

Delegation Order



**Training Proposal for:
Economic Development Collaborative-Ventura County**

Agreement Number: ET16-0149

Approval Date: August 17, 2015

ETP Regional Office: North Hollywood

Analyst: M. Reeves

PROJECT PROFILE

Contract Attributes:	Retrainee SB <100 Priority Rate SET HUA	Industry Sector(s):	Manufacturing Wholesale Trade Services Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Ventura, Santa Barbara	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
\$93,440		\$6,476 8%		\$99,916

In-Kind Contribution:	50% of Total ETP Funding Required	\$104,720
-----------------------	-----------------------------------	-----------

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, Mfg. Skills	70	8-200	0	\$770	\$15.07
				Weighted Avg: 40			
2	Retrainee SET HUA	Business Skills, Computer Skills, Continuous Improvement, Mfg. Skills	8	8-200	0	\$641	\$15.07
				Weighted Avg: 40			
3	Retrainee SB <100 Priority Rate	Business Skills, Computer Skills, Continuous Improvement, Mfg. Skills	30	8-60	0	\$1,112	\$15.07
				Weighted Avg: 40			
4	Retrainee SB <100	Business Skills, Computer Skills, Continuous Improvement, Mfg. Skills	8	8-60	0	\$941	\$15.07
				Weighted Avg: 40			

Minimum Wage by County: \$15.07 per hour for Ventura and Santa Barbara 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
Job Numbers 1 - 4		
Administration Staff		8
Assembler		8
Engineer		4
Machine Operator		12
Maintenance Staff		3
Manufacturing/Production Worker		49
Sales Staff		10
Manager/Supervisor		22

INTRODUCTION

Founded in 1996, the Economic Development Collaborative - Ventura County (EDC-VC) (www.edc-vc.com) is a regional public and private economic development partnership located in Camarillo. The EDC-VC is a community resource that promotes jobs and economic growth through programs and services that focus on business attraction, retention, and expansion. The EDC-VC supports businesses in Camarillo, Fillmore, Moorpark, Ojai, Oxnard, Port Hueneme, Santa Paula, Simi Valley, Thousand Oaks, and Ventura. The EDC-VC is eligible for ETP funding as a repeat contracting group of employers, specifically a professional membership association.

The EDC-VC provides small and medium-sized business consulting, technical assistance, lending, and training, and is the Small Business Administration's designated Small Business Development Center (SBDC) for Ventura and Santa Barbara Counties. The EDC-VC is a contract partner for the Ventura County Workforce Investment Board for incumbent worker services, layoff aversion, and coordinating training services. The EDC-VC also administers a revolving loan program for the U.S. Department of Commerce, and augments funding with private bank capital and loan capital provided through First Five Ventura County. In addition, the EDC-VC is a contract partner with the City of Ventura for its business incubator and regional entrepreneurship services.

The EDC-VC expects to provide consulting, training, and lending services to over 600 firms this year. Its clients include companies in manufacturing, trade, transportation and warehousing, professional and business services, leisure and hospitality, and other services. The EDC-VC has a targeted manufacturing and export trade program. Most of the training is concentrated in manufacturing to help employers become more efficient and allowing them to expand into new markets, particularly international trade.

PROJECT DETAILS

This proposal will serve large and small priority and non-priority businesses with out-of-state competition. A small percentage of the training (Job Number 2) will be provided to employers lacking out-of-state competition under the Panel's SET program. The core group of participating employers represents at least 80% of requested funding. Training is scheduled to begin in early August. EDC-VC anticipates that 100% of the training will be held at employer worksites.

Employers working with the EDC-VC have identified operational efficiencies that will make them more competitive in securing new contracts and entering new markets. As a result of becoming more efficient, these firms will have the foundation to diversify their customer bases, which will improve their profitability and their ability to sustain and grow business in the long term.

Training Plan

Business Skills - Training will be offered to all occupations to improve all levels of communication and customer service. Sales trainees will also learn sales and business strategies that stimulate growth.

Computer Skills - Training will be offered to Administration Staff, Sales Staff, and Managers/Supervisors. Trainees will learn database management skills and how to be more proficient in the use of various business productivity applications.

Continuous Improvement - Training will be offered to all occupations to help workers reach production goals, increase productivity and efficiency, improve product quality, reduce waste,

and develop teamwork strategies to enhance performance and business processes. Trainees will learn to identify and resolve production problems, as well as implement effective process improvements.

Manufacturing Skills - Training will be offered to Assemblers, Machine Operators, Maintenance Staff, and Manufacturing/Production Staff. Trainees will learn current machine and equipment operation, maintenance, and troubleshooting skills.

Marketing and Support Costs

The EDC-VC markets and advertises its programs primarily through the outreach and services of its SBDC. As a regional economic development corporation, the EDC-VC convenes a monthly meeting of the economic development leads at each of Ventura County's ten cities to share information on program resources. It also shares program opportunities through regular Board of Directors communications, which involves 32 public and private sector leaders throughout the County.

For over four years, the EDC-VC has, in conjunction with local Workforce Investment Boards and Job & Career Centers (One-Stops), operated a manufacturing outreach program. This program has resulted in the regional development of a manufacturer's executive roundtable and regular outreach to over 900 manufacturing firms in the region.

The EDC-VC also publishes a monthly e-newsletter, runs ads in the local newspapers and Chamber of Commerce publications, and participates in the monthly regional Chamber Executive meeting, including Chamber of Commerce leads from ten separate regional and local Chambers.

The EDC-VC is requesting 8% support costs for ongoing employer marketing and outreach. These costs will involve contacting, interviewing, assessing, and developing individual training plans throughout the program. In addition to interfacing directly with employers, the CEO will be speaking at events and doing direct outreach to regional economic development partners and firms. The Program Manager will coordinate with small business consultants contracted to deliver SBDC services. Additional cost will include ad placements, mailings, and customizing outreach material. Staff recommends the 8% support costs.

SET High Unemployment Area

Under Special Employment Training (SET), participating employers are not required to demonstrate out-of-state competition. Trainees must be earning at least the statewide average hourly wage at the end of the retention period.

The SET trainees in Job Number 2 work in High Unemployment Areas (HUA), with unemployment exceeding the state average by 25% under the Panel's standards. Some company locations in Ventura and Santa Barbara counties may qualify for HUA status, and therefore, qualify for the ETP Minimum Wage (\$15.07 per hour) rather than the Statewide Average Hourly Wage. The EDC-VC is requesting the \$15.07 per hour wage for the SET HUA trainees in Job Number 2.

Commitment to Training

ETP funds will not displace the existing financial commitment to training of participating employers. The EDC-VC represents that safety training is, and will continue to be, provided by the participating employers in accordance with all pertinent requirements under state and

federal law.

➤ Training Infrastructure

Project administration will be done by EDC-VC staff: the President will provide general oversight; the SBDC Director will oversee employer outreach and assessment and development of individual training plans; a Program Assistant will work with the training vendors to assure accurate tracking of all training hours and recordkeeping; and the Office Manager will provide administrative services for invoicing, oversight, and quality assurance on data tracking.

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
*ET13-0162	Camarillo	10/08/12 – 10/07/14	\$258,961	\$144,662 (56%)
**ET10-0206	Camarillo	09/24/09 – 09/23/11	\$73,783	\$50,770 (69%)

*ET13-0162 - The Contractor reports that performance was impacted because key participating employers had to postpone multiple training sessions due to increases in business demand. To mitigate this issue in the next project, EDC-VC has implemented an agreement structure whereby employers must commit to a specific training schedule during the course of the Agreement. If employers fail to meet their scheduled timeframe, the EDC-VC will shift available funds to employers that are readily prepared to move forward. In addition, the EDC-VC has improved its internal operating procedures to address any gaps in communication, scheduling, and data collection. Lastly, EDC-VC's has scaled back its funding request to an amount that is consistent with past experience and program performance.

**ET10-0206 - This Agreement was primarily an entrepreneurial/microenterprise pilot endeavor for training in import/export trade. The Contractor finished with 51 approved placements for start-up business owners, as well as small, established business owners that had to attend training outside of normal work hours. Due to scheduling problems, the final class had to be expedited and shortened to meet employer demand; otherwise, the contract would have exceeded the Panel's 70% retraining performance threshold.

DEVELOPMENT SERVICES

N/A

ADMINISTRATIVE SERVICES

N/A

TRAINING VENDORS

To Be Determined

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

8 – 200 (Job Numbers 1 & 2)

8 – 60 (Job Numbers 3 & 4)

Trainees may receive any of the following:

BUSINESS SKILLS

- Communication Skills
- Customer Service
- Sales Skills

COMPUTER SKILLS

- Database Management
- Enterprise Resource Planning

CONTINUOUS IMPROVEMENT

- Building Successful Teams
- Interpreting and Analyzing Data
- ISO Training
- Leadership Skills for Frontline Workers
- Lean Manufacturing
- Kaizen Methodology
- Performance Management
- Problem Solving
- Process Improvement
- Root Cause Analysis
- Six Sigma
- Statistical Process Control
- Total Quality Management

MANUFACTURING SKILLS

- Production Equipment Operation
- Manufacturing and Assembly
- Equipment Troubleshooting
- Shop Measurements
- Industrial Maintenance
- Machine Set-Up

Note: Reimbursement for retraining is capped at 200 total training hours per trainee in Job Numbers 1 and 2, and 60 total hours per trainee in Job Numbers 3 and 4, regardless of the method of delivery.