



DELEGATION ORDER

**Training Proposal for:
Splay, Inc.**

Agreement Number: ET17-0239

Approval Date: September 19, 2016

ETP Regional Office: San Francisco Bay Area

Analyst: C. Hoover

PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate	Industry Sector(s):	Manufacturing Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Alameda, Santa Clara	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 350	U.S.: 350	Worldwide: 350
Turnover Rate:	12%		
Managers/Supervisors: (% of total trainees)	4%		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$69,300		\$0	\$0		\$69,300

In-Kind Contribution:	100% of Total ETP Funding Required	\$83,194
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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	Mfg. Skills, Computer Skills, Cont. Imp.	70	8-200	0	\$990	\$17.02
				Weighted Avg: 55			

Minimum Wage by County: \$17.02 per hour for Alameda and Santa Clara 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
 Up to \$2.00 per hour may be used to meet the Post-Retention Wage.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Administration/Finance/Buyer Staff		12
Operator/Mold Maker/Production Staff		12
Technician/Lead		12
Support/Marketing/Sales Staff		6
Engineer/Product Manager/IT Staff		15
Supervisor		8
Manager		5

INTRODUCTION

Founded in 1955 and headquartered in San Leandro, Splay, Inc. (Splay) (www.ksplastic.com) manufactures plastic injection molding for consumer products, life-sustaining medical components, and close-tolerance, high-tech parts for electronic applications. Splay’s capabilities range from tool construction and molding to full assembly of plastic parts for the automotive, pool and spa, toy, consumer goods, gaming, aerospace, electronics, industrial, medical and computer industries. Customers include Zodiac Industries, International Game Technology, Green Toys, Ikea, Beckman Instruments, Tesla, Polymeric Technologies, Clamp Swing, Inc. and Oracle.

Due to technology upgrades, changes in industry standards, customer demand and process improvements, the plastic injection molding industry has evolved a vast array of products for many industries. The Company must cross-train employees on molds, mold-designs, machining and new computer software upgrades. In addition, training in Lean manufacturing (Kaizen principles & 5S), ISO 9001 (quality management systems) and ISO 14001

(environmental management systems) is necessary to improve the manufacturing process and lower costs.

The Company's four San Leandro facilities will participate in ETP training.

PROJECT DETAILS

Training will help develop employees' skill sets and advance employee career pathways within the Company. Without ETP funding, the training would not be available to employees.

Training Plan

Training will be delivered via Class/Lab by in-house subject matter experts in the following:

Computer Skills (10%): Training will be offered to Engineers and IT Staff, Managers, Supervisors, Support, Marketing and Sales Staff in Splay's new internal computer system and database tools - QAD and SolidWorks. Training will be delivered on MS Office and on Microsoft upgrades - Access, Excel, Word (intermediate/advanced). In addition, Manufacturing Resource Planning training will be delivered.

Manufacturing Skills (70%): Training will be offered to Production Staff, Technicians and Leads to cross-train on new manufacturing procedures and equipment. Engineers will be trained on new design processes to create new manufacturing processes to reduce waste and costs. Supervisors and Managers on the manufacturing floor will also receive training in new products and processes. ISO 1400 and ISO 9001 certification training will be provided to Production Staff.

Continuous Improvement (20%): Training will be offered to all occupations in best manufacturing practices, teambuilding, product quality improvements, identification and resolution of production issues and elimination of waste. Lean manufacturing principles will lead to reduced costs, improved efficiency and increased productivity. Leadership and coaching skills will help Managers and Supervisors support the Company's goals and objectives. Training will assist Engineers, Support, Marketing and Sales Staff to provide better customer service, expand sales, develop marketing strategies and manage projects efficiently.

Commitment to Training

ETP funds will not displace the company's existing financial commitment to training. The Company's training budget averages \$27,500 annually per CA facility, which includes new hire orientation, temporary worker training, compliance training, health & safety, and basic computer skills. Splay currently funds all training in mandated safety regulations, sexual harassment prevention and executive development programs.

Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

➤ Training Infrastructure

Partnering with Managers at each facility, Splay's Human Resources' team will oversee all training. This staff will assist the consultant and administrative subcontractor - California Training Association (CTA) with ETP tracking, enrolling, drops, invoices, reports, modifications and roster compliance. In-house experts will deliver training at each facility. Some training will also occur in conference rooms at certain facilities with display capabilities.

Impact/Outcome

Splay must provide extensive skills' training to Production Staffs on how to use and maintain its various manufacturing equipment. The Company's process is to certify all Production Staff on each machine prior to allowing them to operate equipment or work independently. To ensure Splay's products and services consistently meet its customer's requirements, Manufacturing Equipment Certification - ISO 9001 is a best known standard and a tool for the Company to ensure quality is consistently being improved. In addition, ISO 14001 certification will be part of the Company's Continuous Improvement training.

Temporary to Permanent Hiring

Splay intends to train two workers in Job Number 1 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 Splay, the average time for "converting" temporary workers into full-time permanent employment is three to six months. Once the temporary employees are converted to permanent status, they are eligible for health benefits.

These trainees must be determined eligible to participate in ETP-funded training before the start of training, while on payroll with the temporary agency. (Unemployment Insurance Code Section 10201(c).) However, the retention and post-retention wage requirements cannot be satisfied until after they have been hired by KSI. Until then, Splay will not receive progress payments.

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

CTA in Rocklin assisted with development of this proposal for a flat fee of \$2,500.

ADMINISTRATIVE SERVICES

CTA will also perform administrative services in connection with this proposal for 13% of the payment earned.

TRAINING VENDORS

To Be Determined

Exhibit B: Menu Curriculum**Class/Lab Hours**

8-200

Trainees may receive any of the following:

MANUFACTURING SKILLS

- + Assembly Procedures
- + Drawings for Assembly
- + Equipment Maintenance
- + Electric Static Discharge
- + Kaizen Principles
- + KanBan Principles
- + Material Handling
- + Operating Production Equipment
- + Product Design/Engineering Tools
- + Product Quality Control
- + Warehouse/Inventory Procedures
- + Workflow/Scheduling
- + Production Checklists
- + Document Control
- + Process Control
- + Calibration Procedures
- + Workstation Orderliness
- + On Site Calibrations
- + Work Instruction
- + Corrective Action Data Entry
- + Control of Drawings
- + Cycle Count Testing

COMPUTER SKILLS

- + Database Tools (QAD, SolidWorks)
- + Manufacturing Resource Planning
- + Microsoft Access, Project Tools, Dynamics
- + Microsoft Tools Excel & Word (Intermediate/Advanced)

CONTINUOUS IMPROVEMENT

- + 5S: Sort, Set, Shine, Standardize, Sustain
- + Handling Difficult Situations--Conflict Management
- + HPWT – High Performance Work Teams
- + ISO 14001/ISO 9001
- + Leadership / Coaching Skills
- + Lean Processes
- + Problem Solving
- + Product/Process Improvement
- + Quality Improvements
- + Root Cause Analysis
- + Statistical Process Control
- + Team Updates for Process Improvement
- + Customer Service

Safety Training is capped at 10% of a trainee's total training hours

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