

DELEGATION ORDER



**Retrainee - Job Creation
Training Proposal for:
Winslow Automation, Inc.**

Small Business

ET17-0207

Approval Date: August 22, 2016

ETP Regional Office: San Francisco Bay Area

Analyst: R. Jackson

CONTRACTOR

- Type of Industry: Manufacturing
Technology/IT
Priority Industry: Yes No

- Number of Full-Time Employees
California: 76
Worldwide: 76
Number to be trained: 86
Owner Yes No

- Out-of-State Competition: NAICS Code Eligible
- Special Employment Training (SET): Yes No
- High Unemployment Area (HUA): Yes No
- Turnover Rate: 12%
- Repeat Contractor: Yes No

FUNDING

- Requested Amount: \$42,172
- In-Kind Contribution: \$39,340

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, Continuous Impr, HazMat, Mfg Skills, Literacy Skills, PL- Mfg Skills	76	8-60	0-30	\$312	*\$17.02
				Weighted Avg: 12			
2	Retrainee SB <100 Priority Rate Job Creation Initiative	Business Skills, Computer Skills, Continuous Impr, HazMat, Mfg Skills, Literacy Skills, PL- Mfg Skills	10	8-60	0-30	\$1,846	*\$14.19
				Weighted Avg: 71			

*It will be made a condition of contract that trainees will never be paid less than the State or local minimum wage rate as in effect at the end of retention regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

- Reimbursement Rate: Job #'s 1 and 2: \$26 SB Priority
- County: Santa Clara
- Occupations to be Trained: Production Staff, Engineers, Administrative Staff, Supervisor, Manager, Owner
- Union Representation: Yes
 No
- Health Benefits: Job #'s 1 and 2: \$3.61 per hour

SUBCONTRACTORS

- Development Services: N/A
- Administrative Services: N/A
- Training Vendors: Effective Management Associates in San Jose will provide Business Skills.

Safety Training Seminars in San Francisco will provide Hazardous Materials.

Big Joe Lift Handling in Hayward will provide Manufacturing Skills.

Valerie Ormano in San Jose will provide Literacy Skills.

NASA in Pasadena will provide Manufacturing Skills.

OVERVIEW

Founded in 1986 and located in Milpitas, Winslow Automation, Inc. (Winslow) (www.solderquik.com) provides physical alteration and testing services for microelectronic components to increase reliability, mitigate tin whiskers (a fault in electronic devices), and/or achieve RoHS (Restriction of Hazardous Substances) compliance. Winslow provides these services for aerospace, military, medical, and automotive industrial companies, semiconductor manufacturers, and original-equipment manufacturers.

Need for Training

This will be Winslow's fifth ETP-funded training project. Upgrades in procedures, equipment, and software occurred in the previous agreements, but this proposal also covers areas of training not delivered in previous Agreements. This proposal includes training on additional upgraded and/or new equipment, certified safety, security clearance, software, and procedures. The training content has been refreshed and no trainee will be attending the same topics previously offered.

Training will focus on improving the speed and efficiency of delivery in response to customer demands. The Company invested in new equipment, Pull Testers, X-Ray Fluorescence and Coordinate Measuring Machines, to improve delivery times. The Company will be expanding its current facility to accommodate the new equipment. Trainees must learn how to properly operate and maintain the equipment.

Additionally, the Company will train on ISO9001, AS9100, and MIL-PRF-38535 which are customer and government driven standards for manufacturing, which require significant employee training for the Company to remain competitive and compliant. Customers are constantly updating and revising specifications due to changes in industry standards and technology. With these certifications, employees will be trained and certified in each process to meet industry standards and customer requirements.

Retrainee - Job Creation

Winslow is expanding business capacity and increasing floor space by utilizing 10,000-square-foot, currently used for on-site storage, to provide room for new equipment and to make room for new employees. Winslow anticipates hiring 10 new employees (Job Number 2). Eight of the new employees will be allocated for Production staff, two for Technical occupations and one for Administration.

Trainees are subject to a lower post-retention wage. Trainees must be hired within the three-month period prior to Panel approval or during the term of contract, allowing time for training and the retention period. Trainees will be hired into "net new jobs" as a condition of contract.

Training Plan

Class/Lab, Computer-Based Training, and Productive Lab will be conducted by in-house staff and vendors. The current internal administrator and company representative has ETP experience and brought the last ETP agreement to a successful close.

Business Skills - Training will be provided to trainees from all occupations to improve communication, and provide staff with the tools needed to plan, organize, secure and manage resources. Production, Administration and IT staff will receive security related training to maintain compliance with International Traffic in Arms Regulations.

Computer Skills - Training will be offered to all occupations to learn new computer software and/or upgrade skills. Additionally, recent changes with Federal Acquisitions Regulations have prompted companywide training needs. Topics such as Database Design and Security Systems Applications will be given.

Continuous Improvement - Training will be offered to all occupations to implement process improvements and ensure customer requirements and industry standards are met. Topics such as Auditing, Problem Solving, and Quality concepts will be given.

Hazardous Materials - Training will be provided to Production Staff and Engineers to ensure safe handling of hazardous materials during production, storage, and disposal processes. The introduction of new materials is prompting the need for this training.

Literacy Skills - Training will be provided to Production Staff, and other trainees as needed, to improve English communication and basic math skills to fully participate in training; and to contribute to the Company's continuous improvement processes. Winslow finds some of its waste products have been attributed to miscommunication caused by employees' insufficient math and reading comprehension skills. By improving the workforce's English and Math skills, the company aims to increase delivery speed and lessen defects.

Manufacturing Skills training will be provided to Production Staff, Supervisors, Managers, and Engineering Staff to improve skills and cross-train for more flexibility. The skills and tools provided by this training are expected to improve costs, employee retention, safety, quality and productivity. A train the trainer model will be used in some instances. Topics such as Line Maintenance, Failure Analysis and Test Equipment will be given.

Certified Safety Training

Hazardous Materials (HAZMAT). This training is also a series of courses, specific to industry sectors involved in the transport of hazardous materials. The coursework varies in length depending on the industry and the occupational title, as organized in five levels ranging from "first responder" to "incident commander." It is generally a minimum of 24 hours with an 8-hour annual refresher, and may be delivered by classroom or CBT. In this proposal, Production and Engineering will receive up to 24 hours of training. Field training may be required, although not funded by ETP. Completion of the training results in a certificate that expands employment opportunities. This coursework is not under Cal-OSHA, but is administered under the Department of Transportation and CalTRANS. There are various certification entities for the coursework and instructors. In this proposal, certification is by Department of Transportation.

Computer-Based Training

The majority of the training will be in-house instructor led classroom training. Computer-Based Training (CBT) will also be delivered in Continuous Improvement, Business Skills, and Manufacturing Skills. CBT is restricted to no more than 50% of a trainee's total training hours.

Productive Laboratory

Productive Laboratory (PL) trainees may produce goods for profit as part of the training, in the courses identified under the Curriculum and with no more than one trainee per instructor. The instructor must be dedicated to training delivery during all hours of training.

PL training in Manufacturing Skills will allow an estimated 50 Production Staff, Supervisors, Managers, and Engineering Staff to learn new processes, cross-train, and learn to properly handle equipment. PL will be application-specific, on custom equipment. Certain functions can only be performed in a live setting. Winslow submitted a PL Worksheet and task list as a part of the application process. PL will be provided at a 1:1 trainer-to-trainee ratio. Trainees will receive no more than 24 hours of PL.

Modification to the Maximum Hours

Winslow is requesting to increase the maximum hour cap for Small Business from 60 to 100 hours. New employees will need considerable time in the classroom to acquire skills to be serviceable. Only a few employees who do not have much background in the industry will receive up to 100 hours.

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

The following table summarizes performance by Winslow under ETP Agreements that were completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET14-0146	Milpitas	09/03/2013- 09/02/2015	\$49,140	\$42,121 (86%)
ET12-0264	Milpitas	12/28/2011- 12/27/2013	\$35,178	\$35,178 (100%)
ET10-0142	Milpitas	09/01/2009- 08/31/2011	\$49,764	\$20,278 (41%)

*ET10-0142: Due to production demands, the Company was unable to release employees for as much training as they originally planned. In subsequent Agreements, training program managers and trainers focused and prioritize training goals and significantly improved performance results as evidenced in the two last Agreements.

Exhibit B: Menu Curriculum

Class/Lab Hours

8-60

Trainees may receive any of the following:

BUSINESS SKILLS

- + Accounting
- + Communication
- + Contract Review
 - o Non-Disclosure Agreements (NDA)
 - o Certs & Reps
 - o Terms & Conditions
 - o Defense Priorities and Allocations System (DPAS)
 - o Qualified Manufacturers List (QML)
- + Customer Service
- + Document Control
- + Export Control
- + Resource Management
- + Project Management
- + Sales/Marketing
- + Security Systems Protocols
 - o Cyber Security
 - o Controlled Cryptographic Items (CCI)
 - o Trusted Program

COMPUTER SKILLS

- + Accounting Systems (DACEasy)
- + Customer Service Systems
 - o Customer Specs
 - o Purchase Orders
 - o Quotes
- + Database Design
- + Database User
- + Engineering Software
- + End-User Application
 - o Microsoft Office Applications
 - o Databases (Access, Filemaker)
- + Inventory Control Systems
- + MIS - Management Information Systems
- + Security Systems Applications
 - o Joint Adjudication Personnel System (JPAS)
 - o Facility Security
- + Web Design

CONTINUOUS IMPROVEMENT

- + Auditing (Internal Audits)
- + Decision Making
- + Problem Solving (Failure Analysis)
- + Process Improvement (Statistical Process Control)
- + Quality Concepts
 - o Non-conformance Reports
 - o Return Material Authorizations

HAZARDOUS MATERIALS

- + Basic Chemical Handling (Job-Specific)
- + Emergency Response
 - Chemical Spill & Cleanup
 - Emergency Evacuation
- + Hazardous Materials Handling (Job-Specific)
 - Chemical Mixing
 - Handling
 - Safety Datasheets
- + Hazardous Waste Management (DOT/EPA – Haz Waste Certified)
 - Classification
 - Transport
 - Disposal
 - Recycling

MANUFACTURING SKILLS

- + Engineering Skills
 - Manufacturing Instruction Writing
 - Design of Experiments
- + Electrostatic Discharge Generation and Prevention
- + Failure Analysis & Test Equipment
 - Coordinate Measuring Machine (CMM)
 - X-Ray Fluorescence (XRF)
 - Fourier Transform Infra-Red (FTIR)
- + Line Maintenance
 - Electrical Safety
 - Troubleshooting
- + Production & Manufacturing Equipment
 - CMM
 - XRF
 - Pincutter
 - Wavesolder
- + Production & Manufacturing Process
 - Post-clean
 - Ball Attach
 - Column Attach
 - Ball Grid Array/Column Grid Array Insertion
- + Quality Assurance
 - Foreign Object Debris
 - 5S Methodology and Practices
 - ISO9001
 - AS9100
 - MIL-PRF-38535

LITERACY SKILLS

- + Vocational English
- + Vocational ESL
- + Vocational Math

Literacy skills cannot exceed 45% of total training hours per-trainee.

Productive Lab Hours

0–24

MANUFACTURING SKILLS (limited ratio 1:1)

- + Chemical Handling (Preclean Processes)
- + Equipment Operations (XRF, CMM, Ionograph, Pull Tester)
Failure Analysis & Test Equipment (FTIR, SEM-EDS, Acoustic Microscope)
- + Production & Manufacturing Processes (Flexline Operation, Reflow Oven Operation, Screen-printer)
- + Quality Assurance (Criteria Inspection, Certificate of Conformance)

Computer-Based Training

0–30

CONTINUOUS IMPROVEMENT

- + Auditing – 2 hours
 - o ISO 9001/AS9100
 - o Foreign Object Debris

BUSINESS SKILLS

- + Lead/Supervisor/Manager – 8 hours
 - o Basic and Advanced Supervision
 - o Management
- + Security Systems CBT – 8 hours
 - o Cyber Security
 - o Controlled Cryptographic Item
 - o Trusted Program

MANUFACTURING SKILLS

- + Engineering Skills – 6 hours
 - o Failure Analysis
 - o Reliability Training
 - o Qualified Manufacturers List
- + Electrostatic Discharge (ESD) – 1 hour
 - o Proper Handling of Integrated Circuits
- + Failure Analysis & Test Equipment – 6 hours
- + Line Maintenance – 8 hours
 - o Troubleshooting
 - o Electrical Safety
- + Production & Manufacturing Equipment – 7 hours
- + Production & Manufacturing Process – 6 hours
- + Quality Assurance – 4 hours
- + Safety – 8 hours

Safety will be limited to 10% of total training hours, per trainee (excluding Hazmat training).

Note: Reimbursement for retraining is capped at 60 total training hours per trainee, regardless of the method of delivery. CBT is capped at 50% of total training hours, per trainee excluding HAZMAT. PL is capped at 24 hours per-trainee.