



**Amendment Proposal #3 for:
 Professionals In Human Resources Association
 Agreement Number: ET16-0166**

Amendment Effective Date: September 24, 2016

Panel Meeting of: September 23, 2016

ETP Regional Office: North Hollywood

Analyst: L. Vuong

CURRENT PROJECT PROFILE

Contract Type:	Priority/Retrainee Priority/SB<100 SET/HUA - Retrainee	Industry Sector(s):	Manufacturing Transportation/Logistics Technology/Other
Counties Served:	Statewide	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Priority Industry:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

Current Contract Term: September 28, 2015 to
September 27, 2017

Current Funding	In-Kind Contribution
\$475,353	\$410,000

AMENDMENT FUNDING

Requested Funding	Support Costs	Amendment Funding	In-Kind Contribution
\$256,160	\$17,778	\$273,938	\$547,760

Total Funding
\$749,291

AMENDMENT TRAINING PLAN TABLE

Job No.	Job Description (By Contract Type)	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Priority/Retrainee	Business Skills, Computer Skills, Cont. Imp., Mgmt. Skills, Mfg. Skills, OSHA 10/30	211	8-200	0	\$1,155	\$15.07
				Weighted Avg: 60			
2	Deleted per Amendment 2						
3	Retrainee Priority Rate SB<100	Business Skills, Computer Skills, Cont. Imp., Mgmt. Skills, Mfg. Skills, OSHA 10/30	111	8-200	0	\$1,946	*\$15.07
				Weighted Avg: 70			
4	Deleted per Amendment 2						
5	Retrainee SET HUA	Business Skills, Computer Skills, Cont. Imp., Mgmt. Skills, Mfg. Skills, OSHA 10/30	18	8-200	0	\$352	*\$11.30
				Weighted Avg: 22			
6	Retrainee SB<100 SET HUA	Business Skills, Computer Skills, Cont. Imp., Mgmt. Skills, Mfg. Skills, OSHA 10/30	18	8-200	0	\$517	*\$11.30
				Weighted Avg: 22			
7	Priority Retrainee	Business Skills, Computer Skills, Cont. Imp., Mgmt. Skills, Mfg. Skills, OSHA 10/30	190	8-200	0	\$1,155	*\$15.60
				Weighted Avg: 60			
8	Retrainee Priority Rate SB<100	Business Skills, Computer Skills, Cont. Imp., Mgmt. Skills, Mfg. Skills, OSHA 10/30	28	8-200	0	\$1,946	*\$15.60
				Weighted Avg: 70			

*It will be made a condition of contract that the trainees in these Job Numbers 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: \$16.44 per hour for Alameda, Contra Costa, Marin, San Francisco, San Mateo, and Santa Clara Counties; \$15.97 per hour for Los Angeles County; \$16.02 per hour for Orange County; \$15.93 per hour for San Diego County; \$15.75 per hour for Sacramento County; \$15.56 per hour for Alpine County; and \$15.07 per hour for all other counties

Job Numbers 5 and 6 (SET-HUA): \$12.33 per hour for Alameda, Contra Costa, Marin, San Francisco, San Mateo, and Santa Clara Counties; \$11.98 per hour for Los Angeles County; \$12.02 per hour for Orange County; \$11.95 per hour for San Diego County; \$11.81 per hour for Sacramento County; \$11.67 per hour for Alpine County; and \$11.30 per hour for all other counties.

Phase II Wages: Job Numbers 7 and 8: \$17.02 per hour for Alameda, Contra Costa, Marin, San Francisco, San Mateo, and Santa Clara Counties; \$16.48 per hour for Los Angeles County; \$16.51 per hour for Orange County; \$16.46 per hour for San Diego County; \$16.10 per hour for Sacramento County; \$15.91 per hour for Alpine County; and \$15.60 per hour for all other 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

Participating employers may use health benefits to meet the Post-Retention Wage and will vary by participating employer.

Wage Range by Occupation	
Occupation Title	Wage Range
Shipping Staff	
Operator I	
Operator II	
Engineer I	
Engineer II	
Production Staff I	
Production Staff II	
Maintenance Staff I	
Maintenance Staff II	
Shop Lead	
Technician	
Administration Staff	
Manager/Supervisor I	
Manager/Supervisor II	
Sales Staff I	
Sales Staff II	
Small Business Owners	

INTRODUCTION

Established in 1944, and headquartered in Gardena, Professionals In Human Resources Association (PIHRA) (www.pihra.org) is a non-profit membership organization dedicated to providing business education, networking and advocacy with an emphasis on the human resources environment. PIHRA has 17 locations throughout California, located in Los Angeles, Orange, Riverside, San Bernardino and Ventura counties and is the largest affiliate of the Society for Human Resources Management Organization. PIHRA serves approximately 4,000 members in California. This includes private businesses, non-profit organizations, government agencies and workforce services. [Note: Only private-sector for-profit businesses will participate in this proposal.] PIHRA works with various industries including aerospace, agriculture, automotive, biotechnology, pharmaceutical, construction, distribution, education institute, manufacturing, oil and gas refinery, restaurant and food services and technology.

PIHRA provides yearly educational seminars in human resources-related topics for existing and new members, for businesses to stay current and up-to-date on issues relevant to human resource professionals. In addition, PIHRA has indicated that members have expressed a need to be more competitive, enhance job skill sets, and maintain a healthy workforce.

AMENDMENT DETAILS

Phase II

According to PIHRA, the new funds in Phase II will accommodate employees of its existing participating employers who did not participate in Phase I training. These employers have been requesting ETP training from PIHRA. However, all the funds in Phase I have already been committed. PIHRA is requesting funds in Phase II to train an additional 218 incumbent workers in new Job Numbers 7 and 8. This will increase the estimated number of trainees from 358 to 576 and the Agreement amount from \$475,353 to \$749,291. The additional funding will allow PIHRA to implement its original training plan and accommodate more participating employers' demand.

As a new program participant, the initial proposal was funded at a conservative level. PIHRA has already demonstrated and provided 100% employer demand in its initial proposal, which is in excess of the amount in this request. PIHRA originally requested \$950,000 in funding, based on its assessment of employer demand. However, being a first time contractor holder, PIHRA agreed to be conservative at the beginning by reducing the funding amount. At this point in the term, PIHRA has already entered 93% of eligible hours into ETP Online Tracking.

Trainees are going through an aggressive training plan, including multi-day and multi-week classes (4 to 8 hours per day, 3 to 5 days per week). With eight months (06/27/2017) of training remaining in the contract term, PIHRA is confident that it can earn the increased amount. There will be no changes to curriculum or trainee wages.

As shown on page 1 of this proposal for Amendment, the Phase II training will be prospective only, to begin after Panel approval.

SUMMARY OF PRIOR MODS/AMENDS

Amendment #1: Restored the funding back to the original requested amount. (Funds were reduced 50% at the September Panel Meeting.)

Modification #2: Delete Job Numbers 2 and 4 and redistribute those funds to Job Numbers 1 and 3.

RECOMMENDATION

Staff recommends approval of this Amendment.

CURRENT CONTRACT PERFORMANCE

The following table summarizes performance by PIHRA under the current ETP Agreement:

Agreement No.	Approved Amount	Term	No. Trainees (Average)	No. Completed Training	No. Retained
ET16-0166	\$475,353	09/28/2015– 09/27/2017	358	152	152

ET16-0166: As of August 15, 2016, the ETP Contract Status Report shows that 581 trainees have been enrolled; 152 trainees completed training and retention; and 356 trainees are still in training. The ETP Class/Lab Tracking System shows a total of 19,920 eligible hours for potential earnings of \$441,736 (93% of the Agreement amount).