



WORKFORCE DEVELOPMENT BOARD OF VENTURA COUNTY

MANUFACTURING COMMITTEE MEETING

**Thursday, April 18, 2019
8:00 a.m. - 9:30 a.m.**

United Food and Commercial Workers, Local 770 (UFCW)
816 Camarillo Springs Road (Meeting Room/Suite A), Camarillo

AGENDA

- | | | |
|-----------|---|----------------------------------|
| 8:00 a.m. | 1.0 Call to Order and Agenda Review | Alex Rivera |
| 8:02 a.m. | 2.0 Public Comments | Alex Rivera |
| | <i>Procedure: The public is welcome to comment. All comments not related to items on the agenda may be made at the beginning of the meeting only.</i> | |
| 8:05 a.m. | 3.0 Approval of Minutes: February 21, 2019 | Alex Rivera |
| 8:10 a.m. | 4.0 Workforce Reports | |
| | <ul style="list-style-type: none">• Ventura County Community Colleges District• Workforce Education Coalition | Alix Wright
Marybeth Jacobsen |
| 8:45 a.m. | 5.0 Presentation | Alex Rivera |
| | Employment Training Panel
Yvonne Jonason
Economic Development Analyst, State of California | |
| 9:10 a.m. | 6.0 Workforce Development Planning | Patrick Newburn |
| | <ul style="list-style-type: none">• Manufacturing Committee Discussion Results from February 18, 2019 | |
| 9:20 a.m. | 7.0 Committee Member Comments | Committee Members |
| 9:30 a.m. | 8.0 Adjournment | Alex Rivera |
| | <u>Next Meeting:</u> To be determined. | |

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WDB Manufacturing Committee Meeting
Thursday, February 21, 2019
8:00 a.m. - 9:30 a.m.

United Food and Commercial Workers, Local 770 (UFCW)
816 Camarillo Springs Road (Meeting Room), Camarillo CA

MINUTES

Meeting Attendees

Committee Members

Alex Rivera* (Chair)	Rebecca Hunt
Michael Bastine	Marilyn Jansen*
Greg Gillespie*	Bill Pratt*
Cindy Guenette*	Peter Zierhut*

WDB Staff

Rebecca Evans
Patrick Newburn

**WDB Members*

1.0 Call to Order and Agenda Review

Chair Alex Rivera called the meeting to order at 8:10 a.m.

2.0 Public Comments

No public comments.

3.0 Approval of Minutes: October 18, 2018

Motion: Bill Pratt
Second: Cindy Guenette
Motion approved.

4.0 Committee Discussion

Committee members engaged in robust discussion on issues identified in their year-end review as being important insights. Chair Alex Rivera led discussion on the following questions:

A. How do we value and support the Manufacturing Roundtable of Ventura County?

▪ **Results:**

- Keep the meetings relevant to manufacturing
- Invite Guest Speaker to attend that are relevant to manufacturing concerns
- Consider host meeting at new start-up business
- Consider inviting city economic development directors to take lead in organizing

B. How do we identify new business members to join the Manufacturing Committee?

▪ **Results:**

- Keep the meetings relevant to manufacturing and define purpose of meetings and consolidate related topics
- Invite Guest Speaker to attend that are relevant to manufacturing concerns
- Invite new start-up business owners to join committee

- Establish goals for committee that have likelihood of accomplishment within program year
- Remain dedicated to discussing workforce development issues
- Agenda to have standing reports from Ventura County Community College District and Workforce Education Coalition

C. How do we identify Work Based Learning opportunities (apprenticeships, guild, and related On-the-job training) for AJCC and WIOA individuals?

▪ **Results:**

- Inform and educate employers about OFTs and apprenticeships and disseminate information to wide audience
- Work closely with Ventura County Community College District to develop apprenticeship and pre-apprenticeships
- Explore fast track program at College of the Canyons

D. How do we identify “First Opportunity” manufacturing jobs and willing employers for justice involved/reentry individuals?

▪ **Results:**

- Collaborate with Ventura County Probation Agency to discover existing business friendly to hiring formerly incarcerated
- Explore increased training opportunities in construction occupations
- Inform and educate employers regarding human resource related laws as well as federal bonding programs and work opportunity tax credit
- Identify cadre of human resource directors that have success stories in hiring former felons
- Convene a regional meeting for business owners to learn about hiring justice involved individuals
- Emphasize hiring the “individual” based upon their circumstance versus general blanket policy
- Promote 40-hour pre-employment manufacturing skills readiness training offered at Ventura Community College
- Emphasize apprenticeships in the trades

5.0 Workforce Development Reports

Patrick Newburn provided committee with updates on recent grants such as Prison to Employment Initiative and the National Dislocated Worker Grant (Woolsey Fire). Additionally, he explained the current update to the WDB Strategic Plan with a Two-Year Regional & Local Plan Modification.

6.0 Committee Member Comments

Michael Bastine announced that his job with the California Community Colleges has been modified to allow him to be the full time Sector Navigator for Manufacturing in our region. He also commented that there is a large pool of job openings for CNC Machinists within our region.

7.0 Adjournment

Alex Rivera adjourned the meeting at 9:30 a.m.

Next Meeting:

April 18, 2019 (8:00 a.m. – 9:30 a.m.)

United Food and Commercial Workers Union

816 Camarillo Springs Road (Meeting Room), Camarillo

Employment Training Panel

Overview of the Program and Process for Funding

You will receive a hard copy of this session




WHAT IS ETP?

ETP is a State agency that uses a pay-for-performance contract to reimburse the costs for employer-customized job skills training. ETP funding is not a grant.

ETP does not:

- provide training
- mandate training topics for the employer
- select or approve trainers




Pay For Performance

PERFORMANCE = EARNING REIMBURSEMENT

To earn funding, **trainees** must:

- complete at least 8 hours of training
- Work full-time during a post-training, employment retention period, usually 90 days
- Earn an **ETP minimum wage** after retention



Funding Caps

Contract Type	2018/19 Caps
Single Employers	Up to \$900 K
Multiple Employer (MEC) Including Apprenticeship	\$950 K

Funding is based on the scope of the training project: Number of employees to train, number of hours and the fixed-fee reimbursement rate applied.

Example 25 employees training 40 hours at \$26 per hour = \$26,000.00

Repeat Contractors may be held to the actual amount previously earned if earnings were less than 70% of approved funding.



Employer Eligibility Either in a Direct Contract or in a MEC

To be eligible for funding reimbursement, employers must:

- Use a **California Employer Account Number (CEAN)** to report wages to EDD
- Be Tax Rated for the Unemployment Insurance contribution and the Employment Training Tax
- Have one or more Full-Time Employees >35 Hours Per Week
- Most non-profits do not qualify – there are exceptions – a CEAN starting above 699 most likely will not.



Requirements

Employers must demonstrate

- the need for training
- their In-Kind Contribution and
- that they provide Secure Jobs (low turnover)

An employer demonstrates in-kind contribution by paying the trainee wages during training.

Other forms of in-kind contribution are purchase of course materials, or facilities rental for training.



Priority Industries

ETP identifies Priority Industries as part of its annual strategic planning process. These industries are provided increased reimbursement and under limited circumstances, lower minimum wages. The current Priority Industries are:

- ❖ Manufacturing/Food Production
- ❖ Biotechnology & Life Sciences
- ❖ Information Technology Services
- ❖ Multimedia/Entertainment
- ❖ Goods Movement & Transportation Logistics
- ❖ Agriculture
- ❖ Allied Healthcare (For-Profit)
- ❖ Construction
- ❖ Green / Clean Technologies
- ❖ Professional, Scientific or Technical Services (Some)



NAICS Code Eligibility

Industries within our identified **Priority Industries** list are deemed to meet this requirement. Certain industries may not meet this criteria, but are still eligible for funding under our SET guidelines.

Find your industry NAICS code on pp 3-4 of this document:

https://etp.ca.gov/wp-content/uploads/sites/70/2018/07/Fixed_Fee_Reimbursement_Rates-031218.pdf



Who Can Be Trained?

- ☐ Incumbent Workers (Existing Workers) Being trained and retained within the company.
- ☐ Job Creation Trainees - Newly-hired individuals (no more than 90 days prior to start of an ETP contract) who are trained during the ETP contract term dates (Except in a MEC). Net New Job being created within the company.
- ☐ New Hire – An individual on Unemployment Assistance who has exhausted benefits. Trained and placed in a job, usually through a training agency or MEC.



Training Methods & Delivery of Training

- Classroom/Laboratory/ E-learning
- Productive Laboratory (OJT)
- Computer-Based Training (CBT)

Trainer to Trainee Ratios Required

- Classroom/Laboratory/E-Learning 1:20
- Productive Laboratory 1:1, 1:2 (no more than 1:3)
- Computer-Based Training N/A



Training We Don't Fund

- Legally-mandated training e.g. Sexual Harassment or Labor Law
- OSHA (Except for OSHA 10/30) Some Hazmat & Hazwoper
- Company Orientation (Onboarding)
- Continuing Education Units for professionals (RN's OK)
- Professional License (Doctors, Lawyers, CPA's)
- General Safety (basic first aid)
- Adult Content or Adult Entertainment
- Marijuana Cultivation/Distribution/Sale

Who Can Do the Training? What Will It Cost?

The cost of your training is determined by your needs and how you want to deliver training.

- Contractors decide how to spend their funds. you may select any combination of internal or external training provider.
 - Internal trainer – foreman, lead
 - External paid vendor in California
 - Training Agency (community college or other training entity)
- A MEC can use your facility to train or use a center-based facility to accommodate various employers.
- Trainers should be California-based.



ETP Standard Wages VS High Unemployment Areas of the State Calendar Year 2019

COUNTIES	Standard ETP Wage Required		Reduced Wages for HUA's	
	New Hire	Retrainee	New Hire	Retrainee
<ul style="list-style-type: none"> Alameda Contra Costa Marin San Mateo Santa Clara 	\$16.09	\$19.31	\$12.07	\$14.48
San Francisco	\$16.09	\$19.31	\$12.07	\$14.48
Los Angeles	\$15.47	\$18.56	\$12.00	\$13.92
Orange	\$15.12	\$18.14	\$12.00	\$13.61
San Diego	\$14.74	\$17.70	\$12.00	\$13.28
Sacramento	\$14.56	\$17.70	\$12.00	\$13.28
All Other Counties	\$14.48	\$17.70	\$12.00	\$13.28

Trainees must earn at least the State or local minimum wage whichever is higher in effect at the time of Final Payment regardless of the ETP Minimum Wage above.



Special Employment Training (SET)

For Priority Industries not facing OSC and Non-Priority Industry Applicants

- ☐ Training frontline workers in High Unemployment Areas
- ☐ Training seasonal frontline workers in crop-related industries
- ☐ Small Business Owners, with no more than 9 full-time employees (in a MEC, AKA Entrepreneurial Training)
- ☐ Workers with Multiple Barriers to Full-Time Employment
- ☐ If you are creating Net New Jobs

STATEWIDE AVERAGE WAGE (SET)		REDUCED SET WAGE IN HUA	
Term Beginning Jan. 1, 2019-Dec. 31, 2019	\$32.18	Trainees may earn up to 25% below the Standard SET wage. Workers must be in a priority industry sector or be assigned Critical Proposal Status. Determined on a case-by-case basis.	\$24.13

Health, Dental and Vision benefits paid up to \$2.50 may be used to calculate the wages.



Reimbursement

Reimbursement rates are intended for training and administrative costs

Type of Trainee/Proposal	Class/Lab, Productive Lab Videoconference, E-Learning
Priority Projects (small business included)	\$26
Training More than 100 Employees (Non-Priority, SET funding)	\$23
Apprenticeship and Pre-Apprenticeship	\$21
Computer Based Training (self-guided)	\$9

https://etp.ca.gov/wp-content/uploads/sites/70/2018/07/Fixed_Fee_Reimbursement_Rates-031218.pdf

Small Business is defined as under 100 employees in CA and no more than 250 worldwide.



Progress Payments for Reimbursement

All funds are considered **UNEARNED** until a trainee completes the required post-training retention period.

Contractors can request progress payments during training.

• At enrollment (completion of 8 hours of training):	25%
• At completion of ALL training, per trainee:	50%
• At successful completion of the 90-day post-training period (retention)	25%

Contract terms are 1 or 2-years **including retention**.

Some contractors prefer to wait until end of retention to invoice to avoid claw back of funds



ETP-Related Costs

Administrative Fees: ETP Contractors may hire an administrator to provide record-keeping and other administrative duties and pay them any amount up to 13% of the earned amount of ETP funding.

Development Costs: ETP Applicants may hire a subcontractor to assist in development of the project, which may **NOT** be paid for with ETP funds.

ETP has dedicated help desks for administrative and technical assistance during the full term of the application and contract.

<https://etp.ca.gov/getting-started/planning-your-training/consultant-fee-comparison/>



Pre-Application, Eligibility and Funds Request

ETP has a three-step pre-application process

- Enter information in a pre-application form
- Form is reviewed for eligibility to receive funds
- Funds request sent to an ETP Development Analyst



Funds Request Application Process

After Pre-Application

- ❖ Development Analyst sets up an initial Site Visit
- ❖ Training Plan reviewed – ETP Online System previewed
- ❖ LMS reviewed (If Applicable)
- ❖ Detailed Funding Request developed
- ❖ Review by the Panel for approval
- ❖ ETP-Funded Training Begins (Training will not be funded retroactively)

This process can take from **several weeks** to **several months** depending on the specifics of the project (Is it a Priority Industry project or not), complexity of the project, timing of the training and the analyst's workload.



Getting Started

1. Registration of person who will administer the training and contract within the company. (Not the consultant)
2. Orientation (online or by interactive session)
Today counts!
3. Complete the Preliminary Application (I can assist).

<https://etp.ca.gov/getting-started/apply-for-funds/>



Questions or to Start an Application

Yvonne Jonason, Economic Development
Unit
818-755-1309

yvonne.jonason@etp.ca.gov

www.etp.ca.gov



Employment Training Panel

The Employment Training Panel (ETP) is a joint business-labor state agency that funds training to ensure employers have the skilled workers they need to compete locally and globally.



ETP's success is the result of several unique features:

Employer-driven training

Companies decide which workers need training, develop their own training plans, and select their own trainers.

Business investment

Employers invest in the training, matching the equivalent of at least one dollar for every dollar spent by the State for training.

Performance based contracting

Contractors earn funds after a trainee completes training and is retained in a job at a required wage for at least 90 days.

Customization

Training is customized to meet the needs of employers and provide high-wage, high-skill, secure jobs for workers.

"BioMarin Pharmaceutical, Inc. is a leader in delivering therapies for chronic and degenerative genetic conditions. Ongoing technical training is a critical component of our industry, and our [ETP-Funded] training program has been critical to strengthening our workforce and operations."

Marty Richard, Executive Director of Technical Operations Compliance,
BioMarin Pharmaceutical, Inc.

ETP has accomplished the following since 1982:

\$1.5B REIMBURSED TO EMPLOYERS

80.5K BUSINESSES WITH TRAINED WORKERS

1.1M WORKERS TRAINED

ETP training results in:

\$1 = \$4
IN FUNDS SPENT ON TRAINING IN BENEFITS TO CA ECONOMY

Average hourly earnings for trainees who completed ETP-funded training:

\$29.29 FOR INCUMBENT WORKERS

\$13.78 FOR NEW HIRES



For more information visit etp.ca.gov
or call us at 916.327.5640

Supporting California Businesses



ETP prioritizes its funding to provide training for:

Small businesses

60% of businesses served by ETP employ 100 or fewer workers, representing over 2,600 small business employers and 17,000 trainees in Fiscal Year 2016/2017 alone.

Priority Industries

ETP prioritizes training for industries key to the State's economic health, including manufacturing, biotechnology, agriculture, nursing and healthcare, construction, high technology services, multimedia/entertainment, goods movement and transportation logistics.

Clean Technology to Support Climate Transition

ETP targets training for firms employing "clean technology" methods, including; solar energy generation; energy distribution and conservation; clean air and water; and reduction of landfills.

Targeted Populations

ETP reaches traditionally underserved populations such as workers in high unemployment areas, agricultural workers, veterans, individuals with disabilities, at-risk youth and ex-offenders.

Apprenticeship

ETP prioritizes construction apprenticeship as well as apprenticeship training in non-traditional sectors, such as IT, healthcare, and manufacturing.

Did you know?

No General Fund monies are used to support ETP. ETP is funded through the Employment Training Tax (ETT), paid for by California employers who participate in the Unemployment Insurance system.

ETP directly supports state and local economic development efforts as one of California's key incentives for business expansion.

"At Applied Materials, our innovations make possible the technology shaping the future. We are committed to retaining a loyal, stable workforce in the Silicon Valley by investing in the skills of our employees. The resources provided through ETP will accelerate employee training programs needed to continue the State's leadership in the clean technology industries. We are proud to partner with ETP in this endeavor."

Ajeey Joshi, PhD, Applied Materials



For more information visit etp.ca.gov
or call us at 916.327.5640



Workforce Development Board of Ventura County

Membership Committee

Discussion Results

February 21, 2019

A. How do we value and support the Manufacturing Roundtable of Ventura County?

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