



RETRAINEE - JOB CREATION

Training Proposal for:

Meriliz Incorporated dba DOME Printing

Agreement Number: ET16-0470

Panel Meeting of: May 26, 2016

ETP Regional Office: Sacramento

Analyst: M. Mazzone

PROJECT PROFILE

Contract Attributes:	Retrainee Job Creation Initiative Veterans Priority Rate	Industry Sector(s):	Manufacturing Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Counties Served:	Contra Costa, Sacramento	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: 225	U.S.:225	Worldwide: 225	
<u>Turnover Rate:</u>	18%			
<u>Managers/Supervisors:</u> (% of total trainees)	8%			

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	=	(High Earner Reduction)	=	Total ETP Funding
\$339,000		\$0		\$0		\$339,000

In-Kind Contribution:	100% of Total ETP Funding Required	\$388,075
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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, HazMat, Mgmt Skills, Mfg. Skills, PL - Mfg. Skills, Advanced Tech	210	8-200	0-100	\$1,260	\$16.10*
				Weighted Avg: 70			
2	Retrainee Job Creation Initiative Priority Rate	Business Skills, Computer Skills, Continuous Impr, HazMat, Mgmt Skills, Mfg. Skills, PL - Mfg. Skills, Advanced Tech	25	8-200	0-100	\$2,800	\$13.42*
				Weighted Avg: 140			
3	Retrainee Veteran Priority Rate	Business Skills, Computer Skills, Continuous Impr, HazMat, Mgmt Skills, Mfg. Skills, PL - Mfg. Skills, Advanced Tech	5	8-200	0-100	\$880	\$16.10*
				Weighted Avg: 40			

*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 Numbers 1 and 3: \$16.10 per hour for Sacramento County and \$17.02 per hour for Contra Costa County. **Job Number 2:** \$13.42 per hour for Sacramento County and \$14.19 per hour for Contra Costa 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 \$2.30 per hour may be used to meet the Post-Retention Wages of their respective counties.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Job Number 1 (Retrainee):		
Production Staff		146
Administrative Staff		30
Programmer		4
Sales Representative		15
Manager		15

Job Number 2 (Job Creation):		
Production Staff		12
Administrative Staff		5
Programmer		3
Sales Representative		2
Manager		3
Job Number 3 (Veteran):		
Production Staff		3
Administrative Staff		1
Manager		1

INTRODUCTION

Meriliz Incorporated dba DOME Printing (DOME) was founded in 1969 and is headquartered in Sacramento. DOME began as a small engraving company servicing local printers and newspapers and has grown into a large commercial printing company. The Company has the ability to produce their printing projects utilizing a wide array of technologies including: web-offset printing, sheet-fed offset printing, digital printing, digital large format printing, and large format screen printing. This technology allows DOME to produce books, magazines, calendars, postcards, posters, pamphlets, letterhead, bill inserts, and many more printable items.

DOME is not just a commercial printer as they have expanded their business outreach to include creative services, mailing, e-mail marketing, fulfillment and integrated business solutions, which includes their custom client storefront solutions support services. The Company maintains two manufacturing facilities in Sacramento and recently acquired another printing business on October 1, 2015. The acquired business is located in Richmond. DOME retained many of their employees to continue operating the facility. All three DOME facilities (two in Sacramento, one in Richmond) will participate in this training Agreement.

PROJECT DETAILS

This will be DOME's second proposal. The previous Agreement focused on Lean Manufacturing. For this proposal, DOME will continue to focus on streamlining current processes and procedures to improve overall production efficiencies and quality. Trainees will not receive duplicate training. Training will be more advanced and expand on the training delivered during the prior contract. Also, training will include new equipment:

- CIM Card Printing Machine;
- HP 10,000 Digital Press;
- EFI HS125 Digital Printer;
- EFI LX3 Pro;
- Platesetter; and,
- Mounting Equipment.

Additionally, the Company has undergone an expansion of its services and production capabilities due to the acquisition of 3 companies in the past year. Two of the companies that DOME acquired increased their production capabilities as they are now able to produce screen printings and also have wide-format capabilities. The acquisition of the 3rd company has allowed DOME to offer new services such as custom web platforms for clients that provides clients with the ability to complete online ordering, budgeting, inventory management, reporting,

and invoicing. For this, the Company recently formed a new department specializing in the programming of software specifically for each customer who takes advantage of the service.

Retrainee - Job Creation

In support of 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.

DOME has committed to hiring 25 new employees (Job Number 2). DOME has been expanding their product mix in recent years which has increased the number of potential customers that the Company can reach. Most recently, DOME has added services for large format, healthcare printing, screen printing, large fulfillment kitting, and fulfillment processes. Additionally, from 2012 to 2015, sales have increased over 40% and are expected to increase by at least 15% per year over the next two years. To meet the increase in demand, the Company expanded the Richmond facility by 65,000 sq. feet and one of its Sacramento locations by 20,000 sq. feet. Also, the Company will be adding new shifts to current processes.

The date-of-hire for all trainees will be within the three-month period before contract approval or within the term-of-contract. Trainees will be hired into "net new jobs" as a condition of contract.

Veterans Program

The Panel has established a higher reimbursement rate and other incentives for training California veterans. DOME currently employs Veterans as a part of their full-time workforce (Job Number 3). The Company plans to establish an outreach program to recruit potential Veteran candidates.

Training Plan

DOME will utilize a combination of classroom/laboratory, Video Conference, E-Learning, Advanced Technology, Productive Lab, and Computer-Based Training delivery methods. The vast majority of the training will be delivered by in-house subject matter experts; however, external training vendors may be used for the delivery of some Advanced Technology and Manufacturing Skills training. DOME's training plan will focus on the further development of frontline staff.

Business Skills (15%): Training will be provided to Administrative Staff, Sales Representatives and Managers. Additional training is needed to improve sales and employees' soft and internal administration skills to meet the Company's goals. Training will be delivered in topics such as sales and marketing in a global economy, accounting skills, project management, customer relations, communication skills, and supply chain customer service.

Computer Skills (10%): Job specific training will be delivered to all occupations. Training will focus on improving knowledge of software programs to increase efficiency and quality. Administrative Staff, Programmers, and Managers will receive training in Intermediate and Advanced Microsoft Office, the Management Information System, the Customer Relationship Management System, and Photoshop. Production staff will receive training in the Enterprise Resource Planning system and the Customer Relationship Management system.

Continuous Improvement (20%): Training will be delivered to all occupations and will focus on process improvements throughout the organization. Every unit will benefit from decision-making and problem-solving training; however, the majority of the continuous improvement training will

be delivered to Production Staff. Production staff will learn advanced Lean Manufacturing principles including Six Sigma, 5S, and root cause analysis.

Hazardous Materials (5%): Training will be delivered to all Production Staff members. Trainees will learn the proper procedures for identifying, handling, storing and transporting hazardous materials.

Management Skills (10%): Training will be provided to managers only. With DOME's recent expansion many employees were promoted from within and have little or no management experience. Training will provide these employees with skills to make good decisions. Managers will receive training in topics such as leadership skills, team building, motivation, performance management, and supervisory skills.

Manufacturing Skills (20%): Training will be provided to all Production Staff and Managers. DOME has different machines that are used in the production process for web offset printing, sheet-fed offset printing, digital printing, digital large format printing, and large format screen printing. After the prints are completed, DOME also has machines that cut, fold, glue, laminate, stitch, and bind. In total, there are approximately 50 different machines that DOME plans to provide training on in this agreement. Best manufacturing practices and quality measurements will be trained in addition to the standard operating procedures.

Computer-Based Training (5%)

Computer-based training (CBT) in Computer Skills will be delivered to Programmers, Administrative Staff, and Managers. The planned CBT will lay a foundation which will be expanded upon in classroom/laboratory training. CBT will include training in Computer Skills that focus on the development and enhancement of programming skills. Administrative staff and Managers will receive training in Microsoft Office.

Normally, CBT hours are capped at 50% of total training hours per-trainee. However, DOME is requesting to be reimbursed for up to 75% CBT for the Programmer occupation only. (See Exhibit B). Since Programmers are a new occupation at DOME (as of May 2015), they will need additional developmental CBT courses. [Note: CBT and Advanced Technology will offer courses on the same topics (see curriculum). However, CBT topics are general and are offered as introductory courses while AT topics are more in-depth.]

Productive Laboratory (10%)

Trainees may produce goods for profit as part of Productive Lab (PL) training in the courses identified under the Curriculum. The instructor must be dedicated to training delivery during all hours of training.

DOME is requesting 80 PL training hours at a 1:1 trainer-to-trainee ratio in Manufacturing Skills. The Company has many pieces of equipment that require specialized skills to operate. PL trainers will observe, coach, and mentor trainees during production tasks. PL training will only be delivered to Production Staff on printing, folding, binding, gluing and cutting machinery. After a specified number of successful completions of the task, the trainee will be deemed competent. Trainees will also receive cross-training to strengthen the Company at its core (the Production Staff). Production is expected to decrease by approximately 25% during training and waste will be significantly higher.

PL training will supplement Class/Lab training to strengthen employees' understanding of printing tasks on each specific piece of equipment. A well-educated and experienced staff will result in higher-quality products. Training will increase the potential for employee career growth.

Advanced Technology (5%)

Training will be job specific and delivered only to programmers. Advanced Technology (AT) skills are needed to grow DOME's newly formed programming unit (7 trainees) created in May of 2015. DOME's "All-In-One Storefront Solution" offers their clientele an advanced inventory management system. The application allows end users to print on-demand and have better control over their inventory management.

To meet the programming needs of the "All-In-One Storefront Solution" program, Dome's programmers require extensive training (40-50 hours) on website development, programming language, and other crucial programming software applications. With this being such a new service at DOME, staff must acquire and strengthen skills.

AT will be delivered in highly technical learning environments. The trainer-to-trainee ratio will not exceed 1:10 to allow for in-depth personal attention to each trainee. The daily cost of training will range from \$2,000 - \$3,000 per course, not including software fees, hardware fees, and setup costs. Some training will be delivered in-house; however, much training will be provided by external trainers.

Temporary-to-Permanent Hiring

Dome intends to train workers under Panel guidelines for the "Temporary-to-Permanent" program. The Company has retained these employees on a temporary basis with the intention of hiring them into full-time, permanent positions after training. According to Dome, the standard time for "converting" temporary workers into full-time permanent employment ranges from 1 to 6 months. The conversion time, not to exceed 6 months, depends on occupation and performance. It is expected that these workers will receive employer-paid share-of-cost for healthcare premiums while on temporary status, and upon hire into full-time permanent employment.

Under Panel guidelines for the Temporary to Permanent program, these trainees must be eligible to participate in ETP-funded training pursuant to Unemployment Insurance Code Section 10201(c). Moreover, they cannot be enrolled as trainees until after they have been hired by Dome into full-time, permanent employment. Until they are so hired, retention and post-retention wage requirements cannot be satisfied and the Company will not receive progress payments.

DOME is contracted with Full Team Staffing and VForce Staffing, both of which provide DOME with workforce members for their Sacramento and Richmond locations. Many of the entry-level Administrative Staff and Production Staff are first employed in this manner. Dome estimates 20 temp-to-perm trainees in Job Number 2.

Commitment to Training

DOME commits approximately \$200,000 annually for training in safety, sexual harassment prevention, CPR, first aid, HIPAA, fraud and new employee orientation. ETP funds will not displace their 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.

ETP funds will enable DOME to standardize formal training throughout. This training will advance the skills of all staff through cross-training and increase promotional opportunities. After the completion of ETP-funded training, DOME will be expanding the training plan to include more advanced skills training.

➤ **Training Infrastructure**

DOME was successful on the prior Agreement and will utilize the same administrative strategy in this agreement. Three individuals will be dedicated to scheduling training, enrolling trainees, tracking attendance rosters, entering training hours, invoicing, and handling any administrative duties that may arise. The DOME facility in Sacramento will act as the administrative lead for this Agreement. Dome's contract representative has been assigned to coordinate the administrative and training efforts at all three locations.

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned	
				\$	%
ET14-0153	Sacramento	8/26/2013– 8/25/2015	\$122,850	\$122,850	(100%)

DEVELOPMENT SERVICES

N/A

ADMINISTRATIVE SERVICES

N/A

TRAINING VENDORS

To Be Determined

Exhibit B: Menu Curriculum**Class/Lab, Videoconference and E-Learning Hours**

8-200

Trainees may receive any of the following:

BUSINESS SKILLS

- Performance Management
- Sales & Marketing in a Global Economy
- Supply Chain Customer Service
- Communication Skills
- Customer Relations
- Project Management
- Time Management
- Sales Skills
- Product Knowledge
- HIPAA Compliance (required to serve healthcare customers)
- Fraud, Waste and Abuse
- Accounting Skills

COMPUTER SKILLS

- Intermediate & Advanced Microsoft Office
- Intermediate & Advanced Adobe Creative Suite
- Enterprise Resource Planning (ERP)
- Photoshop
- Management Information System (MIS)
- Customer Relationship Management (CRM)

CONTINUOUS IMPROVEMENT

- Process Improvement
- Lean Manufacturing
- Frontline Decision Making & Problem Solving
- High Performance Work Teams
- ISO Technical Skills
- Supply Chain Communication
- Six Sigma
- 5S
- Root Cause Analysis

HAZARDOUS MATERIALS

- Hazardous Materials/Hazardous Waste Site Specific Training

MANAGEMENT SKILLS (For Managers only)

- Leadership Skills
- Communication Skills
- Time Management
- Team Building
- Motivation
- Supervisory Skills
- Performance Management

MANUFACTURING SKILLS

- Kodak Platesetters
- Heidelberg Speedmaster XL 105 Sheetfed Press
- Heidelberg Harris M-130 Web Press
- Heidelberg Harris M-110 Sheetfed Press
- HP Indigo 7500
- HP 10,000 Digital Press
- Kodak Digimaster
- Thieme 5090 XL Color Inline
- Thieme 5060 6 Color Inline
- M&R Patriot11 Color Screen Press
- Inca Onset S40i
- EFI Vutek HS100 Pro
- EFI Vutek Gs3250LX
- EFI HS125 Digital Printer
- EFI LX3 Pro
- HP Z6100
- HP L25500/LATEX
- Muller Martini Corona Perfect Binder
- Heidelberg Polar Cutting Systems with Transomat
- Moll Pocket Folder Auto Glue Machine
- Muller Martini Saddle Stitchers
- Heidelberg Saddle Stitchers
- Hunkeler Tipping Machine
- Rollem TR Perf/Scoring Systems
- Folding Systems
- Heidelberg Cylinder Press
- Bobst Autoplaten Die Cutting Press
- MBO/Bograma Rotary Die Cutter
- Fotoba XL320 XY Cutter
- 110" Lawson Power Cutter
- Esko Kongsberg XP24
- Mimaki 60" Vinyl Cutter
- Thompson 52" x 74" Clam Shell Die-Cutter
- Titan 28" x 40" Clam Shell Die-Cutter
- Rosenthal Slitter / Sheeters
- GBC Industrial Film Laminator
- Seal Laminator
- AGL Laminator
- Sakurai Spot UV Press
- Strapping Machines
- Banding Machines
- Drill Press
- Domingo Bitjet Inkjet
- Bell + Howell Intelligent Inserter
- Bell + Howell Jumbo Inserter
- Bell + Howell Standard Inserter
- Dobby Poly & High-Speed Shrink Wrap
- Arpac Poly Wrapping System
- High Speed Tabbers

- CIM Card Thermal Printer
- CIM Card Matching, Affixing & Mailing System
- Mounting Equipment
- RF/Barcoding
- Machine Troubleshooting
- Machine Maintenance
- Material/Warehouse Handling
- Machine & Floor Safety
- Cross-Training

Safety Training cannot exceed 10% of total training hours per-trainee

ADVANCED TECHNOLOGY (1:10 Ratio)

- ASP/VBScript
- .NET
- PHP - Website Development
- Python – Programming Language
- Ruby – Programming Language
- MySQL – Database Language
- Microsoft SQL – Database Language
- PostgreSQL – Database Language
- JSON/XML/SOAP
- HTML5
- CSS3
- Bootstrap – Website Development
- JavaScript/jQuery
- Jira
- Adobe CC / CS 6

Productive Lab Hours

0-80

MANUFACTURING SKILLS (1:1 Ratio)

- Sheeter Functions
- Gammerler Logger
- Rima Stacker
- Color Control Console
- Registration Console & Screens
- Gluing Unit
- Perf Unit
- Folder Unit
- Inline Folding
- Inline Rotary Cutter
- Bending / Changing Plates
- Changing Blankets
- Makeready Press
- Washup Press
- Roll Stands
- Infeed Functions / Setup
- Coater Functions and Operation
- Ink Dispensing

- Delivery Functions and Operations
- Scanner Functions

CBT Hours

0-100

COMPUTER SKILLS

- Intermediate & Advanced Microsoft Office (8 hours)
- ASP/VBScript (14 hours)
- .NET (22 hours)
- PHP - Website Development (24 hours)
- Python – Programming Language (28 hours)
- Ruby – Programming Language (28 hours)
- MySQL – Database Language (7 hours)
- Microsoft SQL – Database Language (9 hours)
- PostgreSQL – Database Language (9 hours)
- JSON/XML/SOAP (13 hours)
- HTML5 (10 hours)
- CSS3 (13 hours)
- Bootstrap – Web Development (15 hours)
- JavaScript/jQuery (16 hours)
- Jira (8 hours)
- Adobe CC / CS 6 (24 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 (with the exception of the programmer where CBT is capped at 75% of total training hours). PL is capped at 80 hours per-trainee.