



Training Proposal for:
Flextronics International USA, Inc.
Agreement Number: ET15-0263

Panel Meeting of: August 22, 2014

ETP Regional Office: San Francisco Bay Area

Analyst: L. Lai

PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate	Industry Sector(s):	Manufacturing
			Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	San Mateo and Santa Clara	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: 2,600	U.S.:4,100	Worldwide: 181,000
<u>Turnover Rate:</u>	11%		
<u>Managers/Supervisors:</u> (% of total trainees)	20%		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$216,000		\$0	\$0		\$216,000

In-Kind Contribution:	100% of Total ETP Funding Required	\$225,000
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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 Priority Rate	Business Skills, Computer Skills, Continuous Impr, Mfg. Skills	300	8-200	0-30	\$720	\$16.25
				Weighted Avg: 40			

Minimum Wage by County: \$16.25 for San Mateo and Santa Clara 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

Up to \$1.95 per hour may be used to meet the Post-Retention Wage.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Admin/ Buyer/Planner/ Analyst		15
Engineer		26
Finance		12
IT, Lead		20
Machinist		19
Marketing/Sales		7
Manager/Supervisor		63
Operator		49
Production Staff/Technician		77
Support Staff		3
Technical Director		9

INTRODUCTION

Flextronics International USA, Inc. (Flextronics) is part of the industrial division of Flextronics International Ltd. (www.flextronics.com), a worldwide provider of electronics manufacturing services (EMS). Flextronics delivers design, engineering, manufacturing and logistics services to a range of industries and end-markets including data networking, telecom, enterprise computing and storage, industrial, capital equipment, appliance, automation, medical, automotive, aerospace and defense, energy, and mobile computing.

Flextronics' Morgan Hill facility and San Carlos facility will participate in this proposal. This is the first ETP training proposal for these two locations. The Morgan Hill facility offers vertically integrated manufacturing services with site competencies that include precision machining, system integration and test services. The facility also provides designs for manufacturing and prototyping, new product introduction, and complete supply-chain solutions. The San Carlos

facility offers anodizing plating and specialty surface modification for applications in high-tech industries.

PROJECT DETAILS

Flextronics must continuously design and manufacture faster, smaller, more efficient, and less expensive products. Such demands necessitate training of employees on new design techniques, quality processes, Agile and BaaN systems, and standardized business structures and processes.

Training Plan

Business Skills (10%): Training will be offered to all trainees in effective meeting and presentation, facilitation, project management, supply chain solutions, and sales/marketing skills. Training is intended to expand employees' knowledge of company products, improve accounting expertise, develop marketing strategies, provide superior customer service to help expand sales, and manage projects efficiently.

Computer Skills (20%): Training will be provided to Engineers, IT, Leads, Production Staff, Marketing/Sales, Support Staff, and Managers/Supervisors. Trainees will learn various aspects of Agile and BaaN to control and track production and improve delivery times. Training will also cover intermediate and advanced Microsoft Office used throughout the workplace to increase output and accuracy of daily tasks. IT will acquire skills to support all software applications.

Manufacturing Skills (50%): Training will be provided to Production Staff, Operators, Technicians, Engineers, Leads, and Managers/Supervisors. Trainees will receive training on manufacturing procedures and workflow and cross-training on all equipment to improve the manufacturing process and produce products at a lower cost.

Continuous Improvement (20%): Training will be offered to all trainees on best manufacturing practices, teambuilding, product quality, and production issues. Lean Manufacturing will reduce costs, improve efficiency, and increase productivity. Leadership and coaching skills will help Leads and Managers lead staff to support company goals and objectives.

Computer-Based Training (CBT)

Some Computer Skills training will be delivered via CBT and will be capped at 50% of an individual trainee's total training hours.

Commitment to Training

Flextronics' average annual training budget is \$50,000, primarily allocated to new hire orientation, temporary worker training, compliance training, health & safety, basic computer skills and special requests. In addition, Flextronics currently funds all training in mandated safety regulations, sexual harassment prevention and executive development programs.

Flextronics 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

The Director of Quality and HR Manager will oversee the training program. An administrative subcontractor will assist in project administration.

Technical Directors

Nine Technical Directors are included in the training plan. The Company reports that the "Director" title is a reflection of industry standards for job titles. These individuals are front-line technical directors who primarily serve as project managers. Directors do not set company policy and are not considered to be executive staff.

Substantial Contribution

Although Flextronics earned more than \$250,000 in the last Agreement at Milpitas facilities, no substantial contribution is applied to this project as training is for employees at a different location.

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned	
				\$	%
ET12-0188	Milpitas	12/31/11 – 12/30/13	\$468,920	\$420,009	(90%)
ET10-0165	Milpitas	10/05/09 – 10/04/11	\$205,530	\$203,452	(99%)

DEVELOPMENT SERVICES

California Training Administration, Inc. (CTA) in San Jose assisted with development of this proposal for no charge.

ADMINISTRATIVE SERVICES

CTA will also perform administrative services for a fee 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

- Business Process Improvements
- Conflict Management
- Customer Satisfaction Program
- Effective Business Presentation Skills
- Effective Meetings
- Facilitation/Mentorship
- Minimizing Risk / Business Continuity
- Project Management Techniques
- Strategic Logistic Partners
- Supply Chain Solutions
- Technical Product Sales/Marketing
- Workplace Communications

COMPUTER SKILLS

- ERP Systems (Agile and BaaN)
- CAD Programming
- Database Tools / Project Tools
- Document Control System
- Inventory System
- Information Technology System
- Microsoft Office (Intermediate and Advanced only)
- Programming Tools and Languages
- Project Management Tools
- Systems Integration/Configuration
- Web-Based Supply Chain Tools

CONTINUOUS IMPROVEMENT

- 1st Article Approval (formal method of testing/approving products to ensure conformity to contract requirements)
- AS9000 Certification / NadCap / ISO9001
- Customer Focus Teams
- Customer Supplier Satisfaction
- Design for Manufacturability
- Design for Testability
- Failure Analysis
- Good Manufacturing Practices
- High Performance Work Teams
- Leadership/Coaching Skills
- Lean/Six Sigma
- Logistics and Material Management
- New Quality Processes
- Process and Product Design
- Product and Process Improvement
- Product Return Services

- Productivity Improvement Training
- Quality Management
- Test Engineering

MANUFACTURING SKILLS

- Anodizing
- Assembly IPC 7711/21 Rework
- Clean Room Test & Development Engineering
- Equipment and Workstation Safety
- Maintenance of Equipment
- Material Handling
- Mechanical Assembly
- Operating New Production Equipment
- Plating
- Polishing / Cleaning
- Precision Machining
- Product Inspection / Reliability
- Product Knowledge / Certification
- Proper Manufacturing Practices
- Proper Packaging / Storage Techniques
- Prototype / New Product Introduction
- Shipping and Receiving Techniques
- Soldering Techniques
- Testing / Troubleshooting
- Warehouse Inventory Procedures
- Workflow Process
- Workmanship / Industry Procedures

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

CBT Hours

0–30

COMPUTER SKILLS

- Excel 2010: Financial (2.25 hours)
- Excel 2010: Charts (3.50 hours)
- Excel 2010: Pivot Tables (3.75 hours)
- Excel 2010: Data Validation (1 hours)
- Excel 2010: Advanced Formatting (3 hours)
- Excel 2010: Macros (2.75 hours)
- Excel 2010: Managing Multiple Worksheets/Workbooks (1.50 hours)
- Camtasia Studio 8 (6.25 hours)
- PowerPoint 2010 Shortcuts (2.50 hours)
- PowerPoint Business Presentation (3 hours)
- ERP Systems (BaaN, Agile) (8 hours)
- CAD programming (8 hours)

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.