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**EMPLOYMENT TRAINING PANEL**

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**POLICY**

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**TITLE: LIMIT ON RETRAINING HOURS**

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**EFFECTIVE DATE: Applies to all Proposed Agreements and One-Step Agreements which are submitted to the Panel on or after July 24, 1997.**

**POLICY STATEMENT:**

The Panel will not approve direct employer or training agency/consortia retraining agreements requesting more than 200 training hours for any individual trainee.

In cases where contractors are seeking more than 200 retraining hours for an individual trainee, additional training hours (above 200) may be added later by amendment once sufficient performance in the original agreement has been achieved and verified (e.g., a significant number of training hours have been completed).

Any deviation from this policy guideline must be pre-approved by the Panel prior to agreement development.

Reference: Unemployment Insurance Code Section 10205 (e).  
Title 22, California Code of Regulations, Section 4405. Funding Limitations.

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## EMPLOYMENT TRAINING PANEL

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### POLICY

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**TITLE: MULTIPLE-EMPLOYER CONTRACTS**

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INITIAL EFFECTIVE DATE: 8/24/00

Revised: 04/02/03, **8/15/06**

**8/15/06 Revision: Language is revised to delete references to new-hire training, per approval of separate regulations and guidelines for new hire training.**

#### **POLICY STATEMENT:**

A multiple-employer contractor (MEC) serves multiple participating employers under a single agreement and may be: (1) a consortia (group of employers); (2) a training agency (private training entity or local educational agency); or (3) a local Workforce Investment Board. The MEC contractor may be either an *on-site training provider* that provides all training at the individual participating employer's worksite, or a *center-based* MEC, which provides none or only some training at the participating employer's worksite. This Policy outlines requirements specific to both on-site training providers and center-based MECs and to the specific trainee population being served (i.e., retrainee, new-hires) as follows:

#### **Requirements for all first-time MECs**

- Funding for first-time MECs, whether New Hire or Retraining is limited to \$200,000, with additional training phases to be based on successful contract performance. To demonstrate successful performance, a contractor must demonstrate that funds previously encumbered have been or will be fully used.

#### **Requirements for all New Hire MECs**

- **All other** requirements for New Hire MECs are provided in **California Code of Regulations (CCR) Section 4406, "New Hire Training"**

## **Requirements for all Retraining MECs**

- **Retraining MECs** must provide evidence of employer demand for the training by providing the following information: (1) description of a marketing plan for recruitment of employers/industries targeted for participation in the training agreement; (2) specific information on employer participation in the development of the training curricula; and (3) a description of the method to be used to ensure continuous participating employer feedback on the effectiveness of the training in meeting their training needs.
- When the requested cost per trainee is more than double the ETP average cost per trainee, (based on the most recent complete fiscal year contract data), all **retraining MECs** - except those serving Welfare to Work trainees or “working poor” trainees in high unemployment areas- must provide evidence to justify the high cost per trainee in one of the following manners:
  - Training will result in employment paying significantly more than the ETP minimum wage requirement after the completion of the retention period, and a significant wage increase for trainees after one year; or
  - Training is in occupations that have demonstrated significant wage progressions within two years after completion of training; or
  - Training will result in moving trainees into employment with demonstrated career paths; or
  - Any other evidence deemed necessary to justify the cost per trainee as defined by the Panel.
  - While training the Welfare to Work population and the “working poor” may involve more training hours and therefore have a higher cost per trainee, contractors must explain the overall training costs.
- Retraining MECs must certify that, prior to the commencement of training for a specific participating employer, it has explained the supplemental nature of ETP funding to the participating employer, and that the participating employer has provided a brief description of how the ETP funded training will supplement its on-going training.
- Retraining MECs must provide information in the ETP Agreement indicating a quantifiable commitment to the training from its participating employers, ensuring the employers have an investment in the training. This commitment will be determined by the contract as a whole and not by each individual participating employer.

## **Additional requirements for center-based Retraining MECs**

- Center-based retraining MECs must provide training that is customized to the requirements of individual employers, or group of employers in a specific industry. To accomplish this, the MEC must conduct formal assessments of participating

employers' training needs; and, design the curricula based on the assessments. Formal assessments must be available for review by ETP monitors.

**Reference:** Unemployment Insurance Code Sections 10205 (c) and 10210; and Title 22 California Codes of Regulations:

Section 4400(j), Group of Employers  
Sections 4400 (z) and 4426, Training Agency Projects  
Section 4405, Funding Limitations  
Section 4406, New Hire Training  
Section 4409.1, Participating Employer Contributions  
Section 4443, Monitoring