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Title 22@ Social Security

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Division 1@ Employment Development Department

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Subdivision 1@ Director of Employment Development

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Division 3@ Employment Services Programs

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Part 1@ Employment and Employability Services

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Chapter 1.5@ Employment Training Panel

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Article 2@ Proposal Process

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Section 4411@ Fixed-Fee Contracts

## 4411 Fixed-Fee Contracts

(a) The Panel may fund training contracts by applying a standard fixed -fee rate per trainee hour in lieu of a line-item budget to substantiate training costs. These standardized fixed-fee rates per hour may vary depending on the training delivery method (e.g., classroom/laboratory), complexity of the training, size of employer served, and the type of trainee (e.g., retrainee) receiving training.

### (b)

The research methodology to develop reasonable fixed-fee rates consists of an analysis of data collected from a representative sample of ETP budget-based contracts and the allowable costs/hour budgeted, and ETP subcontracted classroom/laboratory and structured on-site training costs. The rates were then benchmarked against applicable training market data from programs similar to ETP in other states and training fees charged by private and public training institutions in California.

### (c)

To ensure effective training delivery, a classroom/laboratory trainer to trainee ratio will be applied in contracts utilizing the fixed-fee rates. The classroom/laboratory ratio of trainer to trainees is determined using ETP historical data and private and public training institutional data. The classroom/laboratory ratio will also be applicable to training provided via videoconferencing. A trainer

to trainee ratio is not applicable to structured on-site training and computer-based training since these training delivery methods are customized to an individual trainee's needs.

**(d)**

The panel may adjust the established fixed-fee rates annually.

**(e)**

For multiple-employer new hire training projects, the following may be included as a cost in addition to the fixed fee: (1) Costs for staff salaries, fringe benefits, consumable supplies, printing, communications, equipment and software, premises, utilities, housekeeping services, travel and advertising/promotion of the ETP program that are incurred as a result of the following new hire activities: (A) Recruitment of training participants. (B) Trainee intake assessment to determine eligibility. (C) Job development, and (D) Job search assistance, and placement in specific jobs.

**(1)**

Costs for staff salaries, fringe benefits, consumable supplies, printing, communications, equipment and software, premises, utilities, housekeeping services, travel and advertising/promotion of the ETP program that are incurred as a result of the following new hire activities: (A) Recruitment of training participants. (B) Trainee intake assessment to determine eligibility. (C) Job development, and (D) Job search assistance, and placement in specific jobs.

**(A)**

Recruitment of training participants.

**(B)**

Trainee intake assessment to determine eligibility.

**(C)**

Job development, and

**(D)**

Job search assistance, and placement in specific jobs.

**(f)**

For multiple-employer retraining projects the following may be included as costs in addition to the fixed fee: (1) Costs for staff salaries, fringe benefits, consumable supplies, printing, communications, equipment and software, premises, utilities, housekeeping services, travel and advertising/promotion of the ETP program that are incurred as a result of the following activities: (A) Recruitment of participating employers. (B) Assessment of employer-specific job requirements.

**(1)**

Costs for staff salaries, fringe benefits, consumable supplies, printing, communications, equipment and software, premises, utilities, housekeeping services, travel and advertising/promotion of the ETP program that are incurred as a result of the following activities: (A) Recruitment of participating employers. (B) Assessment of employer-specific job requirements.

**(A)**

Recruitment of participating employers.

**(B)**

Assessment of employer-specific job requirements.

**(g)**

In no event shall the costs allowed in (e) and (f) above exceed 8% of the other training costs, except that up to an additional 4% will be allowed subject to Panel approval if the contractor makes a showing that the 8% is not sufficient to provide the contractor with the funds to do necessary recruitment of potential new hire

trainees.