

TO: Workforce Investment Board (WIB)

DATE: 09/11/03

FROM: Program Planning & Development Committee

For Action

For Information

For Discussion

SUBJECT: Licensed Vocational Nurse (LVN) Contract

PROPOSED MOTION(S): That the WIB approve the WIA LVN program for 2003-2004 through 2004-2005.

DISCUSSION: Since July 1, 2002, the Workforce Investment Board, through a contract between Department of Workforce Investment and Merced College, has provided training to WIA participants in the Licensed Vocational Nurses (LVN) program. The contract will end December 31, 2003. The cost of the contract is \$90,000. Additionally, WIB Supportive Services Policy pays up to \$1,754 for each nursing student. Historically, the number of WIA sponsored LVNs per class has been 6. Last year, before training dollars were reduced, the number was increased to 10.

Merced College has proposed that the WIB approve a program for 1 instructor and 1 clinical assistant so that an additional 12 students can be enrolled in the Merced College LVN program above the 24 students the college can support. The cost of the program will increase to \$101,822. The cost per student has been reduced from \$9,000 per student to \$8,485. The reduced cost is made possible by reducing the number of classroom Clinical Assistants from two to one. The proposed program increases the total number of students from 10 to 12. The Program Planning & Development Committee approved the concept of supporting the LVN program using the College's proposal to increase the number of LVNs from 10 to 12.

The following additional information is provided by staff as the full college proposal was submitted the morning of the committee meeting and a complete analysis was not possible. Additionally, committee members expressed concern that nursing programs expansion reduces other training programs or special projects. Several members requested information on whether nurses trained in Merced County remain employed in Merced County. The staff have requested and received outcome information from Merced College for the May 2002 LVN and RN graduates (attached). It appears from this information the majority of initial employment for this group is in Merced County. Upon program exit, a 12-month follow up period will begin, for retention in employment and wage gain information.

The WIA enrollments in Individual Training Accounts in all sectors is provided as an attachment to illustrate the areas of training currently being addressed. Additionally, a break out of FY 2003/2004 training budgeted and projected FY 2004/2005 training obligations are included as an attachment. These documents indicate that over 50% of the training dollars allocated in both years for the "Adult" program, to serve 36 individuals, will be for the RN and LVN programs.

The staff asked for the following information from the college for your consideration:

- Q. How many students have applied for the program to begin in January 2004 and have completed all program prerequisites?
 A. 37 Students
- Q. What would be the cost of fewer than 12 students?
 A. The cost of a full-time instructor would remain the same regardless of whether 1 or 12 students were added. If 1-6 only were added, the cost of one clinical assistant could be reduced @\$28,829.

Current Proposal 12 Students		If 6 Students
\$101,822	Cost of Instructor	\$72,993
12 @ \$1,754 = \$21,048	Supportive Services	\$10,524
\$122,870	Total	\$83,517

- Q. Is there any possibility of private sector “partners” contributing to the increase in the LVN program, much like the RN program expansion?
 A. The College had not found any private sector partners to contribute to the LVN program. Dr. Spevak agreed however, to co-author a joint letter from Merced College and the Workforce Investment Board to solicit support from the businesses benefiting from this expansion effort.

In conclusion, it should be noted that:

1. All the LVN graduates have gained immediate employment in primary skilled nursing facilities after graduation.
2. Over 50% of WIA Adult training dollars will be committed to the LVN and RN training programs.
3. The projected dollars into 2004/2005 assume the same level of funding allocated to Merced and also assumes the same percentage of dollars allocated to training.

ATTACHMENT(S):

- Employed LVNs, 2002 Graduates
- Employed RNs, 2002 Graduates
- Individual Training Accounts, 2002-2003
- Budget Projection

**MERCED COUNTY DEPARTMENT OF WORKFORCE INVESTMENT
TRAINING COSTS
FY 2004/05**

	Adult	Dislocated Worker	Total	
Budgeted for Training based on 2003/04	\$ 423,400	\$ 273,750	\$697,150	
Projected Obligated Funds				
* RN Contract	\$ 96,138		\$ 96,138	
Supportive Services				
Fall Semester 2004			\$ 18,308	\$ 18,308
6 RN's in 1st semester	\$ 8,058			
6 RN's in 2nd semester	\$ 2,263			
6 RN's in 3rd semester	\$ 4,949			
6 RN's in 4th semester	\$ 3,038			
Spring Semester 2004			\$ 18,308	\$ 18,308
6 RN's in 1st semester	\$ 8,058			
6 RN's in 2nd semester	\$ 2,263			
6 RN's in 3rd semester	\$ 4,949			
6 RN's in 4th semester	\$ 3,038			
Total RN Supportive Services	\$ 36,616			\$ 36,616
Proposed LVN Contract				
LVN Contract Fall Semester 2004	\$ 33,941			\$ 33,941
LVN Contract Spring Semester 2005	\$ 33,940			\$ 33,940
Supportive Services for 12 students 2004/05	\$ 11,453			\$ 11,453
Total LVN Obligations	\$ 79,334			\$ 79,334
Cross Referrals - Supportive Services				
12 RN's - Supportive Services Only	\$ 15,257	\$ 3,052		\$ 18,309 estimate
Total Committed Funds for RN's and LVN's	\$ 227,345	\$ 3,052		\$230,397
Percent of Total Estimated Training Funds	53.70%	1.11%		33.05%
POST	\$ 1,128			\$ 1,128
Plato Contracts (assuming no increase)	\$ 33,900	\$ 33,900		\$ 67,800
	\$ 11,500	\$ 11,500		\$ 23,000
Total	\$ 273,874	\$ 48,452		\$322,326
Obligations as percent of Estimated Funds	64.68%	17.70%		46.23%
Remaining after obligations	\$ 149,526	\$ 225,298		\$374,824

**MERCED COUNTY DEPARTMENT OF WORKFORCE INVESTMENT
TRAINING COSTS
FY 2003/04**

	Adult	Dislocated Worker	Total	
Budgeted for Training	\$ 423,400	\$ 273,750	\$697,150	
RN Contract	\$ 96,138		\$ 96,138	
Supportive Services				
Fall Semester 2003	\$ 15,270		\$ 15,270	
6 RN's in 1st semester	\$ 8,058			
6 RN's in 2nd semester	\$ 2,263			
6 RN's in 3rd semester	\$ 4,949			
Spring Semester 2004	\$ 18,308		\$ 18,308	
6 RN's in 1st semester	\$ 8,058			
6 RN's in 2nd semester	\$ 2,263			
6 RN's in 3rd semester	\$ 4,949			
6 RN's in 4th semester	\$ 3,038			
Total RN Supportive Services	\$ 33,578		\$ 33,578	
LVN Contract (Fall Semester Only)	\$ 27,000		\$ 27,000	
Supportive Services				
Fall Semester 2003				
10 LVN's in 3rd semester - Fall 2003	\$ 8,238		\$ 8,238	
Total LVN Supportive Services	\$ 8,238		\$ 8,238	
Cross Referrals - Supportive Services				
22 RN's - Supportive Services Only - 2003/04	\$ 13,094	\$ 2,000	\$ 15,094	based on current obligations
2 LVN's - Supportive Services Only - Fall 2003	\$ 200	\$ 2,750	\$ 2,950	based on current obligations
Total Committed Funds for RN's and LVN's	\$ 178,248	\$ 4,750	\$182,998	
Percent of Total Training \$'s for RN's and LVN's	42.10%	1.74%	26.25%	
Proposed LVN Contract				
LVN Contract Spring Semester 2004	\$ 33,942		\$ 33,942	
Supportive Services for 12 students Spring 2004	\$ 9,715		\$ 9,715	
Total New Obligations	\$ 43,657		\$ 43,657	
Total Committed Funds for RN's and LVN's after new contract for LVN's	\$ 221,905	\$ 4,750	\$226,655	
Percent of Total Training \$'s for RN's & LVN's with new contract	52.41%	1.74%	32.51%	
Other Obligations carried forward from 2002/03	\$ 20,000	\$ 35,000	\$ 55,000	
POST	\$ 1,128		\$ 1,128	
Plato Contracts	\$ 33,900	\$ 33,900	\$ 67,800	
	\$ 11,500	\$ 11,500	\$ 23,000	
**Total Obligations	\$ 288,433	\$ 85,150	\$373,583	
Total Obligations as percent of available	68%	31%	54%	
Amount remaining after above obligations	\$ 134,967	\$ 188,600	\$323,567	
Percent remaining	31.88%	68.89%	46.41%	

**** Does not include obligations put in place since 7/1/03 (ITA's, Supportive Services, etc.) for other than nursing students.**

ITA Summary for July 2002 to June 2003

	Number In Training	Maximum Training Cost	Minimum Training Cost	Median Training Cost	Maximum Supportive Svcs Cost	Minimum Supportive Svcs Cost	Median Supportive Svcs Cost	Training Completed?			# Employed
								Y	N	SA	
All ITAs	62	\$ 13,095.00	\$ 923.00	\$ 4,999.00	\$ 4,810.00	\$ -	\$ 436.50	49	4	9	15
Office Occupations											
Accounting	2	\$ 2,880.00	\$ 2,142.00	\$ 2,511.00	\$ 1,445.00	\$ 330.00	\$ 887.50	1	1	0	1
Administrative Assistant	3	\$ 6,530.00	\$ 6,000.00	\$ 6,000.00	\$ 1,335.00	\$ 316.00	\$ 720.00	2	0	1	0
Bookkeeper	1	\$ 7,032.00	\$ 7,032.00	\$ 7,032.00	\$ 362.00	\$ 362.00	\$ 362.00	1	0	0	1
Office Administration	1	\$ 8,945.69	\$ 8,945.69	\$ 8,945.00	\$ 3,690.00	\$ 3,690.00	\$ 3,690.00	1	0	0	0
Office Occupations	1	\$ 2,400.00	\$ 2,400.00	\$ 2,400.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	0	0	1	0
Medical Occupations											
Administrative Medical Clerk	2	\$ 6,000.00	\$ 5,530.00	\$ 5,765.00	\$ 880.00	\$ 640.00	\$ 760.00	2	0	0	1
Medical Assistant	1	\$ 4,969.67	\$ 4,969.67	\$ 4,969.67	\$ 1,603.20	\$ 1,603.20	\$ 1,603.20	0	0	1	0
Medical Billing Clerk	1	\$ 5,595.00	\$ 5,595.00	\$ 5,595.00	\$ 2,580.00	\$ 2,580.00	\$ 2,580.00	1	0	0	0
Occupational Therapy Aide	1	\$ 7,242.00	\$ 7,242.00	\$ 7,242.00	\$ 1,263.00	\$ 1,263.00	\$ 1,263.00	1	0	0	0
Vocational Nursing	1	\$ 1,135.96	\$ 1,135.96	\$ 1,135.96	\$ 135.00	\$ 135.00	\$ 135.00	0	1	0	0
Physical Therapy Aide	1	\$ 1,285.00	\$ 1,285.00	\$ 1,285.00	\$ 732.38	\$ 732.38	\$ 732.38	0	1	0	0
Pharmacy Technician	3	\$ 6,000.00	\$ 2,038.00	\$ 5,251.00	\$ 2,385.68	\$ 840.13	\$ 1,172.00	3	0	0	1
Technical Occupations											
Building Inspector	1	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00	\$ 510.00	\$ 510.00	\$ 510.00	1	0	0	1
Computer Maintenance & Repair	1	\$ 5,745.99	\$ 5,745.99	\$ 5,745.99	\$ 2,955.00	\$ 2,955.00	\$ 2,955.00	1	0	0	0
Elec. Tech/Computer Network	1	\$ 13,095.00	\$ 13,095.00	\$ 13,095.00	\$ 4,810.00	\$ 4,810.00	\$ 4,810.00	1	0	0	0
Graphic Arts	1	\$ 5,950.00	\$ 5,950.00	\$ 5,950.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	0	0	1	0
User Support Analyst	1	\$ 4,930.00	\$ 4,930.00	\$ 4,930.00	\$ 1,960.00	\$ 1,960.00	\$ 1,960.00	0	0	1	0
Production, Maintenance, etc. Occupations											
Building Maintenance	2	\$ 5,800.00	\$ 5,500.00	\$ 5,650.00	\$ 3,063.00	\$ 1,305.00	\$ 2,184.00	2	0	0	0
HVAC Tech.	2	\$ 5,995.00	\$ 5,995.00	\$ 5,995.00	\$ 880.00	\$ 648.00	\$ 764.00	2	0	0	0
HVAC/R Tech./Commercial Refrig. Tech.	1	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00	\$ 2,010.00	\$ 2,010.00	\$ 2,010.00	1	0	0	0
Advanced Tractor Trailer Operator	13	\$ 4,157.00	\$ 4,058.00	\$ 4,122.00	\$ 924.00	\$ 160.00	\$ 230.00	12	0	1	5
Truck Driver Training	19	\$ 9,820.00	\$ 923.00	\$ 4,999.00	\$ 1,053.85	\$ -	\$ 190.00	15	1	3	5
Welder, Combination	1	\$ 6,495.00	\$ 6,495.00	\$ 6,495.00	\$ 441.00	\$ 441.00	\$ 441.00	1	0	0	0
Welding & Industrial Maintenance	1	\$ 4,482.00	\$ 4,482.00	\$ 4,482.00	\$ 2,232.00	\$ 2,232.00	\$ 2,232.00	1	0	0	0

Completed Training?	Number of Clients
Yes	49
No	4
Still Attending Training	9

Employed?	Number of Clients
Yes - Training Related	12
Yes - Not Training Related	3
Not Exited - Still Receiving Services	47

MERCED COMMUNITY COLLEGE DISTRICT

3600 M Street, Merced, California 95348-2898

Telephone: 209/384-6000 • Fax: 209/384-6043



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August 27, 2003

Andrea Baker
1880 W. Wardrobe Ave.
Merced, CA 95340

Dear Andrea:

The following is a breakdown of the employers of our May RN 2003 graduates.

Mercy Merced Medical Center	13
Marie Green	1
Madera Community	1
Doctors' Hospital, Modesto	<u>2</u>
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Four students had additional classes to complete before taking the NCLEX-RN and are not employed.

A breakdown of the thirteen students sponsored by Workforce Investment is:

Mercy Merced Medical Center	7
Dropped out of program	2
Failed program	2
Doctors' Hospital, Modesto	1
Completing Course work	<u>1</u>
	13

Sincerely,

PENNY SAWYER, MSN, RN
Nursing Program Director

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August 27, 2003

Andrea Baker
1880 W. Wardrobe Ave.
Merced, CA 95340

Dear Andrea:

The following is a breakdown of the employers of our May LVN 2002 graduates.

Franciscan	6
Hylond	4
La Sierra	1
Central California Women's Facility	2
Private Offices	2
Registry	1
Taking Prerequisite for LVN to RN	3
Brendella, Turlock	3
	<u>22</u>

A breakdown of the six students sponsored by Workforce Investment is:

Franciscan	1
Beverly Facility, Newman	1
Private Office	1
Anberry Rehab & Mercy	1
Hylond	1
Los Banos School System (not as a nurse) .	<u>1</u>
	6

Sincerely,

PENNY SAWYER, MSN, RN
Nursing Program Director