

**DELEGATION ORDER**



**Training Proposal for:  
Financial Statement Services, Inc.**

**Agreement Number: ET15-0461**

**Approval Date:** May 26, 2015

**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:	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: 134	U.S.: 136	Worldwide: 136
<u>Turnover Rate:</u>	9%		
<u>Managers/Supervisors:</u> (% of total trainees)	19%		

**FUNDING DETAIL**

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	<b>Total ETP Funding</b>
\$89,100		\$0	\$0		\$89,100

In-Kind Contribution:	100% of Total ETP Funding Required	\$156,547
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee	Business Skills, Computer Skills, Continuous Improvement, Manufacturing Skills	99	8-200	0	\$900	\$16.02
				Weighted Avg: 60			

**Minimum Wage by County:** \$16.02 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 \$2.63 per hour may be used to meet the Post-Retention Wage.

**Wage Range by Occupation**

Occupation Titles	Wage Range	Estimated # of Trainees
Accounting/Administrative Staff		6
Information Systems 1		9
Information Systems 2		10
Managers/Supervisors 1		7
Managers/Supervisors 2		12
Production Services Staff 1		25
Production Services Staff 2		12
Sales/Marketing/Customer Service Staff		18

**INTRODUCTION**

Founded in 1980 and headquartered in Santa Ana, Financial Statement Services, Inc. (FSSI) provides customized, variable-data, printed and electronic documents and distribution solutions. FSSI receives encrypted data from virtually any transmission method. The data is then verified and processed through its computer systems to generate customized hard copy, electronic documents and reports into the format requested by clients. Examples of its products include utility bills, bank and financial statements, and other documents.

Over the last several years, high volume, high quality inkjet printers have replaced lower capacity laser printers. These new printers allow for greater production capacity and a wider variety of products and services, including more detailed color, type and formatting options that weren't

previously available. FSSI's competitors are switching to inkjet printers because they allow the complex options that clients now demand.

In response to these changes, the Company purchased its first inkjet printer in 2013. Initially FSSI trained a small group; however, it needs to provide training on this equipment for additional employees. As more orders that require detailed color options, additional workers need training. Inkjet printing has become the industry standard and demand for its capabilities are increasing. FSSI is currently negotiating to obtain another inkjet printer, which will be installed in mid-2015. The new printer will cost approximately \$1.5M.

In addition to printer training, the Company has an Internal Proprietary Software program, which directs business workflow. Changes to this system are required to incorporate the new printer and to update the process flow and procedures. All employees require training. With higher production capacity and quality, FSSI needs to train its employees in Continuous Improvement skills to meet customer demands efficiently and on time. In order to remain competitive and move toward a high performance workplace, FSSI's production processes also need to be improved.

## **PROJECT DETAILS**

### **Training Plan**

Training will take place at company headquarters in Santa Ana with a combination of internal and outside trainers.

**Business Skills (35%):** Training will be offered to Managers/Supervisors, Accounting/Administrative, Sales, Marketing & Customer Service staff in project management, strategic planning, negotiating, customer relations, conflict management, communication skills and telephone skills. Training will improve employee skills with current and potential customers and provide a new level of excellence. This training will enhance communication among all groups and customers.

**Computer Skills (20%):** Training will be offered to Information Systems Staff to program and adapt the operating systems of both the printers and the internal proprietary software. Due to business and customer demands, software continually changes. Training will give workers the skills to efficiently and effectively to adapt to the those business needs.

**Continuous Improvement (20%):** Training will be offered to all occupations in statistical analysis, process improvement, teambuilding, and coaching. Training provides employees the tools to improve performance, productivity and product quality in the most efficient way possible. Teambuilding and coaching will give trainees the skills to work together more effectively to create a high performance workplace.

**Manufacturing Skills (25%):** Training will be offered to Production Services Staff in production scheduling, process automation, machine operation, forklift training, and cross-functional equipment and process training. This training will give workers the tools to improve performance as well as increasing productivity and product quality efficiently. Cross-Functional training will provide the skills to manage workflow and output.

### **Commitment to Training**

FSSI spends an estimated \$40,000 per year on training. Training includes new hire training (onboarding), security, safety, proprietary software and production equipment as needed. Training is conducted via classroom and on-the-job and is mandatory.

FSSI represents that 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

The Company is ready to begin training upon Panel approval. The CFO will have overall responsibility for the project. The HR staff will assist in scheduling training and collecting rosters. FSSI has hired an administrative subcontractor to assist in enrolling trainees, entering training hours and meeting with ETP staff.

**RECOMMENDATION**

Staff recommends approval of this proposal.

**DEVELOPMENT SERVICES**

Tax Credit Company in Los Angeles assisted with development of this proposal for a flat fee of \$9,000.

**ADMINISTRATIVE SERVICES**

Tax Credit Company will also perform administrative services in connection with this proposal for a fee of not to exceed 10% 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**

- Project Management
- Strategic Planning
- Business Writing
- Customer Relations
- Identifying Customer Needs
- Resolving Complaints
- Conflict Management
- Telephone Skills
- Communication Skills
- Leadership
- Decision Making
- Administrative Procedures
- Motivation

**COMPUTER SKILLS**

- Operating System Software Upgrade
- Internal Proprietary Business Workflow Software Upgrade

**CONTINUOUS IMPROVEMENT**

- Statistical Analysis
- Process Improvement
- Teambuilding
- Coaching

**MANUFACTURING SKILLS**

- Production Scheduling
- Production Operations
- Process Automation
- Forklift Training
- Understanding Machine Operations
- Cross-Functional Equipment Skills
- Cross-Functional Process Skills

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