Staff trainees on Bystronic Press Brake, Roller Conveyor Belt, Material Cutters and several Mazak Corp CNC machines. The factory equipment cannot be reproduced in a classroom setting. PL training is necessary to ensure safety and production standards are being met. This training will be at a much slower pace than regular production and will produce significantly higher defects as trainees gain proficiency. A subject matter expert will conduct training. The trainer will first demonstrate how to use the equipment and then supervise trainees using the equipment. The trainer will attest to the trainee's competency once training is completed.

Training will be under constant supervision with a 1:3 trainer-to-trainee ratio. Harris has requested a 1:3 training ratio due to trainees working in groups of 2-3 when assigned to a machine. PL training will be capped at 50 hours per trainee.

Commitment to Training

Harris has an annual training budget of \$200,000 for Roseville. Training includes new hire orientation, product training, staff development and safety training.

Harris represents that ETP funds will not displace their existing financial commitment to training. Safety training is provided in accordance with all pertinent requirements under state and federal law.

➤ **Training Infrastructure**

Harris has two staff members dedicated to oversee this project. A training coordinator will determine each trainees classes as well as track progress. Upper management is dedicated to the training plan and views this training as a vital part of staying competitive.

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET13-0378	Roseville	5/10/13 - 4/30/15	\$43,680	\$39,280 (90%)
ET12-0243	Roseville	12/23/11 – 12/22/12	\$28,210	\$24,236 (86%)

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

- Business Strategies
- Coaching
- Critical Thinking
- Conflict Resolution
- Product Training
- Sales Processes
- Customer Service
- Strategic Planning
- Decision Making
- Motivation
- Providing Feedback
- Coaching
- Goal Setting
- Conflict Management
- Organization and Follow through

COMPUTER SKILLS (Advanced/Intermediate Only)

- Office Word
- Office Excel
- Enterprise Resource Planning Software
- Office PowerPoint

CONTINUOUS IMPROVEMENT

- 5S/Visual Factory
- Value Stream Mapping
- Lean Principles
- KanBan
- Process Improvement
- Team Development
- Assembly Line Development
- Just-in-Time Principles

MANUFACTURING SKILLS

- Proper Labeling, Storing, & Disposal
- Conventional Mills Operation
- Conventional Lathes Operation
- Waterjet Operation & Programming
- Fundamentals of Precision Grinding
- Advanced Machining Technology
- Basics of Electrical Wiring
- Crating Standards
- Documentation of Manufacturing
- Robotic Welder Set Up & Operation
- Sheet Metal Fabrication – Bending Techniques & Programming Press
- CNC Mill Operation

- CNC Lathe Operation
- CNC Fixturing for Maximum Production
- CNC Programming in Mastercam & Mazatrol
- Inspection Techniques for Accuracy and Consistency
- Materials Management
- Understanding Digital Coating Applications
- Safety Training

Productive Lab Hours

0-50

MANUFACTURING SKILLS (Ratio 1:3)

- Conventional Mills Operation
- Conventional Lathes Operation
- Waterjet Operation & Programming
- Fundamentals of Precision Grinding
- Advanced Machining Technology
- Basics of Electrical Wiring
- Robotic Welder Set Up & Operation
- Sheet Metal Fabrication – Bending Techniques & Programming Press
- CNC Mill Operation
- CNC Lathe Operation
- CNC Fixturing for Maximum Production
- CNC Programming in Mastercam & Mazatrol

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

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. PL is capped at 50 hours per-trainee.



RETRAINEE - JOB CREATION

Training Proposal for:

Heritage Distributing Company

Agreement Number: ET17-0157

Panel Meeting of: July 22, 2016

ETP Regional Office: North Hollywood

Analyst: J. Romero

PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate Job Creation Initiative	Industry Sector(s):	Manufacturing Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Los Angeles, Orange	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: 650	U.S.:650	Worldwide: 650
<u>Turnover Rate:</u>	4%		
<u>Managers/Supervisors:</u> (% of total trainees)	9%		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$187,200		\$0	\$0		\$187,200

In-Kind Contribution:	100% of Total ETP Funding Required	\$260,000
-----------------------	------------------------------------	-----------

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 Impr; HazMat, Mfg Skills	80	8-200	0	\$1,260	\$16.48
				Weighted Avg: 70			
2	Retainee Priority Rate Job Creation Initiative	Business Skills; Computer Skills; Continuous Impr; HazMat, Mfg Skills	27	8-200	0	\$3,200	\$19.00
				Weighted Avg: 160			

Minimum Wage by County: Job Number 1: \$16.48 per hour for Los Angeles County and \$16.51 per hour for Orange County; Job Number 2: \$13.73 per hour for Los Angeles County and \$13.76 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

Up to \$0.27 per hour may be used to meet the Post-Retention Wage for Job Number 1.

Wage Range by Occupation

Occupation Titles	Wage Range	Estimated # of Trainees
Job Number 1:		
Transportation/Driver		4
Warehouse		19
Pasteurizer		10
Production/Filler/Operator		18
Customer Service		5
Manager/Supervisor		8
Sales		16
Job Number 2:		
Manager		2
Supervisor		3
Warehouse		2
Production		15
Engineering		1
Maintenance		2
Quality Technician		2
TOTAL:		107

INTRODUCTION

Heritage Distributing Company (Heritage) processes, packages and distributes dairy products (including yogurt, cottage cheese, and raw milk) and other beverages. The Company's products are distributed statewide to restaurants, school districts, major grocery stores, and independent markets. The Company operates several facilities in several cities, doing business as: Rex Creamery (City of Commerce), Ninth Ave Foods (City of Industry), Advance Milk (Chino), AmCom Food Service (City of Industry), and Maverick (Long Beach). All facilities listed will participate.

PROJECT DETAILS

Heritage recently adopted a new manufacturing process, Extended Shelf Life (ESL). This new technique significantly reduces the microbial load using a superior design process. The whole process is prepared in a more hygienic and tightly controlled environment (as compared to regular pasteurization) that offers a greater degree of protection against recontamination. The result is super-pasteurized milk that increases shelf-life from 21 days to between 3 to 6 months.

This increase in product shelf-life will allow Heritage to increase its geographical footprint as it expands from regional to potentially national and international distribution channels. To prepare for this, Heritage is opening a new manufacturing plant in the City of Industry. This new facility will be large enough to process dairy products as well as the dairy alternatives such as Soy, Almond, and Coconut milks products.

Retrainee - Job Creation

The Panel is offering incentives to companies that commit to hiring new employees. Training will be reimbursed at a higher rate and trainees will be subject to a lower post-retention wage.

As mentioned above, Heritage will be opening a new facility. The Company has committed to hiring 27 new employees (Job Number 2). Newly hired employees will receive training in the Company's unique processes and the ESL equipment. Hence, they will need considerably more hours.

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 (10%): Training will be offered to Customer Service, Managers/Supervisors, and Sales to increase product knowledge and improve sales, time management, and change management skills. Training will allow the Company to provide the highest quality service possible. Managers/Supervisors will receive skills to help transition employees to a high performance workplace.

Computer Skills (10%): Training will be offered to all occupations to make sure skill levels are adequate to perform job functions.

Continuous Improvement (20%): Training will be offered to all occupations to improve product quality and reduce costs to clients. These skills will also be important for employees as the Company moves towards becoming a high performance workplace.

Hazardous Materials (5%): Training will be offered to all occupations. These skills will ensure that hazardous materials are handled in the safest manner possible.

Manufacturing Skills (53%): Training will be offered to Production, Warehouse, Pasteurizer, Filler, Operator, Engineering, Maintenance, and Quality Technician. Training will include operation, preventive maintenance and repair of specialized machinery used manufacturing. Training will allow employees to better understand the entire manufacturing process.

Commitment to Training

Heritage represents that ETP funds will not displace the existing financial commitment to training. The Company allocates \$75,000 per facility annually for training. The Company will continue to provide mandatory and job-specific training during the term of the proposed Agreement that will include orientation, anti-harassment and computer-based training programs. Safety training is, and will continue to be provided in accordance with all pertinent requirements under state and federal law.

➤ Training Infrastructure

Heritage is ready to start training upon approval of the Agreement. The Company has qualified trainers in place who are ready to provide training. The Company also retained the services of National Training Systems Inc. (NTSI) to provide administration for this proposal. NTSI will work with the Company's Human Resources personnel to assist in the enrollment process, training data collection and data entry into the ETP online portal.

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

Heritage retained NTSI in Ladera Ranch to assist with development of this proposal for a flat fee of \$7,516.

ADMINISTRATIVE SERVICES

Heritage also retained NTSI to perform administrative services in connection with this proposal for a fee not to exceed 13% 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

- Change Management
- Customer Service
- Performance management
- Performance Metrics
- Product Knowledge
- Project Management
- Sales Skills
- Strategic Planning & Policy deployment

COMPUTER SKILLS

- Microsoft Office Skills (Intermediate & Advanced)

CONTINUOUS IMPROVEMENT

- Leadership Skills
- Process Improvement
- Production Workflow
- Quality Improvement

HAZARDOUS MATERIALS

- Hazardous Materials/Hazardous Waste Site Specific Training

MANUFACTURING SKILLS

- Cross-training
- Good Manufacturing Practices
- Lean Manufacturing Processes
- Machine Operations
- Machine Maintenance
- Preventative Maintenance
- Safety (Safety training is capped at 10% of a trainee's total training hours)
- Sanitation & Chemicals
- Standard Operating Procedures
- Safe Quality Foods (SQF)
- Appendix N (antibiotics) ESL (Extended Shelf Life) Equipment Operations

Safety Training will be limited to 10% of total training hours per-trainee

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



RETRAINEE - JOB CREATION

Training Proposal for:

LiDestri Foods, Inc.

Agreement Number: ET17-0162

Panel Meeting of: July 22, 2016

ETP Regional Office: Sacramento

Analyst: D. Jordan

PROJECT PROFILE

Contract Attributes:	Retrainee Job Creation Initiative Priority Rate HUA Veterans	Industry Sector(s):	Manufacturing Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Fresno	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: 198	U.S.:2000	Worldwide: 2000
Turnover Rate:	4%		
Managers/Supervisors: (% of total trainees)	0%		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$231,160		\$0	\$0		\$231,160

In-Kind Contribution:	100% of Total ETP Funding Required	\$250,550
-----------------------	------------------------------------	-----------

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 HUA	Business Skills, Computer Skills, Continuous Impr, HazMat, Mfg Skills, PL-Mfg Skills, OSHA 10/30	158	8-200	0	\$1,080	\$11.70
				Weighted Avg: 60			
2	Job Creation Priority Rate HUA	Business Skills, Computer Skills, Continuous Impr, HazMat, Mfg Skills, PL-Mfg Skills, OSHA 10/30	38	8-200	0	\$1,500	\$11.45
				Weighted Avg: 75			
3	Veterans Priority Rate	Business Skills, Computer Skills, Continuous Impr, HazMat, Mfg Skills, PL-Mfg Skills, OSHA 10/30	2	8-200	0	\$1,760	\$15.60
				Weighted Avg: 80			

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

Minimum Wage by County: Fresno County: Job Number 1: \$11.70 per hour; Job Number 2: \$10.00 per hour; Job Number 3 \$15.60 per hour

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

Up to \$0.75 per hour may be used to meet the Post-Retention Wage for Job Numbers 1-3.

Wage Range by Occupation

Occupation Titles	Wage Range	Estimated # of Trainees
Job Number 1		
Administrative Assistant		4
Control Technician		9
CIP II G		1
Facilities Support		2
Forklift Operator		36
Inventory Control Specialist		2
Machine Operator		64
Mechanic Electrician		11

Production Support		24
Purchase Inventory Control		1
Record Reviewer		2
Ship Rec Coordinator		2
Tool Crib Attendant		1
Job Number 2		
Forklift Operator		6
Machine Operator		19
Mechanic Electricians		5
Control Technician		5
Production Support		3
Job Number 3		
Forklift Operator		1
Mechanic Electrician		1

INTRODUCTION

Founded in 1981 and headquartered in Fairport, New York, LiDestri Foods, Inc. (LiDestri) (www.lidestrifoodanddrink.com) specializes in manufacturing and processing of beverages and tomato-based products (sauces, dips, BBQ sauces, and salsas). LiDestri also manufactures products for private labels. Private-label customers include Newman's Own and Wegmans. Training will take place at the Company's facility in Fresno.

PROJECT DETAILS

LiDestri will be training on upgraded equipment in particular, to replace old cream tanks. The new cream tanks will ensure that delivery tankers are received completely and that liquids are not allowed detention time or temperature deviations. Additionally, the Company is upgrading computer systems: Upstream, Downstream Impact and Manufacturing Execution System Application software. These upgrades will improve processes and help trainees be more productive.

Six Sigma training is also being implemented for all frontline trainees. (LiDestri has already implemented Six Sigma training with the management team.) Trainees will receive basic level of the Six Sigma Methodologies that will include upgraded problem solving skills. Training is designed to expand employee skills enabling them to adapt to changing business requirements, improve product quality, and gain transferable skills.

Retrainee - Job Creation

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

LiDestri has seen an increase in its customer base and demand for products produced at its Fresno facility. In response, the Company will be adding a third shift. The Company has committed to hiring 38 new employees (Job Number 2).

LiDestri represents that 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. The Company also represents that these trainees will be hired into “net new jobs” as a condition of contract.

Training Plan

Business Skills (11%): Training will be offered to all occupations on Oracle, team building and communication to provide high-quality customer care.

Computer Skills (15%): Training will be offered to all occupations. Employees will require training to properly utilize new software and systems. Training will improve processes and productivity.

Manufacturing Skills (24%): Training will be offered to all occupations except Administration Staff. Employees will gain the skills and knowledge to operate and maintain production equipment, ensure product quality, and implement best practices. Training will reduce production downtime, which will increase production.

Continuous Improvement (27%): Training will be offered to all occupations to implement best practices and quality management. Employees will receive training on Six Sigma white belt training to increase efficiencies. Training will also increase individual skills while promoting teamwork.

Hazardous Materials (5%): Training will be offered to all occupations. Staff will learn the proper procedures for identifying, handling, storing and transporting hazardous materials.

Productive Lab – (Manufacturing Skills)

Productive Laboratory (PL) trainees may produce goods for profit as part of training in the courses identified under the Curriculum. The instructor must be dedicated to training delivery during all hours of training.

PL will be offered to all occupations except Administrative Staff. PL will allow employees to perform their duties efficiently while being able to take on additional duties of surrounding machines, if needed. This has been proven to increase efficiencies by lowering any downtime. Production Staff will also receive hands-on training that is specific to the operation and maintenance of new equipment.

The instructor will be present at all times. Production is expected to be slowed during PL as the trainer will be stopping production to coach and mentor the trainee. Also, the equipment will be operating at a slower speed until proficiency is gained. Once the trainee is performing work satisfactorily over several runs, the trainer will deem the trainee as proficient. Trainees may receive up to 40 hours and the trainer-to-trainee ratio will not exceed 1:1.

Certified Safety Training

1. OSHA 10/30. 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. All trainees except Administrative Staff will receive this training.

Commitment to Training

LiDestri's annual training budget per facility is approximately \$150,000 and includes safety, food safety, and employee improvement. LiDestri represents that ETP funds will not displace the existing financial commitment to training. The Company is committed to improving efficiencies and knowledge of all team members, which will allow the Company to keep up with demand. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

➤ Training Infrastructure

LiDestri will administer the ETP project in-house. The Company has designated the Continuous Improvement Manager and three receptionists to schedule, collect, and submit training rosters into the ETP systems.

Impact/Outcome

ETP funding will substantially contribute to LiDestri's ability to increase their manufacturing skills and help maintain product quality. In addition, funding will allow the Company to implement extensive training for newly hired and incumbent trainees on new equipment.

High Unemployment Area

The 198 trainees in Job Number 1-3 work in Fresno County, a High Unemployment Area (HUA) with unemployment exceeding the state average by at least 25%. For these trainees, the Panel may modify the ETP Minimum Wage by up to 25% if post retention wages exceed the start-of-training wages.

➤ Wage Modification

LiDestri is requesting a wage modification of up to 25% (to \$11.70 per hour) for Administrative Assistants, Facilities Support, Machine Operators, and Production Support occupations in Job Number 1 and up to 11% (to \$11.45 per hour) for Production Support in Job Number 2.

Veterans Program

The Panel has established a higher reimbursement rate and other incentives for training California Veterans. LiDestri is a proud supporter of Veterans and does outreach for recruitment. The Company does not currently utilize a Veterans program but may do so in the future.

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:

- Team Building
- Communication
- Oracle

COMPUTER SKILLS:

- Manufacturing Execution System Application
- Upstream Impact
- Downstream Impact
- Overall Equipment Effectiveness

CONTINUOUS IMPROVEMENT:

- Six Sigma
- Kaizen Events
- Value Stream
- Step Up
- Train the Trainer

HAZARDOUS MATERIALS:

- HAZCOM
- CORE Safety

OSHA 10/30 (OSHA Certified Instructor)

- OSHA 10 (requires completion of the full 10-hour course)
- OSHA 30 (requires completion of the full 30-hour course)

MANUFACTURING SKILLS

- Production Principles
 - Standard Operation Procedures
- Quality Assurance
 - Hazard Analysis Critical Control Points
 - Food Safety
 - Policies
- Food Defense
- Man vs Machine
- Allen Bradley

PL Hours

0-40

MANUFACTURING SKILLS (1:1 ratio)

- Total Productive Maintenance

Safety Training will be limited to 10% of total training hours per-trainee

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery. PL is capped at 40 total hours per trainee.



RETRAINEE - JOB CREATION

Training Proposal for:

OpenX Technologies, Inc.

Agreement Number: ET17-0156

Panel Meeting of: July 22, 2016

ETP Regional Office: North Hollywood

Analyst: M. Paccereilli

PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate Job Creation Initiative	Industry Sector(s):	Technology/IT Services Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Los Angeles, San Mateo	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: 373	U.S.: 436	Worldwide: 473
<u>Turnover Rate:</u>	8%		
<u>Managers/Supervisors:</u> (% of total trainees)	12%		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$248,000		\$0	\$0		\$248,000

In-Kind Contribution:	100% of Total ETP Funding Required	\$414,600
------------------------------	---	------------------

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. Imp.; Advanced Tech.	300	8-200	0-32	\$720	\$16.48
				Weighted Avg: 40			
2	Retrainee Priority Rate Job Creation Initiative	Business Skills; Computer Skills; Cont. Imp.; Advanced Tech.	40	8-200	0-32	\$800	*\$13.73
				Weighted Avg: 40			

*It will be made a condition of contract that the trainees in this Job Number will never be paid less than the State or local minimum wage rate as in effect at the end of retention (Final Payment) regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

Minimum Wage by County: Job Number 1: \$16.48 per hour in Los Angeles County; \$17.02 per hour in San Mateo County

Job Number 2 (Job Creation): \$13.73 per hour for Los Angeles County; \$14.19 per hour in San Mateo 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

Up to \$1.02 per hour may be used to meet the Post-Retention Wage in Job Number 1 and up to \$0.46 per hour in Job Number 2.

Job 1 & 2 Wage Range by Occupation

Occupation Titles	Wage Range	Estimated # of Trainees
Administrative Staff	Job 1: Job 2:	40 10
Software Engineers		160
Information Technology Staff		20
Business Development Staff		30
Marketing Staff		40
Manager/Supervisor		40

INTRODUCTION

Founded in 2008, OpenX Technologies, Inc. (OpenX) (www.openx.com) is an advertising technology company that provides digital and mobile advertising technology products and services to digital media companies, such as website publishers and application developers.

OpenX is headquartered in Pasadena with offices in Menlo Park, New York, London, Munich, and Tokyo. The proposed training will be provided to employees in the Pasadena and Menlo Park locations. The Company expects to continue its rapid pace of hiring skilled workers in 2016 and beyond with the majority located in California. This will be OpenX's first ETP Agreement.

OpenX creates highly efficient, high quality programmatic advertising marketplaces that enable publisher clients to maximize their ad revenue through a high-speed electronic trading platform. The core of this platform is the OpenX Ad Exchange, a digital marketplace designed to optimize competition among buyers online. The Company processes more than 100 billion requests each month.

To maintain its competitive edge and be the preferred platforms publisher, OpenX must train staff to understand how digital advertising is evolving. The Company is committed to hiring high-quality talent and expanding its worldwide infrastructure and operations. OpenX is committed to continuing its infrastructure growth primarily in California and is honored to be part of California's Pasadena and Menlo Park business communities. OpenX is a proud sponsor of the business consortium, Innovate Pasadena, whose vision is to create a vibrant ecosystem of technology and design innovation in the greater Pasadena area that supports sustainable economic growth.

Retrainee - Job Creation

The Panel offers incentives to companies that commit to hiring new employees. Training for newly-hired employees will be reimbursed at a higher rate and trainees will be subject to a lower post-retention wage. In this proposal, OpenX has committed to hiring 40 new employees (Job Number 2).

The Internet industry is highly competitive and innovative; thus, OpenX is expanding its business capacity by adding new employees to existing functions to remain competitive. The Company is committed to hiring high-quality talent and expanding its worldwide infrastructure and operations. These new jobs will help the Company keep up with increased business demand and continued growth of its Ad Exchange and new mobile products. New employees will develop new ideas, provide better service to users, and support internal staff.

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.

PROJECT DETAILS

As the digital media marketplace evolves rapidly, the Company must be up-to-date with industry demands and have an efficient workforce skilled across many platforms and different types of technologies to develop the best solutions and experiences for its customers.

Training Plan

Training will be delivered via class/lab and Computer-Based training in the following:

Business Skills (30%): Training will be offered to all occupations and cover a wide range of sales/marketing tools, customer solutions, content development, network/traffic quality and other strategic skills. Training will help employees learn the Company's new and enhanced product and service offerings.

Computer Skills (20%): Training will be offered to all occupations. This training includes new software, database systems, computer programs and advanced and intermediate MS Office. Training will help upgrade employee skillsets and facilitate the transfer of computerized data.

Continuous Improvement (20%): Training will be offered to all occupations focusing on project management and team building. The goal is to create a more efficient business environment. Managers and Supervisors will also receive training in Leadership Skills. OpenX's success is largely dependent on the implementation of its Leadership Program to ensure trainees who are responsible for coaching/mentoring and/or managing projects are consistent with OpenX leadership philosophy.

Advanced Technology (30%): OpenX is requesting the higher reimbursement rate for Advance Technology (AT) courses to be offered to Software Engineers and IT Staff. These trainees need advanced skills. AT will be delivered in highly technical learning environments, including special curricula, instructors and training labs. The costs for delivering AT training range from \$50 to \$150 per hour, per employee, which includes hardware, software and setup costs. Some classes will be configured on a special network environment to simulate real-world scenarios. Additional software licensing was purchased so trainees can have as much simulated lab/hands-on training time as possible. The trainer-to-trainee ratio is 1:10 to allow for in-depth coverage and personal attention from the instructor.

Commitment to Training

ETP funds will not displace the existing financial commitment to training. In support of continuous employee development, The Company's current California training budget is approximately \$200,000 and covers basic, non-job-specific classes through a central corporate learning program, which includes basic communication, leadership, product overview, and new hire orientation.

➤ Training Infrastructure

OpenX's Director of Corporate Learning & Development and Director of Tax will both oversee the training and internal administration of this project. A dedicated Learning & Development trainer and in-house trainers who are subject matter experts will provide training.

Impact/Outcome

ETP-funded training will enable OpenX to remain competitive in an industry with rapid and continuous changes in demands and processes. As the Company grows and expands, trainees must have the skills to adapt and excel in new markets, exhibiting their best technical skills and soft skills in multiple technologies and platforms.

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

- + Sales/Marketing
- + Customer Solutions
- + Presentation Skills
- + Developing Executive Presence
- + Leading Productive Meetings
- + Leading Effective 1:1s
- + Communication Skills
- + Negotiation Skills
- + Account Planning
- + Industry Competitive Overview
- + Overcoming Objections/Pitch Training
- + Effective Communication
- + Delegation and Driving Results
- + Collaboration and Conflict Resolution
- + Change Management
- + Product Knowledge
- + Product Release Process

COMPUTER SKILLS

- + EQ Training
- + Agile Scrum Development Framework Overview
- + Scrum Training and Certification (Agile)
- + Software Development Process
- + Betterworks
- + JIRA System
- + Peeps Software
- + Salesforce Software
- + Oracle Expense
- + DFP UI and optimization
- + Microsoft Office (Advanced & Intermediate)
 - Excel
 - PowerPoint
 - Access

CONTINUOUS IMPROVEMENT

- + Team Building
- + Project Management
- + Leadership Skills
- + Time Management
- + Change Management

ADVANCED TECHNOLOGY (Ratio 1:10)*(IT Staff and Software Engineers Only)*

- + Web Programming
 - JS Angular
 - Erlang
 - Python

- Riak
- JavaScript
- HTML

CBT Hours

0-32

COMPUTER SKILLS (Advanced/Intermediate Only)

- ✚ Excel 2016: Charts in Depth (4.6 hours)
- ✚ Excel 2016: Advanced Formulas and Functions (6.3 hours)
- ✚ Excel 2016: Advanced Formatting Techniques (3.4 hours)
- ✚ PowerPoint Tips and Tricks For Business Presentations (2.92 hours)
- ✚ PowerPoint Designing a Presentation (2.23 hours)
- ✚ Learn Access for Office 365 (1.12 hours)
- ✚ Learn Access 2016 Essential Training (6.75 hours)
- ✚ Access 2016 –Queries in Depth (4.15 hours)

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.



RETRAINEE - JOB CREATION

Training Proposal for:

Optima Tax Relief, LLC

Agreement Number: ET17-0139

Panel Meeting of: July 22, 2016

ETP Regional Office: San Diego

Analyst: K. Campion

PROJECT PROFILE

Contract Attributes:	Retrainee Job Creation Initiative Veterans	Industry Sector(s):	Financial Services Priority Industry: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Counties Served:	Orange	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: 380	U.S.: 380	Worldwide: 380	
Turnover Rate:	5%			
Managers/Supervisors: (% of total trainees)	6%			

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	=	(High Earner Reduction)	Total ETP Funding
\$108,801		\$0		\$0	\$108,801

In-Kind Contribution:	100% of Total ETP Funding Required	\$139,782
-----------------------	------------------------------------	-----------

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	Business Skills, Commercial Skills, Computer Skills, Cont. Imp.	259	8 - 200	0	\$315	\$16.51
				Weighted Avg: 21			
2	Retrainee Job Creation	Business Skills, Commercial Skills, Computer Skills, Cont. Imp.	42	8 - 200	0	\$560	*\$13.76
				Weighted Avg: 28			
3	Retrainee Veterans Job Creation	Business Skills, Commercial Skills, Computer Skills, Cont. Imp.	6	8 - 200	0	\$616	*\$14.00
				Weighted Avg: 28			

*It will be made a condition of contract that trainees in this Job Number will never be paid less than the State or local minimum wage rate as in effect at the end of retention (Final Payment) regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

Minimum Wage by County: Job Number 1: \$16.51 per hour for Orange County; Job Number 2 (Job Creation): \$13.76 per hour for Orange County; Job Number 3 (Veterans): \$13.76 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

Up to \$1.46 per hour for Job 1; and up to \$0.76 per hour for Job 2 may be used to meet the Post-Retention Wage.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
JOB NUMBER 1		
Analyst		20
Enrolled Agent		13
Associate & Support Representative		25
HR Professional		6
Specialist		70
Tax Consultant		70
Tax Preparer & Clerk		24
Helpdesk Technician		6
Payment Coordinator		10
Supervisor/Manager		15

JOB NUMBER 2		
Analyst		2
Enrolled Agent		1
Associate & Support Representative		4
Specialist		13
Tax Consultant		8
Tax Preparer & Clerk		9
Helpdesk Technician		2
Payment Coordinator		1
Supervisor/Manager		2
JOB NUMBER 3		
Specialist		4
Tax Preparer		2

INTRODUCTION

Founded in 2011 and located in Santa Ana, Optima Tax Relief, LLC (Optima) is a full service tax preparation and tax resolution company that specializes in resolving and reducing IRS or State tax debt for consumers (<http://optimataxrelief.com/>). Optima's services include Tax Consultations & Preparations, Tax Negotiations and Resolutions, Installment Payment Agreements, Partial Payment Settlement Agreements, Offer in Compromise, Tax Penalty Abatements, and other services for individual customers located across the country.

Due to a growing market share and increase in its customer base, Optima has increased its employee base from 158 full-time staff in 2013 to 380 today. Optima must ensure its workers are able to sustain the growing demand for the Company's services while maintaining the top-tier service customers have come to expect. This will require training.

Further, Optima must comply with the rapid changes in IRS, state, and local tax laws, codes, and regulations. To continue to provide customers with sound financial advice, and help resolve tax debt for consumers, Optima must look for new ways to increase and improve operations, and increase workers' job knowledge. To help meet this challenge, the Company has developed a company-wide, comprehensive training program.

The need for training is also driven by the implementation of new customer service and sales management software to be implemented in 2016. Optima is moving to a new *Salesforce* platform that will result in substantial changes to its customer service and sales processes, requiring staff training to navigate the new system applications.

Retrainee - Job Creation

In 2013 Optima increased its overall staff by 131 new positions. Sixty-one new positions were created in 2014. The Company estimates expansion will continue into 2016/2017, and forecasts adding 190 net new jobs in the next two years. The Company proposes to hire and train 48 under this proposal (Job Numbers 2 & 3). Optima is expanding its business capacity work space to include a new office building.

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. These trainees will be hired into “net new jobs” as a condition of contract.

Veterans Program

The Panel has established a higher reimbursement rate and other incentives for training California veterans. All Veteran trainees will be classified as Job Creation, and hired under the benchmark period set forth in the Retrainee Job Creation guidelines.

Optima reports that it hires Veterans on a regular basis and is committed to hiring and training at least six Veterans under this Agreement (Job Number 3).

Training Plan

The majority of training will be delivered via class/lab by in-house instructors. Optima may hire training vendors to deliver training, but training vendors have yet to be determined.

Business Skills (30%) – This training will be offered to all occupations in order to improve customer service while increasing efficiency and standards with new internal procedures. Other projected benefits include improvements in operational procedures and improve workflow production.

Commercial Skills (30%) – This training will be provided to all occupations so trainees can better understand the new plan service models and pricing structures. Internal Revenue Service regulations continue to change and training is necessary to stay current and keep clients in conformance with these changes. Also, trainees will be better able to assist clients with up-to-date information that impacts deliverables.

Computer Skills (20%) – This training will be provided to all occupations so trainees can improve productivity by using database tools to navigate client plan specifications and data, become familiar with the ever changing Internal Revenue Service reporting and software applications. Other benefits include improving trainee ability to service clients with upgraded and improved client management software.

Continuous Improvement (20%) – This training will be provided to all occupations so trainees can learn how to set specific, measurable, attainable, and timely goals to improve operational effectiveness. Improved processes, systems and operational improvements are projected as a result of this training.

Commitment to Training

Optima currently spends approximately \$35,000 per year on training that includes new-hire orientation, sexual harassment prevention, legally-mandated training, Supervisor 101 training, Leadership Skills, software application skills training, new-hire department specific job training, and on-the-job training.

ETP funds will not displace the Company’s existing financial commitment to training. ETP training will help improve workers’ skills resulting in improved operational effectiveness while enabling Optima to grow.

➤ Training Infrastructure

The Director of Human Resources will have program oversight and will be assisted by HR staff to schedule and implement the training plan, and ensure that all training is properly documented

according to ETP recordkeeping requirements. Optima will utilize an administrative subcontractor for enrolling and tracking trainees in the ETP online systems.

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

Training Funding Source (TFS) in Seal Beach assisted with development for a flat fee of \$6,900.

ADMINISTRATIVE SERVICES

TFS will also perform administrative services for an amount not to exceed 13% 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

- + Accounting
- + Coaching/Counseling
- + Customer Service
- + Communication Skills
- + Delegation
- + Employee motivation
- + Internal Procedures
- + Leadership
- + Marketing
- + Negotiation Skills
- + Office Procedures
- + Performance Development
- + Time Management
- + Workflow Production

COMMERCIAL SKILLS

- + Audit Representation
- + Case Management Review
- + Currently Non Collectible
- + Dispute Resolution
- + Internal Revenue Service Procedures
- + Installment Agreement
- + IRS Audit Defense
- + IRS Negotiations
- + Lien Subordination
- + Offer in Compromise
- + Penalty Abatement or Adjustment
- + Payroll Tax
- + Reduce IRS Tax Debt
- + Resolve Back Taxes
- + State Tax Issues
- + Tax Levies & Liens
- + Tax Negotiation & Settlement
- + Unfiled Returns (Non Filer)
- + Wage Garnishment/Bank Levy Release

COMPUTER SKILLS

- + Client Management System (CMS) database
- + Desktop Troubleshooting
- + File Management
- + Human Resources Information System (HRIS)
- + Java/Website Management
- + Microsoft Office (Intermediate & Advanced)
- + Payroll Systems Software

- ✚ Salesforce Application Skills
- ✚ Software Developer Tools

CONTINUOUS IMPROVEMENT

- ✚ Operational Efficiency/Effectiveness
- ✚ Performance Management & Goal Setting
- ✚ Process Improvements
- ✚ System Improvements

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



Retrainee – Job Creation

Training Proposal for:

Santa Monica Seafood Company

Agreement Number: ET17-0148

Panel Meeting of: July 22, 2016

ETP Regional Office: North Hollywood

Analyst: M. Webb

PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate Job Creation Initiative Veterans	Industry Sector(s):	Manufacturing Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Los Angeles, San Diego, San Luis Obispo	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: 605	U.S.: 653	Worldwide: 653
<u>Turnover Rate:</u>	11%		
<u>Managers/Supervisors:</u> (% of total trainees)	8%		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$173,600		\$0	\$0		\$173,600

In-Kind Contribution:	100% of Total ETP Funding Required	\$284,316
-----------------------	------------------------------------	-----------

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, Mfg. Skills, PL-Mfg. Skills	200	8-200	0	\$540	\$15.60
				Weighted Avg: 30			
2	Retrainee Job Creation Initiative	Business Skills, Computer Skills, Continuous Improvement, Hazardous Materials, Mfg. Skills, PL-Mfg. Skills	60	8-200	0	\$800	*\$12.77
				Weighted Avg: 40			
3	Retrainee Veterans	Business Skills, Computer Skills, Continuous Improvement, Hazardous Materials, Mfg. Skills, PL-Mfg. Skills	20	8-200	0	\$880	*\$12.77
				Weighted Avg: 40			

*It will be made a condition of contract that the trainees in this Job Number will never be paid less than the State or local minimum wage rate as in effect at the end of retention (Final Payment) regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

Minimum Wage by County: Job Number 1: \$16.48 per hour for Los Angeles County; \$16.46 in San Diego County, and \$15.60 per hour in San Luis Obispo County.

Job Number 2 (Job Creation): \$13.73 per hour for Los Angeles County; \$13.72 per hour in San Diego County; and \$12.77 per hour in San Luis Obispo County.

Job Number 3 (Veterans): \$13.73 per hour for Los Angeles County; \$13.72 per hour in San Diego County; and \$12.77 per hour in San Luis Obispo 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

Up to \$2.19 per hour may be used to meet the Post-Retention Wage.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
JOB NUMBER 1		
Corporate Support Staff		32
Customer Service Staff		9
Manufacturing/Processing Staff		55
Marketing/Sales Staff		26
Managers		18
Warehouse/Logistics/Distribution Staff		60
JOB NUMBER 2-Job Creation		
Corporate Support Staff		5
Customer Service Staff		5
Manufacturing/Processing Staff		45
Marketing/Sales Staff		2
Managers		2
Warehouse/Logistics/Distribution Staff		1
JOB NUMBER 3-Veterans		
Corporate Support Staff		2
Customer Service Staff		3
Manufacturing/Processing Staff		5
Marketing/Sales Staff		3
Managers		3
Warehouse/Logistics/Distribution Staff		4

INTRODUCTION

Founded in 1939, Santa Monica Seafood Company (SMSC) (www.smseafood.com) sources, processes, and distributes fresh, frozen, wild, and farmed seafood products. Products include shellfish, fish, oysters, and other seafood products. These products are sold online and to restaurants and retail customers in California, Nevada, and Arizona. SMSC also operates its own retail stores and cafes located in the cities of Santa Monica and Costa Mesa. A total of four SMSC locations will participate in training under this Agreement (Rancho Dominguez, Los Angeles, Atascadero, and San Diego). This will be SMSC's first ETP Agreement.

PROJECT DETAILS

In the last five years, SMSC has expanded its services to grocery store chains and other retailers such as Walmart. As a result, the Company has experienced a substantial increase in revenue sales from \$45 million to \$400 million. To handle higher production levels, the Company has expanded its Rancho Dominguez facility to increase product output by 100 percent by the third quarter of 2016. To manage growth, SMSC will hire a total of 100 new employees. Training plans over the next two years will focus on new skill sets, customer service,

up-to-date computer software programs, process improvement, and safe seafood handling techniques. Training will be delivered by in-house trainers at SMSC locations.

SMSC continually looks for new customers in various markets; one particular market includes the sushi market which will require staff to learn new seafood handling techniques. Trainees will learn culinary and sanitary skills to identify important attributes regarding the quality and freshness of seafood that will be consumed raw. Training in operating procedures, food safety management, packaging, and new markets will increase employee skill sets and improve SMSC's ability to sell to new markets.

New computer upgrades and systems have been purchased to increase product offerings, efficiencies, and product output. New systems include a Human Capital Management System and Enterprise Resources Planning System. Training in Computer Skills will enable staff to better manage and access employee data, talent management processes, product planning, manufacturing, marketing, and sales cost. New computer programs being implemented will also allow staff to focus on business operations and be more efficient in decision making.

The Company has also invested in new packaging technologies to extend product shelf life and improve ability to merchandise products in various formats. Two new packaging technologies include Modified Atmospheric Packaging (MAP) and Bubble Skin Packaging (BSP). The MAP technology substitutes the atmospheric air inside a package with protective gas to ensure the product stays fresh for extended periods of time. Trainees will learn how to operate new equipment and processes to package SMSC seafood products.

Training Plan

Business Skills (10%): Training will be offered to all occupations to improve job performance and increase efficiency. Staff will receive training in customer service, marketing, and communication skills.

Hazardous Materials (5%): Training will be offered to Manufacturing/Processing Staff, Warehouse/Distribution Staff, and Logistics Staff. Courses will ensure staff handles seafood products in the safest manner possible. This training is a series of courses, specific to industry sectors involved in the transport of hazardous materials. The coursework varies in length depending on the industry and the occupational title, as organized in five levels ranging from "first responder" to "incident commander." It is generally a minimum of 24 hours with an 8-hour annual refresher, and may be delivered by classroom or CBT.

Computer Skills (10%): Training will be offered to all occupations and will be based specifically on the computer systems the trainees utilize in their daily job functions.

Manufacturing Skills (45%): Training will be offered to Manufacturing/Processing Staff, Warehouse/Distribution Staff, and Logistics Staff. Trainees will learn new skill sets to operate and repair specialized equipment used in the production process.

Continuous Improvement (25%): Training will be offered to all occupations to improve company efficiencies and productivity. New processes will be implemented throughout the business to handle increased productivity levels and overall growth. Course titles include Change Management Skills, Conflict Management/Resolution, Process Improvement, and Quality Assurance.

Productive Laboratory (5%):

The Panel adopted regulations to authorize reimbursement for training delivered in a Productive Laboratory (PL) setting. PL trainees may produce goods for profit as part of the training in the courses identified under the Curriculum. The instructor must be dedicated to training delivery during all hours of training.

Productive Lab (PL) training will be delivered to approximately 150 Manufacturing/Processing, Warehouse/Logistics/Distribution Staff and Supervisors/Managers. PL training will provide workers with hands-on experience and the knowledge needed to run equipment and efficiently perform their jobs. Trainees will learn to operate food processing equipment (Multivac), weighing and labeling (Bizerba), portioning equipment, and ozonated water systems. Training will be provided at a 1:1 trainer-to-trainee ratio. Trainees will receive up to 40 hours of PL training.

Under direct supervision of an experienced instructor, the trainee will be assigned a task specific to the processing equipment on which they are being trained (packaging, labeling, or portioning SMSC products). The trainer will observe the trainee complete the task while critiquing and correcting tasks performed during the process. The trainer will determine if the trainee exhibits the skill sets needed to operate equipment independently.

Retrainee - Job Creation

In support of job creation, the Panel offers 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.

SMSC has committed to hiring 60 new net employees (Job Number 2). The Company is in final stages of major construction that will double the size of its facility in Rancho Dominguez. This will allow SMSC to increase its product output by 100 percent. As a result, newly hired trainees will be required to learn mandatory safe food handling techniques. Training will also include operation of equipment and computer software.

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. These trainees will be hired into "net new jobs" as a condition of contract.

Commitment to Training

SMSC spends approximately \$360,000 annually in training for all four locations. Training includes new hire orientation, anti-harassment training, and basic OSHA safety training. SMSC delivers instructor led, computer-based and on-the-job 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.

➤ Training Infrastructure

SMSC has identified two employees who will be responsible for managing and scheduling SMSC training, enrollment, tracking training hours, and documenting ETP funded training. Human Resource Coordinators located at each SMSC facilities will also work with staff to ensure all training records are returned to SMSC headquarters for record keeping purposes.

The Company also hired a third party administrator, Training Funding Partners, to provide administrative services.

Green/Clean Operations

SMSC is committed to moving towards new environmental friendly options in distribution. The Company was the first and only seafood distributor to enter into a formal partnership with the Monterey Bay Aquarium Seafood Watch Program and receive ISO 14001 certification. To increase supplier commitment to food safety, supply integrity, and sustainable pricing, the Company also created the Responsible Sourcing Vendor Program which applies a percentage of its annual purchases towards the financial support of fishery, food safety, and education programs globally.

Veterans Program

A total of 20 Veterans will be trained by SMSC under this Agreement (Job Number 3). The Panel has established a higher reimbursement rate and other incentives for training California veterans. These trainees served on active full-time duty in the Armed Forces, including the California National Guard, and were (a) honorably discharged, or (b) released from active duty because of a service-connected disability.

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

SMSC retained Training Funding Partners in Fountain Valley to assist with development of this proposal for a flat fee of \$9,500.

ADMINISTRATIVE SERVICES

Training Funding Partners will also perform administrative services in connection with this proposal for a fee not to exceed 13% of payment earned.

TRAINING VENDORS

N/A

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

8-200

Trainees may receive any of the following:

BUSINESS SKILLS

- Business Acumen
- Communication Skills
- Customer Service/Support Skills
- Finance/Accounting Skills
- New Markets
- Meeting Management Skills
- Presentation Skills
- Sales/Marketing Skills
- Time Management Skills

COMPUTER SKILLS

- Human Performance Management System
- Ceridian DayForce Human Resource Information System (HRIS) Skills
- Quality Control System Skills
- AFS Canopy New Enterprise Resource Planning System
- Cognos Business Intelligence System
- Intermediate/Advanced Microsoft Office

CONTINUOUS IMPROVEMENT

- Change Management Skills
- Coaching/Feedback
- Conflict Management/Resolution
- Decision Making Skills
- Delegation/Influence Skills
- Goal Setting/Innovation Skills
- ISO Skills
- Leadership Skills
- Problem Solving
- Process/Performance Improvement Skills
- Project Management Skills
- Quality Assurance/Quality Control
- Six Sigma Skills
- Team Building/Managing Teams

HAZARDOUS MATERIALS

- Blood borne Pathogens
- Chemicals
- Hazard Communication
- Hazardous Material Handling
- Spill Response
- Business Emergency Preparedness Planning

MANUFACTURING SKILLS

- Change Order Process Skills
- Data Collection/Documentation Skills

- Failure Mode Effects Analysis
- Food Safety Management
- Good Documentation Practices
- Good Manufacturing Practices
- New/Updated Manufacturing Processes/Systems/Products
- Packaging Skills
 - Modified Atmospheric Packaging Skills
 - Bubble Skin Packaging
- Standard Operating Procedures
- Troubleshooting/Root Cause Analysis
- Warehouse/Logistics Skills
- Advanced Safety Skills –
 - Electrical Safety
 - Heat Stress Prevention
 - Machine Guarding and Machine Safety
 - Powered Industrial Vehicle Safety

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

Productive Lab Hours (1:1)

0-40

MANUFACTURING SKILLS

- Change Order Process Skills
- Data Collection/Documentation Skills
- Failure Mode Effects Analysis
- Food Safety Management
- Good Documentation Practices
- Good Manufacturing Practices
- New/Updated Manufacturing Processes/Systems/Products
- Packaging Skills
 - Modified Atmospheric Packaging Skills
 - Bubble Skin Packaging
- Standard Operating Procedures
- Troubleshooting/Root Cause Analysis
- Warehouse/Logistics Skills

<p>Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery. PL is capped at 40 hours per-trainee.</p>
--



**Training Proposal for:
SingerLewak, LLP**

Agreement Number: ET17-0146

Panel Meeting of: July 22, 2016

ETP Regional Office: San Diego

Analyst: J. Davey

PROJECT PROFILE

Contract Attributes:	Retrainee	Industry Sector(s):	Financial Services Priority Industry: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Counties Served:	Los Angeles, Orange, San Francisco, Santa Clara	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: 207	U.S.: 216	Worldwide: 216
<u>Turnover Rate:</u>	2%		
<u>Managers/Supervisors:</u> (% of total trainees)	17%		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$122,400		\$0	\$0		\$122,400

In-Kind Contribution:	100% of Total ETP Funding Required	\$351,838
-----------------------	------------------------------------	-----------

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	Business Skills, Commercial Skills, Computer Skills	204	8-200	0	\$600	\$16.48
				Weighted Avg: 40			

Minimum Wage by County: Los Angeles – \$16.48/hr.; Orange County - \$16.51/hr.; San Francisco and Santa Clara Counties – \$17.02/hr.

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

Up to \$1.02 per hour may be used to meet the Post-Retention Wage.

Wage Range by Occupation

Occupation Titles	Wage Range	Estimated # of Trainees
Account Manager I		3
Account Manager II		36
Administrative Support		41
Staff Accountant		107
Staff Analyst		8
Supervising Senior Accountant		9

INTRODUCTION

Founded in 1959 and headquartered in Irvine, SingerLewak, LLP (SingerLewak) is an accounting firm that provides tax and business advisory services to real estate, manufacturing and distribution companies, life science and technology companies, both publically and privately held, as well as non-profit organizations. The Company serves clients in California and the western U.S. through its six California offices (Irvine, Los Angeles, Pomona, San Francisco, San Jose, Woodland Hills) and an office in Denver.

SingerLewak is eligible for standard retraining funding under the Out-of-State Competition Provisions as a Certified Public Accounting (CPA) firm serving customers located inside California that regularly competes with CPA firms located out-of-state.

PROJECT DETAILS

The need for training is driven by SingerLewak's continuous effort to expand its business. The Company has grown by 15% a year over the past several years. To continue this trend, and keep up with rapid changes brought about by industry and government requirements, the Company must provide customers with sound financial advice and tax planning strategies.

The Company must also keep pace with the latest developments in software applications and technological advances to remain competitive. Accounting and auditing practices take full advantage of computer applications to streamline processes and ensure reliability, accuracy, and security. SingerLewak's employees must be trained on the most recent versions of these products to keep pace with industry and client requirements.

The Company must also upgrade staff skills in communication, leadership, sales and teambuilding to improve business processes and serve its clients. ETP-funded training will enable the Company to remain competitive.

Training Plan

The following class/lab training will be provided by a combination of in-house trainers and outside training vendors:

Business Skills (10%): Training will be provided to all occupations. Training will ensure that employees develop skills to deliver informed product presentations and recommendations, and manage project assignments efficiently. Some Managers will receive Leadership and Managing Growth Skills to improve their management skills and communication with clients.

Commercial Skills (80%): Training will be offered to all occupations. The IRS and regulatory agencies are continuously changing compliance rules. Trainees need to understand changes in accounting and tax rules from year to year. They also have to understand the planning aspects of law changes or new interpretations of existing law in order to provide beneficial services. These courses will not be used for CPA to earn or maintain licensing requirements.

Computer Skills (10%): Training will be provided to all occupations. Trainees will learn accounting and tax software application, and MS Office skills to create databases, spreadsheets, reports, charts, graphs, and professional presentation materials.

Commitment to Training

ETP funds will not displace the existing financial commitment to training.

The Company spends nearly \$460,000 annually on training for its six California offices. Recent training includes Sexual Harassment Prevention, New-Hire Orientation, Diversity, Conflict Resolution, Safety and other required training. In addition, various job-specific skills training is provided as necessary to ensure minimum competency in a given position.

➤ Training Infrastructure

The Director of Training will lead all administrative functions within the Company, including identifying administrative contacts at each California office, enrolling trainees, scheduling training, tracking training hours, and other duties as needed. SingerLewak will also receive assistance from an administrative subcontractor, Training Refund Group.

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

SingerLewak retained Training Refund Group in Anaheim to assist with development for a at fee of \$3,000.

ADMINISTRATIVE SERVICES

Training Refund Group will also perform administrative services in connection with this proposal for a fee not to exceed 13% 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

- Communication
- Conflict Resolution
- Leadership Training
- Managing Growth
- Networking Skills
- Presentation Skills
- Sales Skills
- Team Building

COMPUTER SKILLS

- Audit Command Language Sampling Tool (software)
- Caseware (software)
- Checkpoint – RIA (Research Institute of America)
- Ichannel (software)
- Intermediate/Advanced MS Office
- Profx – CCH (Commerce Clearing House) (software)
- QuickBooks

COMMERCIAL SKILLS

- Accounting & Auditing Update
- Annual SEC Update
- Business Management Services
- Estate Planning
- Tax Law Updates

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



Training Proposal for:
Sysco Central California, Inc.
Agreement Number: ET17-0160

Panel Meeting of: July 22, 2016

ETP Regional Office: Sacramento

Analyst: W. Sabah

PROJECT PROFILE

Contract Attributes:	Retrainee Veterans SET HUA	Industry Sector(s):	Services Priority Industry: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Counties Served:	Stanislaus	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: 315	U.S.: 315	Worldwide: 51,700
<u>Turnover Rate:</u>	5%		
<u>Managers/Supervisors:</u> (% of total trainees)	0%		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$235,400		\$34,650 15%	\$0		\$200,750

In-Kind Contribution:	100% of Total ETP Funding Required	\$245,000
-----------------------	------------------------------------	-----------

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 HUA SET	Business Skills, Commercial Skills, Computer Skills, Cont. Improv., PL - Commercial Skills	275	8-200	0	**\$714	*\$13.01
				Weighted Avg: 56			
2	Retrainee SET Veterans	Business Skills, Commercial Skills, Computer Skills, Cont. Improv., PL - Commercial Skills	5	8-200	0	\$880	*\$14.53
				Weighted Avg: 40			

*It will be made a condition of contract that the trainees in this Job Number will never be paid less than the State or local minimum wage rate as in effect at the end of retention (Final Payment) regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

** Reflects Substantial Contribution

Minimum Wage by County: \$11.70 per hour for Job Number 1 (SET/HUA) and \$10.00 per hours for Job Number 2 (SET/HUA) in Stanislaus 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
Although employer provides health benefits, they are not being used to meet Post-Retention Wage.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Job Number 1		
Administrative Staff		20
Customer Service Staff		5
Lead		10
Marketing Staff		75
Support Staff		20
Technical Staff		15
Transportation Staff		70
Warehouse Staff		60
Job Number 2		
Technical Staff		1

Transportation Staff		1
Warehouse Staff		3

INTRODUCTION

Founded in 1938 and located in Modesto, Sysco Central California, Inc. (Sysco Central) (www.sysco.com) warehouses, distributes, and delivers a broad range of food products, beverages, food-service equipment, and supplies to restaurants, schools, hotels, assisted-living facilities, health care institutions, government facilities, and other businesses. Food and related products include fresh and frozen meat, poultry, seafood, fruits and vegetables, canned and dry products, paper and disposable products, cleaning supplies, kitchen equipment, and medical supplies.

The Company operates in central California and does not face out-of-state competition. As such, funding will be under Special Employment Training (SET). To qualify under SET, trainees must be earning at least the statewide average hourly wage at the end of the retention period.

Sysco Central is in the Wholesale Trade industry, which is a different designation from Retail Trade. As such, occupations paid by commission do not fall under the Panel's "lowest priority" for FY 2016/17, and may be included in training. [Note: The Company does not sell directly to individual consumers. See discussion of customer base above.]

PROJECT DETAILS

To remain competitive in the food service industry, Sysco Central is developing new ways to improve operation efficiencies and increase sales. The Company recently adopted various computer software programs such as Sysco Market Online, Sysco Market Express, Sysco Mobile, and Sysco Transportation System, which all require significant training. The new technology will allow Sysco Central to transition from paperless documents to computer systems, smartphones, and tablets to reduce waste and redundancy.

Training is needed for Warehouse Staff and Transportation Staff to improve operational processes and productivity in the warehouse. As sales increase, Warehouse Staff will require training to learn proper handling and accommodation of increased products. Transportation Staff will need training on wireless devices to track orders, reduce delivery errors, and reduce production costs. Employees will learn to work in teams, redesign processes and adapt to new technologies.

This will be the third ETP-funded training project in the last five years for Sysco Central. Under the previous Agreements, training was focused on the Project 212 Business Transformation Project, which created a foundation for the move to Cloud-based systems. The Company has now expanded its internet capabilities by implementing Sysco Market Express and Sysco Market Mobile. In this project, training will be focused on new technologies and introduce the advanced phase of training for repeated course topics. However, there will be no duplication of training in those courses.

Veterans Program

The Panel has established a higher reimbursement rate and other incentives for training California veterans. Sysco Central currently employs Veterans as a part of their full-time workforce (Job Number 2). The Company plans to establish an outreach program to recruit potential Veteran Candidates.

Training Plan

Sysco Central will provide between 8-200 hours of Class/Lab training and 0-60 hours of PL training. Training will be delivered by in-house trainers.

Business Skills (20%): Training will be offered to Administrative Staff, Customer Service Staff, Leads, Marketing Staff, Support Staff, and Technical Staff to improve customer contact, allow trainees to create marketing campaigns, and take advantage of opportunity related data. Training will be delivered in topics such as business value, internet marketing, revenue management, and product knowledge.

Commercial Skills (10%): Training will be offered to Warehouse Staff and Transportation Staff. Training will update staff's knowledge of systems used in today's distribution vehicles and proper order selection procedures to reduce inventory shrinkage. Training will focus on best practices, diagnosing electrical system problems, order selection procedures and preferred work methods.

Computer Skills (50%): Training will be offered to all occupations. Training will guide workers through the features and functionality of the Company's internal software systems. With new technologies, staff can process customer orders, requests, sales and deliveries quickly and accurately to improve customer satisfaction. Training will also help staff become more proficient in the use of business software solutions in the areas of computer networking, document control and data administration.

Continuous Improvement (10%): Training will be offered to all occupations. This training is critical to Sysco Central's success as training will help small teams solve problems, reduce waste, improve quality, improve food safety, and reduce returns. Problem Solving, Quality Assurance, Sysco Quality Standards, and Team Communication will increase responsiveness to customers' needs.

Productive Laboratory – Commercial Skills (10%)

The Panel recently adopted regulations to authorize reimbursement for training delivered in a Productive Laboratory (PL) setting. PL trainees may produce goods for profit as part of the training in the courses identified under the Curriculum. The instructor must be dedicated to training delivery during all hours of training, and special attendance rosters will be used to assist in monitoring.

Sysco Central is requesting 60 PL training hours at a 1:3 trainer-to-trainee ratio in Commercial Skills. The Company has many pieces of equipment that require specialized skills to operate. The trainer will observe the trainee and offer coaching and mentoring throughout the process. PL training will be delivered to Transportation Staff and Warehouse Staff on operating procedures of various equipment such as Pallet Jacks, Forklifts, Trailers and Tractors. After a specified number of successful completions of the task, the trainee will be deemed competent. Trainees will also receive cross-training to strengthen the Company at its core (the Transportation and Warehouse Staff). The Company requires a higher trainer-to-trainee ratio due to the limited number of equipment and trainers. As most equipment is in constant use, it is necessary to optimize the trainer and trainee's time when the equipment is available. Production is expected to decrease by approximately 10% during training and waste will be significantly higher.

PL training will supplement Class/Lab training to strengthen employees' understanding of printing tasks on each specific piece of equipment. Employing well-educated and experienced

staff will result in higher-quality products. Training will increase the potential for employee career growth.

Temporary to Permanent Hiring

Sysco Central intends to train 10 workers in Job Number 1 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. According to Sysco Central the average time for “converting” temporary workers into full-time permanent employment is 6 months.

Sysco Central is contracted with Staffing Network LLC, which provides them with workforce members for their Modesto location. Many of the entry-level Transportation Staff and Warehouse Staff are first employed in this manner. It is expected that these workers will receive employer-paid share-of-cost for healthcare premiums while on temporary status, and upon hire into full-time permanent employment.

Temp-to-Perm trainees cannot be enrolled in ETP-funded training until after they have been hired by Sysco Central into full-time, permanent employment. Until they are so hired, retention and post-retention wage requirements cannot be satisfied and the Company will not receive progress payments.

SET/HUA

Trainees in Job Number 1 work in Stanislaus County, a High Unemployment Area (HUA) with unemployment exceeding the state average by 25%. The determination of HUA status is based on unemployment data from the Labor Market Information Division of the Employment Development Department.

These trainees qualify for the ETP Minimum Wage rather than the Statewide Average Hourly Wage. Additionally, the Panel may modify the ETP Minimum Wage for these trainees by up to 25% if post-retention wages exceed the start-of-training wages. Sysco Central is requesting a wage modification to \$13.01 for Job Number 1 in order to serve workers in lower-wage occupations.

Substantial Contribution

Sysco Central is a repeat contractor with payment earned in excess of \$250,000 at the Modesto facility within the past five years. (See Prior Project Table.) Accordingly, reimbursement for trainees at the facility in Job Number 1 will be reduced by 15% to reflect the Company’s \$34,650 Substantial Contribution to the cost of training.

Commitment to Training

ETP funds will not displace the existing financial commitment to training. The Company’s annual training budget per facility is approximately \$200,000 for new-hire orientations, OSHA mandated training, sexual harassment prevention, first aid, company policies, staff development, and on-the-job training. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

➤ Training Infrastructure

National Training Company, Inc. will assist with ETP project administration. Sysco Central has also assigned a staff member as an administrative coordinator to schedule, collect, and submit training rosters to the administrative subcontractor for data entry into ETP systems.

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET14-0318	Modesto	03/03/14 – 03/02/16	\$197,325	\$171,325 (87%)
ET12-0281	Modesto	02/01/12 – 01/31/14	\$249,060	\$177,456 (71%)

DEVELOPMENT SERVICES

Sysco Central retained National Training Company, Inc. in Irvine to assist with development of this proposal for a flat fee of \$5,000.

ADMINISTRATIVE SERVICES

National Training Company will also perform administrative services in connection with this proposal for a fee not to exceed 13% of payment earned.

TRAINING VENDORS

N/A

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

8-200

Trainees may receive any of the following:

BUSINESS SKILLS

- Advanced Operating Procedures
- Business Value
- Category Management
- Delivery Tracking
- Food Cost Inflation
- Hispanic Marketplace Sales
- Innovative Food Solutions
- Internet Marketing
- Menu Analysis
- Procurement Procedures
- Product Knowledge and Sales Techniques
- Revenue Management
- Sysco Branded Products
- Traceability
- Train the Trainer

COMMERCIAL SKILLS

- Best Practices
- Diagnosing Electrical System Problems
- Diagnosing Fuel Cells System Problems
- Fleet Maintenance
- Loading Trucks More Efficiently
- Repair Computer Controlled Systems
- Preferred Work Methods

COMPUTER SKILLS

- Cyber Security
- Email Marketing Campaign
- MS Office (Intermediate and Advanced)
- MySysco Truck
- Relationship Management Tools
- Sysco Desktop Applications
- Sysco Market Online
- Sysco Market Express (Desktop)
- Sysco Mobile (Phone/Tablet)
- Sysco Transportation System
- Telogis Fleet Management

CONTINUOUS IMPROVEMENT

- Coaching Skills
- Problem Solving
- Procurement Efficiency
- Productivity & Innovation
- Sysco Food Safety
- Sysco Quality Standards
- Team Communication

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

Productive Lab Hours

0-60

COMMERCIAL SKILLS (1:3 Ratio)

- Electric Pallet Jacks
- Handheld Inventory Equipment
- Forklifts
- Order Selection Procedures
- Palletizing Equipment
- Product Handling
- Preferred Work Methods
- Sysco Labeling Systems
- Sweepers
- Temperature Control Instrumentation
- Tractors
- Trailers
- Warehouse Equipment

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery. PL is capped at 60 total training hours per trainee.



RETRAINEE - JOB CREATION

Training Proposal for:

Physicians for Healthy Hospitals, Inc.

Agreement Number: ET17-0158

Panel Meeting of: July 22, 2016

ETP Regional Office: San Diego

Analyst: M. Ray

PROJECT PROFILE

Contract Attributes:	SET Retrainee Priority Rate HUA Medical Skills Training Job Creation Initiative	Industry Sector(s):	Healthcare Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Riverside	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No California Nurses Association (Hemet); Nurses and Allied Health Care Worker, SEIU-UHW Los Angeles (Menifee)		
Number of Employees in:	CA: 1,200	U.S.: 1,200	Worldwide: 1,200
<u>Turnover Rate:</u>	12%		
<u>Managers/Supervisors:</u> (% of total trainees)	N/A		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	=	(High Earner Reduction)	=	Total ETP Funding
\$385,550		\$0		\$0		\$385,550

In-Kind Contribution:	100% of Total ETP Funding Required	\$820,782
------------------------------	------------------------------------	-----------

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 Medical Skills Training	MS - Didactic, MS - Clinical with Preceptor, Computer Skills, Continuous Improvement	289	8 - 200	0	\$450	\$33.83
				Weighted Avg: 25			
2	Retrainee SET Priority Rate Medical Skills Training Job Creation Initiative	MS - Didactic, MS - Clinical with Preceptor, Computer Skills, Continuous Improvement	73	8 - 260	0	\$3,500	\$17.82
				Weighted Avg: 175			

Minimum Wage by County: Job Number 1: \$28.37 per hour for Statewide Average Hourly Wage; Job Number 2: \$12.77 per hour Job Creation Wage for Riverside 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

Although employer provides health benefits, they are not being used to meet Post-Retention Wage.

Wage Range by Occupation

Occupation Titles	Wage Range	Estimated # of Trainees
Job Number 1:		
Registered Nurse		289
Job Number 2:		
Registered Nurse		26
New Graduate Registered Nurse		18
Licensed Vocational Nurse		29

INTRODUCTION

Physicians for Healthy Hospitals, Inc. (PHH) (www.physiciansforhealthyhospitals.com) is a for-profit coalition of local doctors whose mission is to create strong, state-of-the-art hospitals that serve as centers of medical excellence in the Hemet, San Jacinto, and Menifee Valleys in Southern California. This will be PHH's third ETP Agreement in the last five years. In this proposal, PHH seeks funding for its two full-service, acute care hospitals: Menifee Valley Medical Center (84 beds) and Hemet Valley Medical Center (327 beds), both in Riverside County.

With a combined total of 1,200 full-time employees, the hospitals provide emergency services along with full-care hospital services for the general public in the city of Menifee, Hemet, San Jacinto, and surrounding communities of Romoland, Sun City, Canyon Lake, Winchester, and Nuevo.

PHH is eligible for ETP funding under Special Employment Training provisions for frontline workers. Under SET, the participating employer is 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 period.

PHH also qualifies for ETP's Priority Industry reimbursement as a healthcare employer.

PROJECT DETAILS

In its two previous projects with the same two hospitals, PHH focused on overall upgrade of clinical services and systems through numerous updates to current systems, expansion of existing specialty units, and the addition of new departments to meet quality goals and training for patient care. ETP funding from previous projects allowed the hospitals to provide its nurses with skills necessary to successfully service a rapidly increasing patient population due to the changes brought by various legislative regulations.

As a large private employer, and acute care hospital within a 30-mile radius in the Hemet/Menifee area, the hospitals continue to face increasing patient care demands. Coupled with increased availability of treatment the healthcare reform, PHH expects an overall growth in the general medical, surgical, Intensive Care, and Emergency Room patient services.

In order for the hospitals to anticipate, prepare, and support increased patient volume and the associated demands for patient care services, PHH must promote new standards to improve quality processes, outcomes, and measures. To support these goals, the hospitals will implement the following business strategies to address the challenges brought by regulatory changes and overall business growth in the next two years:

- In 2016, Hemet Valley plans to add 20 subacute beds and 2 Cardiac Catheterization laboratories. The addition of the 2 new laboratories will allow the Hospital to be accredited as a STEMI (ST-elevation myocardial infarction) Center for the greater Hemet community. The Hospital is also scheduled to open a Skilled Nursing Facility in June; and
- Both hospitals plan to increase nursing staff in its Emergency Department to support heavy patient visits. The increase in staff will require the Hospital to expand its 14-week Emergency Department Nurse Residency Training Program to successfully respond to the national and local shortage of experienced ED nurses.

With the lack of inexperienced nurses to pull from within the community, PHH depends on training to provide newly-hired and as incumbent nurses the skills needed to move into specialty areas such as the Emergency Department. The proposed training will differ from and expand on training delivered in past projects. PHH has internally assessed training needs and developed a plan which reflects increased employee training specifically in the Emergency Department such as Emergency Severity Index Level Triage Nursing Skills and Care of Pediatric Patients (20% of the emergency room volume is under the age of 14). Training will focus on advanced arrhythmia recognition; BLS, ACLS, PALS, NRP, TNCC, and ENPC principles; Trauma C-Spine techniques; central lines including E-Z 10 insertions; and Sepsis protocols.

With the assistance of ETP funding, PHH will be able to provide its workers with continued Medical, Computer, and Continuous Improvement Skills training to address the challenges mentioned above and remain competitive in the healthcare industry.

Retrainee - Job Creation

In support of job creation, the Panel offers 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.

With the opening of Hemet Valley's new Skilled Nursing Facility, expanding existing specialty units, and meeting healthcare demands of a growing patient population, PHH has committed to hiring 73 new workers (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

Some nurse training curriculum will be repeated from the prior ETP Agreement. However, training will not be delivered to the same incumbent workers. Training will be delivered at PHH's hospital locations in Hemet and Meniffee in the following:

Medical Skills Training (55%): Approximately 362 RNs receive Medical Skills (MS) training. Trainees will receive didactic and/or clinical with preceptor training. New Graduate RNs, newly-hired experienced nurses, and some incumbent nurses are projected to receive MS Clinical with Preceptor training. Nurses will be assigned to a specific hospital unit where they will complete Clinical Preceptor Skills training under an assigned "preceptor". This training is critical to ensure nurses have critical hands-on skills prior to being assigned their own patients. New Graduate RNs will receive MS Clinical Preceptor training applicable to their assigned departments. Upon successful completion of New Graduate Program training, nurses will be qualified to take on the responsibilities of a staff RN.

All nurses will also receive one or more modules of MS Didactic training (classroom) in advanced medical care to ensure competency. MS Didactic training is essential for RNs to understand the clinical processes and prepare the nurses for work in specialty areas of the hospital such as the emergency department. Further, with the opening of the new Skills Nursing Facility (SNF), all newly-hired RNs and LVNs working at the facility will need significant MS training specific to the SNF's needs regarding facility protocols related to multiple areas of patient care in a skilled nursing environment.

The Panel has established a reimbursement rate of \$22 per hour for nurse upgrade training, recognizing the higher cost of delivery for the Clinical with Preceptor model. The standard class/lab rate for priority industries (\$18 per hour) will apply to Computer Skills and Continuous Improvement training. Training will be provided by in-house trainers but PHH may acquire training vendors during the training period of this contract.

Computer Skills (30%): Training will be provided to all newly-hired and incumbent trainees. Topics will include Microsoft Office (Intermediate and Advanced), Patient Billing and Accounts Receivable (PBAR) Tracking, MediTech Order Entry, and McKesson (Electronic Medical Records) Application Skills. Training will allow trainees to maximize utilization of the Hospital's software systems to effectively connect with patients through technology (patient satisfaction);

include patients and family in the plan of care; learn financial impacts of electronic ordering and documenting; and ensure accuracy for chart review and chart checks.

Continuous Improvement (15%): Training will be provided to all incumbent and newly-hired RNs and LVNs. Course topics in Lean Six Sigma, Organization and Time Management Skills, Quality Improvement and Procedures Skills, Critical Thinking Skills, and Customer Service Skills are projected to help workers streamline processes with the goals of improving customer service as well as patient care and outcome.

Modifications

Training Hours Limitation

In its previous project, PHH requested an increase in the maximum hours from 200 to 260 for New Grad RNs to provide the most critical training needed for new RNs.

The Company is once again requesting to increase the maximum hours for Job Creation trainees (Job Number 2). With the shortage of experienced nurses in the community, PHH must often hire inexperienced graduate nurses who are typically not prepared to assume sole responsibility for patient care. Often times, a New Grad RN trainee will receive up to 400 hours of training to complete the Hospital's New Graduate Program. In their prior projects, Job Creation trainees received an average of 172 hours. As such, to closely mirror the actual average training hours received in the past, the Hospital is requesting a modification to allow up to 260 hours, with average hours of 175 for approximately 18 New Graduate RNs who may require more extensive theory training and practical, clinical knowledge.

Substantial Contribution

A substantial contribution does not apply to this proposal because PHH has not earned \$250,000 or more in incumbent trainee training within five years, in prior agreements at the same facility.

Union Support

This proposal is supported by the California Nurses Association (Hemet); and Nurses and Allied Health Care Worker, SEIU-UHW Los Angeles (Menifee) to train nurses to assist in upgrading their skills which are critical to maintaining quality patient care.

High Unemployment Area

All trainees in this proposal work in a High Unemployment Area (HUA). This is a region with unemployment exceeding the state average by 25%, under the Panel's standards. The determination of HUA status is based on unemployment data from the Labor Market Information Division of the Employment Development Department. Although Menifee Valley and Hemet Valley in Riverside County qualifies for HUA status under these standards, it is not requesting for a wage or retention modification.

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's current annual training budget is approximately \$531,110 (\$351,110 for Hemet Valley and \$180,000 for Meniffee Valley). This budget covers annual In-Service Assessment, Sexual Harassment Prevention training, OSHA Safety, Workplace Diversity, New-Hire Orientation, Basic Computer Skills, Leadership Workshops, Preceptor Workshops, Dementia Education, Pain Management Addiction Prevention, Newborn Assessment, Stroke Education, and other basic job-related skills training. The Company will continue to provide these trainings during the term of the proposed Agreement at their own expense.

Impact/Outcome

The specialty training programs will help meet the need of trained staff and increase the ability to recruit staff. With the increase in Emergency Room patients and opening of the new Skilled Nursing Facility, PHH anticipates rapid expansion of its specialty services which requires trained staff to provide patient care. Specialty trained RNs are limited in numbers; therefore, can be difficult to recruit. In order to meet the demand for filling new RN positions and specialty RNs, the Company needs to provide specialty training to increase the ability to recruit, support retention, and make way for career advancement within the hospital. ETP funding will allow the Company to provide extensive nurse training in order to meet mandated nurse-to-patient ratios, specifically for positions lost to attrition, or staff that transitioned to other specialty units.

RECOMMENDATION

Staff recommends approval of this proposal.

ACTIVE PROJECTS

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

Agreement No.	Approved Amount	Term	No. Trainees (Estimated)	No. Completed Training	No. Retained
ET15-0305	\$368,180	11/24/14 – 11/23/16	384	194	TBD*

*All projected trainees have completed training and are in the 90-day retention period. To date, the Contractor has tracked and reported 23,231 (\$328,872) eligible training hours for 194 trainees who have completed training. Based on the aforementioned hours tracked, the Contractor expects to earn 89% of the Agreement amount (of which, a total of \$27,940 earned in incumbent trainee funding) once all retention is completed.

PRIOR PROJECTS

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET13-0231	Hemet and Meniffee	1/7/13 – 1/6/15	\$398,000	\$360,777 (91%)*

*Includes a total of \$88,741 earned in incumbent trainee funding.

DEVELOPMENT SERVICES

N/A

ADMINISTRATIVE SERVICES

N/A

TRAINING VENDORS

To Be Determined

Exhibit B: Menu Curriculum

Class/Lab Hours

8 – 200

8 – 260 (New Graduate RN Only)

Trainees may receive any of the following:

MEDICAL SKILLS TRAINING — DIDACTIC

- Acute Psychiatric Care
- Acute Myocardial Infarction
- Advanced Cardiac Life Support (ACLS)
- Arterial Blood Gas (ABG) Interpretation
- Behavioral Health Nursing Skills
- Basic Life Support (BLS)
- Body Mechanics
- Care of Bariatric Patient
- Care of the Cardiac Patient
- Care of the Burn Patient
- Care of the Neurosurgical Patient
- Care of Pediatric Patients (Acute Care, Intensive Care)
- Care of the Stroke Patient
- Central Lines Management
- Chest Tube Care & Management
- Code Blue Response & Procedures
- Critical Care Nursing Skills
- Decontamination Procedures
- Diabetes Care & Management
- Dysrhythmia Recognition & Interpretation
- EKG & Cardiac Monitoring
- Electronic Fetal Monitoring (Beginning & Advanced)
- Emergency Care of the Burn Patient
- Emergency Room Nursing Skills
- Equipment Skills (IV pumps, cardiac telemetry, vital signs, pulse-oximeter, ventilators, specialty beds and mattresses, etc.)
- Gastrointestinal Assessment and Management
- Hemodynamic Monitoring
- Infection Control
- Intra-Aortic Balloon Pump Therapy (IABP)
- Intra-Cranial Pressure Monitoring & Ventriculostomy
- Intravenous (IV) Insertion & Therapy
- Kinetic Therapy
- Labor, Delivery and Postpartum Nursing Skills
- Management of the Renal Transplant Surgical Patient
- Medical/Surgical Nursing Skills
- Medication Administration & Management
- Moderate Sedation
- Neonatal Advanced Life Support (NALS)
- Neonatal/Infant Pain Scale (NIPS)
- Neonatal Intensive Care Unit (NICU) Nursing Skills
- Neonatal Nursing Skills
- Neonatal Resuscitation Provider (NRP)
- New Graduate Nursing Skills

- Nurse Orientation Training **(for New Grads only)**
- Nursing Diagnosis Skills
- Nursing Process Skills
- Obstetric Trauma
- Oncology Nursing Skills
- Orthopedic Nursing Skills
- Ostomy & Continence Care
- Pain Management (Acute & Chronic)
- Patient Assessment & Care
- Patient Fall Prevention
- Pediatric Advanced Life Support (PALS)
- Peri-Operative Nursing Skills
- PICC Line Insertion
- Pre and Post-Operative Care
- Psychiatric Nursing Skills
- Psychotropic Medications
- Rapid Response Skills
- Renal Assessment & Management
- Respiratory Assessment & Care
- Restraints
- Surgical Nursing Skills
- S.T.A.B.L.E.
- Telemetry Nursing Skills
- Total Parenteral Nutrition (TPN)
- Transfer Techniques
- Triage Nursing Skills
- Trauma Nursing Skills
- Ventilator and Tracheotomy Care
- Versant New Graduate Program Skills
- Wound & Skin Care

MEDICAL SKILLS TRAINING — CLINICAL PRECEPTOR

- **Behavioral Health/Psychiatric Acute Care Services Unit**
 - Patient Assessment & Care
 - Acute Psychiatric Care
 - Behavioral Health Nursing Skills
 - Electroconvulsive Therapy (ECT) Skills
 - Care of Pediatric/Adolescent Psychiatry Patient
- **Burn Center Unit Training**
 - Emergency Care of the Burn Patient
 - Patient Assessment & Care
 - Care of the Burn Patient
- **Emergency Department Training**
 - Emergency Room Nursing Skills
 - Emergency Care of the Burn Patient
 - OB Trauma
 - Trauma Nursing Skills
 - Triage Nursing Skills
 - Care of Pediatric Patients
- **Intensive Care Unit/Critical Care Unit Training**
 - Critical Care Nursing Skills
 - Patient Assessment & Care

- Intra-Aortic Balloon Pump (IABP) Therapy
- Intracranial Pressure Monitoring & Ventriculostomy
- Hemodynamic Monitoring
- Pre and Post-Operative Care
- Care of Trauma Patient
- Management of the Renal Transplant Surgical Patient
- Ventilator & Tracheotomy Care
- **Long-Term Care Unit**
 - Subacute, Skilled Nursing, Transitional Care & Hospice
 - Patient Assessment & Care
 - Geriatric Nursing Skills
 - MedSurg Nursing Skills
 - Pre and Post-Operative Care
 - Orthopedic Nursing Skills
 - Oncology Nursing Skills
 - Hospice Nursing Skills
- **Medical/Surgical Unit Training**
 - Patient Assessment & Care
 - Medical/Surgical Nursing Skills
 - Pre and Post-Operative Care
 - Orthopedic Nursing Skills
 - Management of the Renal Transplant Surgical Patient
 - Oncology Nursing Skills
- **Neonatal intensive Care Unit (NICU) Training**
 - Patient Assessment & Care
 - Neonatal Resuscitation Provider (NRP)
 - Neonatal Advanced Life Support
 - Neonatal Intensive Care Unit (NICU) Nursing Skills
 - Neonatal/Infant Pain Scale (NIPS)
 - Palliative Care
- **Obstetrics Unit Training**
 - Patient Assessment & Care
 - Antepartum, Labor, Delivery and Postpartum Skills
 - Neonatal Nursing Skills
 - S.T.A.B.L.E.
 - Advanced & Electronic Fetal Monitoring
 - Neonatal Resuscitation Provider (NRP)
 - Neonatal Intensive Care Unit (NICU) Nursing Skills
- **Operating Room and Post-Anesthesia Care Unit (PACU) Training**
 - Patient Assessment & Care
 - Trauma Nursing Skills
 - Care of the Burn Patient
 - Peri-Operative Nursing Skills
 - Pre and Post-Operative Care
- **Pediatric Services Unit**
 - Care of Pediatric Patients (Acute Care, Intensive Care)
 - Patient Assessment & Care
 - Pre & Post-Operative Care
- **Rehabilitation Services Unit Training**
 - Patient Assessment & Care

- Medical/Surgical Nursing Skills
- Pre and Post-Operative Care
- Post-Orthopedic Surgery Nursing Skills
- Post-Trauma Injury Nursing Skills
- Post-Neurological Injury Nursing Skills
- **Special Care Unit Training**
 - Patient Assessment and Care
 - Critical Care Nursing Skills
 - Ventilator & Tracheotomy Care
 - Hemodynamic Monitoring
 - Total Parenteral Nutrition
- **Surgical Services Unit Training**
 - Patient Assessment & Care
 - Trauma Nursing Skills
 - Surgical Nursing Skills
 - Pre and Post-Operative Care
- **Telemetry Unit Training**
 - Care of the Cardiac Patient
 - EKG & Cardiac Monitoring
 - Dysrhythmia Interpretation
 - Telemetry Nursing Skills
 - Pre and Post-Operative Care
 - Care of the Neurosurgical Patient
 - Intravenous (IV) Therapy
 - Oncology Nursing Skills

COMPUTER SKILLS

- Microsoft Office/Excel Skills (Intermediate and Advanced)
- Patient Billing and Accounts Receivable (PBAR) tracking Skills
- MediTech Order Entry Skills
- (McKesson) Electronic Medical Records Application Skills

CONTINUOUS IMPROVEMENT

- Case Management/Discharge Planning
- Frontline Leadership Skills
- Communications Skills
- Conflict Resolution Skills
- CORE Measures
- Crisis Prevention Intervention (CPI)
- Critical Thinking Skills
- Culturally Appropriate Care
- Customer Service Skills
- Documentation Skills
- Educating the Patient & Family
- Evidence-Based Practices
- Lean Six Sigma
- Organization and Time Management Skills
- Patient and Family Centered Care Skills
- Preceptor Skills (train-the-trainer)
- Quality Improvement and Procedures Skills
- Team Building Skills

- Utilization Review

Note: Reimbursement for retraining is capped at 260 total training hours per trainee, regardless of the method of delivery.



**California
Nurses
Association**



**National
Nurses
United**

A Voice for Nurses. A Vision for Healthcare.

OAKLAND
155 Grand Avenue
Oakland CA 94612
phone: 800-287-5021
fax: 510-663-1625

SAN DIEGO
3160 Camino Del Rio S
Suite 305
San Diego CA 92108
phone: 619-516-4917
fax: 619-516-4922

February 28, 2016

Jill McAloon Acting Director
Employment Training Panel
1100 J Street, 4th Floor
Sacramento, CA. 95814

Dear Ms. McAloon

I'm writing on behalf of C.N.A./California Nurses Association. Our Union represents RN Employees at Physicians for Healthy Hospitals/DBA Hemet Valley Medical Center. We support the application for training being submitted to the Employment Training Panel by this hospital. We firmly believe the funding will assist our members in upgrading their skills which are critical to providing quality patient care.

Please contact me if you have any questions.

Sincerely

A handwritten signature in black ink, appearing to read "Stephen Matthews".

Stephen Matthews
Labor Representative
C.N.A.



7012 0470 0002 4731 0039
RETURN RECEIPT REQUESTED
U.S. CERTIFIED MAIL

March 10, 2016

Brian Broad, Chairperson
Employment Training Panel
1100 J Street – 4th Floor
Sacramento, California 95814

Dear Brian Broad:

I'm writing on behalf of SEIU United Healthcare Workers-West. Our Union represents employees at Physicians for Healthy Hospitals / DBA Hemet Valley Medical Center and Menifee Valley Medical Center. We support the application for training funding being submitted to the Employment Training Panel by these hospitals. We believe the funding will assist our members in upgrading their skills which are critical to maintaining quality patient care.

Please contact me if you any further questions.

Respectfully,

Ferdinand Silerio
Union Representative – Hospital Division
SEIU United Healthcare Workers-West
5480 Ferguson Drive
Los Angeles, California 90022
Cell: (213) 716-6734
Fax: (323) 721-3538
E-mail: fsilerio@seiu-uhw.org

Cc: Michele Bird, Vice President Human Resources PHH
Ryn Schneider, Assistant Director Hospital Division
Norma Gutierrez, Field Director Hospital Division
Files

UNITED HEALTHCARE
WORKERS WEST
SERVICE EMPLOYEES
INTERNATIONAL
UNION, CLC

Dave Regan - President
Stan Lyles - Vice President

50 Thomas L Berkley Way
Oakland, CA 94612
510-251-1250
FAX 510-763-2680

5480 Ferguson Drive
Los Angeles, CA 90022
323-734-8399
FAX 323-721-3538



RETRAINEE - JOB CREATION

Training Proposal for:

Reborn Cabinets

Agreement Number: ET17-0147

Panel Meeting of: July 22, 2016

ETP Regional Office: San Diego

Analyst: J. Davey

PROJECT PROFILE

Contract Attributes:	Job Creation Initiative Priority Rate Retrainee	Industry Sector(s):	Manufacturing Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Los Angeles, Orange	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: 169	U.S.:169	Worldwide: 169
<u>Turnover Rate:</u>	14%		
<u>Managers/Supervisors:</u> (% of total trainees)	11%		

FUNDING DETAIL

<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">Program Costs</td></tr> <tr><td style="text-align: center;">\$266,040</td></tr> </table>	Program Costs	\$266,040	-	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">(Substantial Contribution)</td></tr> <tr><td style="text-align: center;">\$0</td></tr> </table>	(Substantial Contribution)	\$0	=	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">(High Earner Reduction)</td></tr> <tr><td style="text-align: center;">\$0</td></tr> </table>	(High Earner Reduction)	\$0	=	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">Total ETP Funding</td></tr> <tr><td style="text-align: center;">\$266,040</td></tr> </table>	Total ETP Funding	\$266,040
Program Costs														
\$266,040														
(Substantial Contribution)														
\$0														
(High Earner Reduction)														
\$0														
Total ETP Funding														
\$266,040														

In-Kind Contribution:	100% of Total ETP Funding Required	\$289,556
-----------------------	------------------------------------	-----------

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, Commercial Skills, Computer Skills, Continuous Impr, Mfg Skills, Mgmt Skills, Literacy Skills	154	8-200	0	\$1,260	*\$16.48
				Weighted Avg: 70			
2	Retrainee Priority Rate Job Creation Initiative	Business Skills, Commercial Skills, Computer Skills, Continuous Impr, Mfg Skills, Mgmt Skills, Literacy Skills	40	8-200	0	\$1,800	*\$13.73
				Weighted Avg: 90			

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

Minimum Wage by County: Job Number 1: Los Angeles County – \$16.48/hr.; Orange County – \$16.51/hr. Job Number 2: Los Angeles County – \$13.73/hr.; Orange County – \$13.76/hr.
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
 Up to \$5.00 per hour for Job Number 1 and up to \$3.76 per hour for Job Number 2 may be used to meet the Post-Retention Wage.
****Commission Income:** Sales Staff earn at least the state minimum wage (\$10.00/hr. in Orange County and \$10.50/hr in Los Angeles County), plus commission when newly hired. Once established, pay is based on straight commission, with employees typically earning between \$25 to \$45 per hour in commissions.

**The Company is not in Retail Trade. As such, occupations paid by commission do not fall under the Panel’s Lowest priority” for FY 2016/17.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Engineering Staff		4
Human Resources Staff		3
Installation Staff		27
Manager		17
Manufacturing Staff		26
Marketing Staff		22
Project Manager		10
Sales Staff		45

Job Number 2 – Job Creation		
Installation Staff		10
Manufacturing Staff		10
Sales Staff		20

INTRODUCTION

Founded in 1983, Reborn Cabinets, a family-owned company, designs, manufactures, and installs custom cabinetry for kitchens and baths. The Company's high-quality cabinetry is covered with a unique, catalyzed-conversion varnish finish that distinguishes it from its competitors. The Company's headquarters is located in Anaheim. It also has two showrooms in Lake Forest and Torrance.

Training will be for the employees in Anaheim and will also include employees from the Torrance and Lake Forest showrooms. The Company will be expanding, opening field offices in San Diego and Northern California; however, these two field offices will not be participating. Reborn Cabinets qualifies for standard retraining as a priority industry manufacturer.

PROJECT DETAILS

Reborn Cabinets has grown in the last two years, with sales increasing at a rate of 25% annually. With this, the Company has been trying to hire experienced workers to keep up with demand. However, since 2008 when construction ceased during the economic downturn, many left the industry permanently, leaving the industry with a shortage of skilled workers. The shortage can also be attributed to young people not being encouraged to seek employment in skilled trades. In responses to this shortage, the Company has created its own training program that employs two full-time instructors. This program will train workers with little to no experience towards a career in the industry.

Additionally, training will allow employees to increase their knowledge so they can be promoted to higher paying positions. Providing avenues for growth within the Company can help reduce turnover while keeping experienced workers in-house.

Retrainee - Job Creation

Reborn Cabinets will be expanding business capacity by hiring new employees. The Company is growing (as mentioned above) and has committed to hiring 40 new employees (Job Number 2). New, inexperienced Installation and Manufacturing Staff will be slowly trained on the Company's processes. These employees will allow the Company to keep up with demand. The Company will also be hiring Sales Staff. The date-of-hire 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 (25%): Sales, Marketing, and Human Resources Staff, Project Managers and Managers will participate in training to provide workers with the skills to better manage customer relationships, complex projects, and marketing campaigns; meet sales goals; and ensure effective communication with internal and external customers.

Commercial Skills (20%): Engineering Staff, Installation Staff, and Project Managers will be provided with training to ensure they have the technical skills to provide quality installation solutions for customers.

Computer Skills (10%): Employees in all occupations will have the opportunity to receive Computer Skills training. Managers, Sales and Project Management staff will be the primary focus for Flux, Resi Job Tracking Database and Buildertrend software training to effectively cost and manage projects. Microsoft Office training will be offered for job function efficiency.

Continuous Improvement (15%): Employees in all occupations, with a focus on Manufacturing and Project Management staff, will be provided training to sustain and enhance growth. Training in Lean Manufacturing, Teams, Improving Process Cycle Times and Leading Change will help current and new employees establish a continuous improvement mentality and focus on working effectively within teams. Project Managers will benefit from Time Management and Performance Management training to maximize efficiency and manage multiple priorities.

Manufacturing Skills (20%): Managers, Project Managers, and Engineering and Manufacturing Staff will receive training to better manage increased production demands that come with growth. Production Skills, Quality Systems Requirements, Production and Inventory Management and Writing Standard Operating Procedures will reduce production and inventory issues and ensure greater efficiency between departments. CNC and Forklift certification will provide workers with the skills to effectively and safely perform these operations.

Management Skills (8%): Managers will be provided with targeted training that will permit better management of their teams and develop the next level of leadership so that the organization can continue its growth trajectory.

Literacy Skills (2%): Select Installation & Manufacturing Staff whose limited language skills have been deemed a barrier to further their skills will have the opportunity to participate in Vocational English as a Second Language.

Commitment to Training

Reborn Cabinets 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.

Reborn Cabinets reports that it spends \$500,000 annually on training for its 3 facilities. All employees have participated in some form of training based on their specific jobs. There is particular emphasis on Manufacturing, Installation, and Sales Staff, especially the two former occupations as the Company has created its own in-house “university” to provide skills that are unavailable through any other source.

➤ Training Infrastructure

Reborn Cabinets employs 2 full-time instructors to train Manufacturing and Installation Staff and has internal subject-matter experts for other training areas. The Company will use internal administrative staff to schedule training and collect rosters. The Company has also retained California Manufacturing Technology Consulting to assist with administration.

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

California Manufacturing Technology Consulting (CMTC) in Torrance assisted with development of this proposal. CMTC is eligible to receive 10% of the approved amount of funding for referrals such as this, under a marketing agreement with ETP, not to exceed \$15,000. In this proposal, the fee will be \$15,000. This fee does not affect the approved amount of funding.

ADMINISTRATIVE SERVICES

Reborn Cabinets also retained CMTC to perform administrative services in connection with this proposal for a fee not to exceed 13% 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

- Sales Skills
- Advanced Sales Skills
- Negotiation & Overcoming Objectives
- Providing the Ultimate Customer Experience (for example)
 - Customer Service Skills
 - Telephone Skills and Etiquette
 - Proper Email Techniques
 - How to Ensure Customer Expectations are Met
- How to Measure and Draw Kitchen Projects
- Dealing with Difficult People
- Sales Skills for Customer Service Representatives
- Advanced Strategies for Social Media Marketing

COMMERCIAL SKILLS

- Signature Refacing Installation Training
- Bath Solution Installation Training

COMPUTER SKILLS

- MS Office Intermediate/Advanced
- Flux (Financial Management Software)
- Resi Job Tracking Database
- Buildertrend Software

CONTINUOUS IMPROVEMENT

- Lean Manufacturing
- Improving Process Cycle Times
- Teams and Team Building
- Leading Change
- Time Management Skills
- Motivating Your Team
- Leading Effective Meetings for Problem Solving
- Leadership
- Effective Delegation Strategies
 - Assigning Projects to Subordinates
 - Managing the Assigned Projects
 - Taking Corrective Action When Assignment Issues Arise
- Quality System Requirements, Good Manufacturing Practices & Inspections

MANUFACTURING SKILLS

- Productions Skills
 - Proper Set-Up of the CNC Machine
 - Proper Set-Up and Use for Table Saws
 - Proper Set-Up and Use of the Finish Sander
 - Proper Set-Up and Use of the Automated Finish Line
 - Proper Set-Up and Use of a Hand Router.
 - Proper Set-Up and Use of the Pin Router.
 - Proper Set-Up and Use of the Blum boring machine.
 - Proper Set-Up and Use of Pneumatic Hand Sanders
- Production and Inventory Management
- Forklift Training/Certification
- CNC Training/Certification
- Writing Standard Operating Procedures

MANAGEMENT SKILLS (Management Trainees Only)

- Management/Supervisory Skills
- Leadership Development & Succession Planning
- Essential Management Skills
- Succeeding as a New Manager

LITERACY SKILLS

- Vocational English as a Second Language (VESL)

Literacy Skills cannot exceed 45% of total training hours per-trainee

Safety Training will be limited to 10% of total training hours per-trainee

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



**Training Proposal for:
Anheuser-Busch, LLC**

Agreement Number: ET17-0159

Panel Meeting of: July 22, 2016

ETP Regional Office: Sacramento

Analyst: K. Smiley

PROJECT PROFILE

Contract Attributes:	Priority Rate Retrainee	Industry Sector(s):	Manufacturing Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Solano and Los Angeles	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No International Union of Operating Engineers, Local 501; International Union of Painters and Allied Traders, Local 36; International Brotherhood of Electrical Workers, Local 2295; International Association of Machinists and Aerospace Workers, District Lodge 947; International Brotherhood of Teamsters, Local 896 – Apprentices, Packaging Operators, Brewers and Analysts		
Number of Employees in:	CA: 2,097	U.S.: 13,076	Worldwide: 132,000
Turnover Rate:	15%		
Managers/Supervisors: (% of total trainees)	10%		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$633,276		\$0	\$0		\$633,276

In-Kind Contribution:	100% of Total ETP Funding Required	\$1,131,805
-----------------------	------------------------------------	-------------

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. Improv., Mfg. Skills, PL- Mfg. Skills, HAZMAT, HAZWOPER	718	8-200	0-14	\$882	\$21.87
				Weighted Avg: 49			

Minimum Wage by County: \$15.60 per hour in Solano County and \$16.48 per hour in Los Angeles 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

Although employer provides health benefits, they are not being used to meet Post-Retention Wage.

Wage Range by Occupation

Occupation Titles	Wage Range	Estimated # of Trainees
Packing Operators		323
Brewers		82
Analysts		52
Maintenance Technicians		139
Engineers		20
Utilities Operators		26
Managers		76

INTRODUCTION

Founded in 1852, and headquartered in St. Louis, Anheuser-Busch, LLC (Anheuser) develops, distributes and markets a variety of alcoholic beverages. The Company's products include Budweiser, Corona, Stella Artois and Becks. Anheuser has thirteen locations in California and facilities worldwide however, only the Fairfield and Van Nuys facilities will participate in training. Anheuser is eligible for funding under Out-of-State competition guidelines.

PROJECT DETAILS

In the past year, Anheuser has expanded into the craft beer market. Due to this expansion, Anheuser has invested \$35M dollars in new production equipment for its Fairfield and Van Nuys facilities. This new production equipment includes Stretch Wrappers, Depalletizer, Labelers,

Multipackers, Palletizers and a Crown Elevator. This new production equipment requires that Anheuser train staff on new production processes and procedures to seamlessly incorporate craft beer into their offerings.

Training Plan

Training will be conducted via Class/Lab, CBT, and PL in the following:

Business Skills (10%): Training will be provided to all occupations to enhance communication and problem solving skills. Courses will include Communication, Business Process and Project Management Skills. These courses will increase trainee's skills, enabling them to promote within the Company.

Computer Skills (5%): Training will be provided to Analysts and Managers on Microsoft Word, Access and Excel Software to increase efficiency in tracking and shipping inventory.

Manufacturing Skills (60%): Training will be offered to Packing Operators, Brewers, Maintenance Technicians, Analysts and Utility Operators to increase production knowledge and efficiency. Topics will include Equipment Operations, Lock Out Tag Out and Production Processes, to increase production output and create a safe working environment.

Continuous Improvement (25%): Training will be provided to all occupations to enhance production efficiencies and critical thinking. Courses will include Quality Control, Decision Making, and Operating Procedures.

Productive Laboratory

Anheuser will train 400 Packing Operators, Brewers, Maintenance Technicians and Utility Operators on Bottle Fillers, Labelers, Packers and Palletizers. This training will be at a much slower pace than regular production and will result in high defects. A subject matter expert will conduct training. The trainer will first demonstrate how to use the equipment and then supervise trainees using the equipment. The trainer will attest to the trainee's competency once training is completed.

Training will be provided at a 1:1 trainer-to-trainee ratio. PL training is capped at 40 hours per trainee.

Certified Safety Training

Hazardous Waste Operations and Emergency Response Standard (HAZWOPER). This training is a series of courses specifically designed for workers who handle hazardous substances as first-responders, or clean up as needed at a hazard disposal or emergency site. It consists of 40 hours of classroom or CBT training, for workers stationed at the hazard site; and 24 hours for workers who visit the site (e.g., Engineers). Field training is also required, although not funded by ETP. Completion of the training results in a certificate that expands employment opportunities. Each certification requires an 8-hour annual refresher course. This coursework must be approved by Cal-OSHA, and the instructors must be certified by Cal-OSHA. Trainees will not receive 40 hours of HAZWOPER training unless they work full time onsite at the clean-up location.

Hazardous Materials (HAZMAT). This training is a series of courses, specific to industry sectors involved in the transport of hazardous materials. The coursework varies in length depending on the industry and the occupational title, as organized in five levels ranging from "first responder" to "incident commander." It is generally a minimum of 24 hours with an 8-hour annual refresher, and may be delivered by classroom or CBT. In this proposal, Packing Operators, Brewers, Maintenance Technicians, Engineers, Utility Operators and Managers will receive up to 24

hours of training. Field training may be required, although not funded by ETP. Completion of the training results in a certificate that expands employment opportunities. This coursework is not under Cal-OSHA, but is administered under the Department of Transportation and CalTRANS. There are various certification entities for the coursework and instructors. In this proposal, the certification entity has not yet been determined.

Green/Clean Operations

Anheuser has recently installed solar panels at its Van Nuys facility to produce some of the electricity that is required for production. The use of solar panels will lower Anheuser's production costs and directly benefit the environment.

Commitment to Training

Anheuser has an annual training budget of \$450,000 per facility. Training includes new-hire orientation, staff development, and safety training.

ETP funds will not displace their 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

Anheuser has an in-depth training plan and high-level officials are very committed to this training. They have a detailed training plan and four staff members dedicated to monitoring this project. Training will be delivered by a combination of internal and external subject matter experts in the beverage manufacturing industry.

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

Tax Credit Co of Los Angeles assisted with development services for a flat fee of \$2,500.

ADMINISTRATIVE SERVICES

Tax Credit Co will also assist with administration for a fee not to exceed 4% of earned funds.

TRAINING VENDORS

To Be Determined

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

8-200

Trainees may receive any of the following:

BUSINESS SKILLS

- Business Processes
- Business Writing
- Communication Skills
- Conflict Management
- Interpersonal Skills
- Project Management
- Product Knowledge
- Coaching
- Leadership Skills
- Presentation Skills

COMPUTER SKILLS (Advanced/Intermediate Only)

- Office Word
- Office Excel
- Office Access
- Office PowerPoint

CONTINUOUS IMPROVEMENT

- Best Manufacturing Practices
- Decision Making
- Leadership Skills for Frontline Workers
- Operating Procedures
- Problem Solving
- Process Improvement
- Quality Control
- Team Building
- VPO-Voyager Plant Optimization

HAZARDOUS MATERIALS (Ratio 1:40)

- HazMat

HAZWOPER (Ratio 1:40)**MANUFACTURING SKILLS**

- Confined Space
- Cross Training
- Electrical Training
- Equipment Operations
- Fork Lift Operation
- Glass Handling
- Lean Manufacturing
- Lock Out/Tag Out
- Manufacturing Techniques
- Material Handling

- Production Processes
- Standard Operating Procedures
- Technical Specifications
- Warehousing

Productive Lab Hours (Trainer-to-trainee ratio 1:1)

0-40

MANUFACTURING SKILLS

- Busse Depalletizer
- Meca Filler
- Opera Labeler
- Varioline Packer
- Alvey 942 Palletizer
- Bastian Robotic Operation

CBT Hours

0-14

BUSINESS SKILLS

- | | |
|---------------------------------------|------------|
| • Building Employee Accountability | 1 hour |
| • Conflict Styles | 1 hour |
| • Effective Listening Skills | 1 hour |
| • Effective Questioning Skills | 1 hour |
| • Employee Development Discussion | 1 hour |
| • Motivating Employees | 1 hour |
| • Positive Feedback | 30 minutes |
| • Sending Effective Messages | 1 hour |
| • Steps and Strategies of Influencing | 1 hour |
| • The SARA model | 30 minutes |
| • What is Influence | 1 hour |

CONTINUOUS IMPROVEMENT

- | | |
|---|------------|
| • BRC and Global Food Safety Initiative | 30 minutes |
| • QA: Bottle Line PQC Refresher | 30 minutes |
| • SDCA – Certification Curriculum | 2.5 hours |
| • What is Coaching | 30 minutes |

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

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 excluding HAZWOPER and HAZMAT. PL is capped at 40 hours per-trainee.



**OPERATING &
MAINTENANCE ENGINEERS**
Apprenticeship & Training Trust for Southern California

2501 West Third Street
Los Angeles, CA 90057
T: 213.385.2889
F: 213.388.0696
W: local501.org



July 8, 2016

Mr. Stewart Knox
Executive Director
Employment Training Panel
1100 J Street, 4th Floor
Sacramento, CA 95814

Dear Mr. Knox:

I am writing on behalf of the Operating & Maintenance Engineers Apprenticeship & Training Trust for Southern California. We support the proposal being submitted to the Employment Training Panel from Anheuser Busch company.

This application will assist Anheuser Busch company in meeting our goals. The proposed training will assist our union members in developing new skills to help meet operational demands.

Sincerely,

Operating & Maintenance Engineers Apprenticeship & Training Trust for Southern California



Painters & Allied Trades District Council 36

Grant Mitchell

Business Manager

DRYWALL FINISHERS, FLOORLAYERS, GLAZIERS, PAINTERS, TRADESHOW & SIGNCRAFT

May 24, 2016

Mr. Stewart Knox
Executive Director
Employment Training Panel
1100 J Street, 4th Floor
Sacramento, CA 95814

Dear Mr. Knox:

I am writing on behalf of the Painters and Allied Trades District Council 36. We support the proposal being submitted to the Employment Training Panel from Anheuser- Busch Company.

This application will assist Anheuser-Busch Company in meeting our goals. The proposed training will assist our union members in developing new skills to help meet operational demands.

Sincerely,


Ana M. Hanson, Executive Assistant

C: Margaret S. Drust, Anheuser-Busch

IBEW

LOCAL UNION 2295

International Brotherhood of Electrical Workers A.F.L. - C.I.O.



3556 Lexington Avenue, 2nd Floor

(626) 454-4393

El Monte, California 91731

June 6, 2016

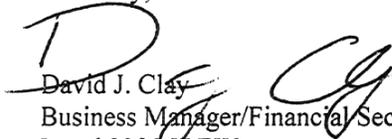
Mr. Stewart Knox
Executive Director
Employment Training Panel
1100 J Street, 4th Floor
Sacramento, CA 95814

Dear Mr. Knox:

I am writing on behalf of the International Brotherhood of Electrical Workers Local 2295. We support the proposal being submitted to the Employment Training Panel from Anheuser-Busch company.

This application will assist Anheuser-Busch company in meeting our goals. The proposed training will assist our union members in developing new skills to help meet operational demands.

Sincerely,


David J. Clay
Business Manager/Financial Secretary
Local 2295 IBEW

The I.B.E.W. is the *oldest, largest, most experienced* electrical union
in America and Canada



IAMAW DISTRICT LODGE 947

535 W. Willow St. • Long Beach, CA 90806 • (562) 427-8900 • Fax (562) 427-1122

May 25, 2016

Mr. Stewart Knox
Executive Director
Employment Training Panel
1100 J Street, 4th Floor
Sacramento, CA 95814

Dear Mr. Knox:

I am writing on behalf of the International Association of Machinists and Aerospace Workers. We support the proposal being submitted to the Employment Training Panel from Anheuser Busch.

This application will assist Anheuser Busch in meeting our goals. The proposed training will assist our Union members in developing new skills to help meet operational demands.

Sincerely,

James Perks

IAMAW District 947, Local 311

Brewery Soda and Mineral Water Bottlers of California
STATEWIDE JURISDICTION

Teamsters Local Union No. 896

Affiliated with International Brotherhood of Teamsters

Phil Cooper, Secretary-Treasurer

Brian Indelicato, Business Representative

Southern California

3303 Wilshire Blvd., Suite 300
Los Angeles CA 90010
Office: 213.388.3144
Fax: 213.388.6360

Northern California

301 Georgia Street, Suite 220
Vallejo CA 94590
Office: 707.644.8896
Fax: 707.644.8899

June 4, 2016

Mr. Stewart Knox
Executive Director
Employment Training Panel
1100 J Street, 4th Floor
Sacramento, CA 95814

Dear Mr. Knox:

I am writing on behalf of the Teamsters Local Union #896. We support the proposal being submitted to the Employment Training Panel from Anheuser-Busch Brewery, Los Angeles.

This application will assist the Anheuser-Busch Brewery, Los Angeles, in meeting our goals. This proposed training will assist our union members in developing new skills to help meet operational demands.

Sincerely,



Phil Cooper
Secretary-Treasurer
Teamsters Local Union 896



Training Proposal for:
Glendale Community College
Professional Development Center

Agreement Number: ET17-0124

Panel Meeting of: July 22, 2016

ETP Regional Office: North Hollywood

Analyst: M. Paccereili

PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate SB <100 HUA Veterans	Industry Sector(s):	Manufacturing Aerospace and Defense Warehousing Transportation/Logistics Services Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Los Angeles; Orange; Riverside; San Bernardino; San Diego; Ventura; Kern	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
\$865,132		\$59,938 8%		\$925,070

In-Kind Contribution:	50% of Total ETP Funding Required	\$909,360
------------------------------	--	------------------

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	Computer Skills, Cont. Impr., Adv. Tech., HazMat.	44	8-200	0	\$802	\$15.60
				Weighted Avg: 50			
2	Retrainee Priority Rate	Computer Skills, Cont. Impr., Adv. Tech., HazMat.	312	8-200	0	\$1,001	\$15.60
				Weighted Avg: 52			
3	Retrainee Priority Rate SB <100 HUA	Computer Skills, Cont. Impr., Adv. Tech., HazMat.	8	8-200	0	\$1,390	\$11.70*
				Weighted Avg: 50			
4	Retrainee Priority Rate SB <100	Computer Skills, Cont. Impr., Adv. Tech., HazMat.	225	8-200	0	\$1,390	\$15.60
				Weighted Avg: 50			
5	Retrainee SB <100	Computer Skills, Cont. Impr., Adv. Tech., HazMat.	124	8-200	0	\$1,176	\$15.60
				Weighted Avg: 50			
6	Retrainee Priority Rate SB <100 Veterans	Computer Skills, Cont. Impr., Adv. Tech., HazMat.	64	8-200	0	\$1,390	\$15.60
				Weighted Avg: 50			
7	Retrainee Veterans	Computer Skills, Cont. Impr., Adv. Tech., HazMat.	16	8-200	0	\$1,176	\$15.60
				Weighted Avg: 50			

Minimum Hourly Wage by County: Job Numbers 1-2 & 4-7: \$16.48 for Los Angeles County; \$16.51 for Orange County; \$16.46 for San Diego County; and \$15.60 for Ventura, Riverside, Kern and San Bernardino Counties.

Job Number 3 (HUA): \$12.36 for Los Angeles County; \$12.38 for Orange County; \$12.34 for San Diego County; and \$11.70 for Ventura, Kern, Riverside and San Bernardino 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 I	*	24
Administrative/Support Staff II		40
Customer Service Staff		40
Engineer/Designer		110
Finance/Accounting Staff		40
Inspector		50
Machine Operator/CNC Specialist		120
Manufacturing/Production Staff I	*	35
Manufacturing/Production Staff II		69
Material Handler/Operator		60
Technician		50
Warehouse Logistics Staff		80
Manager/Supervisor		60
Owner <i>(for Job Numbers 3-6 only)</i>		15

* It will be made a condition of contract that these trainees will never be paid less than the State or local minimum wage rate as in effect at the end of retention (Final Payment) regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

INTRODUCTION

This will be the 38th Agreement between ETP and Glendale Community College Professional Development Center (GCC) (www.pdcfgcc.com). Founded in 1927, GCC provides customized, job-specific training for businesses and workers through its Professional Development Center.

GCC has trained more than 36,000 workers from 4,800 Southern California employers during its 30-year history of funding through ETP, of which 82% were small business employers and 96% were Panel-recognized priority industries.

PROJECT DETAILS

Although the contract term ends in 2017, GCC is seeking a new ETP contract because the funds for their most recent Agreement will be exhausted by August 2016. With the 90-day retention period, all contract requirements will be completed by November 2016.

Participating employers have expressed a need for training because they are struggling to keep up with technology and competitors. These employers are expressing the need to build employees' skills to work in a continuously changing environment. Many are investing in automated systems and software packages to increase productivity, efficiency, and accuracy. Some employers are reorganizing operations to meet procurement, development and technology changes.

Curriculum Development

GCC determines participating employers' specific demands for training based on a pre-training structured assessment and screening process. The core curriculum in this proposal has been developed by GCC over the last 30 years. It is continually revised according to the demands and feedback of the participating companies.

When applicable, labor organizations are involved in the development of the curriculum and training plans. GCC trainers work closely with the labor representative and the employer to ensure that the training meets the goals and objectives set forth by the union.

Veterans Program

The Panel has established a higher reimbursement rate and other incentives for training California veterans.

GCC is committed to retraining 80 incumbent-worker Veterans who have served on active full-time duty in the Armed Forces in Job Numbers 6 and 7. This effort is supported by ETP through a higher reimbursement rate and other training incentives under the Veterans Program.

Training Plan

ETP training funds are requested to specifically assist retraining of workers for manufacturing companies facing fierce out-of-state competition. The proposed training will promote the retention and expansion of California's manufacturing workforce. The "core" group of employers represents over 80% of requested funding.

Computer Skills (38%) - Training will provide all occupations in the use of the most current technology in areas such as MS Project, Computer Numerical Control Programming, AutoDesk, Solid Modeling, and Manufacturing Resource Planning.

Continuous Improvement (50%) - Training will provide all occupations opportunities for improvement in daily processes, while working more efficiently to reduce errors and reduce operating costs. Topics include Lean Operations, Geometric Dimensioning & Tolerancing, Six Sigma, Planning, Purchasing and Inventory Management.

Hazardous Materials (2%) - Training will provide all occupations with the proper techniques and procedures required for handling or disposing of hazardous materials.

Advanced Technology (10%)

GCC is requesting the higher reimbursement rate for Advance Technology (AT) courses. The AT training will be provided to Engineers and Manufacturing/Production Staff (CAD Designers, Machinists, Tool Makers and Model Makers) to utilize recent advances in 3D computer-aided design and to work with the new generations of computer-aided manufacturing. State-of-the-art computer systems are needed to deliver this training and the licenses required for the software is very expensive. In addition, special equipment such as free-arm digitizers, laser scanners, and compressors are used in the training.

AT will be delivered in highly technical learning environments, including special curricula, instructors and training labs. The costs for delivering AT training range from \$900 - \$1400 per day, plus hardware, software, and setup costs. Additional software licensing will be purchased so trainees can have as much training time as possible. These highly technical courses will

have a 1:10 trainer to trainee ratio to allow for in-depth coverage and personal attention from the instructor.

Commitment to Training

GCC represents that ETP funds will not displace the existing financial commitment to training of participating employers and that safety training is provided by the participating employers in accordance with all pertinent requirements under state and federal law. ETP training funds will supplement training that is not currently being provided. GCC programs provide in-depth skill development that employers are not able to provide without this funding and will develop skills that upgrade employee performance so companies can remain competitive.

Most of the small employers are unable to provide significant training to their employees due to a lack of training funds. Larger companies may offer more training for their employees, but need to expand training in areas where they do not have the budget or expertise.

Marketing and Support Costs

To identify specific training needs of the business community, GCC continuously markets their training programs in a variety of ways including personal contact, telephone calls, direct mail, and email announcements to recruit companies.

GCC is also a member of several organizations including five local Chambers of Commerce, the Economic Alliance of the San Fernando Valley, the Valley Industrial Commerce Association, Professionals in Human Resources Associations, Society of Manufacturing Engineers, and partners with the Verdugo Workforce Investment Board, the Association for Operations Management, and the Institute for Supply Management. Within these large networks of employers, GCC markets their customized training programs through presentations and forums at local meetings and tradeshows. All programs are customized to meet the needs of the participating employers.

There are currently four full-time staff members dedicated to the marketing, employer recruitment, scheduling and ETP administration. GCC is requesting 8% support costs for this proposal to cover the cost of recruiting additional employers and assessing employer-specific job training requirements. Employer recruitment, including the recruitment of small businesses, and assessment activities will go on throughout the contract term.

Substantial Contribution

GCC serves large and small companies, some of which may have received training in prior ETP contracts. If a large participating employer (over 100 full-time employees) has received the benefit of training with payment earned in excess of \$250,000 within the past five years, reimbursement for trainees at the same facility will be reduced by 15% to reflect that employer's substantial contribution to the cost of training. Funding for any employer that has previously been assessed a substantial contribution will be reduced by 30%. Small businesses with 100 or fewer full-time employees are not subject to this provision.

High Unemployment Area

The eight trainees in Job Number 3 work in High Unemployment Areas (HUA), with unemployment exceeding the state average by at least 25%. The participating employees who qualify are located in Los Angeles, Orange, Kern, Riverside, Ventura and San Bernardino counties.

➤ Wage Modification

GCC is requesting the HUA waiver for trainees in Job Number 3. For these trainees, the Panel may modify the ETP Minimum Wage by up to 25% if post-retention wages exceed the start-of-training wages.

Tuition Reimbursement

GCC represents that students enrolled in the ETP-funded program will not be charged tuition, fees, or any other costs associated with training. The representation will be made a condition of the Agreement.

RECOMMENDATION

Staff recommends approval of this proposal.

ACTIVE PROJECTS

The following table summarized performance by GCC under an active ETP Agreement:

Agreement No.	Approved Amount	Term	No. Trainees (Estimated)	No. Completed Training	No. Retained
ET16-0103	\$826,270	07/07/15-07/06/17	708	419	203

ET16-0103 - Based on ETP Online Systems, 33,759 reimbursable hours have been tracked for potential earnings of \$784,957 (95% of approved amount). The Contractor projects final earnings of 100% based on training in progress and currently committed through August 2016. Retention is expected to complete by the end of 2016.

PRIOR PROJECTS

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned
ET15-0224	Statewide	09/02/14-09/01/16	\$648,666	\$648,666 (100%)
ET13-0240	Statewide	06/13/13-06/12/15	\$1,150,115	\$1,137,431 (99%)
ET12-0159	Statewide	11/28/11-11/27/13	\$747,006	\$742,679 (99%)
ET11-0202	Statewide	03/30/11-03/29/13	\$398,646	\$397,912 (99%)

DEVELOPMENT SERVICES

N/A

ADMINISTRATIVE SERVICES

N/A

TRAINING VENDORS

N/A

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

8-200

Trainees may receive any of the following:

COMPUTER SKILLS

- Intermediate/Advanced Excel, Word, Access
- Microsoft Project
- Electronic Commerce, Cyber Security, Social Media Marketing
- Crystal Reports, QuickBooks, Adobe, Visual Basics
- Manufacturing Resource Planning
- Enterprise Resource Planning
- Microsoft Office Suite (Small Business Only)
- CNC Programming and CNC Applications

CONTINUOUS IMPROVEMENT

- Leadership and Management
- Lean Processes and Principles
- Six Sigma
- Kaizen Methodology
- Problem Solving
- Team Building
- Statistical Process Control
- Marketing, Planning and Negotiating
- Business Writing
- Inspection Techniques
- Shop Math and Blueprint Reading
- Geometric Dimensioning and Tolerancing
- Purchasing and Sourcing
- Negotiations
- Project Management
- Supply Chain Management
- Master Planning of Resources
- Scheduling and Planning
- Execution and Control of Operations
- Strategic Management of Resources

HAZARDOUS MATERIALS

- Hazardous Materials Handling
- Hazardous Chemical Cleaning/Handling
- Hazardous Waste Cleaning
- Environmental Monitoring and Personal Protection Equipment
- Hazardous Waste Management and Transportation
- Environmental Liability and Risk Management
- Solid Waste Recycling

ADVANCED TECHNOLOGY (Ratio 1:10)

- CATIA
- Master CAM X
- Advanced Master CAM X
- SolidWorks
- Advanced SolidWorks
- Unigraphics
- Vericut
- CADWorx
- Coordinate Measurement Machine Inspection

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

**Participating Employers in Retrainee/New Hire
Multiple Employer Contractor (MEC) Agreements
(ETP 100B)**

Contractor's Name: Glendale Community College PDC

CCG No.: ET17-0124

Reference No: 16-0493

Page 1 of 10

PRINT OR TYPE IN ALPHABETICAL ORDER

Company: Aerospace Dynamics International

Address: 25540 W. Rye Canyon Road

City, State, Zip: Valencia, CA 91355

Collective Bargaining Agreement(s): N/A

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

Total # of full-time company employees worldwide: 694

Total # of full-time company employees in California: 694

Company: AG Machining Inc.

Address: 609 Science Dr.

City, State, Zip: Moorpark, CA 93021

Collective Bargaining Agreement(s): N/A

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

Total # of full-time company employees worldwide: 160

Total # of full-time company employees in California: 160

Company: Alliance United Insurance

Address: 9121 Oakdale Avenue

City, State, Zip: Chatsworth, CA 91311

Collective Bargaining Agreement(s): N/A

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

Total # of full-time company employees worldwide: 6,100

Total # of full-time company employees in California: 600

Company: Alpha Machinery

Address: 11174 Penrose St. #3

City, State, Zip: Sun Valley, CA 91352

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 2

Total # of full-time company employees worldwide: 3

Total # of full-time company employees in California: 3

**Participating Employers in Retrainee/New Hire
Multiple Employer Contractor (MEC) Agreements
(ETP 100B)**

Contractor's Name: Glendale Community College PDC

CCG No.: ET17-0124

Reference No: 16-0493

Page 2 of 10

PRINT OR TYPE IN ALPHABETICAL ORDER

Company: American Best Engineering

Address: 2905 Winona Avenue

City, State, Zip: Burbank, CA 91504

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 1

Total # of full-time company employees worldwide: 12

Total # of full-time company employees in California: 12

Company: Baxalta Inc.

Address: 4501 Colorado Blvd.

City, State, Zip: Los Angeles, CA 90039

Collective Bargaining Agreement(s): N/A

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

Total # of full-time company employees worldwide: 16,000

Total # of full-time company employees in California: 3,000

Company: Boehm & Associates

Address: 425 E. Colorado St., Ste. 420

City, State, Zip: Glendale, CA 91205

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 1

Total # of full-time company employees worldwide: 24

Total # of full-time company employees in California: 24

Company: C/L Enterprises Inc. (Lenslight)

Address: 12950 Raymer St.

City, State, Zip: North Hollywood, CA 91605

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 1

Total # of full-time company employees worldwide: 9

Total # of full-time company employees in California: 9

**Participating Employers in Retrainee/New Hire
Multiple Employer Contractor (MEC) Agreements
(ETP 100B)**

Contractor's Name: Glendale Community College PDC

CCG No.: ET17-0124

Reference No: 16-0493

Page 3 of 10

PRINT OR TYPE IN ALPHABETICAL ORDER

Company: Chatsworth Products Inc.

Address: 9353 Winnetka Avenue

City, State, Zip: Chatsworth, CA 91311

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 1

Total # of full-time company employees worldwide: 500

Total # of full-time company employees in California: 99

Company: Crane Aerospace & Electronics

Address: 3000 Winona Avenue

City, State, Zip: Burbank, CA 91504

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 70

Total # of full-time company employees worldwide: 1,555

Total # of full-time company employees in California: 555

Company: Creative Technology

Address: 14000 Arminta Street

City, State, Zip: Panorama City, CA 91402

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 1

Total # of full-time company employees worldwide: 600

Total # of full-time company employees in California: 150

Company: Dynamo Aviation

Address: 16760 Schoenborn St.

City, State, Zip: North Hills, CA 91343

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 75

Total # of full-time company employees worldwide: 130

Total # of full-time company employees in California: 130

**Participating Employers in Retrainee/New Hire
Multiple Employer Contractor (MEC) Agreements
(ETP 100B)**

Contractor's Name: Glendale Community College PDC

CCG No.: ET17-0124

Reference No: 16-0493

Page 4 of 10

PRINT OR TYPE IN ALPHABETICAL ORDER

Company: Dytran Instruments Inc.

Address: 21592 Marilla St.

City, State, Zip: Chatsworth, CA 91311

Collective Bargaining Agreement(s): N/A

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

Total # of full-time company employees worldwide: 162

Total # of full-time company employees in California: 162

Company: Embraer Aero Seating Technologies

Address: 5795 Martin St.

City, State, Zip: Irwindale, CA 91706

Collective Bargaining Agreement(s): N/A

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

Total # of full-time company employees worldwide: 18,000

Total # of full-time company employees in California: 60

Company: F. Gavina & Sons Inc.

Address: 2700 Fruitland Avenue

City, State, Zip: Vernon, CA 90058

Collective Bargaining Agreement(s): N/A

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

Total # of full-time company employees worldwide: 245

Total # of full-time company employees in California: 235

Company: GAF

Address: 11800 Industry Avenue

City, State, Zip: Fontana, CA 92337

Collective Bargaining Agreement(s): N/A

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

Total # of full-time company employees worldwide: 3,500

Total # of full-time company employees in California: 275

**Participating Employers in Retrainee/New Hire
Multiple Employer Contractor (MEC) Agreements
(ETP 100B)**

Contractor's Name: Glendale Community College PDC

CCG No.: ET17-0124

Reference No: 16-0493

Page 5 of 10

PRINT OR TYPE IN ALPHABETICAL ORDER

Company: Hydra Electric Company

Address: 3151 Kenwood St.

City, State, Zip: Burbank, CA 91505

Collective Bargaining Agreement(s): N/A

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

Total # of full-time company employees worldwide: 163

Total # of full-time company employees in California: 163

Company: Hydromach Inc.

Address: 20400 Prairie St.

City, State, Zip: Chatsworth, CA 91311

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 2

Total # of full-time company employees worldwide: 36

Total # of full-time company employees in California: 36

Company: Logic Mate Inc.

Address: 520 N. Central Ave., #100

City, State, Zip: Glendale, CA 91203

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 5

Total # of full-time company employees worldwide: 23

Total # of full-time company employees in California: 23

Company: Molnar Engineering Inc. dba Lee's Enterprise

Address: 20731 Marilla Street

City, State, Zip: Chatsworth, CA 91311

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 1

Total # of full-time company employees worldwide: 36

Total # of full-time company employees in California: 36

**Participating Employers in Retrainee/New Hire
Multiple Employer Contractor (MEC) Agreements
(ETP 100B)**

Contractor's Name: Glendale Community College PDC

CCG No.: ET17-0124

Reference No: 16-0493

Page 6 of 10

PRINT OR TYPE IN ALPHABETICAL ORDER

Company: Moore Industries International Inc.

Address: 16650 Schoenborn Street

City, State, Zip: North Hills, CA 91343

Collective Bargaining Agreement(s): N/A

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

Total # of full-time company employees worldwide: 154

Total # of full-time company employees in California: 150

Company: Mueller Gages

Address: 318 Agostino Road

City, State, Zip: San Gabriel, CA 91776

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 5

Total # of full-time company employees worldwide: 13

Total # of full-time company employees in California: 13

Company: Nestle USA

Address: 800 North Brand Blvd.

City, State, Zip: Glendale, CA 91203

Collective Bargaining Agreement(s): N/A

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

Total # of full-time company employees worldwide: 276,000

Total # of full-time company employees in California: 4,000

Company: Noranco Corona Division

Address: 345 Cessna Circle, Ste. 102

City, State, Zip: Corona, CA 92880

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 1

Total # of full-time company employees worldwide: 600

Total # of full-time company employees in California: 126

**Participating Employers in Retrainee/New Hire
Multiple Employer Contractor (MEC) Agreements
(ETP 100B)**

Contractor's Name: Glendale Community College PDC

CCG No.: ET17-0124

Reference No: 16-0493

Page 7 of 10

PRINT OR TYPE IN ALPHABETICAL ORDER

Company: Pharmavite LLC

Address: 8510 Balboa Blvd., Ste. 100

City, State, Zip: Northridge, CA 91325

Collective Bargaining Agreement(s): N/A

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

Total # of full-time company employees worldwide: 1,300

Total # of full-time company employees in California: 1,000

Company: Pioneer Diecasters Inc.

Address: 4209 Chevy Chase Drive

City, State, Zip: Los Angeles, CA 90039

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 2

Total # of full-time company employees worldwide: 18

Total # of full-time company employees in California: 18

Company: Quantech Machining

Address: 25647 Rye Canyon Road

City, State, Zip: Valencia, CA 91355

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 5

Total # of full-time company employees worldwide: 50

Total # of full-time company employees in California: 50

Company: Racks Unlimited Inc.

Address: 12801 Foothill Blvd.

City, State, Zip: Sylmar, CA 91342

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 2

Total # of full-time company employees worldwide: 4

Total # of full-time company employees in California: 4

**Participating Employers in Retrainee/New Hire
Multiple Employer Contractor (MEC) Agreements
(ETP 100B)**

Contractor's Name: Glendale Community College PDC

CCG No.: ET17-0124

Reference No: 16-0493

Page 8 of 10

PRINT OR TYPE IN ALPHABETICAL ORDER

Company: Rico International/D'Addario Woodwinds

Address: 8484 San Fernando Road

City, State, Zip: Sun Valley, CA 91352

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 1

Total # of full-time company employees worldwide: 187

Total # of full-time company employees in California: 107

Company: Rexnord Industries LLC/PSI Bearings

Address: 2175 Union Place

City, State, Zip: Simi Valley, CA 93065

Collective Bargaining Agreement(s): N/A

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

Total # of full-time company employees worldwide: 7,000

Total # of full-time company employees in California: 185

Company: Roncelli Plastics Inc.

Address: 330 W. Duarte Road

City, State, Zip: Monrovia, CA 91016

Collective Bargaining Agreement(s): N/A

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

Total # of full-time company employees worldwide: 90

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

Company: Saunders Corporation, a Div. of R.S. Hughes Co. Inc.

Address: 975 N. Todd Avenue

City, State, Zip: Azusa, CA 91702

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 1

Total # of full-time company employees worldwide: 330

Total # of full-time company employees in California: 150

**Participating Employers in Retrainee/New Hire
Multiple Employer Contractor (MEC) Agreements
(ETP 100B)**

Contractor's Name: Glendale Community College PDC

CCG No.: ET17-0124

Reference No: 16-0493

Page 9 of 10

PRINT OR TYPE IN ALPHABETICAL ORDER

Company: Snapware/World Kitchen LLC

Address: 3900 Hamner St.

City, State, Zip: Mira Loma, CA 91752

Collective Bargaining Agreement(s): N/A

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

Total # of full-time company employees worldwide: 2,000

Total # of full-time company employees in California: 180

Company: Standard Tool and Die Co.

Address: 107 S. Avenue 20

City, State, Zip: Los Angeles, CA 90031

Collective Bargaining Agreement(s): N/A

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

Total # of full-time company employees worldwide: 130

Total # of full-time company employees in California: 125

Company: Triumph Actuation Systems Valencia

Address: 28150 W. Harrison Parkway

City, State, Zip: Valencia, CA 91355

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 120

Total # of full-time company employees worldwide: 192

Total # of full-time company employees in California: 192

Company: Triumph Structures Los Angeles

Address: 9301 Mason Avenue

City, State, Zip: Chatsworth, CA 91311

Collective Bargaining Agreement(s): N/A

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

Total # of full-time company employees worldwide: 10,000

Total # of full-time company employees in California: 264

**Participating Employers in Retrainee/New Hire
Multiple Employer Contractor (MEC) Agreements
(ETP 100B)**

Contractor's Name: Glendale Community College PDC

CCG No.: ET17-0124

Reference No: 16-0493

Page 10 of 10

PRINT OR TYPE IN ALPHABETICAL ORDER

Company: US Technical Services

Address: 20559 Prairie St.

City, State, Zip: Chatsworth, CA 91311

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 2

Total # of full-time company employees worldwide: 128

Total # of full-time company employees in California: 128

Company: Walker Corporation

Address: 1555 Vintage Avenue

City, State, Zip: Ontario, CA 91761

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 3

Total # of full-time company employees worldwide: 124

Total # of full-time company employees in California: 124



Training Proposal for:
Santa Monica Community College District
Agreement Number: ET17-0150

Panel Meeting of: July 22, 2016

ETP Regional Office: North Hollywood

Analyst: M. Webb

PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate SB <100 Medical Skills Training SET	Industry Sector(s):	Construction Healthcare Manufacturing Transportation/Logistics Wholesale Trade Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Los Angeles, Orange, Riverside, San Bernardino, San Diego, Ventura	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
\$888,324		\$61,287 8%		\$949,611

In-Kind Contribution:	50% of Total ETP Funding Required	\$972,400
-----------------------	-----------------------------------	-----------

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, Commercial Skills, Computer Skills, Continuous Impr, HazMat, Literacy Skills, Mfg Skills, Management Skills, OSHA 10/30	469	8-200	0	\$866	\$15.60
				Weighted Avg: 45			
2	Retrainee	Business Skills, Commercial Skills, Computer Skills, Continuous Impr, HazMat, Literacy Skills, Mfg Skills, Management Skills, OSHA 10/30	148	8-200	0	\$705	\$15.60
				Weighted Avg: 44			
3	Retrainee Priority Rate SB<100	Business Skills, Commercial Skills, Computer Skills, Continuous Impr, HazMat, Literacy Skills, Mfg Skills, Management Skills, OSHA 10/30	216	8-60	0	\$1,251	\$15.60
				Weighted Avg: 45			
4	Retrainee SB<100	Business Skills, Commercial Skills, Computer Skills, Continuous Impr, HazMat, Literacy Skills, Mfg Skills, Management Skills, OSHA 10/30	62	8-60	0	\$1,058	\$15.60
				Weighted Avg: 45			
5	Retrainee Priority Rate HUA	Business Skills, Commercial Skills, Computer Skills, Continuous Impr, HazMat, Literacy Skills, Mfg Skills, Management Skills, OSHA 10/30	42	8-200	0	\$866	\$11.70
				Weighted Avg: 45			

6	Retrainee Priority Rate SB<100 HUA	Business Skills, Commercial Skills, Computer Skills, Continuous Impr, HazMat, Literacy Skills, Mfg Skills, Management Skills, OSHA 10/30	21	8-60	0	\$1,223	\$11.70
				Weighted Avg: 44			
7	Retrainee Medical Skills Training SET	Business Skills, Computer Skills, Continuous Impr, Management Skills, MST-Didactic, MST-Preceptor	55	8-200	0	\$750	\$21.28
				Weighted Avg: 39			

It will be made a condition of contract that trainees will never be paid less than the State or local minimum wage rate as in effect at the end of retention (Final Payment) regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

Minimum Wage by County: Job Numbers 1-4: The Minimum Wage Requirement will be \$16.48 per hour for Los Angeles County; \$16.51 per hour for Orange County; \$16.46 per hour for San Diego County; and \$15.60 per hour for Riverside, San Bernardino and Ventura Counties.
 Job Numbers 5-6: The Minimum Wage Requirement will be \$12.36 per hour for Los Angeles County; \$12.38 per hour for Orange County; \$12.34 per hour for San Diego County; and \$11.70 per hour for Riverside, San Bernardino and Ventura Counties.
 Job Number 7 (SET/Priority): \$21.28 per hour Statewide average wage.

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
Job Numbers 1-6		
Administrative Staff I		47
Administrative Staff II		12
Customer Service/Sales I		28
Customer Service/Sales II		8
Production Staff I		256
Production Staff II		32
Finance/Accounting Staff		45
Assembly Worker		46
Technician		52
Warehouse Worker		224
Maintenance Worker		32
Logistics Staff		42
Supervisor/Manager I		45

Supervisors/Managers II		10
Engineer I		42
Engineer II		15
Driver		22
Job Number 7		
Licensed Vocational Nurse		20
Therapist		5
Registered Nurse		30

INTRODUCTION

Founded in 1929, Santa Monica Community College District (SMCCD) is a two-year public community college located in the City of Santa Monica. SMCCD, accredited by the Western Association of Schools and Colleges, serves approximately 33,000 students and offers over ninety fields of study. SMCCD holds the number one spot for the most students to transfer to the University of California college system. This will be SMCCD's eighth ETP Agreement.

PROJECT DETAILS

Training topics delivered by SMCCD will include Continuous Improvement and Business, Commercial, Computer, Literacy, Manufacturing, and Management Skills. The College will continue to work with businesses from industries that include manufacturing, warehousing, computer software, and service organizations.

Manufacturing businesses have expressed a large need to increase employee skill sets in an effort to meet customer demand and remain competitive among companies located outside the U.S. Customers expect improvements in product quality and productivity while keeping costs and waste at a minimum. Training offered through SMCCD will teach Employers to implement lean manufacturing skills in the production process to increase efficiency and improve overall skill sets.

Training delivered under this Agreement will provide staff with new skill sets in the manufacturing, logistics, construction, and healthcare industries. Courses provided include topics such as communication and customer service skills, inventory management, logistics and shipping, six sigma, teamwork and problem solving, CNC programming, and decision making. Trainees will also receive training in new upgrades to computer systems (Enterprise Resource Planning, QuickBooks, and CAD/CAM), modernized equipment, and new methods and techniques being utilized in assembly.

Medical Skills Training will also be offered to employers who employ the following healthcare occupations; Registered Nurse, Therapists, and Licensed Vocational Nurses. Trainees will learn new skills required in the medical field to support expanded hospital services and maintain staffing ratios. Training provided will ensure medical staff members are competent in medical procedures and skill sets.

Training Plan

Business Skills (8%): Training will be offered to Administrative, Sales, Finance, and Customer Service Staff, and Managers/Supervisors. Training will enable workers to oversee company resources and improve communication, and increase efficiencies.

Literacy Skills (3%): Training will be offered to Production Staff, Warehouse, Handlers, Customer Service Staff, and Frontline Leads. Literacy training will be provided to workers who speak English as a second language. Training will improve staff communication on the work floor.

Commercial Skills (25%): Training will be offered to Production Staff, Warehouse Staff, Technicians, Customer Service and Sales Staff, and Managers/Supervisors. Course topics provided will allow staff to utilize processes and equipment more effectively. Topics include Warehouse Systems and Controls, Quality Systems, and Equipment Usage.

Hazardous Materials (3%): Training will be offered to Production Staff to learn how to handle hazardous materials and chemicals in a safe manner. Training will emphasize safe practices and establish handling processes at the participating employer's location.

Management Skills (3%): Training will be offered to Managers and Supervisors to improve leadership skills and become effective leaders in a complex workplace.

Computer Skills (5%): Training will be offered to Administrative Staff, Customer Service and Sales Staff, Manufacturing and Production Staff, Technicians, and Engineers. Trainees will learn to navigate Enterprise Resource Planning Systems and other computer software programs used in high performance work environments.

Manufacturing Skills (15%): Training will be offered to Production Staff, Assembly Workers, Warehouse Workers, and Logistics Staff. Trainees will participate in cross-training to learn to operate multiple pieces of equipment found in the workplace to increase flexibility and capacity in the production process.

Continuous Improvement (25%): Training will be offered to all occupations to meet customer expectations and reduce waste in the production/manufacturing process.

Certified Safety Training

OSHA10/30 (3%): This training is a series of courses "bundled" by industry sector and occupation. 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.

Medical Skills Training (10%)

Training will be offered to Licensed Vocational Nurses, Therapists, and Registered Nurses. Staff will receive Didactic/Preceptor training to remain current in healthcare treatment. Courses include Pain Management, Infection Control, ER Nursing Skills, and Pre- and Post-Operative Care. All Medical Skills Training will be provided by a training vendor (see training vendor).

Medical Skills training is reimbursed at a blended rate of \$22 per hour. This blended rate recognizes the higher cost of delivery for clinical training. It will apply to both the Didactic and Preceptor modes of delivery. The standard class/lab rate for priority industries, \$18 per hour will apply to Business Skills, Computer Skills, Management Skills and Continuous Improvement.

Commitment to Training

Participating employers will continue to provide new hire, safety, and specialized training to staff alongside ETP funded training.

SMCCD 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**

SMCCD has assigned four-to-five staff members to administer this ETP project. Staff has had experience performing administrative duties under prior ETP funded projects. Staff will be responsible for completing the following; enrollment, tracking training hours, scheduling courses, marketing, and meeting with ETP Staff.

High Unemployment Area

The 63 trainees in Job Numbers 5-6 work in a High Unemployment Area (HUA) with unemployment exceeding the state average by at least 25%. Facilities located in Los Angeles and Riverside Counties qualify for HUA status under these standards. For these trainees, the Panel may modify the ETP Minimum Wage by up to 25% if post-retention wages exceed the start-of-training wages. SMCCD is requesting a wage modification for Job Numbers

Marketing and Support Costs

SMCCD has collaborative relationships and markets their program through chambers of commerce in Santa Monica, Culver City, Torrance, Inglewood, Vernon, Industry, and other surrounding areas. Further marketing efforts include working with a wide variety of community organizations and using outside training vendors to advertise. The College networks and reaches a large number of businesses in Southern California.

SMCCD also works with local trade associations and business groups to outline and develop curriculum and program offerings that will increase proficiency and economic growth. Detailed assessments and evaluations have been conducted with employers and training vendors to identify the needs of manufacturing, logistics, construction, warehouse, and healthcare industries.

For these reasons, SMCCD requests and staff recommends 8% support costs.

Training Coordinator

Dedicated staff of SMCCD carries the responsibility of conducting outreach services to participating employers to develop customized solutions to meet their training needs. A minimum of four staff members will administer this project and complete ETP administrative duties required over the duration of the contract (tracking, ETP systems, data entry, enrollment, payment, etc.).

Trainer Qualifications

SMCCD instructors are considered experts in their field and are qualified to deliver training under this Agreement. The college will also partner with outside training vendors to deliver training to participating employers. Training vendors will provide approximately 20-30% of training under this Agreement.

Tuition Reimbursement

SCMMD represents that students enrolled in the ETP-funded program will not be charged tuition, fees, or any other costs associated with training. The representation will be made a condition of the Agreement.

RECOMMENDATION

Staff recommends approval of this proposal.

ACTIVE PROJECTS

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

Agreement No.	Approved Amount	Term	No. Trainees (Estimated)	No. Completed Training	No. Retained
ET15-0102	\$749,128	07/01/14-06/30/16	957	813	813*

*Based on ETP Systems, 39,816 reimbursable hours have been tracked for potential earnings of \$749,128 (100% of approved amount). The Contractor projects final earnings of 100% based on training submitted via the ETP Online Tracking System and final payments that will be completed by July 2016.

PRIOR PROJECTS

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET12-0295	Santa Monica	03/15/12-03/14/14	\$437,864	\$437,864 (100%)
ET10-0608	Santa Monica	03/29/10-12/31/11	\$176,810	\$176,810 (100%)

DEVELOPMENT SERVICES

SMCCD retained Kirkpatrick Enterprises International (KEI) in Valencia to assist with development of this proposal at no cost.

ADMINISTRATIVE SERVICES

N/A

TRAINING VENDORS

KEI of Valencia will train in Business Skills, Manufacturing Skills, Management Skills, and Continuous Improvement. Community Health Alliance of Pasadena will train in Medical Skills Training. Fees have not been determined at this time. Other trainers will be identified for ETP record-keeping purposes, as they are retained.

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

8–200 (Jobs 1, 2, 5, & 7)

8–60 (Job 3, 4, & 6)

Trainees may receive any of the following:

BUSINESS SKILLS

- Project Management
- PERT/Critical Path
- Communication Skills
- Time Management
- Change Management
- Customer Service
- Scheduling and Budgeting
- Customer Retention & Identifying Customer Needs

COMMERCIAL SKILLS

- POS Transactions
- Inventory Management
- Transport Loading/Uploading
- Electronic Commerce, Search Engines
- Distribution Systems
- Warehousing Control and Tracking
- Logistics and Shipping
- Project Tracking
- Transaction Control
- Inspection and Quality Control
- Standard and Quality Control
- Standard Work Procedures
- Paperwork Requirements
- Data Accuracy

COMPUTER SKILLS

- Intermediate/Advanced Database Techniques, Word Processing, Spreadsheets
- Project Planning Software
- Warehouse & Inventory Systems
- Logistics Software
- Crystal Reports, QuickBooks, Adobe, Visual Basics
- Enterprise Resource Planning (ERP)
- CNC (Computerized Numerical Control) Programming
- CNC (Computerized Numerical Control) Applications
- CAD/CAM (Computer-Aided Manufacturing) Software
- CMM (Computer/Coordinate Measuring Machine)
- Microsoft (MS) Office Suite
- Project Tracking

CONTINUOUS IMPROVEMENT

- Lean Enterprises
- Process Analysis
- SMED-Single Minute Exchange of Die
- MRP/ERP/DRP Systems
- Production Operations and Workflow
- Teamwork and Problem Solving
- Leadership Skills for Frontline Workers
- Statistical Process Control
- Six Sigma (Green Belt)
- ISO 9000 and ISO 14400

HAZARDOUS MATERIALS

- Hazardous Material Handling
- Hazardous Chemical Cleaning Handling
- Hazardous Waste Handling

LITERACY SKILLS

- VESL
- Basic Workplace Terminology
- Written Communications
- Understanding Manuals and Reports

MANUFACTURING SKILLS

- Manufacturing Operations
- Equipment Operation and Maintenance
- Assembly Methods and Techniques
- Good Manufacturing Practices
- Bakery Controls and Systems
- Food Safety
- Sanitation
- Product Handling
- Cross-Training (Production Equipment/Skills)

MANAGEMENT SKILLS (Managers/Supervisors Only)

- Leading Change
- Developing High Performance Teams
- Decision making and Communication
- Principles of Modern Leadership
- Planning, Assigning, and Follow-Up

OSHA 10/30 (OSHA Certified Instructor)

- OSHA 10 (Requires completion of full 10-hour course)
- OSHA 30 (Requires completion of full 30-hour course)

MEDICAL SKILLS TRAINING-DIDACTIC

- Fall Risk Assessment and Interventions
- Hazardous and Non-Hazardous Waste Disposal
- Infection Control
- Medication Compounding
- NIH Assessment Tool

- Point of Care
- Pyxis Override Education and Attestation
- Recognizing Changes in Patient Condition and Activating the Rapid Response Team
- Safe Patient Handling
- SBAR (Situation, Background, Assessment, and Recommendation)
- Stroke Alert
- Wound and Ostomy Care

MEDICAL SKILLS TRAINING-PRECEPTOR

Emergency Department:

- Care of Pediatric Patients
- ER Nursing Skills
- Infection Control
- OB Trauma
- Pain Management
- Triage Nursing Skills

ICU/CCU:

- CCU Nursing Skills
- Hemodynamic Monitoring
- Infection Control
- Intra-Aortic Balloon Pump (IABP) Therapy
- Pain Management
- Patient Assessment & Care
- Pre and Post-Operative Care
- Ventilator & Tracheotomy Care

Long Term Care Unit (Sub Acute, Skilled Nursing, Transitional Care, and Hospice):

- Infection Control
- Medical/Surgical Nursing Skills
- Orthopedic Nursing Skills

Pain Management

- Patient Assessment & Care
- Pre and Post-Operative Care
- Total Parenteral Nutrition (TPN)
- Ventilator & Tracheotomy Care

Medical/Surgical Unit:

- Equipment Skills
- infection Control
- Medical/Surgical Nursing Skills
- Medication Administration & Management
- Orthopedic Nursing Skills
- Pain Management
- Patient Assessment & Care
- Pre and Post-Operative Care

Operating Room & Post-Anesthesia Care Unit (PACU):

- Equipment Skills
- Infection Control
- Malignant Hyperthermia
- Medication Administration & Management
- Patient Assessment & Care
- Pain Management
- Perioperative Nursing Skills
- Pre and Post-Operative Care
- Trauma Nursing Skills

Obstetrics Unit:

- Electronic Fetal Monitoring
- Infection Control
- Labor, Delivery and Postpartum Skills
- Neonatal Advanced Life Support (NALS)
- Neonatal Nursing Skills
- Neonatal Resuscitation Provider (NRP)
- Patient Assessment & Care
- Respiratory Assessment & Care
- S.T.A.B.L.E. Program for infants

Respiratory Services Unit:

- Advanced Cardiac Life Support (ACLS)
- Basic Life Support (BLS)
- Care of Pediatric Patients
- Care of the Cardiac Patient
- Code Blue Response & Procedures
- Equipment Skills
- Infection Control
- Neonatal Resuscitation Provider (NRP)
- Patient Assessment & Care
- Respiratory Assessment & Care
- Ventilator & Tracheotomy Care

Literacy Training cannot exceed 45% of total training hours per-trainee.
Safety Training will be limited to 10% of total training hours per-trainee.

Note: Reimbursement for retraining is capped at 200 total training hours per trainee for Job Numbers 1, 2, 5 and 7 and 60 total training hours per trainee for Job Numbers 3, 4, and 6, regardless of method of delivery.

**Participating Employers in Retrainee
Multiple Employer Contracts**

Contractor's Name: Santa Monica Community College District
Reference No: 16-0449

CCG No.: ET17-0150
Page 1 of 4

PRINT OR TYPE IN ALPHABETICAL ORDER

Company: ALACO

Address: 5167 G Street

City, State, Zip: Chino, CA 91710

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 8

Total # of full-time company employees worldwide: 28

Total # of full-time company employees in California: 28

Company: Brothers Desserts

Address: 1682 Kettering

City, State, Zip: Irvine, CA 92614

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 65

Total # of full-time company employees worldwide: 143

Total # of full-time company employees in California: 143

Company: California Tool and Welding Supply

Address: 201 N. Main Street

City, State, Zip: Riverside, CA 91709

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 24

Total # of full-time company employees worldwide: 77

Total # of full-time company employees in California: 77

Company: Desert Palm / Woodspur Farms

Address: 152 Industrial Way

City, State, Zip: Coachella, CA 92236

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 86

Total # of full-time company employees worldwide: 235

Total # of full-time company employees in California: 235

Participating Employers in Retrainee Multiple Employer Contracts

Contractor's Name: Santa Monica Community College District
Reference No: 16-0449

CCG No.: ET17-0150
Page 2 of 4

Company: Egge Machine Company

Address: 11707 Slauson Ave.

City, State, Zip: Santa Fe Springs, CA 90670

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 12

Total # of full-time company employees worldwide: 31

Total # of full-time company employees in California: 31

Company: Golden Island Jerky Company

Address: 9955 6th Street

City, State, Zip: Rancho Cucamonga, CA 91730

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 45

Total # of full-time company employees worldwide: 96

Total # of full-time company employees in California: 96

Company: Goodyear Rubber

Address: 9615 Feron Blvd.

City, State, Zip: Rancho Cucamonga, CA 91730

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 47

Total # of full-time company employees worldwide: 138

Total # of full-time company employees in California: 138

Company: Information Integration Group, Inc.

Address: 457 Palm Drive

City, State, Zip: Glendale, CA 91202

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 22

Total # of full-time company employees worldwide: 38

Total # of full-time company employees in California: 38

Participating Employers in Retrainee Multiple Employer Contracts

Contractor's Name: Santa Monica Community College District
Reference No: 16-0449

CCG No.: ET17-0150
Page 3 of 4

Company: Mission Foods - Panorama City

Address: 14200 Arminta St.

City, State, Zip: Panorama City, CA 91402

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 175

Total # of full-time company employees worldwide: 17,845

Total # of full-time company employees in California: 2,300

Company: Mission Foods - Rancho Cucamonga

Address: 11559 Jersey Blvd.

City, State, Zip: Rancho Cucamonga, CA 91730

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 345

Total # of full-time company employees worldwide: 17,845

Total # of full-time company employees in California: 2,300

Company: Nanovea

Address: 6 Morgan

City, State, Zip: Irvine, CA 92618

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 24

Total # of full-time company employees worldwide: 48

Total # of full-time company employees in California: 48

Company: Port Logistics Group

Address: 288 Mayo Ave.

City, State, Zip: City of Industry, CA 91789

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 330

Total # of full-time company employees worldwide: 2,800

Total # of full-time company employees in California: 1,150

**Participating Employers in Retrainee
Multiple Employer Contracts**

Contractor's Name: Santa Monica Community College District

CCG No.: ET17-0150

Reference No: 16-0449

Page 4 of 4

Company: Ramon's Mexican Foods

Address: 13633 S. Western Ave.

City, State, Zip: Gardena, CA 90249

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 50

Total # of full-time company employees worldwide: 185

Total # of full-time company employees in California: 185



Training Proposal for:

**Northern California District Council of Laborers Construction
Craft Laborers Joint Apprenticeship Training Center**

Agreement Number: ET17-0901

Panel Meeting of: July 22, 2016

ETP Regional Office: San Francisco Bay Area **Analyst:** D. Woodside

PROJECT PROFILE

Contract Attributes:)	Retrainee Priority Rate Apprenticeship Veterans	Industry Sector:	Construction 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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No Laborers International Union Locals 73, 185, 261, 270, 294, 304, 324 and 1130		
Turnover Rate:	≤20%		
Managers/Supervisors: (% of total trainees)	N/A		

FUNDING DETAIL:

Program Costs	+	Support Costs	=	Total ETP Funding
\$496,240		\$34,272 8%		\$530,512

In-Kind Contribution:	50% of Total ETP Funding Required	Inherent
------------------------------	--	-----------------

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	Journeyman	Commercial Skills, Business Skills, OSHA10/30	150	8-200	0	\$564	\$28.04
				Weighted Avg: 24			
2	Apprentice	Commercial Skills, OSHA10/30	376	8-210	0	\$1,112	\$21.28
				Weighted Avg: 80			
3	Apprentice Veteran	Commercial Skills, OSHA10/30	25	8-210	0	\$1,112	\$21.28
				Weighted Avg: 80			

Minimum Wage by County: \$21.28 per hour Statewide (Priority Industry)

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

Up to \$.25 per hour may be used to meet the Post-Retention Wage for Job Numbers 2 and 3.

Wage Range by Occupation

Occupation Titles	Wage Range	Estimated # of Trainees
Journeyman Construction Craft Laborer		150
Apprentice Construction Craft Laborer		376
Veteran Apprentice Construction Craft Laborer		25

INTRODUCTION

In 1995, the Northern California District Council of Laborers (representing labor) and the Associated General Contractors of California (representing employers) created the Laborers' Training and Retraining Trust Fund for Northern California and Laborers' Joint Apprenticeship Training Center (Nor Cal Laborers JATC or JATC). Today, the JATC serves eight Northern California Laborers Union Locals (73, 185, 261, 270, 294, 304, 324 and 1130), representing 25,500 journeymen and 2,100 apprentices who work as construction craft laborers.

The JATC has a 15,000-square-foot training facility in San Ramon; training is delivered year-round. The facility in San Ramon is the primary training center, although classes are also held in Sacramento, Santa Rosa, Hayward, Stockton and San Jose.

Employer Demand

This new proposal will expand laborers' skills in preparation for current and upcoming construction projects in Northern California. This includes waste water treatment plants, freeway overpasses and bridges, asphalt rehabilitation on major highways, and significant school construction projects. Specific projects are the High Speed Rail and BART Extension into San Jose, the Apple Computer and Facebook Campus upgrades, and the new Sacramento Soccer Stadium.

Overall, employers are experiencing an increase in the complexity of construction projects requiring retraining for experienced employees. Under this proposal, journeymen will expand their green skills and receive employer-driven certification classes such as: green construction awareness, weatherization, and OSHA 10/30. Trained workers keep projects on-time and on-budget, and reduce injuries.

Training will also take place for Apprentices. The Nor Cal Laborers JATC program is for those with little or no experience in the construction trades who want to begin a career as a Construction Craft Laborer. Many of the types of construction (pouring concrete, laying asphalt, installing storm drains and water mains, working on bridges and driving tunnels) are learned at the Center. Workers then go to worksites to practice their new skills.

This is the third ETP Agreement between ETP and Nor Cal Laborers JATC. However, this is the first time Veterans have been included as a discrete cohort of Apprentice trainees.

The JATC is returning to the Panel for funding at this time because all training has been delivered under its second Agreement. The additional funding is driven by the demand of employers for skilled apprentices and journeymen Laborers in Northern California. The JATC needs to train more apprentices to meet employer demand. In 2015, the JATC graduated 274 apprentices and in 2016 the JATC estimates an increase to 400 graduates.

Apprenticeship Pilot

The Panel is authorized to fund Apprentice training that does not displace any other source of government funds, or replace an existing apprenticeship program approved by the DAS. ETP funding is designed to supplement cost of delivery for the Related and Supplemental Instruction (RSI) portion of DAS-approved apprenticeship training. Depending on the type of trade, apprenticeship programs vary in length. In this case, the program is four years.

Apprentice programs are typically sponsored by a Joint Apprenticeship Training Committee (JATC). A JATC is created through collective bargaining, with an equal number of members appointed by union and management with employer contributions to a training trust fund. The employers are not "participants" but are signatories to the Collective Bargaining Agreement.

RSI is traditionally delivered as class/lab, and ETP does not reimburse CBT delivery for apprenticeship training. The curriculum is developed with input from DAS and a designated Local Educational Agency (in this case Petaluma Adult School). The Apprenticeship Program allows reimbursement for up to 200 hours of RSI plus OSHA10, per-apprentice. (Journeymen are capped at 200 hours.)

For the building trades, it is not customary for workers to be employed for a standard retention period of 90 consecutive days with one employer. In that instance, the Panel may substitute non-consecutive hours worked for retention. This modified retention period must be no less than 500 hours within 272 days with more than one employer. Both the standard and modified retention periods will apply to this proposal.

To ensure ETP does not displace Montoya Funds, Apprenticeship Pilot reimbursement is reduced by \$5.00, reducing the priority industry rate from \$18.00 to \$13.00 per hour. The ETP wage for Apprentices will be the SET Statewide rate as modified for priority industries (\$21.28 per hour). ETP funding will only apply to apprentices in Year 2+ to ensure commitment.

The ETP wage for Apprentices is no less than \$21.28 per hour, tracking the Special Employment Training wage as modified for priority industries. However, the actual wages paid

are shown in the Training Plan Table and contract when they exceed \$21.28, for both Apprentices and Journeymen.

PROJECT DETAILS

All training is center-based and trainers are qualified Journeymen with extensive practical and training experience. Journeymen will receive Commercial Skills, Business Skills, and OSHA 10/30; Apprentices and Veteran Apprentices will receive Commercial Skills and OSHA 10/30 training.

Training Plan

Training will be conducted at the San Ramon Training Center and other designated training facilities throughout the Central Valley, Northern California, and San Francisco Bay Area. The JATC has 11 fulltime experienced journeymen instructors, who are former or current laborers. Classes are equipped with modern equipment and tools, and a strong emphasis is placed on operation and safety.

Journeyman

Commercial Skills (80%)

The construction industry is undergoing significant changes as a result of new energy efficient construction methods. Laborers must learn about photovoltaic installation concepts, mechanical integration and solar dynamics, and weatherization to meet clean energy standards. Another major change is the demand for laborers with higher cutting, welding and pipe layout techniques. Laborers with a Mechanical Pipe II certification must acquire a Mechanical Pipe IV certification to learn how to place pipes onto panels for reverse osmosis water treatment systems. Equipment not used correctly can lead to breakdowns and inefficiency.

Business Skills (10%)

This training will assist journeymen to follow certification guidelines; use more collaborative bidding and project development practices; interact with other types of construction workers; and implement green solutions in traditional work environments to plan, organize, and manage construction projects. Training will result in more efficient and on-time work. Training will also include team-building and leadership skills so that laborers can lead and participate in teams effectively.

Apprentice

Commercial Skills (95%)

The Laborers' apprenticeship program is for those individuals with little or no experience in the construction trades who want to begin a career as a construction craft laborer. Apprentices learn to set up, build, and maintain commercial, industrial and residential construction sites. To do this, the apprentices will learn about building scaffolding, laying pipes, removing and replacing concrete, welding, using air tools, and driving skid steers and forklifts. Although laborer work is usually outdoor work, a large number of tunnel projects in Northern California necessitate that the trainees gain new skills that go along with working in enclosed areas. This work is physically demanding because of long hours of using tools and machines while bending, sitting, climbing, standing and crouching in small spaces. They will also take classes on how to work around and safely remove hazardous waste, lead and asbestos.

OSHA 10/30

OSHA 10/30 training is a series of courses “bundled” by industry sector and occupation. It consists of 10 hours of training for journey-level and 30 hours for frontline supervisors. This training is not required as a condition of doing business in California. However, the coursework must be approved by, and the instructors must be certified by Cal-OSHA. When delivery is by CBT all training hours must be delivered in a classroom over a finite number of time, and the vendor must have a certified instructor present to confirm attendance.

Completion of the training results in a certificate that expands employment opportunities. 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, nor in the 50% limitation on CBT.

➤ Journeymen (10%)

Laborers often work outside lifting and transporting heavy materials. Thus, the potential for injury or even death for themselves and bystanders is significant. Many employers are now requiring that workers take these classes before they are allowed on a worksite.

➤ Apprentices (5%)

The work done by construction craft laborers is conducted outside, year-round, and involves hand/eye/foot coordination, finger dexterity and heavy lifting. Improper use of equipment and unsafe transport of material can lead to immediate injuries or future chronic injuries. Therefore, laborers require additional training to perform their work efficiently and safely.

Curriculum Development

The JATC, with input from both labor and management representatives, customized the Laborers International Union of North America (LIUNA) curriculum to address the local needs of its members, participating employers and industry. The LIUNA was directly involved in the development of the curriculum and is in full support of the training for its members. In addition, local hiring demands have shaped the curriculum and course offerings.

Veteran Apprentice

The Veteran training curriculum will be the same as Apprentice training outlined above. These trainees are in a separate Job Number to better track performance toward the goal of improved outreach for Veterans. Veterans who apply for an apprenticeship receive direct entry into the program, which includes free training and assistance in finding work with employers throughout the area.

The JATC is committed to supporting job-related training that helps Veterans transition into the California workforce. Veterans in an Apprenticeship are eligible to receive Montgomery GI Bill benefits, such as a Monthly Housing Allowance. These benefits are paid directly to the Veteran trainees. Northern California Laborers recruits Veterans in cooperation with Helmets-to-Hardhats, a national joint labor-management program that recognizes the link between skills acquired in military service and the building trades.

Impact/Outcome

ETP funds will expand the Journeyman training program and the Apprentice classes, which will include the addition of employer-driven certification classes. Certifications to be earned for the

journeylevel and apprentice training include: OSHA 10, OSHA 30, Rigging and Lifting, Traffic Control, Flagging, Hazardous Waste Removal, Scaffold User, Scaffold Builder, Confined Space, Forklift and Welding. The JATC director will meet regularly with his board to ensure that the JATC continues to provide classes that provide Laborers with the skills needed to meet local employers' needs. The impact of the JATC's ability to provide quality and employer-driven training will provide Laborers with secure ongoing employment in Northern California.

Commitment to Training

The JATC represents that signatory employers will continue to pay into the Trust for Journeyman and Apprentice training. In addition, employers must provide structured, on-the-job training for apprentices that meet DAS standards. ETP funds supplement and do not displace employer contributions to training. Safety training is provided by the participating employers in accordance with all requirements under state and federal law.

Marketing and Support Costs

Nor Cal Laborers JATC is requesting 8% in support costs to fund recruitment and conduct ongoing assessments of employer-specific job requirements. Five staff people in various locations will assist with marketing, recruitment, needs assessments and scheduling.

The JATC and the eight union locals will publicize the availability of training through their website, newsletter, direct mailings, brochures/flyers, personal contacts, telephone calls, public service announcements and e-mail announcements. It will promote this training at labor-management meetings and industry assemblies, site visits to local schools, trade shows, industry meetings, and vocational outreach organizations. Staff recommends the 8% in support costs.

RECOMMENDATION

Staff recommends approval of this proposal.

ACTIVE PROJECTS

The following table summarizes performance by Nor Cal Laborers JATC under an active ETP Agreement:

Agreement No.	Approved Amount	Term	No. Trainees (Estimated)	No. Completed Training	No. Retained
ET15-0908	\$269,744	09/02/2014-09/01/2016	282	1,169*	0

Based on ETP Systems, 27,548 reimbursable hours had been tracked as of June 10, 2016 for potential earnings of \$484,991 (over 100% of approved amount). The Contractor projects final earnings of 100% based on training completed in June 2016.

*This number reflects the No. of Trainees completing the minimum of 8 hours of training; final payment will most likely reflect 282-300 trainees completing training and retention. The JATC trains more people than the Panel funds.

PRIOR PROJECTS

The following table summarizes performance by Nor Cal Laborers JATC under an ETP Agreement that was completed within the last five years

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET13-0908	Statewide	10/08/2012– 10/07/2014	\$327,548	\$324,746 (99%)

DEVELOPMENT SERVICES

Nor Cal Laborers JATC retained California Labor Federation in Sacramento and Strategy Workplace Communications in Oakland to assist with development at no cost.

ADMINISTRATIVE SERVICES

Nor Cal Laborers JATC also retained Strategy Workplace Communications to perform administrative services for an amount not to exceed 13% of payment earned.

TRAINING VENDORS

N/A

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

8–200 (Job Number 1)

Trainees may receive any of the following:

Journeyman**COMMERCIAL SKILLS**

- Air Tools
- Scaffold Builder
- Scaffold User
- Skid Steer
- Aerial Boom Lift
- Hoisting and Rigging
- Signal Person
- Permit Required Confined Space Entry
- Oxyfuel Cutting
- Arc Welding
- Blue Print Reading
- Weatherization Technician and Installer
- Photovoltaic
- Jobsite Erosion Control
- Mechanical Pipe
- Asbestos Removal Initial Class
- Asbestos Removal Recertification
- Lead Abatement Initial Class
- Lead Abatement Recertification
- Forklift Orientation

BUSINESS SKILLS

- Teambuilding Skills
- Green Awareness Training and Green Certifications
- Leadership Skills
- Customer Service Skills
- Conflict Resolution
- Problem Solving
- Decision Making Skills
- Inventory Checklist
- Creating Master Plan for Future Improvements
- Advanced Time Management
- Filling Out Work Documents and Reports Accurately
- Project Management
- Creating Project Bids

OSHA 10/30 (OSHA Certified Instructor)

- OSHA 10 (requires completion of full 10-hour course)
- OSHA 30 (requires completion of full 30-hour course)

Class/Lab Hours

8-210 (Job Numbers 2 and 3)

Trainees may receive any of the following:

Apprentice**COMMERCIAL SKILLS**

- Aerial Platform
- Air Tools
- Asbestos Abatement Worker
- Asphalt Remove & Replace Builders Level Math
- Blueprint Reading
- Boom Lift Safety
- Brick Tending
- Compaction
- Concrete and Asphalt
- Confined Space
- Environmental Passport
- Fall Protection
- Forklift and Forklift Safety
- Fractions and Decimals, Inches to Decimals
- Grade Checking
- Hazardous Waste Worker Hand & Power Tools
- Landscape
- Lead Abatement Worker
- Material Handling, Storage, Use and Disposal
- Mechanical Pipe
- Pipe Laying
- Scaffold Builder
- Scaffold User
- Skid Steer
- Solar
- Tilt-Up Construction
- Tools and Equipment: Pick and Pick Mattocks, Shovels, Digging Bars, Jackhammer, Rivet Buster, Chipping Gun and Clay Spades
- Torch Cutting and Burning
- Traffic Control and Flagging
- Trench Plates & Shoring
- Welding
- Area and Volume, Calculating and Estimating
- Bulkheads, Batter Boards, Overhead Screed
- Concrete Placement and Finishing, Floors, Drives and Walk Behind Power Trowel
- Form Setting, Curb and Gutter, Alley Gutter, Pour in Place Walls
- Form Setting, Sidewalk, Driveway, Approach, Handicapped Ramp
- Placement and Finishing, Panel, Patios, Drives, Decks, Tilt-up
- Placement, Finishing Tools, Concrete Procedures, Control Joints

- Respiratory Awareness
- Scope of Work, Personal Protective Equipment, Materials and Tools Recognition and Hazard on the Jobsite
- Squaring Principles, Triangulation
- Sub-Grade Preparation, Line Setting and Forming Techniques
- Survey, Station, Percentages
- Environmental Hazards of Highway Work
- Environmental Passport
- Landscape 1: Planting & Maintenance
- Landscape 2: Construction Math & Irrigation Systems
- Landscape 3: Erosion Control, Grading & Drainage
- Landscape 4: Retention Walls, Dividers & Flatwork
- Mini Excavator
- Skip Loader
- CPR/First Aid

OSHA 10/30 (OSHA Certified Instructor)

- OSHA 10 (requires completion of full 10-hour course)
- OSHA 30 (requires completion of full 30-hour course)

Note: Reimbursement for retraining is capped at 200 total training hours for Job Number 1 and 210 total training hours for Job Numbers 2 and 3 per-trainee, regardless of method of delivery.



Training Proposal for:
Carpenters Training Committee for Northern California
Agreement Number: ET17-0902

Panel Meeting of: July 22, 2016

ETP Regional Office: Sacramento

Analyst: K. Smiley

PROJECT PROFILE

Contract Attributes:	Retrainee Apprenticeship Veterans	Industry Sector(s):	Construction Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Northern California	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Turnover Rate:	≤20%		
Managers/Supervisors: (% of total trainees)	N/A		

FUNDING DETAIL:

Program Costs	+	Support Costs	=	Total ETP Funding
\$877,700		\$61,480 8%		\$949,180

In-Kind Contribution:	50% of Total ETP Funding Required	Inherent
-----------------------	-----------------------------------	----------

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	Pre-Apprentice	Commercial Skills, Literacy Skills	50	8-200	0	\$3,882	\$21.10
				Weighted Avg: 165			
2	Journeyman	Commercial Skills, Continuous Impr, OSHA 10/30	20	8-200	0	\$941	\$35.17
				Weighted Avg: 45			
3	Apprentice	Commercial Skills	390	8-200	0	\$1,668	\$24.62
				Weighted Avg: 120			
4	Apprentice Veterans	Commercial Skills	50	8-200	0	\$1,168	\$24.62
				Weighted Avg: 120			

Minimum Wage by County: Priority Industry Statewide Average Wage: \$21.28 per hour.
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
 Up to \$0.18 per hour may be used to meet the Post-Retention Wage requirement for Job #1.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Pre-Apprentice Carpenter		50
Apprentice Carpenter		440
Journeyman Carpenter		20

INTRODUCTION

Carpenters Training Committee for Northern California (CTCNC) is the educational organization that provides Pre-Apprentice, Apprentice, and Journeyman training services for union carpenters throughout Northern California. CTCNC is governed by a joint labor and management trust board, as agreed to in collective bargaining. Its apprenticeship training programs have been established for many years as approved by the Division of Apprenticeship Standards, Department of Industrial Relations. CTCNC governs the training trust on behalf of workers represented by the United Brotherhood of Carpenters & Joiners of America.

CTCNC provides training for more than 4,000 registered Apprentices in 46 counties across Northern California. Given the broad scope of this geographic region, and the large number of Apprentices to be trained, a \$450,000 cap per program sponsor may be overly restrictive. As such, staff recommends funding at approximately twice the “program sponsor” cap in this case; the overall MEC cap would remain the same at \$950,000. This closely tracks performance under the active contract, where payment earned for Apprentices was above 100%. CTCNC would prefer to emphasize the use of ETP funding for Apprentices (Job Numbers 3&4), with a lesser allocation for Pre-Apprentices and Journeymen (Job Numbers 1&2).

This is the sixth ETP Agreement between ETP and CTCNC. This is the second time Veterans have been introduced as a distinct cohort of trainees.

Apprenticeship Program

The Panel is authorized to fund Apprentice training that does not displace any other source of government funds, or replace an existing apprenticeship program approved by the Division of Apprenticeship Standards (DAS). ETP funding is designed to supplement cost of delivery for the Related and Supplemental Instruction (RSI) portion of DAS-approved apprenticeship training. Depending on the type of trade, apprenticeship programs vary in length. In this case the program is four years.

Apprentice programs are typically sponsored by a Joint Apprenticeship Training Committee (JATC). A JATC is created through collective bargaining, with an equal number of members appointed by union and management with employer contributions to a training trust fund. The employers are not “participants” but are signatories to the Collective Bargaining Agreement

RSI is traditionally delivered as class/lab, and ETP does not reimburse CBT delivery for apprenticeship training. The curriculum is developed with input from DAS and a designated Local Educational Agency (in this case Los Rios). The Apprenticeship Program allows reimbursement for up to 200 hours of RSI plus OSHA10, per-apprentice. (Journeymen are capped at 200 hours.)

For the building trades, it is not customary for workers to be employed for a standard retention period of 90 consecutive days with one employer. In that instance, the Panel may substitute non-consecutive hours worked for retention. This modified retention period must be no less than 500 hours within 272 days with more than one employer. Both the standard and modified retention periods will apply to this proposal.

To ensure ETP does not displace Montoya Funds, Apprenticeship reimbursement is reduced by \$5, reducing the priority industry rate from \$18 to \$13 per hour. In addition, the Panel adopted a “blended rate” for Journeymen, reflecting the fact that they may be employed by a variety of contractors over the two-year term of contract ranging from large employers, to small (≤ 100 employees). This is \$22 per hour, midway between the Priority Industry standard rate (\$18) and Small Business rate (\$26). [Note: This “blended rate” has been extended to Pre-Apprentices, for ease of administration.]

The ETP wage for Apprentices is no less than \$20.55 per hour, tracking the Special Employment Training wage as modified for priority industries. However, the actual wages paid are shown in the Training Plan Table and contract when they exceed \$20.55, for both Apprentices and Journeymen.

PROJECT DETAILS

CTCNC has seen a growing need for carpenters in the past two years. This need is due to several projects including the high-speed rail development project and the San Clemente Dam removal project. These projects are driving CTCNC to take on more pre-apprentices and indenture more apprentices. CTCNC is requesting funds to supplement its training program to meet demand.

Training Plan

Pre-Apprentice – Job Number 1

Commercial Skills (80%) - Training will include courses such as Using Lifts, Scaffolding Use, Basic Hand and Power Tools, Material Handling, Framing, and Basic Blue Print Reading to prepare trainees for the industry.

Literacy Skills (20%) - Training will include Basic Algebraic Equation, Communication Skills, Fractions, Decimals, Positive and Negative Numbers, Math Skills for Construction, and Understanding the Numbering System to give trainees the proper foundation to be successful.

Journeyman – Job Number 2

Commercial Skills (90%) - Training will be offered in advanced skills such as Bridge Building, Advanced Millwright Skills, Green Building, Hardwood Flooring, Lead Abatement, Pile Driving Setup and Operation, Stairs, Roofs, and Welding. These courses will be more advanced than apprentice courses.

Continuous Improvement (10%) - Training will include Team Skills and Team-Leader Skills to ensure that trainees can lead work-teams on work-sites.

OSHA 10/30 - Journeymen trainees will receive OSHA 10 and/or OSHA 30 training in a series of courses “bundled” by industry sector and occupation. Typically, it is delivered to workers in the building trades. OSHA 10 consists of 10 hours of training and OSHA 30 consists of 30 hours of training.

This training is not required as a condition of doing business in California. However, the coursework must be approved by, and the instructors must be certified by Cal-OSHA. When OSHA is delivered via Computer-Based Training, training hours must be delivered in a classroom over a finite amount of time, and the vendor must have a certified instructor present to confirm attendance.

Apprentice – Job Number 3

Commercial Skills (100%) - Training will be offered in Carpenter Apprentice, Drywall/Lather Apprentice, Insulator Apprentice, Pile Driver Apprentice, Shingler Apprentice and Acoustical Installer Apprentice to ensure trainees have the skills required for the construction industry.

Veterans

The training curriculum will be the same as above. These trainees are in a separate Job Number to better track performance for this cohort, toward the goal of improved outreach for the Veterans program overall.

Veterans who apply for CTCNC’s apprenticeship program receive direct entry into the program, which includes free training and assistance in finding work with employers throughout the area. In addition, CTCNC works in cooperation with Helmets-to-Hardhats, a national joint labor-management program (www.ctcnc.org/helmets-to-hardhats) that can help transition active duty military personnel into employment in the construction industry, including apprenticeship programs.

Marketing and Support Costs

Employers participate as members of CTCNC. They are notified of training through CTCNC's website, mailings, and presentations. Although many of the participating employers have already been recruited, additional recruitment is still needed for more participating employers and trainees and/or to replace employers whose training needs have changed.

CTCNC requests and staff recommends 8% in support costs for marketing, recruitment, and assessment activities.

Commitment to Training

CTCNC has provided training for both Apprentices and Journeyman for over 50 years. The curriculum has evolved to stay current with the work as performed in the field. Some of the classes have developed into a specific process such as Bridge Building Certification or Doors and Hardware. Safety training is, and will continue to be, provided by the participating employers in accordance with all pertinent requirements under state and federal law.

Impact/Outcome

Trainees will receive certifications specific to their training such as Bridge Building, Concrete Formwork, Lead Abatement, Rigging, Scaffold User, and Welding.

Employer Needs Assessment

The training program was created and is governed by a joint labor management committee established through collective bargaining. Industry needs are determined by the committee, which provides feedback on effectiveness; assessment of employer-specific job requirements; employer discussions to ensure that industry trends are being addressed in each training program; feedback from the labor and management team that administers the program; and evaluations from trainees and program staff.

Trainer Qualifications and Training Coordinator

Trainers are qualified Journeymen with extensive practical and training experience employed by CTCNC. Seven additional CTCNC staff members are responsible for training coordination, including but not limited to marketing, recruitment, needs assessments, scheduling, and ETP administration.

RECOMMENDATION

Staff recommends approval of this proposal.

ACTIVE PROJECTS

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

Agreement No.	Approved Amount	Term	No. Trainees (Estimated)	No. Completed Training	No. Retained
*ET16-0907	\$949,902	08/31/2015– 08/30/2017	436	654	654

*ETP records show that of the 654 trainees that have completed training, 654 have been placed. ETP Fiscal has determined \$475,581 is Earned-Approved and \$0 is Earned-in process. To earn 100% of the contract amount a total of 53,110 reimbursable hours are required. The ETP On-Line system indicates that there are 74,374 reimbursable hours uploaded thus far. Apprentices finished strongly, at over 100% placement. Pre-Apprentices placed at approximately 30% and Journeymen did not participate.

PRIOR PROJECTS

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET15-0903	Central & Northern California	07/01/2014– 06/30/2016	\$1,191,507	\$1,191,507 (100%)
ET14-0900	Central & Northern California	07/01/2013– 06/30/2015	\$847,977	\$847,977 (100%)
ET12-0175	Central & Northern California	11/21/2011– 11/20/2013	723,370	\$722,224 (99%)

DEVELOPMENT SERVICES

CTCNC retained Steve Duscha Advisories in Sacramento to assist with development of this proposal for a flat fee of \$10,000.

ADMINISTRATIVE SERVICES

CTCNC also retained Steve Duscha Advisories to perform administrative services in connection with this proposal for a fee not to exceed 10% of payment earned.

TRAINING VENDORS

N/A

Exhibit B: Menu Curriculum

Class/Lab Hours

Job Number 1: Pre-Apprentice
8-200

Trainees may receive any of the following:

COMMERCIAL SKILLS

- Architect's Scale
- Basic Blueprint Reading
- Basic Hand Tools
- Basic Roof Structures
- Carpenter Terminology
- Compressors
- Concrete Formwork
- Construction Math
- Drywall Framing
- Exterior Finish Applications
- Forklift
- Foundation walls
- Framing
- Green Awareness
- Hazard Communicating
- Job site roles and responsibilities
- Job site systems
- Layout
- Lead and Asbestos Awareness
- Material Handling
- Measurement
- Negotiating with co-workers at the job site
- Orthographic Drawing
- Power Tools
- Safe Working Conditions
- Scaffold Use
- Solar installation
- Using lifts
- Wood and Metal Framing

LITERACY SKILLS

- Basic Algebraic equation
- Communication Skills
- Fractions, decimals, positive and negative numbers
- Math skills for construction
- Understanding the numbering system

Job Number 2: Journeyman
8-200

COMMERCIAL SKILLS

- Acoustical Ceilings
- Advanced millwright skills
- Aerial Lift Safety

- Asbestos Abatement Worker or Supervisor
- Blueprint Reading
- Bridge Building Certification
- Bridge Falsework
- Cleanroom Protocol & Construction
- Commercial Door Hardware
- Commercial Interior Systems
- Commercial Metal Lath (Drywall/Lather)
- Commercial Solar Installation
- Concrete Formwork
- Confined Space Awareness
- Confined Space Entry
- Construction Calculator
- Construction Math & Intro to Working Drawings
- Ergonomics for Carpenters
- Fall Protection
- Firestop Installation
- Fork Lift Operation
- Framing
- Framing Square
- Green Building
- Hardwood Floor Layers/Floor Sanding & Finishing
- Hardwood Flooring
- Hazardous Waste General Site Worker
- Installation of Strip Floors
- Insulation Installation
- Layout Instruments
- Lead Abatement
- Managing safety at the worksite
- Material Safety Data Sheets (MSDS)
- Metrics In Construction
- Pile Driving Setup and Operations
- Rigging
- Roofs
- Safe working conditions
- Scaffolds
- Shaft Liner Construction
- Solid Surface Materials Installation
- Stairs
- Steel Framing
- Superintendent / Leadership Training
- Suspended Ceilings and Soffits
- Welding
- Working Drawings
- Working with gas turbines for millwrights
- Working with pumps for millwrights

CONTINUOUS IMPROVEMENT

- Team skills
- Team leader skills

OSHA 10/30 (OSHA Certified Instructor)

- OSHA 10 (requires completion of full 10-hour course)
- OSHA 30 (requires completion of full 30-hour course)

Job Numbers 3 and 4: Apprentice / Veteran Apprentice
8-200

COMMERCIAL SKILLS**Carpenter Apprentice**

- Foundations & Floors
- Blueprint Reading - Basic,
- Wood Framing
- Concrete Formwork
- Exterior Finish
- Blueprint Reading - Advanced
- Concrete Bridge Building
- Interior Finish
- Concrete Structures/Equipment/Safety/Green Technologies
- Rigging
- Layout Instruments
- Engineered Structural Systems
- Commercial Steel Framing
- Commercial Door Hardware
- Stair Building
- Roof Framing
- Introduction to Welding & Cutting

Drywall/Lather Apprentice

- Drywall/Lathing, Trade Safety
- Basic Applications
- Mathematics Review
- Commercial Framing Systems and Fire Stop
- Doors, Frames, Hardware & Windows
- Blueprint Reading I
- Blueprint Reading II
- Applied Blueprint Technology
- Welding (Heavy Plate)
- Welding (Light Gauge)
- Residential Metal Stud Framing
- Exterior Systems & Trims
- Interior Metal Lath Systems
- Shaft Protection & Ceiling Systems
- Arches, Furring & Advanced Systems
- Advanced Construction Techniques

Insulator Apprentice

- Construction Math, Intro to Working Drawings for Insulators, Firestop,
- Residential Blueprint Reading for Insulators, Fork Lift, Driver Safety Training
- Residential Insulation Installation and Weatherization

- Commercial Blueprint Reading for Insulators, Welded Frame-Mobile Tower Scaffolds
- Commercial & Industrial Insulation Installation, Aerial Lift
- Energy Conservation Codes and Standards for Insulators
- Green Advantage
- CalGreen

Pile Driver Apprentice

- Worker Safety & Tool Skills for Pile Drivers - Fall Protection
- The Pile Driver Apprentice & The Trade, Construction Math
- Rigging
- Concrete & Formwork
- Welding 1 - SMAW (Shielded Metal Arc Welding) 1F, 2F, 3F, 4F
- Introduction to Pile Driving Land & Water - Aerial Lifts
- Welding 2 - SMAW 1G, 2G - Fork Lifts
- Advanced Pile Driving - Land & Water
- Wharfage & Marine Structures
- Welding 3 - SMAW 3G Certification
- Introduction to Structural Blueprints & Layout Instruments
- Bridge Building & Advanced Structural Blueprints
- Falsework, Shoring & Heavy Timber Framing
- Advanced Formwork
- Welding 4 - SMAW 4G Certification
- Welding 5 - FCAW 3G Certification
- Welding 6 - FCAW 4G Certification

Shingler Apprentice

- Blueprint Reading - Basic, Union Benefits Presentation
- Flashing, Shakes & Composition
- Blueprint Reading - Advanced
- Shingles, Sidewalls, Tile & Metal
- Rigging

Acoustical Installer Apprentice

- Blueprint Reading - Basic, Union Benefits Presentation
- Commercial Steel Framing
- Installation of Exposed & Concealed Grid Ceilings
- Welded Frame & Mobile Tower Scaffold
- Special Ceiling Systems, Aerial Lift.
- Introduction to Welding & Cutting
- Access Floor Systems
- Integrated Ceilings & Special Techniques
- Blueprint Reading - Advanced
- Layout Instruments

Hardwood Floor Layer Apprentice

- Tools of The Trade, Installation of Wood Floors
- Athletic Floors, Finishing & Repairing Floors
- Blueprint Reading - Basic, Union Benefits Presentation
- Blueprint Reading - Advanced

Millwright Apprentice

- Millwright 16 Hour Safety & Millwright Tool Skills
- The Millwright Apprentice & The Trade
- Math Applications - Fall Protection
- Rigging
- Materials of Construction
- Layout Procedures - Fork Lift (Industrial & Rough Terrain)
- Optical Instruments
- Blueprint Reading - Aerial Lift
- Cutting & Welding 1
- Welding 2 - SMAW
- Monorails
- Conveyors
- Installation of Machinery
- Maintenance of Machinery
- Precision Tools & Shaft Alignment
- Turbines
- Welding 3 – Certification

Scaffold Erector Apprentice

- Introduction to Scaffolds - Confined Space
- Welded Frame & Mobile Tower Scaffold
- Blueprint Reading - Basic, Union Benefits Presentation
- System Scaffold
- Hazard Awareness - Aerial Lift
- Blueprint Reading - Advanced
- Suspended Scaffolds, Shoring Systems
- Tube & Clamp Scaffold
- Layout Instruments
- Blueprint Reading for Scaffold Erectors
- Rigging
- Introduction to Welding & Cutting
- Welding

Literacy Training cannot exceed 45% of total training hours per-trainee
Safety Training cannot exceed 10% of total training hours per-trainee

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

DELEGATION ORDER



**Retrainee - Job Creation
Training Proposal for:**

**B.T. Automotive, Inc. dba All Foreign and Domestic Auto
Body, Inc.**

Small Business

ET17-0106

Approval Date: June 14, 2016

ETP Regional Office: Sacramento

Analyst: W. Sabah

CONTRACTOR

- Type of Industry: Services

- Priority Industry: Yes No

- Number of Full-Time Employees
 - California: 72
 - Worldwide: 72
 - Number to be trained: 76
- Owner Yes No

- Out-of-State Competition: No OSC
- Special Employment Training (SET): Yes No
- High Unemployment Area (HUA): Yes No
- Turnover Rate: 6%
- Repeat Contractor: Yes No

FUNDING

- Requested Amount: \$95,544
- In-Kind Contribution: \$69,004

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 SB <100 HUA SET	Business Skills, Commercial Skills, Computer Skills, Cont. Imprv., HazMat, PL-Comm Skills	67	8-60	0	\$1,232	\$11.70*
				Weighted Avg: 56			
2	Retrainee SB <100 HUA Job Creation Initiative SET	Business Skills, Commercial Skills, Computer Skills, Cont. Imprv., HazMat, PL-Comm Skills	10	8-60	0	\$1,300	\$11.00*
				Weighted Avg: 50			

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

- Reimbursement Rate: Job #'s 1 and 2: \$22 SB Non-Priority
- County(ies): San Joaquin
- Occupations to be Trained: Administration Staff, Estimator, Technician, Production/Parts Staff, Frontline Manager, Owner
- Union Representation: Yes
 No
- Health Benefits: Job #1 only: \$0.70 per hour

SUBCONTRACTORS

- Development Services: Synergy Management Consultants, LLC in Grass Valley assisted with development of this project for a flat fee of \$7,550.
- Administrative Services: Synergy Management Consultants, LLC will also provide administrative services for a fee not to exceed 13% of payment earned.
- Training Vendors: To Be Determined

OVERVIEW

Founded in Stockton in 1988, B.T. Automotive, Inc. dba All Foreign and Domestic Auto Body, Inc. (AFD Auto Body) (www.afdbodyshop.com) is a full service automotive repair center. The Company specializes in automotive mechanical and collision repair services including the sale of parts and accessories. The customer base includes residents of Stockton and the surrounding vicinity.

Need for Training

The Company needs to re-tool and train employees due to changes in new materials used to manufacture vehicles. I-CAR training will be the primary focus for materials used for hybrid vehicles. Technicians and Estimators need on-going training to remain I-CAR and ASE certified to service new vehicle brands such as Toyota, Honda, Ford, Jaguar, Volkswagen and Tesla.

In addition, AFD Auto Body has undertaken an aggressive growth strategy to build existing market share. The Company acquired new Insurer Direct Repair Programs accounts, specifically State Farm and USAA. Trainees will need to learn automotive collision repair processes for these companies. The growth strategy also includes training in customer service, operating procedures, marketing, sales, and Lean Concepts. Training will allow the Company to manage growth while taking on more clients and increasing services.

Retrainee – Job Creation

The Panel offers incentives to companies that commit to hiring new employees. Trainees will be subject to a lower post-retention wage.

AFD Auto Body will be expanding existing business capacity by adding newly hired employees. The Company has committed to hiring ten new full time permanent employees (Job Number 2). The new positions will fill needs in the Technician, Estimator, and Frontline Manager occupations. The date-of-hire 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

Training will be delivered by a combination of in-house subject matter experts and outside vendors to be identified during the contract term.

Business Skills - Training will be offered to Administration Staff, Estimators, and Frontline Managers. Staff will receive training on different sales processes, claims processes, and insurance claim transmitting processes to understand how each of the functions impacts the total customer experience. Estimators will learn skills to properly facilitate claims processes. Managers will be trained in all topics to increase support of employees and customers.

Commercial Skills - Training will be offered to Technicians, Production/Parts Staff and Estimators on maintenance service, new vehicle technology, electric and hybrid repair, and extended I-CAR credentials. Training will allow employees to receive certifications for Honda, Toyota, Ford, Cadillac and other specific original equipment manufacturers (OEM). Training will allow Sales Staff to understand changes in manufacturing processes and accurately estimate damage to create report plans for Technicians.

Computer Skills - Training will be offered to all occupations and will focus on job specific software programs. Training will enable staff to accurately assess current conditions, set objectives, recognize trends, and communicate in a high flow/paperless environment. Training will also allow the Company to track costs, plan production and service flow while communicating with customers, potential customers, and employees.

Continuous Improvement - Training will be offered to all occupations and will focus on team building, root cause analysis, Lean concepts and process improvement. The goal is to improve service quality, cycle time, and cost-efficiency and reduce waste.

Hazardous Materials – Training will be provided to Technicians to ensure that hazardous materials are handled and disposed of properly.

Productive Lab

Productive Lab (PL) training will be provided to Estimators and Technicians in Commercial Skills to supplement Class/Lab training. This training will strengthen their understanding of how to complete automotive collision repair services. Technicians will receive updated skills. Estimators will learn to correctly diagnose damage and properly work through documentation and insurance and pricing processes.

PL will consist of a normal collision repair duties where the trainer will walk the trainee through the repair process. The trainer will observe, coach, and mentor while the trainee completes repairs. Trainees will use the following equipment in PL training: resistance spot welder, metal inert gas welder, frame rack and measuring system, paint spray guns, paint spray booths, All-data IT, and ADP estimating systems. Staff will be trained on welding of structural parts, aluminum repair, measuring frames, glass replacement, unibody alignment, mechanical components and system diagnostics and repair. All PL training will take place onsite. Output is expected to decrease by 30%.

The trainer-to-trainee ratio will be 1:1 and trainees will receive up to 24 hours of PL training. Training will be delivered by a combination of in-house subject matter experts and outside vendors. All trainers will be Technicians and/or Estimators who are considered to be subject matter experts.

SET/HUA

Under SET, the participating employer is not required to demonstrate out-of-state competition. Trainees must earn at least the Statewide Average Hourly Wage at the end of the retention period. However, for companies located in a High Unemployment Area, trainees can qualify if they meet the ETP Standard Wage instead of the Statewide Average Hourly Wage. Additionally, the Panel may modify the ETP Standard Minimum Wage for these trainees by up to 25% if post-retention wages exceed the start-of-training wages. AFD Auto Body is requesting the HUA wage modification to \$11.70 per hour to allow training for 20 trainees in Job Number 1 and \$11.00 per hour to allow training for 5 trainees in Job Number 2.

All trainees in Job Number 1 & 2 work in San Joaquin County, a High Unemployment Area (HUA) with unemployment exceeding the state average by 25%. The determination of HUA status is based on unemployment data from the Labor Market Information Division of the Employment Development Department.

RECOMMENDATION

Staff recommends approval of this proposal.

Exhibit B: Menu Curriculum

Class/Lab Hours

8-60

Trainees may receive any of the following:

BUSINESS SKILLS

- Customer Care Skills
 - Customer Retention
 - Customer Engagement
 - Customer Relationship Building
- Advanced Sales & Marketing Skills
 - Prospecting & Closing
 - Sales Account Management
 - Advanced Closing Techniques
 - Sales Procedures & Strategies
- Negotiation Skills
- Conflict Resolution
- Communication Skills
- Presentation Skills

COMMERCIAL SKILLS

- I-CAR Collision Repair Certification Skills
- Refinishing Skills
 - Trim & Hardware
 - Surface Preparation
 - Vehicle Priming/Sealing
 - Paint Spray Guns Maintenance & Set-up
 - Corrosion Protection Process
 - Sand, Buff & Detail
 - Color Theory & Tints
 - Blending Techniques
 - New Technologies
- Structural Repair
 - Unibody Alignment
 - Three dimensional measuring
 - Repair & replacement of Outer Body Panels
 - High Strength Steels
 - Aluminum Repair Processes
 - MIG Welding Skills
 - Straightening Structural Damage
 - Glass Replacement
 - Pillars, rocker Panels, Rails, Front Structures & Floor Pan Replacement
 - Heating Cooling and AC Systems
 - Steering & Suspension Systems
 - Advanced Vehicle systems
 - Composite materials and bonding techniques
- Non-Structural Vehicle Repair Skills
 - Remove & Install Trim & Hardware
 - Adhesive Bonding
 - Diagnose Wind Noise & Water Leaks
 - Aluminum Cosmetic Damage
 - Spot Welding
 - Composite repair

- Estimating Skills
 - Steering & Suspension System Damage Analysis
 - Damage on non-drivable vehicles
 - Electrical/Mechanical Systems
 - Stationary glass
 - Advanced Materials
 - Advanced Vehicle Systems
- Vehicle Operation, Maintenance, & Troubleshooting
- Alternative Fuel & Hybrid Vehicle Repair Diagnostics
- Service Procedures & Scheduling
- Product Knowledge
- OEM (Original Equipment Manufacturer) Knowledge/Skills

COMPUTER SKILLS

- CCMone Software
 - Job Costing
 - Production Flow
 - Production Planning - ETA Times & Dates
 - Internal & External Customer Communication
- Michell & Michell Repair Center Software
- Audatex Software
- CCC Info Systems Software
- Alldata Software
- Microsoft Office Suite (Intermediate/Advanced)
- Quickbooks

CONTINUOUS IMPROVEMENT

- Leadership Skills
- Teambuilding
- Root Cause Analysis
- Kaizen Event Strategy & Implementation
- Lean Concepts
- Process/Quality Improvement
- Problem Solving/Decision Making Skills
- Inventory Control
- Standard Operating Procedures

HAZARDOUS MATERIALS

- Completing Material Safety Data Sheets (MSDS)
- Volatile Organic Compound (VOC) Tracking
- Emergency Clean-up
- Registration, Evaluation, Authorization & Restriction of Chemical Substances

Safety Training will be limited to 10% of total training hours per-trainee.

Productive Lab

0-24

COMMERCIAL SKILLS (trainer-to-trainee ratio of 1:1)

- Body Filler Methods
- Structural Resistance Spot Welding
- Mig Brazing Techniques
- Color Tinting

- Spraying/ Blending Techniques
- Measuring Vehicle Structures
- Alignment Process of Unitized Vehicles
- Alignment Process for Full Frame Vehicles
- Aluminum Repair
- Technical Estimating Skills
- Estimating Direct Repair Program (DRP) Skills
- Estimating System Software Skills

Note: Reimbursement for retraining is capped at 60 total hours per-trainee, regardless of method of delivery. PL is capped at 24 hours per-trainee.

DELEGATION ORDER



**Retrainee - Job Creation
Training Proposal for:
Caseworx, Inc.**

Small Business

ET17-0111

Approval Date: June 21, 2016

ETP Regional Office: North Hollywood **Analyst:** E. Fuzesi

CONTRACTOR

- Type of Industry: Manufacturing
Priority Industry: Yes No
- Number of Full-Time Employees
California: 42
Worldwide: 42
Number to be trained: 29
Owner Yes No
- Out-of-State Competition: NAICS Code Eligible
- Special Employment Training (SET): Yes No
- High Unemployment Area (HUA): Yes No
- Turnover Rate: 5%
- Repeat Contractor: Yes No

FUNDING

- Requested Amount: \$33,930
- In-Kind Contribution: \$37,192

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 SB <100 Priority Rate	Business Skills, Computer Skills, Continuous Imp., Mfg Skills	25	8-60	0	\$1,170	\$15.60*
				Weighted Avg: 45			
2	Retrainee SB <100 Priority Rate Job Creation Initiative	Business Skills, Computer Skills, Continuous Imp., Mfg Skills	4	8-60	0	\$1,170	\$14.00*
				Weighted Avg: 45			

*It will be made a condition of contract that these trainees will never be paid less than the State or local minimum wage rate as in effect at the end of retention (Final Payment) regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

- Reimbursement Rate: \$26 SB Priority
- County(ies): San Bernardino
- Occupations to be Trained: Production Staff, Administration Staff, Owner, Supervisor/Manager
- Union Representation: Yes
 No
- Health Benefits: Job #1 only: \$1.60 per hour

SUBCONTRACTORS

- Development Services: Training Funding Source (TFS) in Seal Beach assisted with development for a flat fee of \$1,500.
- Administrative Services: TFS will also provide administrative services for a fee not to exceed 13% of payment earned.
- Training Vendors: To Be Determined

OVERVIEW

Founded in 1992 and located in Redlands, Caseworx, Inc. (Caseworx) is an original equipment cabinet manufacturer serving contractors and brokers nationwide. The Company’s products include fixed and movable custom cabinetry such as lockers, desks, and kitchen cabinets. Customers include hospitals, schools, laboratory/research facilities, health clubs, and private residences. Caseworx also provides product research of new materials such as high gloss acrylic, deep embossed wood grain melamine panels; and hardware such as lighted wardrobe poles and pivoting door hinges.

Need for Training

This will be Caseworx's second proposal in the last five years. In the previous proposal, Caseworx focused on basic Business Skills to improve teamwork and Manufacturing Skills to introduce Lean Manufacturing concepts. Lean Manufacturing helped standardize processes, organize work areas, and clean up the production environment. As a result of the training, Caseworx was able to produce higher quality products, which in turn, increased business demand.

In this project, Caseworx will move on to more advanced Continuous Improvement and Lean Manufacturing, incorporating one-piece flow into every process. The Company will not duplicate training from previous proposals. Training will help the Company achieve true just-in-time manufacturing, eliminate batching (making items in batches) and decrease the number of defects.

Additionally, Caseworx will need to address changes in the industry. Key changes include emerging materials and finishes available to architects and designers for use in cabinet projects (such as high gloss and super matte UV coated melamine panels) and Fenix NTM® (Nanotech Matt) laminate. These materials require training in a variety of areas, which include new machinery technology and pre-milling functions and processing.

Retrainee - Job Creation

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

Caseworx is expanding existing business capacity by hiring employees to work on the emerging new materials and new products discussed above.

The Company has committed to hiring four new production employees (Job Number 2). To be eligible for reimbursement under this Job Number, the trainees must be hired within the three-month period prior to approval or during the term of contract. Trainees will be hired into "net new jobs" as a condition of contract.

Temporary to Permanent Hiring

Caseworx intends to train four Job Creation workers (Job Number 2) under Panel guidelines for the "Temporary-to-Permanent" program. The Company will retain these employees on a temporary basis with the intention of hiring them into full-time, permanent positions after training. According to Caseworx the average time for "converting" temporary workers into full-time permanent employment is 3 months. It is expected that these workers will receive employer-paid share-of-cost for healthcare premiums 90 days after they are hired into full-time permanent employment by Caseworx.

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

Training Plan

Business Skills (20%) – Training will be offered to all occupations. Training will improve teamwork and increase employee involvement in manufacturing processes. The goal is to shift much of the problem-solving and decision-making to the employees involved in the day-to-day operations.

Computer Skills (20%) – Training will be offered to all occupations. Instruction on various software solution products will provide workers with tools to improve accuracy in using the shop floor scheduling systems and real-time monitor displays.

Continuous Improvement (30%) – Training will be offered to all occupations to help employees embrace the company culture of Lean principles, process improvement, and quality improvement in frontline operations.

Manufacturing Skills (30%) – Training will be offered to all occupations to increase the level of expertise on the shop floor and among the design staff to attain the highest quality possible. Transitioning to the one-piece flow will involve removing excess part conveyors, reducing work in process between machines, and moving parts more quickly through production. Trainees will learn to quickly assemble parts with very minimal change-over time.

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET15-0452	Redlands	05/09/2015- 05/08/2016	\$23,400	TBD

ETP is in the process of closing out the contract. Caseworks invoiced for a total of 900 training hours for 22 trainees, sufficient to support earnings of \$23,400 (100% of Approved Amount).

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

8-60 Trainees may receive any of the following:

BUSINESS SKILLS

- Active Listening
- Adaptability/Flexibility
- Business Development
- Communication
- Critical Thinking
- Customer Relations
- Goal Setting
- Judgment and Decision-making
- Leadership
- Meetings Management
- Problem Solving
- Product Knowledge
- Project Management
- Public Speaking
- Teamwork
- Time Management

COMPUTER SKILLS

- Aletha Job Management & Scheduling
- Keytrix Fabrication
- Microsoft Office (Excel)
- Microvellum

CONTINUOUS IMPROVEMENT

- 5S
- Lean Manufacturing
- Process Improvement
- Productivity Improvement
- Quality Improvement

MANUFACTURING SKILLS

- Altendorf Saw Operation
- Belfab Dust Extraction program
- Blueprint Reading
- Brandt Airtech Laser Edgeband
- Equipment Operation, Maintenance & Troubleshooting
- Hofer Clamp Operations
- Inspection Techniques
- Komatsu/Clark Pick and Place Machine
- Material Requirements Planning
- One-Piece Flow

- Preventative Maintenance
- Programmable Conformat Doweling Machine
- Zebra Label Printer

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



**Training Proposal for:
Dauntless Industries, Inc. dba Dauntless Molds**

Small Business

ET17-0120

Approval Date: June 22, 2016

ETP Regional Office: North Hollywood

Analyst: M. Paccarelli

CONTRACTOR

- Type of Industry: Manufacturing
- Priority Industry: Yes No
- Number of Full-Time Employees
 - California: 23
 - Worldwide: 23
 - Number to be trained: 23
- Owner Yes No
- Out-of-State Competition: NAICS Code Eligible
- Special Employment Training (SET): Yes No
- High Unemployment Area (HUA): Yes No
- Turnover Rate: 1%
- Repeat Contractor: Yes No

FUNDING

- Requested Amount: \$47,840
- In-Kind Contribution: \$31,280

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	Manufacturing Skills, Business Skills, Computer Skills, Cont. Imp., Literacy Skills,	23	8-200	0	\$2,080	\$16.48
				Weighted Avg: 80			

- Reimbursement Rate: Job # 1: \$26 SB Priority
- County(ies): Los Angeles
- Occupations to be Trained: Production Staff, Administrative Staff, Manager/Supervisor, Owner
- Union Representation: Yes
 No
- Health Benefits: Job # 1: \$4.48 per hour

SUBCONTRACTORS

- Development Services: N/A
- Administrative Services: N/A
- Training Vendors: To Be Determined

OVERVIEW

Founded in 1975, Dauntless Industries, Inc. dba Dauntless Molds (Dauntless) (www.dauntlessmolds.com) is a manufacturer of molds for the plastic industry.

Dauntless has 41 years of experience in constructing high quality, low maintenance molds. The Company has grown from being a custom mold manufacturer to being a true one-stop solution. Dauntless uses many proprietary techniques in every aspect of construction. This includes mold design and build, turnkey production cell systems, in-house trial runs, and full plastic production molding. Its customer base includes medical, optical, bio-medical, pharmaceutical and high-tech industries.

The Company continues to grow on the production side. In order to meet quality objectives and keep up with customer demand, Dauntless implemented new processes and invested \$760K in equipment this year, which includes two new mold presses and a Septro S5-25 Robot. Training is not included in the purchase price of the new equipment; however, it is critical to properly operate both.

Dauntless is eligible as a single employer for standard retraining and priority-industry funding. The Company meets out-of-state competition standards as a manufacturer.

Training Plan

This will be the Company's third ETP Agreement within the last five years. The prior training focused on proprietary techniques and computer technology. In this proposal, the primary goal is in new equipment and processes. Some courses are repeated from the prior Agreements; however, there will be no repeat trainees in those courses.

Manufacturing Skills (55%) - Training will equip Production Staff with the skills needed to operate new equipment and cross-train in different manufacturing processes.

Computer Skills (20%) – Training will be provided to all occupations and will focus on the Company's Manufacturing and Enterprise Resource Planning (MRP/ERP) system and Computer-Assisted Design/Computer-Aided Manufacturing (CAD/CAM)

Continuous Improvement (10%) - Training will be delivered across all occupations to increase efficiency and productivity by implementing process improvements and will focus on ISO9001.

Business Skills (10%) - Training will be provided to Administrative Staff, Managers, and Owners to ensure they have the skills to improve communication, project management and customer service.

Literacy Skills (5%): Training will be provided to Production Staff in basic math and terminology to help improve their job skills and overall performance.

Temporary to Permanent Hiring

Dauntless intends to train two workers 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. According to Dauntless the average time for "converting" temporary workers into full-time permanent employment is three months. It is expected that these workers will receive employer-paid share-of-cost for healthcare premiums 30 days upon hire into full-time permanent employment.

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

Waiver for Maximum Training Hours

Dauntless is requesting a waiver to the standard maximum training hours for Small Business, from 60 to 200 hours. The Company estimates that approximately three trainees need up to 200 hours of extensive training in new equipment and processes. Other trainees will require some increased hours for intensive cross-training in proprietary techniques.

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned
ET14-0227	Irwindale	12/13/13 – 12/12/15	\$87,204	\$87,204 (100%)
ET10-0116	Irwindale	08/21/09 – 08/20/11	\$40,560	\$39,205 (97%)

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

8 - 200

Trainees may receive any of the following:

MANUFACTURING SKILLS

- Cross-Training - Manufacturing Process
- Equipment Operation
- Tool Making
- Injection Mold Press
- Computerized Numerical Control (CNC)
- Computer-operated machinery

CONTINUOUS IMPROVEMENT

- Process Improvement
- ISO 9001
- Leadership Skills for Frontline Workers
- Production Operations/Workflow/Scheduling

COMPUTER SKILLS

- Manufacturing Resource Planning (MRP)
- Enterprise Resource Planning (ERP)
- Computer-Assisted Design/Computer-Aided Manufacturing (CAD/CAM)
- SolidWorks
- Autodesk
- Moldflow®
- Software Certifications
- Cimatron
- General Accounting

BUSINESS SKILLS

- Customer Service
- Communication Skills
- Project Management

Literacy Skills

- Basic math

Literacy Training cannot exceed 45% of total training hours per-trainee.
Safety Training will be limited to 10% of total training hours per-trainee.

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

DELEGATION ORDER



**Training Proposal for:
E.A. Machining, Inc.**

Small Business

ET17-0130

Approval Date: June 20, 2016

ETP Regional Office: San Francisco Bay Area

Analyst: R. Jackson

CONTRACTOR

- Type of Industry: Manufacturing
Aerospace and Defense
Priority Industry: Yes No

- Number of Full-Time Employees
California: 8
Worldwide: 8
Number to be trained: 8
Owner Yes No

- Out-of-State Competition: NAICS Code Eligible
- Special Employment Training (SET): Yes No
- High Unemployment Area (HUA): Yes No
- Turnover Rate: 8%
- Repeat Contractor: Yes No

FUNDING

- Requested Amount: \$8,112
- In-Kind Contribution: \$14,040

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 SB <100 Priority Rate	Computer Skills, Cont. Imp., Mfg. Skills	8	8-60	0	\$1,014	\$17.02
				Weighted Avg: 39			

- Reimbursement Rate: \$26 SB Priority
- County(ies): Santa Clara
- Occupations to be Trained: Machine Operators, Manager, Owner
- Union Representation: Yes No
- Health Benefits: N/A

SUBCONTRACTORS

- Development Services: N/A
- Administrative Services: N/A
- Training Vendors: Delcam, Pasadena, Computer Skills
GeoPath, San Jose, Computer Skills
E2 Shop Tech, San Jose, Computer Skills
ADP, Milpitas, Continuous Improvement
Ganesh, Torrance, Manufacturing Skills
Employers Comp, San Francisco, Continuous Improvement
Liberty Mutual, San Jose, Continuous Improvement

OVERVIEW

Established in June 2001 and located in Santa Clara, E.A. Machining, Inc. (EA Machining) (www.eamachining.com) is a female/minority-owned machine shop specializing in manufacturing precision machined parts including electrical interconnect systems, high fluid transfer systems, conduit assemblies and high current connectors. The Company markets to customers in the aerospace, semiconductor manufacturing equipment, test and measurement, and electronics industries. EA Machining designs, engineers, and manufactures parts from customer specifications using Computer Numerically Controlled turning and milling centers. Its customer base includes Icore International, Creative Pathways and Millteck.

This is EA Machining's third ETP Proposal. In its first Agreement, the Company only achieved part of its goals: AS9100 Certification and the integration of new Icore-required processes. The second ETP training proposal built upon the previous Agreement training to become more efficient and maintain AS9100 certification. This resulted in a 15% sales growth for 2013. EA

Machining also reported a 20% increase in sales to Aerospace customers and attributed part of that growth to improvements in manufacturing processes stemming from ETP-funded training.

This proposal includes required AS9100 updates and skill upgrade topics in Continuous Improvement, Manufacturing and Computer Skills. Strategic goals at EA Machining related to this ETP proposal include increasing sales, expanding the customer base, improving manufacturing capacity, and advancing cross training to upgrade skills for Machine Operators. EA Machining is expanding cross-training on new manufacturing equipment (Ganesh) and processes. Additionally, the Company implemented new processes for managing customer orders and has included Computer Skills training as a part of their efforts to increase efficiency rates.

EA Machining clarified that AS9100 certifications are annual and vary in content based on periodic audits, which helps the Company design tailored training to address audit findings and maintain certification. While some curriculum titles are the same as listed in the previous Agreements, EA Machining represents the training content is updated with new content, which has not been previously delivered.

Training Plan

Training will be delivered by in-house experts and outside training vendors in the following:

Computer Skills: Training will be offered to all occupations. GeoPath and Delcam are software programs required for developing equipment programming to manufacture parts. E2 Shoptech software and ADP software training will streamline production flow to increase efficiencies.

Manufacturing Skills: Training will be provided to Machine Operators and Owner. Trainees must be proficient in operating and providing maintenance on multiple machines. Cross-training on all equipment will create a flexible workforce that will be able to meet production timeframes.

Continuous Improvement: Training will be offered to all occupations in AS9100 to maintain the certification. Example topics include Risk Management, Quality Management, Purchase order Procedures and Document Control.

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET15-0125	Santa Clara	7/1/14 - 6/30/15	\$10,400	\$8,320 (80%)
ET12-0438	Santa Clara	6/26/12- 12/25/13	\$10,920	\$4,611 (42%)

EA Machining attributes its lower than expected performance on ET12-0438 to the following:

The scope of training of the Agreement was based on a consultant's projections. However, when the Agreement began, the consultant resigned for personal reasons. The Company submitted a modification in December 2012 to extend the term 6 months to allow time to find a consultant and restart training.

Once the new consultant was hired, the Company realized that it did not need as much training as was originally anticipated. The Company re-analyzed its training plan, achieved its main goal of AS 9100 Certification.

Exhibit B: Menu Curriculum

Class/Lab Hours

8-60

CONTINUOUS IMPROVEMENT

- ✚ AS 9100 Certification
 - Quality Management
 - Risk Management
 - Inspection
 - Training Records for Employees/Matrix Maintenance
 - Discrepant Material Reports
 - Return Material Authorization
 - Disposal of Parts
 - Purchase Orders Process
 - Purchasing Supplies and Procedures
 - Tool Calibration
 - Request for Quote
 - Implement 9102 Form
 - Document Control
 - Safety Training

MANUFACTURING SKILLS

- ✚ Machine Maintenance
- ✚ Machine Operations Cross-Training
 - Crowne
 - Cadet
 - Fadal
 - Puma
 - Eurotech
 - Ganesh

COMPUTER SKILLS

- ✚ GeoPath
- ✚ E2 Shoptech
- ✚ Delcam
- ✚ Tracking Software ADP

Safety Training will be limited to 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.

DELEGATION ORDER



RETRAINEE - JOB CREATION

Training Proposal for:

EasyTurf, Inc.

Agreement Number: ET17-0145

Approval Date: July 12, 2016

ETP Regional Office: San Diego

Analyst: H. Bernard

PROJECT PROFILE

Contract Attributes:	Retrainee Job Creation Initiative Priority Rate	Industry Sector(s):	Services Construction Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	San Diego, Los Angeles	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: 118	U.S.: 570	Worldwide: 740
<u>Turnover Rate:</u>	17%		
<u>Managers/Supervisors:</u> (% of total trainees)	11%		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$97,038		\$0	\$0		\$97,038

In-Kind Contribution:	100% of Total ETP Funding Required	\$150,500
------------------------------	---	------------------

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, Comm'l. Skills, Computer Skills, Cont. Imp., Mgmt. Skills	61	8 - 200	0	\$1,458	*\$16.46
				Weighted Avg: 81			
2	Retrainee Job Creation Priority Rate	Business Skills, Comm'l. Skills, Computer Skills, Cont. Imp.,	5	8 - 200	0	\$1,620	*\$15.00
				Weighted Avg: 81			

*It will be made a condition of contract that the trainees in this Job Number will never be paid less than the State or local minimum wage rate as in effect at the end of retention (Final Payment) regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

Minimum Wage by County: Job Number 1: \$16.46 in San Diego County and \$16.48 in Los Angeles County

Job Number 2 (Job Creation): \$13.72 in San Diego County and \$13.73 in Los Angeles 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

Up to \$1.48 per hour may be used to meet the Post-Retention Wage in Job Number 1.

Wage Range by Occupation

Occupation Titles	Wage Range	Estimated # of Trainees
Administrative Staff		6
Installers		9
Design/Sales Staff		37
Warehouse/Distribution Staff		7
Manager/Supervisor		7

INTRODUCTION

EasyTurf, Inc. (EasyTurf) (www.easyturf.com) is a wholly owned subsidiary of Tarkett Sports (acquired in August 2015). The Company distributes and installs synthetic grass surfaces for residential and large commercial properties. EasyTurf's artificial turf can be found on sports fields, playgrounds, rooftops, dog parks, golf courses and residential installations. Notable commercial installations include San Diego's Petco Park bullpen, Legoland and Cesar Millan's dog training facility. EasyTurf has two locations in San Diego and Los Angeles counties, both participating in training.

This will be EasyTurf's second contract with ETP. In its first ETP contract (ET14-0237), EasyTurf focused on the initial implementation of SysPro and standard operating procedures.

Training focused on Administrative and Office Staff. This project will focus on new software systems and reorganizing the sales department. The Company reports that the first project with ETP enabled it to provide structured formal skills training to its employees for the first time. As a result, the Company has been able to implement a culture of training in which training is ongoing.

PROJECT DETAILS

EasyTurf's product offerings provide a "green" alternative to conventional sod and natural grass lawns. As consumers become more energy conscious and water shortages increase, the demand for EasyTurf's products and services has skyrocketed. To keep up with demand, EasyTurf has implemented an aggressive growth strategy. This strategy focuses on retail business expansion through targeted partnerships with big box retailers, warehouse clubs and large home improvement retailers. These partnerships have led to territory expansions resulting in significant expansion of retail store representation this year. The expansion into the retail market has changed the way the Company organizes its sales team, therefore the Company is planning an overhaul of the sales department.

Additionally, the Company has implemented a new phone system with better management and training tools for call center operations. The Company's SysPro ERP System is updated for functionality twice a year. These updates require training for staff. The Company anticipates enhancing its current Customer Relationship Management Tool (CRM) in early 2017. The change will ensure that the CRM can better integrate with SysPro and provide a more effective way to manage customer information. This will require extensive training for all staff to ensure that Company can effectively manage customer information through staff workflows.

Retrainee - Job Creation

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

In this proposal, EasyTurf has committed to hiring five new employees (Job Number 2). EasyTurf represents that 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. The Company also represents that these trainees will be hired into "net new jobs" as a condition of contract.

With the sales expansion into the retail market, the Company will hire two Sales Staff to help manage territory and promotion efforts. They will also hire two Administrative Staff to assist with client relationship management and one Installer to focus on putting greens and high-end service calls.

Training Plan

All training will be provided via classroom/laboratory training in the following:

Business Skills (30%): Training will be offered to Managers/Supervisors, Sales/Design and Administrative Staff. Communication and customer service skills will enable employees to interact with customers on a more professional level. Sales Staff, Installers and select Managers/Supervisors will learn negotiation and marketing/sales skills on new products and services. Training will focus on the Sales Staff team restructure.

Commercial Skills (30%): Training will be delivered to all occupations. Staff needs to be knowledgeable about products and services offered. Installers, Sales and Warehouse Staff will

receive training in landscape layout design and blue print reading to minimize material waste generated on each job.

Computer Skills (15%): Training will be delivered to all occupations on the SysPro ERP system and the upgraded CRM or Salesforce CRM system. Warehouse and Administrative Staff will be trained on WMS and related tools (barcode/scanners) for inventory management. As needed, Excel and other Microsoft productivity software training will be provided to optimize efficiency in various back-office support functions.

Continuous Improvement (15%): Training will be offered to all occupations. Topics are designed to streamline processes, reduce waste, and maximize worker efficiency through the utilization of Lean concepts, problem solving, team building and process improvement skills.

Management Skills (10%): Training will be offered to Managers and Supervisors. Topics will include Strategic Planning and Forecasting designed to train management staff in leadership skills, focusing on identifying and analyzing business trends and performance management.

Commitment to Training

EasyTurf currently spends approximately \$12,200 per year on training for both facilities including new hire orientation, sexual harassment prevention, job specific installation instructions, safety training and on-the-job training. This training will continue at the Company's expense. EasyTurf represents that ETP funds will not displace the existing financial commitment to training.

➤ Training Infrastructure

The HR Administrator will have program oversight and, with an Office Assistant, will schedule and track training and provide ETP attendance rosters to all field locations. The majority of training will be delivered by in-house instructors; however, the Company may utilize a training vendor if necessary. EasyTurf will utilize an administrative subcontractor for enrolling and tracking trainees in the ETP online systems.

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned	
				\$	%
ET14-0237	Various	12/16/13 – 12/15/15	\$98,560	\$98,560	(100%)

DEVELOPMENT SERVICES

CalTraining, Inc. in Upland assisted with development of this proposal for a flat fee of \$3,000.

ADMINISTRATIVE SERVICES

CalTraining, Inc. will also perform administrative services for a fee not to exceed 13% of payment earned.

TRAINING VENDORS

N/A

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

8 – 200

Trainees may receive any of the following:

BUSINESS SKILLS

- Customer Service Skills
- Negotiation Skills
- Lead Prospecting/Generation
- Closing the Sale
- Post-Sales Follow-Up Skills
- Referral Generation
- Accounting Skills
- Project Management
- Analytics/Reporting

COMMERCIAL SKILLS

- Blueprint/Landscape Layout Design
- Blueprint/Landscape Layout Interpretation
- Product Knowledge
- Competitive Comparisons
- Pricing
- Project Management

COMPUTER SKILLS

- Bar Code Training
- WMS – BFI Warehouse Management
- SysPro updates
- CRM – Salesforce
- Advanced Microsoft Office
- Relevant Productivity Apps & Tools

CONTINUOUS IMPROVEMENT

- Warehouse Management Procedures
- ET Standard Operating Procedures
- Process Improvement
- Innovation Changes

MANAGEMENT SKILLS (Managers/Supervisors Only)

- Strategic Planning
- Forecasting & Budgeting
- Competitive Analysis
- Performance Management

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

DELEGATION ORDER



Training Proposal for:
Lance, Soll & Lunghard, LLP

Small Business

ET17-0142

Approval Date: June 28, 2016

ETP Regional Office: San Diego

Analyst: H. Bernard

CONTRACTOR

- Type of Industry: Services
- Priority Industry: Yes No
- Number of Full-Time Employees
 - California: 60
 - Worldwide: 60
 - Number to be trained: 53
 - Owner Yes No
- Out-of-State Competition: Competitors Outside CA
- Special Employment Training (SET): Yes No
- High Unemployment Area (HUA): Yes No
- Turnover Rate: 5%
- Repeat Contractor: Yes No

FUNDING

- Requested Amount: \$61,798
- In-Kind Contribution: \$105,798

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 SB <100	Business Skills Computer Skills Commercial Skills	53	8-60	0	\$1,166	*\$16.51
				Weighted Avg: 53			

*It will be made a condition of contract that these trainees will never be paid less than the State or local minimum wage rate as in effect at the end of retention (Final Payment) regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

- Reimbursement Rate: \$22 SB Non-Priority
- County(ies): Orange
- Occupations to be Trained: Partner/Owner, Manager, Senior Accountant, Supervisor, Staff Accountant, Administrative Support
- Union Representation: Yes
 No
- Health Benefits: Up to \$3.25 per hour

SUBCONTRACTORS

- Development Services: Training Refund Group (TRG) in Irvine assisted with development for a flat fee of \$3,000.
- Administrative Services: TRG will also assist with administrative services for a fee not to exceed 13% of payment earned.
- Training Vendors: To Be Determined

OVERVIEW

Located in Brea and founded in 1929, Lance, Soll & Lunghard, LLP (LSL) (<http://www.lslcpas.com>) provides tax, auditing, estate planning and business advisory services. Its customers include real estate, employee benefit plans and government agencies including cities, municipalities and water districts.

The Company reports that it faces constant regulatory/compliance updates and changes brought by Tax Code updates, governmental updates to Generally Accepted Accounting Principles and Financial Accounting Standards Board. To provide customers with exemplary

service, workers must be knowledgeable of the latest accounting rules, tax issues and business plans.

To remain competitive and to stay up-to-date on new compliance issues, LSL has developed a company-wide training program. The need for training is also driven by LSL's continuous effort to expand its business. The Company must improve its accounting and consulting which is critical to acquire new clients and remain competitive.

Training Plan

The ETP training will focus on annual tax code and other regulatory updates. As a part of the annual updates, the Company will offer Accountants, Senior Accountants and Managers extensive regulatory training, with the bulk of training occurring in December over 10 days for 8 hours per day and a follow up session in January for up to 3 days.

In addition, as the Company hires new Accountants, it provides extensive training in the practical applications of accounting. This training, which will be included in the ETP training plan, acts as a bridge from academic college courses to the professional setting, giving the new Accountants, the skills they need to be successful in the workplace. These new Accountants must also be trained in the specific industries the Company serves. These trainees will also be trained extensively in customer service and customer relations management.

The Company expects that most training will be provided by in house trainers but may use outside vendors when necessary.

Business Skills – Training will be provided to all occupations. Training in customer service, communication, presentation and marketing skills will ensure employees provide quality customer service, improve customer relationships, and deliver informed presentations and recommendations. Partners/Owners and Managers will benefit from Leadership Skills training to improve management skills and create a better work environment.

Commercial Skills - Training will be provided to Partners/Owners, Managers, Supervisors and Accountants. Specialized training topics in Auditing & Tax Updates and Governmental Compliance will enable workers to stay current and keep clients in compliance with regulatory changes. Accounting staff will learn new interpretations of existing law to provide the best benefit to customers. These courses will not be utilized for Certified Public Accountants licensing requirements.

Computer Skills - Training will be provided to all occupations. Training in Quickbooks, Intermediate Microsoft Office, Adobe Office Suite and Commerce Clearing House Software Suite will enable employees to create databases, spreadsheets, reports, charts, graphs and professional presentation materials to improve productivity.

Modifications

Much of the Company's work is seasonal: tax season runs from January through April; corporate audit season runs from January through March; and government audit season runs from September through December. It is expected that during the first quarter of the calendar year little training will be performed. A two-year term will allow the Company to provide all training required for the Company to stay up to date with compliance and industry needs.

RECOMMENDATION

Staff recommends approval of this proposal.

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

8 - 60

Trainees may receive any of the following:

BUSINESS SKILLS

- Client Management Skills
- Leadership Skills
- Team Building
- Communication
- Marketing Skills
- Sales
- Presentation Skills
- Project Management

COMPUTER SKILLS

- QuickBooks
- Microsoft Office Intermediate
- Adobe Office Suite
- Checkpoint Research
- Commerce Clearing House Software Suite (tax software)
- Practice CS
- Flowtivity Lean Training

COMMERCIAL SKILLS

- Fraud (detection, analysis, review)
- Best Practices
 - Audit Techniques
 - Tax Strategies
- Accounting & Auditing Updates
- Employee Retirement Income Security Act and Employer Benefit Plans
- Tax Updates
- Technical Updates – Accounting & Audit Procedures
- Estates and Trusts
- Government Accounting Standards Board Update
- Advanced Estate Planning
- Common Fraud and Internal Controls
- Auditing Government Pension Plans
- Government Accounting Standards Board 68
- Business Exit Strategy and Asset Protection

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



DELEGATION ORDER

**Training Proposal for:
Mida Industries, Inc.**

Agreement Number: ET17-0131

Approval Date: June 28, 2016

ETP Regional Office: North Hollywood

Analyst: L. Vuong

PROJECT PROFILE

Contract Attributes:	Retrainee	Industry Sector(s):	Services Priority Industry: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Counties Served:	Los Angeles	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: 210	U.S.:210	Worldwide: 210
<u>Turnover Rate:</u>	11%		
<u>Managers/Supervisors:</u> (% of total trainees)	11%		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$81,600		\$0	\$0		\$81,600

In-Kind Contribution:	100% of Total ETP Funding Required	\$120,768
-----------------------	------------------------------------	-----------

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	Business Skills, Commercial Skills, Computer Skills, Continuous Impr., HazMat, OSHA 10/30	136	8-200	0	\$600	\$16.48
				Weighted Avg: 40			

It will be made a condition of contract that trainees will never be paid less than the State or local minimum wage rate as in effect at the end of retention (Final Payment) regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

Minimum Wage by County: \$16.48 per hour for Los Angeles 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

Up to \$2.68 per hour may be used to meet the Post-Retention Wage.

Wage Range by Occupation

Occupation Titles	Wage Range	Estimated # of Trainees
Production Staff		52
Operation Support Staff		37
Administrative Support Staff		22
Frontline Supervisor		15
Project Specialist		10

INTRODUCTION

Established in 1989 with one facility located in Long Beach, Mida Industries, Inc. (Mida) (www.midaindustries.com), is a one-stop provider of comprehensive cleaning and facility support services across California. Mida has over 25 years' experience in janitorial services, healthcare, hospital and surgery centers support, cleanroom-biotech and environmental services and manufacturing and industrial cleaning services. Major customers include hospital and healthcare institutions, federal and municipal government offices, commercial and residential buildings and financial and educational institutions.

Mida has an ongoing service contract with Tesla, located in Fremont. The Company provides cleaning services (for paint booths and tanks/ovens), sanding and painting services for car bodies, environmental controls, assembly workers and critical operations support. Mida is the exclusive janitorial and cleaning service provider for Tesla, through 2017.

Mida meets Out-of-State Competition standards as an Industrial Cleaning Company that regularly competes with service providers located out-of-state. This will be Mida's first ETP Agreement. Training will take place at its Los Angeles location and customers' worksites in California.

Green/Clean Operations

Over the years, Mida has evolved into a full-service operations support organization that focuses on cleaning for health and to maintain a healthy work environment. The Company has embraced the Green Cleaning approach by reducing pollutants at the source, improving indoor air quality, purchasing green products, and recycling.

PROJECT DETAILS

Mida is facing sophisticated technological advances in a competitive environment. Additionally, customers are continually expecting better and faster services at a lower cost. Training is needed to help the Company develop and deliver formalized training to its workforce to upgrade worker job skills, keep up with technological advances, improve overall efficiency and quality services, and enhance customer satisfaction. Workers will receive the skills necessary to better understand customers' requirements, deliver sophisticated services, save time, eliminate waste, and improve job performance.

Training Plan

Classroom/Laboratory and Video Conference training will be provided as follows:

Business Skills (5%): This training will be offered to all occupations in communication, customer service and project management to improve communication skills so that workers can become proactive with customers. Training will support the Company as it continues to grow and compete.

Commercial Skills (30%): This training will be offered to Production Staff, Operation Support Staff and Frontline Supervisors. Training will focus on mechanical/electrical operations and procedures, inspection/quality control, and loading/uploading of E-Cube and E-Scrub operations.

Computer Skills (5%): This training will be offered to all occupations. Trainees will learn to navigate various software applications to perform their job duties.

Continuous Improvement (10%): This training will be offered to all occupations. This training will focus on team building, process improvement, problem analysis, operational support and effectiveness and leadership to improve overall operations.

Hazardous Materials (5%): This training will be offered to all occupations. All trainees are required to have knowledge for handling, cleaning, storing and transporting hazardous materials, chemicals, water and waste materials to prevent accidents during work.

Certified Safety Training

OSHA 10/30 (10%) 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. OSHA 10 training will be provided to Production Staff and Operation Support Staff and OSHA 30 training will be provided to Frontline Supervisors. Training will ensure a safe work environment.

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.

Mida has an annual training budget of approximately \$15,000. The Company's current training is mandatory and consists of assembly and paint operations, equipment maintenance and production line operations delivered via class/lab and on-the-job training. ETP funds will enable the Company to provide more training hours to its workforce and strengthen business operations. Mida is committed to continuing the quality and frequency of employee training after ETP-funded training.

➤ Training Infrastructure

Training is scheduled to begin upon Panel approval. Most training will be provided by in-house subject matter experts, and Kirkpatrick Enterprises International, will provide Continuous Improvement training. Mida has designated staff to oversee ETP training and administrative responsibilities including scheduling training, delivery and documentation of training and securing rosters. Mida has also retained a third party administrator for enrollment, data tracking, invoicing and meeting with ETP staff. (See Administrative Services below)

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

Mida retained Kirkpatrick Enterprises International (KEI) in Valencia to assist with development of this proposal at no cost.

ADMINISTRATIVE SERVICES

Mida also retained KEI to perform administrative services in connection with this proposal for a fee not to exceed 10% of payment earned.

TRAINING VENDORS

KEI in Valencia will provide Continuous Improvement training for a fee to be determined. Other vendors will be identified during the term of the proposed Agreement.

Exhibit B: Menu Curriculum**Class/Lab and Video Conference Hours**

8-200 Trainees may receive any of the following:

BUSINESS SKILLS

- Project Management
- Communications Skills
- Customer Retention and Identifying Customer Needs

COMMERCIAL SKILLS

- Mechanical/Electrical Repair, Body Work, Operating Procedures
- Transport Loading/Unloading
- Paint Operation and Maintenance, E-Cube, E-Scrub
- Assembly and Inspection
- Paperwork Requirements
- Production Operations
- Paint Operations
- Equipment Operation and Maintenance
- Manufacturing Practices
- Cross-Training (Production Equipment/Skills)

COMPUTER SKILLS

- Advanced Microsoft Office
- Project Tracking

CONTINUOUS IMPROVEMENT

- Lean Enterprises
- Process Analysis
- Production Operations and Workflow
- Standard Work
- Teamwork and Problem Solving
- Leadership Skills for Frontline Workers
- Six Sigma (Green Belt)
- ISO 9000 and ISO 14400

HAZARDOUS MATERIALS

- Hazardous Material Handling
- Hazardous Chemical Cleaning Handling
- Hazardous Waste Handling
- Global Harmonization System

OSHA 10/30 (Certified OSHA Instructor)

- OSHA 10 (Requires completion of the full 10-hour course)
- OSHA 30 (Requires completion of the full 30-hour course)

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

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



**Training Proposal for:
PBM Supply & Mfg.**

Small Business

ET17-0115

Approval Date: June 28, 2016

ETP Regional Office: Sacramento

Analyst: W. Sabah

CONTRACTOR

- Type of Industry: Manufacturing
 - Priority Industry: Yes No
- Number of Full-Time Employees
 - California: 78
 - Worldwide: 78
 - Number to be trained: 65
 - Owner Yes No
- Out-of-State Competition: NAICS Code Eligible
- Special Employment Training (SET): Yes No
- High Unemployment Area (HUA): Yes No
- Turnover Rate: 14%
- Repeat Contractor: Yes No

FUNDING

- Requested Amount: \$59,150
- In-Kind Contribution: \$57,415

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, Commercial Skills, Computer Skills, Cont. Impr., HazMat, Mgmt Skills, Mfg. Skills	65	8-60	0	\$910	\$15.60
				Weighted Avg: 35			

- Reimbursement Rate: \$26 SB Priority
- County(ies): Butte, Fresno, Riverside
- Occupations to be Trained: Administration Staff, Assembly Staff, Fabrication Staff, Shipping Staff, Sales Staff, Manager, Owner
- Union Representation: Yes
 No
- Health Benefits: \$2.60 per hour

SUBCONTRACTORS

- Development Services: Sierra Consulting Services (SCS) in El Dorado Hills assisted with development of this project for a flat fee of \$5,789.
- Administrative Services: SCS will also provide administrative services for a fee not to exceed 13% of payment earned.
- Training Vendors: To Be Determined

OVERVIEW

Founded in 1969 and headquartered in Chico, PBM Supply & Mfg. (PBM Supply) (www.pbmsprayers.com) builds spray equipment, tank trailers, and accessories. The Company also has a line of interchangeable components with a wide variety of options that allows individual modification. Customers include farmers and retail stores. Training for this ETP proposal will take place at the Company’s facilities in Chico, Fowler and Murrieta.

Need for Training

PBM Supply’s training goal is to improve customer care. Part of the focus is to decrease lead times. The Company’s sprayers and trailers are built-to-order and fully customizable. Lead time for these products is about five weeks, which is not fast enough to fill orders during the busy season. The Company has had to turn down customers or they have rescinded orders for this reason. Training will focus on standardizing processes and improving manufacturing skills. With this, the Company is aiming to decrease lead times by 20%.

The other training emphasis is on customer services. Sales Staff will receive product knowledge to correctly guide customers on customizing products to fit their needs and properly place orders. All employees will receive this training.

Training Plan

Trainees will receive between 8-60 hours of Class/Lab, Videoconference and E-Learning training. Training will be delivered by a combination of in-house subject matter experts and outside vendors to be identified during the contract term.

Business Skills - Training will be offered to all occupations to improve customer service skills, enhance public speaking skills for project interviews with clients, improve time management skills to increase efficiency in the workplace, and reduce project delivery costs. Project management training for department heads will allow trainees to properly delegate tasks and to become more efficient in completing orders.

Commercial Skills - Training will be offered to Assembly Staff, Fabrication Staff, Shipping Staff and Sales Staff to improve production time on equipment. Agriculture training will allow staff to observe current farming techniques and innovate Company products to improve farming methods. Trainees will also gain the skills to maximize material usage, minimize waste, and reduce costs.

Computer Skills - Training will be offered to all occupations to improve communication between staff and customer. Training will allow employees to use clear and concise communication skills to properly express the Company's work needs and use positive language online to attract new customers.

Continuous Improvement - Training will be offered to all occupations. Training will provide employees with the skills and confidence to interact and negotiate with existing clients, potential clients, and peers. Also, process improvement will allow the Company to reevaluate current processes to improve lead time.

Hazardous Materials - Training will be offered to Assembly Staff, Shipping Staff, and Fabrication Staff to ensure that hazardous materials are handled and disposed of properly.

Management Skills - Training will be offered to Managers and Owners. Training will focus on enhancing the skills of Managers and Owners to create a productive and nurturing atmosphere to motivate and coach staff. Training will improve overall company morale, staff development, and client services.

Manufacturing Skills - Training will be provided to Assembly Staff, Sales Staff, and Administration Staff. Training will provide skills in parts and products manufacturing, equipment operation, maintenance and assembly, inventory procedures, manufacturing practices, and forklift skills and operation. Training will increase employees' knowledge of products and equipment which will make processes more efficient.

High Unemployment Area

Trainees in Job Number 1 from Fresno and Butte Counties work in a High Unemployment Area (HUA), with unemployment exceeding the state average by at least 25%. These trainees are eligible to qualify with a reduced wage; however, PBM Supply is not requesting a wage modification

RECOMMENDATION

Staff recommends approval of this proposal.

Exhibit B: Menu Curriculum

Class/Lab, Videoconference, E-Learning Hour

8-60 Trainees may receive any of the following:

BUSINESS SKILLS

- Business Fundamentals
- Business Performance
- Business Writing
- Behavior Style Strategies
- Conflict Resolution
- Customer Relationship Management
- Customer Service
- Cost Control
- Dealing with Difficult People
- Employee Coaching
- Essential Skills for the New Supervisor
- Financial Analysis
- Interpersonal Communications
- Leadership
- Personal Image
- Planning and Organization
- Product Knowledge
- Project Management and Methodology
- Project Requirements Analysis and Specifications
- Property and Resource Management Skills
- Retaining Customers
- Relationship Building
- Sales & Marketing
- Strategic Planning
- Successful Selling Techniques/Sales
- Time Management

COMMERCIAL SKILLS

- Agriculture
- Work Order Processing

COMPUTER SKILLS

- Computer Networking

CONTINUOUS IMPROVEMENT

- Cross Training
- Communication Skills
- Creating a Quality Organization
- Change Management
- Decision Making

- How to Coach and Mentor
- Leadership skills for frontline workers
- Lean Manufacturing
- Lean Procedures Practices
- Meeting Management
- Production Scheduling
- Production Operations/Workflow
- Process Improvement
- Project Management
- Problem Solving and Decision Making
- Quality Measurement Systems
- Quality Management
- Root Cause Analysis
- Statistical Process Control
- Systems Failure Analysis
- Strategic Planning
- Team Building
- Teamwork Development Skills
- Time Management
- Visual Controls

HAZARDOUS MATERIALS

- Hazardous Materials Handling
- Hazardous Chemical Cleaning/Handling

MANAGEMENT SKILLS (for Managers and Owners)

- Administration
- Coaching Procedures
- Decision Making
- Effective Meetings for Leaders
- Finance for Technical Managers
- Leadership
- Motivation
- Supervisor Skills
- Teambuilding

MANUFACTURING SKILLS

- Assembly Procedures
- Assembly Process Control
- Changeover Time Reduction
- Fall Prevention/Protection
- Forklift Driving
- Inventory Control
- Just-in-Time,
- Logistics and Distribution,
- Machine Maintenance
- Machine Operation
- Manufacturing Practices

- Measurement and Measuring Devices
- Parts and Products Manufacture
- Plant Layout and Expansion,
- Production Operations
- Supply Chain Management,
- Tool Selection and Usage

Safety Training will be limited to 10% of total training hours per-trainee.

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



DELEGATION ORDER

Training Proposal for:

**Plastic Specialties and Technologies, Inc.
dba Natvar Holdings, Inc.**

Agreement Number: ET17-0137

Approval Date: June 27, 2016

ETP Regional Office: North Hollywood

Analyst: L. Vuong

PROJECT PROFILE

Contract Attributes:	Priority Rate Retrainee	Industry Sector(s):	Manufacturing Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Los Angeles	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: 82	U.S.: 1,340	Worldwide: 1,372
<u>Turnover Rate:</u>	10%		
<u>Managers/Supervisors:</u> (% of total trainees)	13%		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$73,800		\$0	\$0		\$73,800

In-Kind Contribution:	100% of Total ETP Funding Required	\$79,458
-----------------------	------------------------------------	----------

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, Continuous Impr.	82	8-200	0	\$900	\$16.48
				Weighted Avg: 50			

Minimum Wage by County: \$16.48 per hour for Los Angeles 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
 Up to \$1.48 per hour may be used to meet the Post-Retention Wage.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Administrative Staff		15
Production Staff		56
Manager		8
Frontline Supervisor		3

INTRODUCTION

Founded in 1955 and located in the City of Industry, Plastic Specialties and Technologies, Inc. dba Natvar Holdings, Inc. (Natvar) (www.natvar.tekni-plex.com) is a subsidiary of Tekni-Plex, Inc. based in Ridgefield, New Jersey. Natvar manufactures medical tubing and plastic materials for a variety of medical device applications, including drug delivery, cardiovascular, dialysis, wound care, chemotherapy and dental. Natvar is a global supplier to medical device manufacturers who make products for hospital, physician’s office, in-home and dental healthcare use. The Company operates four plants located in the United States, Asia and Europe. All training will take place at the City of Industry manufacturing facility. This will be Natvar’s first ETP Agreement.

Natvar currently faces challenges related to a fast-paced, technology-driven environment. To remain competitive, Natvar must provide workers the tools to compete in this highly demanding market, and exceed customers’ expectations and demands. In addition, company goals are to increase operational efficiencies, expand product offerings, improve processes, adapt to new technology and prepare management staff to lead workers.

PROJECT DETAILS

The Company will focus on improving Lean concepts, continuous improvement principles and creating high technology products. As a result of these improvements, Natvar expects to see an efficiency gain from 15% to 20%. The Company hopes to control costs, incorporate standardized processes, and have respond to customer demand in a timely manner.

To assist in this organizational transformation, Natvar is requesting ETP funding to train 82 employees. Training will allow workers to develop the skills necessary to address these challenges and help the Company remain competitive.

Training Plan

In-house subject matter experts will provide training, and outside vendors may be identified during the term of the proposed Agreement.

Classroom/Laboratory and Videoconference training will be provided as follows:

Business Skills (25%): Training will be offered to all occupations. Training will provide workers with an understanding of customer service, organization and company operations. Training will also help trainees manage time and complete projects effectively to achieve higher customer satisfaction.

Continuous Improvement (75%): Training will be offered to all occupations in Lean practices. Training will focus on quality and process improvement to reduce costs, eliminate waste and enhance delivery processes.

Commitment to Training

Natvar's annual California training budget is approximately \$15,000. The Company current's training includes orientation, safety training, equipment/tools, systems and basic job specific skills training. Training is delivered via class/lab and on-the-job training; and training is job specific and company-wide.

ETP funding will provide Natvar with the financial assistance needed to increase the scope of its training program. Without ETP funding, the Company could only provide limited training topics and hours to selected trainees. After the completion of the ETP training, Natvar will continue to focus on improved manufacturing processes and quality products and overall business operations.

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

Training is scheduled to begin upon Panel approval. Natvar has designated the Plant Manager, Sr. HR Manager and Department Directors to oversee all project administration.

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

Abbott Consulting Group in West Hollywood assisted with development of this proposal for a flat fee of \$4,500.

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

- Change Management
- Communication and Conflict Management
- Crucial Conversations
- Customer service Excellence
- Decision Making
- Effective Leadership & Management Skills
- Fundamental Savings Strategy
- Group Lead Training
- High Potential Coaching
- Inventory Control
- Inventory Management
- Leadership Principles
- Motivation
- Performance Essentials
- Project Managements
- Purchasing/Procurement
- Supply Chain
- Team Building

CONTINUOUS IMPROVEMENT

- 5S
- Introduction to Lean
- Kaizen Process
- Leadership in Lean
- Lean (Sigma Value Chain, Process Improvement, Skills Development)
- Line Design
- Management Standard Work
- Problem Solving
- Root Cause Analysis
- Six Sigma
- Task Management
- Value Stream Mapping
- Visual Control

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



**Retrainee - Job Creation
Training Proposal for:
Q C M, Inc. dba Veris Manufacturing**

Small Business

ET17-0110

Approval Date: June 20, 2016

ETP Regional Office: San Diego

Analyst: H. Bernard

CONTRACTOR

- Type of Industry: Manufacturing

 - Number of Full-Time Employees
 - California: 85
 - Worldwide: 85
 - Number to be trained: 50

 - Out-of-State Competition: NAICS Code Eligible
 - Special Employment Training (SET): Yes No
 - High Unemployment Area (HUA): Yes No
 - Turnover Rate: 5%
 - Repeat Contractor: Yes No
- Priority Industry: Yes No
- Owner Yes No

FUNDING

- Requested Amount: \$37,700
- In-Kind Contribution: \$58,168

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, HazMat, Computer Skills, Cont. Imp., Mfg. Skills	44	8 - 150	0	\$754	*\$16.51
				Weighted Avg: 29			
2	Retrainee Job Creation Initiative Priority Rate SB<100	Business Skills, HazMat, Computer Skills, Cont. Imp., Mfg. Skills	6	8 - 150	0	\$754	*\$13.76
				Weighted Avg: 29			

*It will be made a condition of contract that the trainees in Job Numbers 1 & 2 will never be paid less than the State or local minimum wage rate as in effect at the end of retention (Final Payment) regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

- Reimbursement Rate: Job #'s 1 & 2: \$26 SB Priority
- County(ies): Orange
- Occupations to be Trained: Production Staff, Administrative Staff, Managers/Supervisors
- Union Representation: Yes
 No
- Health Benefits: Job #'s 1 & 2: \$2.02 per hour

SUBCONTRACTORS

- Development Services: Training Funding Source (TFS) in Seal Beach assisted with development for a flat fee of \$1,900.
- Administrative Services: TFS will also provide administrative services for an amount not to exceed 13% of payment earned.
- Training Vendors: To Be Determined

OVERVIEW

Founded in 1987 and located in Brea, Q C M, Inc. dba Veris Manufacturing (Veris) manufactures electronic products such as printed circuit boards, cable and box-build components. The Company also offers conformal coating and testing services. Veris' products

are used in medical, test and measurement, aerospace and military, capital equipment, telecom and industrial markets.

This will be Veris' third ETP Agreement in the last five years. In its most recent project (ET15-0169) the Company provided training to 31 workers who received an average of 66 hours each. This training focused on new product knowledge, Lean Manufacturing and Six Sigma.

Due to an increase in contracts from the defense industry, Veris projects growth of up to 25% over the next 2 years. The Company anticipates three new major customers by the end of 2016, including a Tier 1 Military/Aerospace customer. To keep up with this demand, Veris will pursue accreditation through the National Aerospace and Defense Contractors Accreditation Program (NADCAP). In order to meet its goal of being certified by December 2016, the Company must provide extensive training to all staff for NADCAP.

In support of growth, Veris recently added AS9100 (aerospace) and ISO13485 (medical) industry certifications, allowing it to serve the aerospace and medical industries. These certifications require continual auditing and training. The Company must also stay current on the latest standards on the Electronics Assemblies Certification (IPC-610) and the Soldered Electrical and Electronic Assemblies (J-STD-001) all of which require ongoing training.

The Company is continually training on the shop floor in control/tracking software called Aegis FactoryLogix. Training was provided for this software in the previous contract, (ET15-0169), but the system was not fully implemented. As such, training will continue on the software to ensure that all work stations are up-to-date. The Company has a goal of being 100% paperless in 2016, when the Aegis system will be implemented for all functions.

In addition, the Company moved to a 30,000 sq. ft. facility in Brea in 2015. The larger facility has allowed Veris to purchase new equipment, including the Flying Probe machine, which tests circuit boards to determine defects. Veris expects to invest \$300,000 in additional new equipment/technology over the next 2 years.

Retrainee - Job Creation

Due to the expansion in new business discussed above, the Company expects to hire up to ten new employees by the end of 2017. Of these, six new trainees will be included under the Job Creation guidelines (Job Number 2). Through the Panel's Job Creation Initiatives funding, trainees must be hired within the three-month period prior to the Panel approval or during the term of the contract.

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. The Company also represents that these trainees will be hired into "net new jobs" as a condition of contract.

Temporary to Permanent Hiring

Veris plans to train two workers in Job Number 2 under the ETP "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. According to Veris, the average time for "converting" temporary workers into full-time permanent employment is three months. It is expected that these workers will receive employer-paid share-of-cost for healthcare premiums while on temporary status, and upon hire into full-time permanent employment.

These trainees must be eligible to participate in ETP-funded training pursuant to Unemployment Insurance Code Section 10201(c). Moreover, they cannot be enrolled as trainees until after they have been hired by Veris into full-time, permanent employment. Until they are so hired, retention and post-retention wage requirements cannot be satisfied and the Company will not receive progress payments.

Training Plan

Business Skills – Training will be provided to all occupations in communication, customer service and marketing and business development. This training will also include extensive product knowledge. Veris must train staff to understand customer's product requirements and the manufacturing needs associated with those products.

Computer Skills – Training will be provided to all occupations. Administrative Staff will receive Microsoft Office, Accounting and Scheduling. Production Staff and Supervisors will receive training in Aegis Factory Logix and the ERP systems. Training will also assist Veris in its goal to be 100% paperless.

Manufacturing Skills – Training will be provided to all occupations. Training for the Production Staff and Manager/Supervisors will focus on new equipment and process. Training will also include preventative maintenance to ensure the machines are running properly and will incorporate Lean manufacturing. Production Staff will be cross trained on multiple functions to shorten manufacturing times. Administrative Staff will receive cross training on how to read manufacturing documents and manufacturing processes.

Continuous Improvement – Training will be provided to all occupations. This training will include NADCAP, AS9100 and other needed updates to stay current with industry trends. Training will also focus on quality control and process improvement.

Hazardous Materials – Training will be offered to newly hired Production Staff. Training in Hazardous Materials Handling will help employees manage waste/spill operations to prevent injury or damage.

Modifications

Small Business retraining hours are capped at 60 per trainee; however, the Panel may increase the maximum training hours with justification. Veris requests an increase in the maximum training hours from 60 to 150.

New equipment training may require upwards of 80 hours of training per person depending on the occupation and the equipment. For example, the Flying Probe Machine alone requires upwards of 20 hours of training per trainee. In the Company's previous ETP contract, the average hours of training was over 60 and 12 trainees received over 100 hours.

RECOMMENDATION

Staff recommends approval of this proposal.

ACTIVE PROJECTS

The following table summarizes performance by Veris Manufacturing under an active ETP Agreement

Agreement No.	Approved Amount	Term	No. Trainees Enrolled	No. Completed Training	No. Retained
ET15-0169	\$49,140	7/7/14 – 7/6/16	43	31	0

The initial Agreement amount was \$30,160. Due to high training needs It was amended to add an additional \$18,980 and additional training hours. The 31 who have completed training are in retention. To date, Veris has tracked 2,041 hours of training sufficient to earn 100% of the Agreement amount.

PRIOR PROJECTS

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET12-0395	Anaheim	5/11/12 – 5/10/14	\$45,530	\$30,290 (66%)

Low performance in this contract was due to poor record-keeping. Although training was provided, trainers did not document ETP-eligible training. The subsequent (active) project was right-sized (ET15-0169).

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

8 - 150

Trainees may receive any of the following:

BUSINESS SKILLS

- + Coaching
- + Communication
- + Conflict Resolution
- + Customer Relations
- + Finance
- + Goal Setting
- + International Traffic and Arms Regulation
- + Inventory Control
- + Leadership
- + Marketing & Business Development
- + Program Management
- + Product Knowledge
- + Project Management
- + Team Building

COMPUTER SKILLS

- + Accounting
- + Aegis Factory Logix MES
- + Asana
- + CircuitCam
- + Crystal Reports
- + ERP Software (Vantage by Epicor)
- + Manufacturing
- + MRP
- + MS Office
- + MS Project
- + Purchasing
- + Quote FX
- + Scheduling
- + Warehouse

CONTINUOUS IMPROVEMENT

- + 6S
- + AS9100
- + Corrective/Preventive Actions
- + ISO9001-2008
- + ISO 13485
- + Lean Manufacturing
- + National Aerospace & Defense Contractors Accreditation Program
- + Compliance Processes Process Improvement
- + Productivity Improvement
- + Quality improvement

MANUFACTURING SKILLS

- + AOI Inspection and Programming
- + Blueprint Reading

- ✚ DEK Stencil Printer
- ✚ Equipment Operation, Maintenance & Troubleshooting
- ✚ Hand Soldering to J-Std
- ✚ Inspection Techniques
- ✚ IPC-610
- ✚ Juki SMT Pick and Place Machine
- ✚ Lean Manufacturing
- ✚ Moisture Sensitive Devices
- ✚ Material Requirements Planning
- ✚ Preventative Maintenance
- ✚ Programmable Conformal Coating Machine
- ✚ Solder Paste Handling
- ✚ Surface Mount Defects—Causes and Prevention
- ✚ SMT and Stencil Operation
- ✚ Statistical Process Control
- ✚ VI Technology SPI Machine
- ✚ X-ray Machine Inspection

HAZARDOUS MATERIALS

- ✚ HazMat Handling

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

Note: Reimbursement for retraining is capped at 150 total training hours per trainee, regardless of the method of delivery.

DELEGATION ORDER



**Training Proposal for:
Ridge Communications, Inc.**

Small Business

ET17-0141

Approval Date: June 22, 2016

ETP Regional Office: San Francisco Bay Area

Analyst: R. Jackson

CONTRACTOR

- Type of Industry: Services
Technology/Other
Priority Industry: Yes No
- Number of Full-Time Employees
California: 34
Worldwide: 50
Number to be trained: 34
Owner Yes No
- Out-of-State Competition: No OSC
- Special Employment Training (SET): Yes No
- High Unemployment Area (HUA): Yes No
- Turnover Rate: 11%
- Repeat Contractor: Yes No

FUNDING

- Requested Amount: \$38,012
- In-Kind Contribution: \$60,161

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 SB <100 Priority Rate	Business Skills, Commercial Skills, Computer Skills, Continuous Improvement, PL- Commercial Skills, PL- Business Skills	34	8-60	0	\$1,118	\$21.28
				Weighted Avg: 43			

- Reimbursement Rate: Job #1: \$26 SB Priority
- County(ies): Contra Costa, Ventura
- Occupations to be Trained: Technicians, Administrative Staff, Supervisors, Managers, Vice President, Director, Owner
- Union Representation: Yes
 No
- Health Benefits: NA

SUBCONTRACTORS

- Development Services: NA
- Administrative Services: NA
- Training Vendors: Spider Cloud Wireless of Santa Clara will provide, Commercial Skills training.
Anritsu of Morgan Hill and Verizon Wireless of Walnut Creek will provide Commercial Skills training.

OVERVIEW

Established in 2002, Ridge Communications, Inc. (RCI) is a telecommunications company based in San Ramon. The Company provides services to the wireless-telecommunication industry including: network site development, network deployment, site design, land use planning, site acquisition and network performance evaluation. RCI also installs cabling, amps, duplexers, DAS node cabinets and other new technology to support wireless-carriers efforts to improve network performance.

This is RCI's third ETP Agreement. The first Agreement helped the Company establish a broader formalized training program. The second Agreement focused primarily on upgrading skills on new processes and the use of new equipment such as expanded frequency radio. With this training, the

Company will be able to expand job duties across three main areas of operation: installations, site acquisitions, and testing.

The proposed training plan aims to supply frontline workers with skills needed to remain competitive and better respond to unique demands placed by clients. It will also support the introduction of new services extending beyond traditional carrier contracts into the public safety telecommunications business sector.

RCI is eligible for funding under Special Employment Training (SET).

Project Details

RCI is now expanding into the public safety sector, and has a growing customer base in Ventura County, RCI opened a new physical location in Ventura last March.

Wireless carrier operations used to be RCI's primary business. However, recent changes in the market drove RCI to develop more independent service projects. As noted above, the Company is adding public safety telecommunications as a new service option, and expects to grow by 15% over the next two years.

This business expansion creates training needs going beyond what was funded in the earlier ETP Agreements. The proposed training will upgrade skills in site construction "from the ground up" in diverse environments. Training will also cover maintenance, and equipment upgrades due to enhanced fourth and fifth generation Long Term Evolution (LTE 4G/5G) wireless products. The majority of the training will be Commercial Skills, delivered to technicians.

While some training topics in this proposal are the same as in the previous projects, all content has been updated.

Two-Year Term

Small Business Agreements are generally written for a one-year term, although a term of two years may be granted with justification. In this case, the training schedules proposed by RCI extend over a 21-month period due to anticipated new technology rollouts. As such, the Company is requesting a two-year term, which is recommended by staff.

Training Plan

Class Lab and Productive Lab Training is expected to be delivered by in-house subject matter experts. Additionally, training vendors have been identified to deliver Class/Lab training.

Business Skills – Training will be offered to Managers, Administrative Staff, and Technicians. RCI's employees interact with clients and vendors in a rapidly changing telecommunication industry. Business skills training will enable the Company to provide the services required to maintain existing, and gain new business. Topics such as Financial Strategies, Business Development and Inventory Control will be provided.

Computer Skills – RCI utilizes carrier software, and internal software. It is critical that all employees are trained on various program updates. Additionally, training for Supervisors and Technicians in Radio Frequency design software will enable efficient troubleshooting in the field. Plumbing Diagram is the topic is needed for Technicians in order to understand the design layout and equipment installation at the job sites. Siterra is a Verizon software training needed by Managers, Technicians and Administrative Staff to enable staff at RCI to track projects, forward close out packages, upload test results, and view purchase orders and manage invoices.

Commercial Skills – Topics including Telecommunication Standards and Project improvement Sessions will be offered to Technicians, Director, Vice President and Owner. Increased knowledge of radio frequencies, fiber developments, cabling systems, and design and installation criteria are examples of areas where training is being driven by evolving demands inside the telecommunications industry including RCI’s customers. New services to support public safety infrastructure in addition to wireless network infrastructure is a competitive business development efficiency response issued by RCI that requires extensive training to meet an array of technological demands, including local regulations specific to installation locations.

Continuous Improvement – Improving the efficiency and quality of installation services is a major identified goal for continuous improvement training. Standards in the industry are routinely updated with new generations of products in the wireless industry arriving on the market. To address RCI’s business development goals and expanding service offerings, topics such as Strategic Planning, Leadership, and Quality Concepts will be offered to all employees.

Productive Laboratory – Commercial and Business Skills

Productive Lab (PL) training will be given to Junior Technicians. An estimated eight trainees will receive PL in topics such as JMA Connectorizing; Splicing and Fiber Testing; and Telecommunications Equipment Installation. This training is not possible in a simulated lab environment due to the costs of the machines involved; and the nature of the work itself, which is installation-based using live equipment for client-ordered destinations.

Technicians will also need training on topics such as Permit and Zoning delivered as PL in the field, where the job duties take place. PL allows staff to get experience with locations and rules or requirements of the different partners involved and develop working relationships to complete permit and zoning requirements.

Lead Technicians at RCI will deliver the PL training. Each trainer is a subject matter expert, with four or more years of experience. The trainers will evaluate competencies for Junior Technicians. The trainer to trainee ratio of 1:1 will be used and PL hours will be capped at 24 hours per trainee.

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET15-0329	San Ramon	11/30/2014- 11/29/2015	\$27,898	\$27,898 (100%)
ET13-0220	San Ramon	11/19/2012- 11/18/2014	\$32,760	\$32,670 (99%)

Exhibit B: Menu Curriculum

Class/Lab Hours

8-60

Trainees may receive any of the following:

BUSINESS SKILLS

- ✚ Permit and Zoning
- ✚ Financial Strategies
- ✚ Inventory Control
- ✚ Conflict Management
- ✚ Business Development
- ✚ Close Out Packages

COMMERCIAL SKILLS

- ✚ Telecommunication Standards
- ✚ Project Improvement Sessions
- ✚ Telecommunication Equipment Installation
- ✚ Passive Intermodulation (PIM) and Sweep Testing
- ✚ Optical Time Domain Reflectometer (OTDR) testing
- ✚ TEKO/SOLiD/SpiderCloud
- ✚ Distributed Antenna Systems (DAS) Equipment
- ✚ JMA Connector
- ✚ Splicing and Fiber Testing

COMPUTER SKILLS

- ✚ Verizon Tracking System
- ✚ Radio Frequency: iBwave and Atoll
- ✚ Visio
- ✚ Plumbing diagrams

CONTINUOUS IMPROVEMENT

- ✚ Quality Concepts
- ✚ Leadership Skills for Frontline Workers
- ✚ Strategic Planning
- ✚ Time Management

PL Hours

0 – 24

PRODUCTIVE LAB (PL) (limited ratio 1:1)

Commercial Skills

- ✚ Telecommunication Equipment Installation
- ✚ Passive Intermodulation (PIM) and Sweep Testing
- ✚ Optical Time Domain Reflectometer (OTDR) testing
- ✚ JMA Connector
- ✚ Splicing and Fiber Testing

Business Skills

- ✚ Permit and Zoning

Note: Reimbursement for retraining is capped at 60 total training hours per trainee, regardless of the method of delivery. PL is capped at 24 hours per-trainee.

DELEGATION ORDER



**Training Proposal for:
Semiconductor Tooling Services, LLC**

Agreement Number: ET17-0144

Approval Date: July 7, 2016

ETP Regional Office: San Francisco Bay Area

Analyst: C. Hoover

PROJECT PROFILE

Contract Attributes:	Priority Rate Retrainee	Industry Sector(s):	Manufacturing Technology/Other Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Santa Clara	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: 82	U.S.: 1,747	Worldwide: 2,217
<u>Turnover Rate:</u>	10%		
<u>Managers/Supervisors:</u> (% of total trainees)	13%		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$88,560		\$0	\$0		\$88,560

In-Kind Contribution:	100% of Total ETP Funding Required	\$100,122
-----------------------	------------------------------------	-----------

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	82	8-200	0	\$1,080	\$17.02
				Weighted Avg: 60			

Minimum Wage by County: \$17.02 per hour for Santa Clara 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

Up to \$2.71 per hour may be used to meet the Post-Retention Wage.

Wage Range by Occupation

Occupation Titles	Wage Range	Estimated # of Trainees
Production Staff	*	52
Administrative Staff		15
Front Line Supervisor		3
Manager		8

* It will be made a condition of contract that the trainees in this Job Number will never be paid less than the State or local minimum wage rate as in effect at the end of retention (Final Payment) regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

INTRODUCTION

Founded in 1996, and headquartered in San Jose, Semiconductor Tooling Services, LLC. (STS) www.semiconducting.com manufactures high performance elastomeric materials for the semiconductor industry. For over a decade, STS has manufactured materials and developed methods that have become industry standards in the semiconductor manufacturing processes. The Company's specialized materials and applications are tailored to individual customers' need. Customers include Applied Materials, Inc. and Lam Research Corporation.

STS plans to reduce waste and improve processes and efficiency. The Company's goal is to standardize work, improve operating costs, and generate 15 to 20% efficiency gains.

STS is facing pressure from international competition, so the current focus on training represents a major commitment by the Company to its employees unlike any other training effort it has done in the recent past. The focus is on improving the skill sets of STS's front-line employees in order to remain competitive, which will enable the Company to improve the quality of the delivered product to its customers while increasing its profitability and market share. In order to keep up with customer demand, STS's staff will train in Continuous Improvement, Business and Computer Skills. In addition, the training will occur at its San Jose headquarters.

PROJECT DETAILS

STS's training goals are to increase operational efficiencies and expand the Company's product offerings through process improvement, new technology and continued innovation. Supervisors and Managers must be prepared to lead employees through these changes.

ETP-funded training will help STS meet its training goals.

A formal needs assessment was conducted. The following training will be delivered in Class/Lab, as outlined below:

Training Plan

Business Skills (20%): This training will be offered to Administrative Staff and Managers. Courses include Leadership Principles, Effective Leadership and Management Skills, Team Building, High Potential Coaching, Change Management, Communication and Conflict Management, Crucial Conversations, Motivation and Customer Service Excellence.

Continuous Improvement (75%): This training will be offered to all of STS's employees in course such as: Introduction to Lean, Leadership in Lean Six Sigma Value Chain, Lean Sigma Process Improvement, Lean Skills Development, Standard Work, Task Management, Value Stream Mapping, Visual Control, Root Cause Analysis, Kaizen Process and Problem Solving.

Computer Skills (5%): This training will be offered to Administrative Staff and Managers. Courses include Excel (Intermediate and Advanced), PowerPoint (Intermediate), and Minitab (Data Analysis Software).

Commitment to Training

ETP funds will not displace the Company's existing financial commitment to training. STS spends \$15,000 on training annually per facility in CA. Current training includes orientation, safety training (on-going and specific safety training based on position/department or equipment), and job specific training (processes, tools/equipment, systems, etc...). Safety and orientation trainings are mandatory. Job-specific training is delivered on an as-needed basis. All occupations/departments receive class/lab and on-the-job training.

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

➤ Training Infrastructure

A number of STS's staff are dedicated to the administration of the project- scheduling training, enrolling trainees, tracking training hours, and meeting with ETP staff. The Human Resource (HR) Manager oversees learning activities for all of its locations. Department Directors will be accountable for tracking completion rates, supporting the HR representatives by coordinating training activities, and working with site leaders, internal Kaizen-trained Supervisors, who will be delivering the training.

After the completion of ETP-funded training, Continuous Improvement and Computer Skills training will be integrated into the Company's current training offerings.

Impact/Outcome

As a result of ETP funding, STS's lean goals will cover the following areas:

- Quality goal– achieve First Time Quality goal of 100%
- Cost goals– reduce WIP inventory & reduce energy usage 10%
- Delivery goal– improve Perfect Order to 100%
- Safety goals– reduce Accident Incident Rate & reduce Average Days Lost
- Employment Involvement goal– achieve 100% Kaizen participation

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

The STS retained Abbott Consulting Group in West Hollywood to assist with development of this proposal for a flat fee of \$4,500.

ADMINISTRATIVE SERVICES

N/A

TRAINING VENDORS

N/A

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

8-200

Trainees may receive any of the following:

BUSINESS SKILLS

- ✦ Change Management
- ✦ Communication and Conflict Management
- ✦ Crucial Conversations
- ✦ Customer Service Excellence
- ✦ Decision Making
- ✦ Effective Leadership & Management Skills
- ✦ Fundamental Savings Strategy
- ✦ Group Lead Training
- ✦ High Potential Coaching
- ✦ Inventory Control
- ✦ Inventory Management
- ✦ Leadership Principles
- ✦ Motivation
- ✦ Performance Essentials
- ✦ Project Managements
- ✦ Purchasing/Procurement
- ✦ Supply Chain
- ✦ Team Building

COMPUTER SKILLS

- ✦ Digital Technology

CONTINUOUS IMPROVEMENT

- ✦ 5's
- ✦ Introduction to Lean
- ✦ Kaizen Process
- ✦ Leadership in Lean
- ✦ Lean Sigma Value Chain
- ✦ Lean Sigma Process Improvement
- ✦ Lean Skills Development
- ✦ Line Design
- ✦ Management Std Work
- ✦ Problem Solving
- ✦ Root Cause Analysis
- ✦ Six Sigma
- ✦ Standard Work
- ✦ Task Management
- ✦ Value Stream Mapping
- ✦ Visual Control

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



DELEGATION ORDER

RETRAINEE - JOB CREATION

Training Proposal for:

SVC Manufacturing, Inc. a division of PepsiCo, Inc.

Agreement Number: ET17-0113

Approval Date: June 22, 2016

ETP Regional Office: San Francisco Bay Area

Analyst: A. Nastari

PROJECT PROFILE

Contract Attributes:	Priority Rate Retrainee Job Creation Initiative Veterans	Industry Sector(s):	Manufacturing Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Alameda	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Teamsters Local 912		
Number of Employees in:	CA: 13,000	U.S.:100,000	Worldwide: 263,000
<u>Turnover Rate:</u>	10%		
<u>Managers/Supervisors:</u> (% of total trainees)	11%		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$96,016		\$0	\$0		\$96,016

In-Kind Contribution:	100% of Total ETP Funding Required	\$141,680
-----------------------	------------------------------------	-----------

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	Computer Skills, Continuous Improvement, HazMat., Mfg. Skills PL - Mfg. Skills	104	8 - 200	0	\$774	\$17.02
				Weighted Avg: 43			
2	Retrainee Priority Rate Job Creation	Computer Skills, Continuous Improvement, HazMat., Mfg. Skills PL - Mfg. Skills	10	8 - 200	0	\$1,200	\$16.00
				Weighted Avg: 60			
3	Retrainee Priority Rate Veterans	Computer Skills, Continuous Improvement, HazMat., Mfg. Skills PL - Mfg. Skills	4	8 - 200	0	\$880	\$16.00
				Weighted Avg: 40			

Minimum Wage by County: The following wage requirements are for Alameda County - Job 1: \$17.02 and Jobs 2 & 3: \$14.19

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

Although employer provides health benefits, they are not being used to meet Post-Retention Wage.

Wage Range by Occupation

Occupation Titles	Wage Range	Estimated # of Trainees
Job Number 1		
Lead Operator		10
Mechanic/Electrician		15
Managers		10
Production Operator		65
Technician/Clerk		4
Job Number 2		
Mechanic/Electrician		2
Production Operator		8
Job Number 3		
Production Operator		4

INTRODUCTION

SVC Manufacturing, Inc. (SVC), www.pepsico.com is a subsidiary of PepsiCo, a processed food and/or beverage manufacturer since 1926. SVC's Oakland facility, which employs 120 workers, is the only plant in California that manufactures Gatorade. Thus SVC refers to this facility as Gatorade Oakland.

SVC is eligible as a repeat Contractor for standard retraining as a NAICS identified manufacturer.

All trainees are covered by a collective bargaining agreement with International Brotherhood of Teamsters Local 912. The union has provided a letter of support. The represented trainees' wages will be deemed to meet ETP post-retention wage requirements, and therefore there is no need for a wage modification In Job Number 3.

PROJECT DETAILS

This is SVC's third ETP project for the Gatorade facility. In April 2011, SVC sought funds for training in new equipment operation for the packaging of Gatorade in a pouch instead of a bottle. It also upgraded its labeling equipment. Investments totaled close to \$1 million. Operators were to be trained on new equipment and materials, production line and labeling processes, and caps and bottles. A portion of the training plan also included continuous improvement courses in new quality assurance methodologies for a successful transition.

The training delivered in the previous ETP Agreements primarily resulted in the delivery of manufacturing processes, which will not be duplicated in this project.

In this Proposal, SVC seeks funds to continue with the delivery of its upgraded continuous improvement training plan. It will also incorporate training for newly hired workers, including Veterans. Training for incumbent workers will include cross-training in manufacturing, as well as intermediate to advanced skills in continuous improvement. SVC's expectations are to close skills gaps in its processes, which impact its overall production line. All training will be conducted at its Oakland facility.

Retrainee - Job Creation

In support of job creation, the Panel offers incentives to companies that commit to hiring new employees (higher reimbursement rate and lower post-retention wages.) 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.

In this proposal, SVC has committed to hiring 10 new employees (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. These trainees will be hired into "net new jobs" as a condition of contract. Although this initiative allows for a lower post-retention wage, SVC's newly hired workers will earn above the new hire wage requirement. SVC is remodeling its facility to accommodate newly hired staff.

Veterans Program

The Panel has established a higher reimbursement rate and other incentives for training California veterans. SVC has committed to training four Veterans (Job Number 3). This may include either existing or newly hired Veterans.

Training Plan

All training will occur at the Oakland production plant. Training will be delivered by internal trainers and possibly by third-party training vendors, if needed.

Computer Skills (10%): Training will be provided to Leads, Managers, and Technicians in SVC's ERP and Kronos management system. Additional training in MS Office and Data Analysis will be determined by specific job functions.

HazMat (10%): Training will be provided to all occupations to ensure workers are aware of Blood borne Pathogens and the proper way of handling and disposing of hazardous materials such as cleaning chemicals and equipment lubricants. Workers will receive Hazard Communication where they will learn to understand warning labels and symbols to prevent unsafe conditions. A portion of the training will include Storm Water Pollution Prevention resulting from a new state regulation requiring that companies monitor storm water run-off.

Manufacturing Skills (35%): All occupations will receive new or cross-training in Equipment Operations, Equipment Maintenance, Material Handling, Production Line system Operations, Testing, and Food Quality. A portion of the training will be delivered in Productive Lab format.

Continuous Improvement (45%): All occupations will receive training on ISO 14000 (Food Quality), Lean Skills, Process Improvement, and Problem Solving. Team Leads and Frontline staff will receive Leadership skills in order to develop an integrated workforce that enhances productivity teambuilding.

Productive Laboratory

The Panel adopted regulations to authorize reimbursement for training delivered in a Productive Laboratory (PL) setting. PL trainees may produce goods for profit as part of the training in the courses identified under the Curriculum. The instructor must be dedicated to training delivery during all hours of training, and special attendance rosters will be used to assist in monitoring.

All occupations will receive a portion of their training in a productive lab environment.

SVC estimates that up to 25 trainees, from the five occupations, will receive up to 60 hours of PL training in order to be certified to operate, troubleshoot, and/or maintain the new equipment to the manufacturer's specifications. Certifications are provided by Managers and Safety Managers who are subject matter experts. To accomplish this certification process, trainees must have hands-on experience in a working environment operating actual manufacturing equipment. Training will be delivered at a trainer-to-trainee ratio not to exceed 1:2.

Experienced company trainers will provide both the classroom and PL training and will further assist trainees as they are completing the competencies tasks identified in SVC production checklists. Workers will be trained in equipment and maintenance skills of its mixing, filling, labeling, and shrink wrap machines. During PL, SVC expects production rates will be lower than 50% because there will be two workers—trainer and trainee—performing a task that normally requires one worker.

SVC provided staff a training matrix for each new piece of equipment that will be used by the trainer to assess competencies in order to certify each trainee. PL training will allow these workers to achieve the competencies needed to perform their jobs with the highest level of safety and efficiency.

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. SVC has an annual training budget of \$70,000 which is used to deliver new-hire orientation, standard safety training, basic machine operations, and limited Good Manufacturing Practices.

➤ Training Infrastructure

SVC will utilize internal trainers to deliver its training plan and its Supervisors and Project Leads will administer scheduling for training. SVC has a dedicated staff person who will be dedicated to enrolling trainees, tracking hours and meeting with ETP staff. CMTA will provide services as an outside ETP administrator.

On occasion it may seek assistance from third-party training vendors who are based in California for the delivery of Continuous Improvement or Computer Skills.

Impact/Outcome

As a result of the PL training, it is expected that each participating trainee will complete the required checklist activities to achieve certification.

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET13-0351	Oakland	4/29/2013 – 4/28/2015	\$98,852	\$98,852 (100%)
ET11-0220	Oakland	3/29/2011 – 3/28/2013	\$97,200	\$25,332 (26%)

ET11-0220: According to SVC, low performance was due to a delay in launching new equipment, and a contractual obligation. This Agreement was approved in March of 2011 as a Critical Proposal. SVC installed new equipment in April 2011. However, production of the new line did not begin until March 2013 because of a five-year contract with a co-packer which tied up \$2 million. The co-packer was guaranteed rights to produce the product until the SVC parent (PepsiCo) bought out the contract in 2012.

DEVELOPMENT SERVICES

CMTA assisted with development of this proposal for a fee of \$5,000. This fee does not affect the approved amount of funding.

ADMINISTRATIVE SERVICES

The SVC retained CMTA in Sacramento to perform administrative services in connection with this proposal for a fee not to exceed 13% of payment earned.

TRAINING VENDORS

To Be Determined

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

8 – 200

Trainees may receive any of the following:

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

MANUFACTURING SKILLS

- Maintenance/Electrical training
- Cross training in operations/troubleshooting
- Cross training in maintenance
- Food quality
- Material Handling
- Equipment Operation
- Equipment Maintenance
- Test and Trial Systems and processes
- Train the Trainer
- PLC programming

COMPUTER SKILLS

- Data Analysis
- Enterprise Resource Planning Software
- Microsoft Office
- Kronos

CONTINUOUS IMPROVEMENT

- Leadership skills for frontline workers
- Quality systems
- Lean Training
- ISO 14000 (food quality)
- Process improvement
- Natural Team Work
- Teambuilding
- Problem Solving

HAZARDOUS MATERIALS

- Bloodborne Pathogens
- Chemicals
- Compressed gases
- Hazard Communication
- Storm Water Pollution Prevention

Productive Lab Hours

0 - 60

MANUFACTURING SKILLS (1:2 Ratio)

- Kister
- Batch Deck
- Depal
- Filler
- Labeler
- Sidel

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery. PL is capped at 40 hours per-trainee.



TEAMSTERS LOCAL 912

Affiliated with the
INTERNATIONAL BROTHERHOOD OF TEAMSTERS

and with

General Teamsters of Santa Cruz County, California; Cannery, Warehouse Workers and Food Processors of Santa Cruz County, San Jose, Santa Clara and Alameda Counties



Brad Sebring
Secretary-Treasurer

Santos Lerma
President

November 5, 2015

Stewart Knox, Executive Dir.
1100 J Street
Sacramento, CA 95814

Dear Panel Members,

We understand that the PepsiCo Beverages & Foods Oakland Gatorade Plant is requesting an amendment to their current Employment Training Panel contract with your office. This amendment is to increase the funding due to accelerated training needs. You may be aware that PepsiCo has renewed its commitment to keeping the Oakland Plant open. Gatorade is working to increase its Oakland operation and transform it to a higher technology bottling processing plant. Due to the recent commitment, Oakland has been implementing the continuous improvement platform that the other plants implemented over three years ago. The training curriculum proposed by the Oakland Gatorade plant has significantly help to increase the capability of their employees and they are exceeding our plan. We do not want our members left behind because their skills may be lacking.

The amendment of the current contract with your office is exactly what is needed to help these employees continue gaining the new skills required to operate in a continuous improvement environment. We believe that these kind of cooperative arrangements between labor, management, and the Public Sector are beneficial to all the parties and we fully support them and your efforts. We also have reviewed the proposed training plan and determined it to be in furtherance of both Union and Corporate objectives.

If I can be of further assistance, please do not hesitate to call.

Sincerely,

Santos Lerma Jr.
Union President
Teamsters Local 912

Brad Sebring
Secretary-Treasurer
Teamsters Local 912



**Training Proposal for:
Tone Software Corporation**

Small Business

ET17-0128

Approval Date: June 14, 2016

ETP Regional Office: San Diego

Analyst: J. Davey

CONTRACTOR

- Type of Industry: Technology/Other
- Priority Industry: Yes No
- Number of Full-Time Employees
 - California: 29
 - Worldwide: 31
 - Number to be trained: 29
 - Owner Yes No
- Out-of-State Competition: Competitors Outside CA
- Special Employment Training (SET): Yes No
- High Unemployment Area (HUA): Yes No
- Turnover Rate: 9%
- Repeat Contractor: Yes No

FUNDING

- Requested Amount: \$26,390
- In-Kind Contribution: \$61,600

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, Commercial Skills, Computer Skills, Continuous Impr	29	8-100	0	\$910	\$21.00
				Weighted Avg: 35			

- Reimbursement Rate: \$26 SB Priority
- County(ies): Orange
- Occupations to be Trained: Administrative Support, Software Engineer, Supervisor/Manager, Technical Support, Owner
- Union Representation: Yes
 No
- Health Benefits: N/A

SUBCONTRACTORS

- Development Services: Training Funding Source (TFS) in Seal Beach will help develop this proposal for a flat fee of \$2,000.
- Administrative Services: TFS will also assist with administration for a fee not to exceed 13% of earned funds.
- Training Vendors: To Be Determined

OVERVIEW

Founded in 1974, Tone Software Corporation (Tone) (www.tonesoft.com) is a high technology software development firm that specializes in global business, telecommunications, and Information Technology infrastructure management solutions. Located in Anaheim, Tone delivers strategic management software solutions that drive global business and telecommunications systems. Its software solutions serve organizations across key industries including transportation, healthcare, military, financial, telecommunications, and aerospace.

Need for Training

This will be Tone’s third ETP Agreement in the last five years. In its most recent ETP project (ET14-0271), Tone was able to provide its workforce with the tools necessary to keep pace with industry changes and improve productivity and efficiency. Employees who participated in the previous Agreements will receive new or updated training in curriculum topics that will build upon the skill sets previously acquired. Training will not be duplicated.

This proposal will focus on supporting new releases of Tone’s ReliaTel RLT460 and DYNA-STEP DYS310 products. As these two products are the backbone of the Company, employees need to be well trained on the most recent releases to assist customers.

Training will also keep employee's knowledge current with technology changes in the managed services industry. Training will support Tone's customers and help identify and develop new monitoring communications solutions based on the changing Unified Communications collaborations market space such as cloud-based hosting. Without training, the Company risks losing business to out-of-state competitors.

Increase in Maximum Training Hours Cap

In its previous ETP Agreement (ET14-0271), Tone provided as many as 100 hours to 7 trainees and several more trainees received between 60 to 80 hours. A Modification was requested to increase the maximum range of hours from 60 to 100 hours was approved before the end term date of that Agreement. While many employees will not receive more than 60 hours in this proposal, the Company expects 7 trainees will need up to 100 hours of training to support the Company's new products.

Training Plan

To support the training delivered in its first 2 Agreements, Tone plans to expand its training efforts with the following Class/Lab training.

Business Skills – Training will be offered to Administrative Support, Manager/Supervisor, Owner, Software Engineer, and Technical Support. Course topics such as account management, business development, monthly reporting, product knowledge, and project management will allow trainees to successfully develop and manage the Company's products.

Commercial Skills – Training will be offered to Administrative Support, Manager/Supervisor, Owner, Software Engineer, and Technical Support. Training on the Company's products will allow employees to provide customers with comprehensive product solutions, improve operational efficiencies, and reduce technical errors.

Computer Skills – Training will be offered to all job occupations. Training will be provided on a broad range of work-related software.

Continuous Improvement – Training will be offered to all trainees in Process Improvement to learn process and quality improvement to support company goals.

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET14-0271	Anaheim	1/27/2014– 1/26/2016	\$39,780	\$32,744 (82%)
ET12-0251	Anaheim	12/31/2011– 12/30/2013	\$31,200	\$30,543 (98%)

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

8–100 Trainees will receive any of the following:

BUSINESS SKILLS

- Accounting
- Account Management
- Business Development/Sales
- General Ledger
- Monthly Reporting
- Product Knowledge
- Product Management

COMMERCIAL SKILLS

- ReliaTel Cloud Services
- ReliaTel Product Offering – Services, Value Add and Repackaging
- ReliaTel Marketing Strategy – Digital Marketing, Social Media
- Unified Communication as a Service (UCaaS)
- Voice Service Assurance

COMPUTER SKILLS

- Adobe (Acrobat, Dreamweaver, Illustrator, Photoshop)
- Amazon Cloud Offering and Management
- Azure Cloud Offering and Management
- Big Data
- Cisco Unified Communications Manager 10 and 11
- Data Virtualization
- DynaStep 3.2.0
- Digital Marketing – Development and Management –
- Google SEO/Analytics
- Graphical Database Development and Administration
- Microsoft Office
- Microsoft Project
- MicroSoft Skype for Business
- Monitoring and Management of ShoreTel, Mitel and Ericsson voice solutions
- Network Administration
- OMC-Flash 4.8.0
- Oracle Database Administration PostgreSQL
- Quality Assurance Automation Design and Development
- ReliaTel 5.x
- Software Quality Assurance Testing
- StepLib-Rx 3.2.0
- Third Party Cloud Manufacturer providers: Broadsoft, MegaSwitch, GenBend, Sonus
- Video Presence
- Virtual Machine Monitoring and Management
- Wordpress,
- z/os 2.2

CONTINUOUS IMPROVEMENT

- Process Improvement

Note: Reimbursement for retraining is capped at 100 total hours per-trainee, regardless of method of delivery.