



RETRAINEE - JOB CREATION

Training Proposal for:

Holthouse Carlin & Van Trigt LLP

Agreement Number: ET17-0182

Panel Meeting of: August 26, 2016

ETP Regional Office: North Hollywood

Analyst: M. Reeves

PROJECT PROFILE

Contract Attributes:	Retrainee SET Job Creation Initiative	Industry Sector(s):	Services Priority Industry: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Counties Served:	Los Angeles, Orange, Ventura, Contra Costa	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: 442	U.S.: 460	Worldwide: 460
Turnover Rate:	15%		
Managers/Supervisors: (% of total trainees)	N/A		

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;">\$303,000</td></tr> </table>	Program Costs	\$303,000	-	<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;">\$303,000</td></tr> </table>	Total ETP Funding	\$303,000
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In-Kind Contribution:	100% of Total ETP Funding Required	\$660,480
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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 SET	Business Skills, Computer Skills, Continuous Imp., Adv. Technology	360	8-200	0-80	\$675	\$28.37
				Weighted Avg: 45			
2	Retrainee SET Job Creation Initiative	Business Skills, Computer Skills, Continuous Imp., Adv. Technology	60	8-200	0-80	\$1,000	*\$15.00
				Weighted Avg: 50			

*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: \$28.37 per hour Statewide Average Hourly Wage.
Job Number 2 (Job Creation): \$14.19 per hour for Contra Costa; \$13.76 per hour for Orange County; \$13.73 per hour for Los Angeles County; and \$12.77 per hour for Ventura 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 \$3.32 per hour in Job Number 1 may be used to meet the Post-Retention Wage.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Job Number 1		
Operation Support Staff (HR, IT, Admin)		25
Accounting Staff		105
Accounting Senior		75
Accounting Manager 1		55
Accounting Manager 2		25
Accounting Manager 3		20
Operation Manager/Director 1 (Frontline)		15
Operation Manager/Director 2 (Frontline)		10
Administration Support (Sales/Marketing/Misc.)		30
Job Number 2		
Operation Support Staff (HR, IT, Admin)		2
Accounting Staff		28

Accounting Senior		15
Accounting Manager		13
Administration Support (Sales/Marketing/Misc.)		2

INTRODUCTION

Founded in 1991, Holthouse Carlin & Van Trigt (HCVT) (www.hcvt.com) is a full-service accounting firm that provides accounting, tax, business advisory, and business management services. The Company is eligible for ETP funding under Special Employment Training (SET) for frontline workers.

HCVT serves private and public companies, business owners, high net-worth individuals, and family offices across select industry niches. These industries include real estate and hospitality, private equity/investment advisory, technology, professional service firms, media/entertainment, employee benefit plans, not-for-profit organizations. HCVT also serves various middle-market companies in manufacturing, retail, and distribution. The Company assists clients in all phases of the business cycle ranging from start-up to rapid growth, and mature companies/owners seeking exit strategies.

HCVT is headquartered in Los Angeles with other locations in Long Beach, Camarillo, Encino, Costa Mesa, Pasadena, Westlake Village, and Walnut Creek. The Company also maintains offices in Texas and Utah. Employees from all California locations will participate in the proposed training.

PROJECT DETAILS

With the California economy continuing to show positive signs of growth, the need for accounting and tax service remains very high. One of the Company's strategic objectives is to grow its revenues from \$100 million to \$150 million over the next five years. In working towards this goal, the Company believes it is critical to develop technical expertise and next generation leadership through comprehensive employee training.

In addition, there have been significant changes to the rules and regulations that govern accounting and tax services. Specific areas of change include Repair Regulations and International Financial Reporting Standards. HCVT plans to provide its workforce with a series of technical courses to address industry updates and changes.

HCVT's senior leadership team has also identified the need to revise various company processes and capabilities. Areas targeted for improvement include the use of tax and audit software tools, cross-selling, teambuilding, and effective leadership. To support this effort, the Company plans to invest between \$600,000-\$975,000 in computer and accounting software systems technology throughout the contract term.

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.

HCVT has committed to hiring 60 new employees (Job Number 2) to support its planned growth, including its recent expansion into Northern California. In an effort to gain new customers in the Bay Area, HCVT opened a new office in Walnut Creek and is evaluating the

possibility of an additional location closer to the San Francisco area. Over the next two years, the Company expects to gain “net new jobs” across all facilities in California. Extensive new employee training will play a vital role in the success of HCVT’s hiring efforts.

The date-of-hire for all trainees 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.

Training Plan

Training will take place at HCVT locations throughout California, and will be provided by in-house subject matter experts and outside vendors to be identified during the contract term. The majority of training will be delivered via class/lab; however, some training will be conducted via E-learning and/or computer-based training (CBT). CBT training will include a combination of intermediate/advanced computer skills and industry-specific education modules.

Business Skills (40%) - Training will be offered to all occupations. Due to the complexity of accounting practices and regulations, this training is specifically designed to equip employees with the necessary industry knowledge and skills to present clear, prudent business solutions to customers.

Computer Skills (25%) - Training will be offered to all occupations. Training will cover the fundamental concepts and architecture of tax, audit, and financial platforms. Training will also provide an understanding of cloud computing, analysis/research tools, and customer management software.

Continuous Improvement (25%) - Training will be offered to all occupations. Training will focus on quality control, performance team building, and problem solving as it relates to new financial and accounting services.

Advanced Technology (10%) - Training will be offered to Operation Support/IT Staff, Accounting Seniors, and Accounting/Operations Frontline Managers and Directors. These workers must upgrade their skills in the use of next-generation accounting tools. This training will provide workers with the skills to manage complex computer programming and data maintenance systems across all HCVT locations in California. The Company estimates that actual AT training costs will likely exceed \$30 per hour, per trainee, depending on the subject matter. The trainer-to-trainee ratio will be capped at 1:10 to allow for the most conducive learning environment.

Prior Project

This will be HCVT’s second ETP Agreement within the past five years. The first project helped the Company strengthen its operations and lay the foundation for building a strong leadership team from within. The proposed training will support HCVT’s expansion into new markets and improve its ability to respond to growing opportunities in the accounting/tax services business.

Some curriculum topics are repeated from the prior Agreement; however, the Company has confirmed that course material has been updated and/or changed to ensure there will be no duplication of training. In addition, this project will include several newly-hired Job Creation employees (Job Number 2) who have not received any ETP training in the past.

Frontline Worker

HCVT uses several job classifications with Manager, Director or Senior in the title. However, the Company has confirmed that these employees actively manage teams and projects, provide training, and spend more than 50% of their time performing frontline work. These individuals do not hire, fire, or make company policy. Therefore, based on the nature and scope of their job duties, these trainees meet the Panel's definition of frontline workers. As frontline workers, these trainees qualify for SET funding and are not included in the percentage of managers and supervisors identified on Page 1 of this proposal.

Commitment to Training

HCVT spends approximately \$210,000 annually on training at its California facilities. The Company's ongoing training includes introductory computer skills, company policies and procedures, new employee orientation, Partner training, and anti-harassment training. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

➤ Training Infrastructure

The Company's Director of Recruitment and Training will oversee internal project administration. In addition, the Company has retained an outside administrative consultant to ensure that all training records adhere to ETP requirements.

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned	
				\$	%
ET14-0364	Various	05/01/14 – 04/30/16	\$198,750	\$198,750	(100%)

DEVELOPMENT SERVICES

California Training Administration (CTA) in Rocklin assisted with development for a flat fee of \$2,500.

ADMINISTRATIVE SERVICES

CTA 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/E-Learning**

8 - 200

Trainees may receive any of the following:

BUSINESS SKILLS

- Accounting and Auditing Update
- Accounting Methods & Techniques
- Auditing Techniques
- Best Practices/Expectations
- Business Acumen
- Business Development
- Business Etiquette
- Business Writing Skills
- Client Relationship and Management
- Conflict Management/Risk Management
- Consumer Product
- Corporate Tax Techniques
- Cross Selling Skills
- Customer Service
- Effective Presentations
- Ethics for Business
- Financial Planning
- Financial Services
- Flow-Through Entity
- High Net Worth Individual
- Influential Communication
- International Tax
- Technical Writing Utilizing Regulatory Guidance
- Technical Employee Orientation and Training (tax/audit processes)
- Negotiation Skills
- New Tax Methods
- Nonprofit Accounting & Audit
- Personal Branding
- Pension Plan
- Planning & Support
- Professionalism
- Proposal Writing/Report Writing
- Research Skills
- Running Effective Meetings
- Small Business Accounting
- State and Local Taxes
- Stock Compensation
- Tax Rules & Regulation Update
- Technical Research – Case Studies
- Trusted Advisor

COMPUTER SKILLS

- Accounting Research
- Adobe
- ADP HR, Recruiting, Payroll
- Bloomberg BNA
- CCH IntelliConnect Tax Research System
- CyberRecruiter
- Engagement Tax Training II
- Finance/Accounting Tools
- Go File Room (GFR)
- Go Systems Tax Software
- Halogen Evaluation System
- Harvard Business School- Advanced Excel Training
- Learnlive
- Lync Messenger
- M-3 / Dynalinking Tax Software
- Marketing Tools
- Microsoft CRM
- Microsoft Dynamics CRM System
- Microsoft Tools (Intermediate / Advanced only)
- Microsoft Quickbooks
- New Systems Training
- Optimization Training Tax Software
- Outlook/Instant Messaging
- PowerPoint Tools
- PPC SMART Practice Aid Audit research system
- Practice Management Billing system
- ProSystems fx Tax Software
- Publisher
- QuickBooks Advanced
- Security Mentor
- Sharepoint
- Sharefile
- Skype for Business
- Social Media Tools (LinkedIn, Twitter)
- SurePrep Tax Software
- Visual Practice Management
- RIA Checkpoint Tax Research System

CONTINUOUS IMPROVEMENT

- Building Effective Teams
- High Performing Teams
- Coaching – Delivering and Receiving Feedback
- Efficiency and Quality Improvements
- Problem Solving/Process Improvement
- Project Management Skills
- Team Building/Team Meetings
- Leadership Essentials:
 - Influential Communication
 - 5 Habits of Intentional Leadership
 - Conflict Resolution
 - Managing and Leading Change
 - Getting Things Done Through Change
 - Situational Leadership

ADVANCED TECHNOLOGY (1:10 ratio)

- Accounting Research - Adv. techniques
- Active Data
- CCH IntelliConnect Tax Research System - Adv. techniques
- Cyber Recruiter – Adv. techniques
- Go File Room (GFR) - Adv. Techniques
- Halogen Evaluation System – Adv. techniques
- LearnLive Compliance Skills – Adv. techniques
- M-3 / Dynalinking Tax Software – Adv. techniques
- New Systems Training (Database Tools / Cloud computing)
- PPC SMART Practice Aid Audit research system – Adv. techniques
- Practice Management Billing system – Adv. techniques
- ProSystems fx Tax Software – Adv. techniques
- Sharepoint /SurePrep Tax Software
- Sharepoint Design
- RIA Checkpoint Tax Research System – Adv. techniques

CBT Hours

0 - 80

CBT - COMPUTER SKILLS

- Software Training (1.5 hours)
- Tax/Audit Technical (3 hours)
- Cloud Computing (1 hour)
- Excel 2015 Database Development (1 hour)
- Managing and Analyzing Data in Excel 2010 (1.5 hours)

Lynda.com Microsoft Office (Intermediate & Advanced)

- Up and Running with Excel 2013 (2 hours)
- Cleaning Up Your Excel 2013 Data (1 hour)
- Managing and Analyzing Data in Excel 2013 (1.5 hours)
- Setting Up a Database in Excel 2013 (1 hour)

- Excel 2013: Financial Functions in Depth (2.5 hours)
- Excel 2013: Charts in Depth (3 hours)
- Excel 2013: Pivot Tables in Depth (3.75 hours)
- Excel 2013: Data Validation in Depth (1 hour)
- Excel 2013: Advanced Formatting Techniques (3 hours)
- Excel 2013: Macros in Depth (2.75 hours)
- Excel 2013: Managing Multiple Worksheets and Workbooks (1 hour)
- Excel 2013: Advanced Formulas and Functions (5 hours)
- Excel 2013: Power Shortcuts (3.75 hours)
- Excel 2013: Working with Dates and Times (1 hour)
- Excel 2013: Essential Training (4.75 hours)
- Excel 2013: New Features (2 hours)
- Excel 2013: Real-World Projects (.5 hour)
- Up and Running with VBA in Excel (3 hours)

CBT - BUSINESS SKILLS

- Revenue Recognition Update (2 hours)
- Compilation, Review, and Preparation (1 hour)
- Business Succession Planning: Case Studies (2 hours)

Becker Training

- Capital Gain & Losses (1 hour)
- Corporate Tax Strategies (2 hours)
- Estate & Gift Taxes (2 hours)
- Federal Tax Accounting - Inventory (2 hour)
- Financial Statement Analysis (3.5 hours)
- Individual Taxation (2 hours)
- Real Estate Taxation (2 hours)
- Forensic Accounting (2 hours)
- Audit Risk Assessment (3 hours)
- Partnerships (3 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.