



**Training Proposal for:  
 Computer Tutor Business and Technical Institute  
 Agreement Number: ET10-0257**

Panel Meeting of: **October 23, 2009**

ETP Regional Office: **Sacramento**

Analyst: J. Daunt

**PROJECT PROFILE**

Contract

Type: New Hire

Industry

Sector(s): Healthcare  
 Services

Counties

Served: Multi-Counties

Repeat

Contractor:  Yes  No

Union(s):  Yes  No

Priority

Industry:  Yes  No

Turnover Rate %	Manager/ Supervisor %
≤20%	N/A

**FUNDING DETAIL**

Program Costs	Support Costs	Total ETP Funding
\$390,000	\$0	\$390,000

In-Kind Contribution
\$200,000

**TRAINING PLAN TABLE**

Job No.	Job Description (by Contract Type)	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	New Hire	Business Skills, Computer Skills	75	260	0	\$5,200	\$10.64
				Weighted Avg: 260			

**Minimum Wage by County:** The school draws from a multi-county area in California. Counties include, but are not limited to: Stanislaus, Calaveras, Madera, Merced, San Joaquin, Tuolumne. The ETP new hire minimum wage in all of these counties is \$10.64 per hour.

**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

Employer-paid health, dental, and/or vision benefits vary by participating employers and may be used to meet the Post-Retention Wage.

Wage Range by Occupation	
Occupation Title	Wage Range
Medical Office Staff	
Accounting Office Clerk	

**INTRODUCTION**

In this proposal, Computer Tutor Business and Technical Institute (Computer Tutor) seeks funding for new hire training as outlined below:

Computer Tutor has been in business for 23 years. Computer Tutor is an educational institution accredited through Accrediting Commission of Career Schools and Colleges of Technology (ACCSC). Thus, Computer Tutor is an accredited educational institution, providing training and education to adults. Computer Tutor offers accounting courses, as well as medical and computer technical programs.

Computer Tutor is eligible to contract with ETP under California Unemployment Insurance (UI) Code 10205(c)(2) as a training agency that has been in business for at least two years, with a history of successful new-hire placements. This will be the seventh ETP project with Computer Tutor. In its previous six Agreements, all of which were new hire in high unemployment areas, Computer Tutor has shown more-than-satisfactory performance, with near full enrollment. The Substantial Contribution provisions do not apply to new-hire projects.

Computer Tutor is proposing to train 75 new hire trainees in two occupations: Medical Office Staff and Accounting Office Clerk. Training will take place in Modesto which is Computer Tutor’s only location. The training is center-based.

## Employer Demand

Computer Tutor representatives state that, based on surveys conducted among local employers, a strong demand exists for trained medical office staff and administrative accounting technicians. Computer Tutor's representatives state that the curriculum contained in the proposal is based on input and regular feedback from area employers.

The representatives add that canvassing conducted among local employers has found steady growth in the need for trained employees in these two occupations. Local employers report difficulties in finding employees qualified in these skills. As demand for healthcare grows, this trend is expected to continue in the greater Modesto area and throughout the San Joaquin Valley.

## Project Details

The curriculum contains the following training:

### Medical Office Training

**Business Skills:** Computer Tutor representatives state that Stanislaus County is the location of several large hospitals and an expanding network of doctors' offices and medical facilities. Computer Tutor representatives emphasize that the need for individuals trained in specialized skills related to the office and administrative areas of these businesses will consequently increase. This customized curriculum includes modules in medical settings, communication, managing medical information, medical accounting and billing, and medical terminology.

**Computer Skills:** The computer skills portion is comprised of computerized scheduling, computerized medical billing, medical data entry and analysis, spreadsheets in a medical office, word processing in a medical office, electronic file management, and related skills. Graduates will be capable of accomplishing the diverse, complex requirements of an often intense occupation.

### Accounting Office Training

**Business Skills:** Computer Tutor representatives state that Stanislaus County has a population of over 400,000 people and an expanding business base. The representatives emphasize the need for individuals trained in specialized skills related to the accounting office and administrative portions of these businesses. This customized curriculum includes modules in the fundamental and expanded accounting equation, general journal/ledger, adjusting of entries, financial statements, closing entries, sales journaling, purchases journaling, cash receipts and cash payments journals, credit cards, banking, petty cash, reversing entries, computerized accounting, and business communications skills.

**Computer Skills:** The computer skills portion is comprised of data entry and analysis for the accounting clerk, electronic file management, word processing for the account clerk, spreadsheets in the accounting office, budgeting, forecasting, and related skills.

Each trainee will receive 260 classroom-laboratory hours of training in one of the two areas (not both). Computer Tutor understands the limitations of this option and nevertheless chooses it over the variable reimbursement method.

## Incidental Placement Waiver Request

Title 22, CCR, Section 4401.5(c) allows a contractor to place up to 20% of the total new-hire trainees with a public entity or non-profit organization that has elected an alternate method of financing its liability for Unemployment Insurance. Computer Tutor is requesting a waiver to this regulation, to allow an “incidental placement” of up to 27% of the total trainees – a maximum of 20 rather than 15 of the total of 75 – with public entities or non-profit organizations to provide additional opportunities for success during current economic difficulties.

## New Hire Recruitment Plan

Computer Tutor representatives state that trainees will be recruited through several methods that have been effective in reaching out to prospective trainees. These methods include advertising through local media, obtaining referrals from the Employment Development Department, participating in job fairs, notifying local businesses, and related methods.

## High Unemployment Areas

The 75 trainees will be employed in High Unemployment Areas (HUAs) of the state. These are regions with unemployment exceeding the state average by at least 25%, using the unemployment rate set by the Labor Market Information Division of the Employment Development Department. (Title 22, CCR, Section 4429(b).)

However, Computer Tutor is not asking for a wage modification.

## RECOMMENDATION

For the reasons set forth above, and based on past successes outlined below, staff recommends approval of the proposal, including the Incidental Placement waiver request.

## ACTIVE PROJECTS

The following table summarizes performance by Computer Tutor under an active ETP Agreement:

Agreement No.	Approved Amount	Term	No. Trainees (Average)	No. Completed Training	No. Estimated to be Retained
ET09-0561 New-Hire	\$74,730	4/1/2009- 3/31/2011	15	15	15

*Comment:* Training is complete for all 15 trainees. Seven of the trainees have been placed and are in retention. The contractor expects the remaining trainees to be placed in four to six weeks. The reason that a new application was submitted while a quantity of time remains for this project is that A) the term was fixed at two years, as is traditional with ETP projects; and B) at this time all trainees in this project have been trained, most have been placed, and the rest will be placed so that all will be able to continue and complete their respective retention periods within the next 30 to 90 days, whereupon final invoices will be submitted. In short, with only \$74,730, the contract is used up. The current proposal is for a larger amount that will allow for a two-year project rather than a project that can be completed within six to eight months.

**PRIOR PROJECTS**

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned
ET08-0106 New-Hire	Modesto	8/1/2007- 7/31/2009	\$364,950	\$229,648 (63% to-date)*
ET06-0230 New-Hire	Modesto	12/27/2005- 12/26/2007	\$216,000	\$194,400 (90%)
ET05-0104 New-Hire	Modesto	07/01/2004- 06/30/2006	\$229,800	\$178,095 (77%)
ET03-0205 New-Hire	Modesto	12/02/2002- 12/01/2004	\$240,500	\$216,775 (90%)

\* Additional invoices for placed and retained new hires are under review which may mean additional reimbursement. The expected success rate is between 63% and 70%, which is considered to be good during the state's continuing economic difficulties.

*Comments:* Overall these results show favorable performance.

**DEVELOPMENT SERVICES**

N/A

**ADMINISTRATIVE SERVICES**

N/A

**TRAINING VENDORS**

N/A

## **Exhibit B: Menu Curriculum**

### Medical Office Staff Training Curriculum

Class-Lab Hours  
260 hours (fixed)

Trainees may receive any of the following:

#### **Business Skills 1**

##### Medical Setting

- Medical Office
- Medical Employment
- Medical Ethics and Law

##### Communications

- Patient Relations
- Medical Front Desk Skills
- Medical Terminology
- Medical Scheduling

##### Managing Medical Information

- Medical Forms
- Medical Reports
- Medical Correspondence
- Word Processing in the Medical Office
- Medical Office Files

##### Medical Accounting and Billing

- Health Insurance Claims
- Medical Accounting Procedures
- Medical Billing and Collections
- Coding

##### Medical Terminology

- Parts of Speech
- Prefixes, Suffixes, and Root Words
- Spelling, Capitalization, and Punctuation
- Abbreviations

#### **Business Skills 2**

- Medical Front Office Procedures
- Medical Ethics And Law
- Patient Relations
- Medical Correspondence
- Medical Forms and Reports
- Medical Office Files
- Records Management
- Medical Terminology
- Medical Office Accounting Procedures
- Medical Billing

- Manual Billing
- Medical Billing and Collections
- Coding
- Icd-9-Cm (Diagnosis Code)
- Cpt (Procedural Terminology)
- Health Insurance Claims
- Managed Care Plans
- Medicare
- Medical
- Medicaid
- Medigap
- PPP
- HMO
- Workers' Compensation
- Processing Claim Forms
- Patient Superbill
- Hcfa 1500 Claim Form
- E.O.B. (Explanation of Benefits)
- Medical Scheduling

### **Computer Skills**

- Computerized Scheduling
- Computerized Medical Billing
- Medical Data Entry and Analysis
- Spreadsheets in a Medical Office
- Word processing in a Medical Office
- Electronic File Management

**Exhibit B: Menu Curriculum**  
Accounting Office Clerk Training Curriculum

Class-Lab Hours  
260 hours (fixed)

Trainees may receive any of the following.

### **Business Skills 1**

#### Fundamental Accounting Equation

- Assets, Liabilities, and Owner's Equity
- Broad Classification vs Account
- Balance Sheet

#### Expanded Fundamental Equation

- Revenues and Expenses
- Debits and Credits
- Trial Balance
- Income Statement, Statement of Owner's Equity, Balance Sheet

#### General Journal and General Ledger

- Journalizing, Posting
- Posting References

#### Adjusting Entries

- 10 Steps to the Accounting Cycle
- Cash Basis Accounting vs Accrual Basis Accounting
- Deferral-type Adjusting Entry vs Accrual-type Adjusting Entry

#### Financial Statements

- Creating the Income Statement, Statement of Owner's Equity, and Balance Sheet Using the Worksheet and General Ledger
- Journalizing and Posting the Adjusting Entries for a Service-type Company

#### Closing entries

- Journalizing and Posting the Closing Entries for a Service-type Company
- Preparing a Post-closing Trial Balance

#### Sales Journal

- Use of Special Journals for a Merchandising-type Company
- Use of a Sales Journal
- Use of a General Journal When Special Journals Are Used
- Accounts Receivable Subsidiary Ledgers

#### Purchases Journal

- Use of a Purchases Journal
- Use of a General Journal When the Special Journals Are Used
- Accounts Payable Subsidiary Ledgers

#### Cash Receipts and Cash Payments Journals

- Use of the Cash Journals
- Use of a General Journal when the Special Journals Are Used
- Subsidiary Ledgers

- Use of Five Journals and Three Ledgers

#### Credit Cards

- Record the Acceptance of Credit Cards
- Record the Amount Over or Short (Transaction Does Not Balance)

#### Banking

- Setting Up Bank Accounts
- Types of Endorsements
- Bank Reconciliations

#### Petty Cash

- Definition
- Setting Up a Petty Cash Account
- Changing the Amount in the Petty Cash Account
- Reconciling the Petty Cash Account
- Replenishing the Petty Cash Account

#### Change Fund

- Setting Up a Change Fund
- Changing the Amount in the Change Fund

#### Adjusting Entries

- Calculating the Adjusting Entries for a Merchandising-type Company, Including the Adjustment for Merchandise Inventory
- Worksheet for a Merchandising-type Company
- Journalizing and Posting the Adjusting Entries for a Merchandising-type Company

#### Financial Statements

- Detailed Income Statement
- Classified Balance Sheet

#### Closing Entries

- Journalizing and Posting the Closing Entries for a Merchandising-type Company
- Post-closing Trial Balance

#### Reversing Entries

- Definition and Examples
- Journalizing and Posting Reversing Entries

#### Computerized Accounting

- Setting Up Both a Service and a Merchandising-type Company
- Setting Up a Chart of Accounts
- Setting Up Customers, Vendors, Employees, Items
- Writing Checks, Creating Invoices, Receiving Payments, Entering Bills, Paying Bills, Making Journal Entries
- Working with Lists and Reports
- Correcting Errors
- Bank Reconciliation
- Financial Statements
- Back-up and Restore

## **Business Skills 2**

- Fundamental Accounting Equation
- Expanded Fundamental Equation
- General Journal and General Ledger
- Adjusting Entries
- Financial Statements
- Closing Entries
- Business and Accounting Communications
- Sales Journal
- Purchases Journal
- Cash Receipts and Cash Payments Journals
- Credit Cards
- Banking
- Petty Cash
- Change Fund
- Adjusting Entries
- Financial Statements
- Closing Entries
- Reversing Entries
- Business/Accounting Correspondence
- Business/Accounting Communications

## **Computer Skills**

- Computerized Accounting
- Data Entry and Analysis for the Accounting Clerk
- Electronic File Management
- Word Processing for the Accounting Clerk
- Spreadsheets in the Accounting Office
- Budgeting and Forecasting

Note: Reimbursement for new hire training is capped at 260 total training hours per trainee, regardless of delivery method.