



Training Proposal for:
**Los Rios Community College District – Small
 Business Development Center**
Agreement Number: ET15-0194

Panel Meeting of: June 27, 2014

ETP Regional Office: Sacramento

Analyst: W. Atkinson

PROJECT PROFILE

Contract Attributes:	Entrepreneurial HUA Priority Rate Retrainee SB <100 SET	Industry Sector(s):	Construction Technology/IT Services Agriculture Healthcare Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	El Dorado, Nevada, Placer, Plumas, Sacramento, Sierra, Yolo	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Turnover Rate:	≤20%		
Managers/Supervisors: (% of total trainees)	N/A		

FUNDING DETAIL

Program Costs	+	Support Costs	=	Total ETP Funding
\$20,240		\$1,392 8%		\$21,632

In-Kind Contribution:	50% of Total ETP Funding Required	\$35,120
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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 SB <100 Priority Rate	Business Skills, Computer Skills, Management Skills	15	8-60	0	\$556	\$14.90
				Weighted Avg: 20			
2	Retrainee SB <100 SET	Business Skills, Computer Skills, Management Skills	1	8-60	0	\$470	\$27.09
				Weighted Avg: 20			
3	Retrainee SET SB<100 Priority Rate	Business Skills, Computer Skills, Management Skills	1	8-60	0	\$556	\$20.32
				Weighted Avg: 20			
4	Retrainee SET HUA SB<100	Business Skills, Computer Skills, Management Skills	3	8-60	0	\$470	\$14.90
				Weighted Avg: 20			
5	SET Entrepreneurial SB<100	Business Skills, Computer Skills, Management Skills	16	8-60	0	\$470	N/A
				Weighted Avg: 20			
6	SET Entrepreneurial Priority Rate SB<100	Business Skills, Computer Skills, Management Skills	6	8-60	0	\$556	N/A
				Weighted Avg: 20			

Minimum Wage by County: Job Number 1: \$14.90 for El Dorado, Nevada, Plumas, Placer, Sierra, Yolo counties, and \$15.59 for Sacramento County.

Job Number 2(SET/statewide): \$27.09

Job Number 3(SET/Priority Industry): \$20.32

Job Number 4(SET/HUA): \$14.90 for El Dorado, Nevada, Plumas, Placer, Sierra, Yolo counties, and \$15.59 for Sacramento County. [Not all locations in the preceding counties are HUA. Only specific cities/areas designated by LMID data at the time of the application are eligible for HUA wage waiver.]

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 Staff		3
Sales Staff		2
Managers		8
Supervisors		7
Owner		22

INTRODUCTION

The Los Rios Community College District – Small Business Development Center (Los Rios) was established in 1989 through the cooperative efforts of the U.S. Small Business Administration, California State University Chico Research Foundation, and the Los Rios Community College District. Los Rios serves the El Dorado, Placer, Plumas, Nevada, Sacramento, Sierra and South Yolo counties. It utilizes a network consisting of resource partners, business development programs, and professionally trained consultants. The consultants identify specific needs and provide guidance and up-to-date information on issues that impact small businesses to assist them in achieving profitability and long term sustainability.

PROJECT DETAILS

Los Rios reports an ongoing need to update business owners and entrepreneurs in the core areas of business planning, marketing, finance, and operations to make their business more sustainable, profitable, and stable. In addition, some participating employers employ Administrative Staff, Sales Staff, Managers, and Supervisors who assist in the day-to-day operations, who will also receive training in skills to support the Owner.

Training Plan

Business Skills (50%) - Training will be provided to all occupations. Training will include Networking, Statements and Cash Flow, Procurement Opportunities, Import/Export Readiness, and Customer Service. Training will focus on developing a solid foundation on the operations of running a small business to remain competitive, keep customers, and expand into new markets.

Computer Skills (15%) - Training will be provided to all occupations and will be customized to meet individual needs. Training will be on QuickBooks and the focus will be on the data entry for financials, reports and forms to manage the cash flow, inventory, and financial stability of the small business.

Management Skills (35%) - Training will be provided to Owners, Managers and Supervisors. Training will include Writing a Business Plan, Legal Structure of the Business, Debt and Equity Financing, and Feasibility Studies. Training will strengthen the trainees' knowledge in financial development, management operations and marketing.

Curriculum Development

The proposed curriculum was developed from an annual survey conducted by Los Rios to determine the small business owner needs in training and consulting with emphasis in business planning, marketing, finance, and operations management. Los Rios also utilized survey's and studies from partner organizations to develop course content, best training methods, and program direction. The curriculum consists of 20 hours of Business, Computer, and Management Skills including setting goals and objectives for sustainable growth, business planning, market research for growth opportunities, business structure, customer service, sales, and relationship management. Trainees may represent a broad spectrum of industries such as retail, construction, IT, manufacturing, agriculture, import/export, and service sectors.

Individual needs assessments will be conducted with each employer prior to the start of training. Evaluations are completed after each class and adjustments are made based on recommendations from attendees. Participants in each training class series will receive a "Certificate of Completion". At the completion of the Business Plan Series each participant will have a completed business plan with financial projections. The Business Plan certificate is valued and recognized by lenders.

Commitment to Training

Many of the participating employers lack the resources to develop comprehensive training plans or provide structured training. Current training topics provided by most participating employers include new hire orientation, safety, on-the-job training, shadowing and mentoring, and government-mandated training.

Los Rios represents that ETP funds will not displace the existing financial commitment to training of participating employers, and anticipates that the opportunity for enhanced training made possible by ETP funds will encourage an ongoing financial commitment in this area.

Training Agency Certification

Los Rios is eligible as a training agency and is accredited by the Western Association of Schools and Colleges and certified by the Bureau of Private Postsecondary Education.

Marketing and Support Costs

Los Rios works with local Chamber of Commerce's, Economic Development Departments, Workforce Investment Boards, Small Business Association, and the Veterans Business Outreach Center to reach potential clients throughout their service region. Los Rios utilizes their email database of 10,000 plus contacts through email, website updates, meetings and presentations. The College currently recruits potential clients through its existing program, and all consultants and staff are responsible for recruitment of potential clients. Los Rios will also utilize all employers who have received consulting, attended workshops, events, or programs within the past 10 years. Los Rios has also reached out to Sierra College and the Builders Exchange for referrals.

Support costs (8%) will be used to recruit additional participating employers and assess employer specific job training requirements throughout the term of the project. Staff recommends the support costs.

SET/HUA/Small Business Entrepreneurial

Trainees in Job Number 2 - Job Number 6 are funded under Special Employment Training. In these Job Numbers, the participating employers will not be 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 (\$27.09).

Trainees employed in a priority industry may qualify for a SET wage modification up to 25% below the statewide average hourly wage to \$20.32 per hour. Los Rios requests the wage modification for Job Number 3.

The trainees in Job Number 4 work in a High Unemployment Area (HUA) with unemployment exceeding the state average by 15%. The locations in El Dorado (partial), Placer (partial), Plumas, Sacramento (partial), Sierra, and Yolo (partial) counties qualify for HUA status under these standards. These trainees qualify for the ETP Minimum Wage rather than the Statewide Average Hourly Wage.

The entrepreneurial trainees in Job Number 5 and 6 are funded as SET. However, there is no wage requirement for entrepreneurial training.

Training Coordinator

Los Rios' staff will market and recruit participants under the proposal. One employee will be responsible for the needs assessments, three employees will be responsible for scheduling and registration, and three employees will be responsible for the ETP administration.

The Program Coordinator will record every attendee, and track all hours of training and administration of the ETP Contract for invoicing.

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 - 60

Trainees may receive any of the following:

BUSINESS SKILLS

- Profitable Growth and the Entrepreneurial Mindset
- The Internal and External Uses of a Business Plan
- Market Research for Growth Opportunities
- Networking
- Market Analysis
- Balancing the 4 P's
- Building a Global Brand
- Setting the Right Price in New Markets
- Maintaining Excellent Customer Service
- Online Marketing, Sales, and Relationship Management
- Using Ratios to Analyze Balance Sheet Information
- Examining Bookkeeping Recordkeeping Activities and Controls
- How Budgets Provide Performance Feedback
- Calculating the Break-Even Point for Growth
- Monthly and Annual Cash Flow Projections
- Understanding the Difference Between Profit and Loss
- Statements and Cash Flow
- Financing your Business
- Procurement Opportunities
- Import/Export Readiness

COMPUTER SKILLS

- QuickBooks I – Set-Up
- QuickBooks II – Data Entry
- QuickBooks – Reports and Forms

MANAGEMENT SKILLS (Managers/Supervisors/Owners)

- Writing a Business Plan
- Setting Goals and Objectives for Sustainable Growth
- Feasibility Studies
- Legal Structure of the Business and How it Affects Taxes
- Managerial Uses of Financial Statements
- Debt and Equity Financing for Growth Opportunities
- Identifying New Markets and Competitors

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