Training Proposal for:

Momentous Insurance Brokerage Inc.

Agreement Number: ET16-0185

Approval Date: September 21, 2015

ETP Regional Office: North Hollywood  Analyst: E. Fuzesi

**PROJECT PROFILE**

<table>
<thead>
<tr>
<th>Contract Attributes:</th>
<th>Retrainees</th>
<th>Industry Sector(s):</th>
<th>Financial Services</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Insurance Services</td>
</tr>
</tbody>
</table>

| Priority Industry: | Yes | No |

<table>
<thead>
<tr>
<th>Counties Served:</th>
<th>Los Angeles</th>
</tr>
</thead>
<tbody>
<tr>
<td>Repeat Contractor:</td>
<td>Yes</td>
</tr>
<tr>
<td>Union(s):</td>
<td>Yes</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Number of Employees in:</th>
<th>CA: 190</th>
<th>U.S.: 200</th>
<th>Worldwide: 200</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Turnover Rate:</th>
<th>7%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Managers/Supervisors:</td>
<td>9%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Program Costs</th>
<th>(Substantial Contribution)</th>
<th>(High Earner Reduction)</th>
<th>Total ETP Funding</th>
</tr>
</thead>
<tbody>
<tr>
<td>$96,360</td>
<td>$0</td>
<td>$0</td>
<td>$96,360</td>
</tr>
</tbody>
</table>

In-Kind Contribution: 100% of Total ETP Funding Required $200,127
Momentous Insurance Brokerage Inc.

TRAINING PLAN TABLE

<table>
<thead>
<tr>
<th>Job No.</th>
<th>Job Description</th>
<th>Type of Training</th>
<th>Estimated No. of Trainees</th>
<th>Range of Hours</th>
<th>Average Cost per Trainee</th>
<th>Post-Retention Wage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Retraineep</td>
<td>Business Skills, Computer Skills</td>
<td>146</td>
<td>8-200</td>
<td>0</td>
<td>$660</td>
</tr>
</tbody>
</table>

Minimum Wage by County: $15.97 for Los Angeles 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 $4.21 per hour may be used to meet the Post-Retention Wage.

<table>
<thead>
<tr>
<th>Occupation Titles</th>
<th>Wage Range</th>
<th>Estimated # of Trainees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Account Executive</td>
<td></td>
<td>55</td>
</tr>
<tr>
<td>Account Manager</td>
<td></td>
<td>56</td>
</tr>
<tr>
<td>Claims Staff</td>
<td></td>
<td>4</td>
</tr>
<tr>
<td>Accounting Staff</td>
<td></td>
<td>5</td>
</tr>
<tr>
<td>Office Services</td>
<td></td>
<td>10</td>
</tr>
<tr>
<td>Sales Staff</td>
<td></td>
<td>3</td>
</tr>
<tr>
<td>Supervisor/Manager</td>
<td></td>
<td>13</td>
</tr>
</tbody>
</table>

INTRODUCTION

Founded in 2008, Momentous Insurance Brokerage Inc. (Momentous) (www.momentousins.com) is an independent insurance brokerage company, offering all lines of insurance services in the commercial, entertainment, personal and sports areas. Headquartered in Van Nuys, Momentous also has a facility in New York servicing clients nationwide. The Company specializes in high-profile individuals, film & television, music & touring, sports, business management, financial advising, family office & wealth management, law, technology, healthcare, non-profits, and equine. This will be Momentous's first ETP Agreement.

As a result of the Affordable Care Act (ACA), the insurance industry went through a major overhaul, requiring quoting system updates to accommodate the new ACA health insurance policies, and become ACA compliant. Employers are also required to file different reports to the IRS, requiring systems to be able to produce those reports. As such, clients require Momentous to assist with compliance reporting, updates to the new plans/coverage’s, and guidance through the transition process. To remain competitive, Momentous upgraded their systems to comply with the new insurance requirements and quoting systems, and is in the process of implementing new agency management software (EPIC).
In addition to law changes, client expectations have also changed dramatically. Due to the abundance of data available on the Internet, prospective customers became more knowledgeable, demanding information, prompt feedback, and lower rates. Momentous has to provide more comprehensive services and competitive rates in order to meet client expectations. As the Company grew from 40 employees to 200 employees over the course of the past seven years, streamlining processes and providing excellent customer service are crucial to further increase business volume and opportunities. ETP training will help the Company create a better trained team to achieve its goals, and gain a competitive advantage resulting in a growing client-base.

**PROJECT DETAILS**

**Training Plan**

**Business Skills** (10%) – Training will be offered to all occupations to help employees improve their communication, team building, and sales/client relationship skills. Trainees will be able to develop a more cohesive and collegial workplace, gain efficiency in their tasks, and a better understanding of how to grow business.

**Computer Skills** (90%) – Training will be offered to all occupations to improve productivity and client relations skills. Topics are designed to help the team learn the new agency management software, the primary productivity tool in the Company. Team members will be better equipped to respond to customer requests, internal needs, and prospect requests to help improve profitability.

**Impact/Outcome**

The proposed ETP-funded training will help Momentous subsidize the high cost of training. As a result of the proposed training, trainees will be able to utilize the new client management software, enabling staff to excel in their current jobs and become eligible for promotion. Effective account management will generate quality outcomes, reduce customer complaints, reduce errors, and increase the total volume of cases; thereby, increasing profitability, reducing turnover, and sustaining growth.

**Commitment to Training**

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.

Momentous's training budget is $100,000 annually in California. This includes training in state mandated courses, company policies and procedures, specific job skills training for new employees with limited industry experience, training to advance and refine incumbent staff’s skill sets, and management skills for prospective management trainees. The proposed contract will allow Momentous to implement more training initiatives, and focus on the new software.

- Training Infrastructure

The Human Resources Manager will be tasked with scheduling training, handling attendance rosters, and working with subcontractors and ETP staff to stay in compliance with the Agreement.
RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

Momentous retained Training Refund Group (TRG) in Irvine to assist with the development of this proposal for a flat fee of $5,000.

ADMINISTRATIVE SERVICES

TRG will also perform administrative services in connection with this proposal for a fee, not to exceed 13% 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**

- Account Strategy and Knowledge/Account Analysis
- Case Studies
- Coaching & Feedback
- Communication
- Delegation & Time Management
- Improving Client Presentations
- Insurance Product Knowledge
- Leading
- Mentoring
- Motivation
- Sales
- Speakers Forum
- Strengths, Weakness, Opportunity and Threats (SWOT)
- Team Leadership

**COMPUTER SKILLS**

- Adding Accounts
- Adding Attachments
- EPIC
- MS Excel (Intermediate/Advanced)
- MS PowerPoint Tips & Tricks
- MS Word (Intermediate/Advanced)
- PDF Converter Tips & Tricks
- Reports
- Servicing Accounts
- Transactions Accounting

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