

TO: Program Planning & Development

DATE: 08/24/06

FROM: WIB Staff

For Action

For Information

For Discussion

SUBJECT: Renewal of LVN Contract

PROPOSED MOTION (S): That the LVN contract with Merced College be renewed for the period January 1, 2006 through June 30, 2007.

DISCUSSION: Since September 9, 1997, Merced County has had a contract with Merced College to provide Licensed Vocational Nursing (LVN) training. The most recent contract provides training for twelve (12) LVN students at a total contract cost of \$106,914. The contract runs for 18 months (3 semesters) and will end December 31, 2006. The new contract will start January 1, 2007 and is expected to remain at the same cost.

The College has asked those healthcare facilities who employ LVNs to contribute to the cost of this contract. The agencies have been contacted. Each is being asked to contribute \$10,000 and to make their commitment by September 30, 2006.

Additionally, a collaboration between Merced, Madera and Stanislaus Counties and their respective community colleges is applying for DOL grant funding to expand the college's capacity to train LVNs and RNs. That grant could further alleviate most of the cost of next year's contract.

With the State's inability to finish the allocations to local workforce investment areas, the training budget for this year is tentative. Using a simplified method of reducing last year's training budget by 16% results in a forecast training budget of \$542,428. The LVN contract will represent 19.7% of the total training budget.

- **The LVN program produces a job starting at \$31,000 + benefits**
- **Most LVN graduates stay and work in Merced County**
- **The healthcare industry is a WIB chosen industry cluster**

ATTACHMENT (S): N/A