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STATE OF CALIFORNIA
DEPARTMENT OF INDUSTRIAL RELATIONS
DIVISION OF APPRENTICESHIP STANDARDS

AUDIT REPORT
For

Bay Area Plastering Industry, JATC, File 00018

The Division of Apprenticeship Standards (DAS) creates opportunities for Californians to gain employable lifetime skills and provides employers with a highly skilled and experienced workforce while strengthening California's economy.

RF 3/08

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SUMMARY

The Division of Apprenticeship Standards (DAS) presents its audit report concerning the Bay Area Plastering Industry, Joint Apprenticeship Training Committee (JATC) program; DAS file number 00018, (hereafter "Program").The Bay Area Plastering Industry was selected randomly by the DAS for an audit. The audit was performed during February 2, 2009 to February 5, 2009 and was conducted pursuant to California Labor Code §3073.1.

The following chart shows the progress of the Program in the last six years. This indicates the graduation rate has been increasing over the last few years. There has been an increase in the number of apprentices joining the Program. However, because of the current economy, about one-third of the apprentices quit or dropped out in the last quarter of 2008.

PROGRAM COMPLETIONS (GRADUATIONS)

	2003	2004	2005	2006	2007	2008
DAS Records	6	7	8	7	11	6
Program Records	6	5	5	6	13	10

FINDINGS AND RECOMMENDATIONS

As noted in the detailed report which follows, the auditor found no specific actions necessary to bring this program into compliance with their approved standards and legal requirements. The program is doing an excellent job at keeping apprentices on schedule. The training facility and its instructors keep accurate records on class attendance and completion of Related Supplemental Instruction (RSI). Accurate records are in place to notify employers of apprentice upgrades and rate increases. The program completions that appear in the chart above show proof that the Bay Area Plastering Industry Joint Apprenticeship Training Committee (JATC) is committed to helping apprentices reach their goal of becoming a journeyman in the trade.

Detailed findings are included in this report. The Coordinator was presented with a summary of the findings. These DAS audit procedures allow the program to respond to the recommendations and their response will become part of this formal report.

INTRODUCTION/BACKGROUND

On Monday, February 2, 2009 the Auditor met with the Coordinator to examine randomly selected apprentice's files, observed administrative activities, conducted a walk-through of the training facility and continued the next day to visit job sites in connection with the audit. The Bay Area Plastering Industry Joint Apprenticeship Training Committee (JATC) program operates as a Labor/Management Cooperative and the principal partners in the cooperative effort are the members of the Plasterers' Union #66 Local. The program has an Apprentice Trust Fund. The programs funding mechanism comes from employer contributions, Related Supplemental Instructional (RSI) Funds and state prevailing wage training fund contributions.

The daily operations, management and administrative functions are run by the Apprenticeship Coordinator and the Business Representative of the Union. There is only one full-time Training Instructor and five part-time Instructors. The program's office is located at 132 Starlite Street, South San Francisco, California, 94080.

Employers are approved to train when they have completed an Agreement to Train Apprentices, DAS-7 form. The program indicated that they dispatch to both union signatory employers and non-union employers who agree to abide by the program's standards, rules, regulations and policies.

The apprenticeship program provides a training program for the following occupations:

Name of Occupation	Term of Apprenticeship	Number of Apprentices
Plasterer	**4 years**	**40 Apprentices**
Fireproofing Plasterer	**2 years**	**7 Apprentices**

The Related and Supplemental Instruction is provided by the program's training center which is at the same site as the program's operations. Each apprentice enrolled receives a comprehensive orientation packet that includes the rules and regulations, an explanation of the program standards, the Apprentice Record book (blue book) and a class schedule. City College of San Francisco is the Apprenticeship Program's Local Education Agency (LEA).

SCOPE AND FOCUS

The principal objectives of the audit are to ensure the program is complying with their standards, that all on-the-job training is performed by a journeyman, that all related and supplemental instruction required by the apprenticeship standards is being provided, that all work processes in the apprenticeship standards are being covered, and that graduates have completed the apprenticeship programs' requirements.

The audit focused on reviewing records and activities that tend to support and substantiate the programs' efforts, practices, system and capabilities to provide and deliver the on-the-job training and related instruction. The programs' policies and procedures were reviewed to determine if they support the programs' approved standards.

METHODOLOGY

After completing an initial review of the programs' standards and records on file with the DAS, an audit plan was established with the following steps:

1. Notified the program 14 days in advance of our intent to audit.
2. Prepare an entrance interview
3. Organization of all working paper to conduct the interview
4. Confirm the location where records are maintained
5. Conduct a review of all apprentice files
6. Set the time and date of the meeting
7. Schedule inspection of the training facility and job sites
8. Request and review copies of the committee meeting minutes for the last 12 months.

All steps listed above were accomplished and include interviews with primary staff, apprentices and job site supervisors'.

AUDIT RESULTS

1. STANDARDS

The objective is to determine whether the programs are submitting periodic revisions to their standards and if standards are reasonably current. "Standards" are a written document containing all terms and conditions for the qualification, recruitment, selection, employment and training, working conditions, wages, employee benefits and other compensation for apprentices. It may also include other provisions and statements. All apprenticeship programs are required to submit their apprenticeship standards to the DAS Chief for approval. The California Code of Regulations states the program must submit revisions to its standards when necessary.

(a) Findings:

The Program submitted a revised copy of their Standards in August 2002 and it was signed by the Chief of the DAS on May 20, 2003.

The Program has been submitting the DAS form 24 as wages have increased in their hourly rate. The Coordinator and the DAS Consultant are currently changing the work processes for each occupation so that they may be more current with technology in this trade. The Program will be completing this project by the end of 2009.

(b) Recommendations:

There are no recommendations needed at this time.

Section 205 (f), 212 (a)(6) (7), (c)(2) (11) of the California Code of Regulations states that the program sponsor must submit revisions to its standards when necessary.

2. RULES AND REGULATIONS

The objective is to determine if the programs have adequate rules and regulations, are implementing them as required, and provide a copy to the apprentices. The rules and regulations can be defined as an orientation or workshop session that explains the apprenticeship program standards and the operation of the apprenticeship program. It includes information on what is expected by both the program and the apprentice. When the

apprentice is approved by the program to enter the training (passes an oral interview) he/she is given a copy of the rules and regulations and attends an orientation session with both the coordinator and educational instructor. Then the apprentice must sign the document indicating they have received, read and understood the rules and regulations.

(a) Findings:

This Program's Rules and Regulations are written in both English and Spanish, and were revised in August 2008. A copy of these Rules and Regulations are given to each apprentice on the day of Orientation. There is a copy of a signed acknowledgement of receipt from each apprentice in their respectful files.

The rules and regulations for this program were adopted and contain in a policy statement showing responsibilities of the apprenticeship and the committee. Apprentices are cited for failure to follow the rules and regulations. A letter of citation is mailed to the apprentice to appear before the committee and failure to appear is reason to recommend cancellation from the program for failure to comply with a committee directive. The apprentice files contained copies of school absences, evaluations and progress.

(b) Recommendations:

There are no recommendations at this time.

Section 3071, 3073, and Section 212 (a) (6) (7), (c) (2) (3) (8), (14) of the California Code of Regulations states that the program must establish rules and regulations that govern the program.

3. ACTIVE APPRENTICES AND CANCELLATIONS

The review of this item is to determine if the program is monitoring apprentices as they enter and proceed through the program. It is also to determine if the program is maintaining accurate records on both the active and cancelled apprentices. The program should have the ability to provide evidence of procedures used for periodic reviews and evaluation of the apprentice's progress in job performance and related instruction and maintenance of appropriate progress records. In addition, the program should

have a process in place to notify the DAS when an apprentice leaves the program.

(a) Findings:

A random review of apprentice files found the following items in each file: The DAS 1 form; US Department of Labor form; Union paperwork; Letter to apprentice requiring mandatory attendance to classes; Signatory pages for the harassment policy, rules and regulations, and drug & safety; File Maker Pro computerized printout of total hours worked for OJT and classroom hours; bluebooks; Form to employer requesting an increase in hourly rate. Other forms found in some of the files are: letters to apprentice from the Program requesting to appear before the committee, restarting the program; dispatch slips, attendance records of special classes to name a few more.

The Program does submit all the appropriate DAS forms to the district office when the status of the apprentice changes. The apprentices are evaluated two times per year, when they attend school.

(b) Recommendations:

There are no recommendations at this time.

Section 205 (a)(1)(2) (i), 212 (a)(6) (7)(8), (b)(9), (c)(2)(10) 224 of the California Code of Regulations states that the program sponsor must maintain accurate apprenticeship records and submit changes, updates and revisions of an apprentice's status when necessary.

4. ON-THE- JOB TRAINING (OJT) PROGRESS RECORDS, ADVANCEMENTS AND EVALUATIONS

Our review is to determine if apprentices are progressing on schedule, that the program is maintaining adequate OJT records, receiving periodic evaluations and if the program has an adequate records and a system in place to ensure that apprentices are covering all the work processes.

(a) Findings:

The program uses the following items to track apprentice's schedule, OJT records, periodic evaluations and work processes:

The apprentice must abide by the requirements set by the program and the terms of the Collective Bargaining

Agreement. Therefore, if the apprentice is not current in all fees and dues to the Plasterer's Union Local 66, they will not progress to the next level of training.

DAS Apprentice Record Book (blue book) to verify work processes and track work hours. The blue book must be signed by the employer before turning in the book to the program. The program issues all newly indentured apprentices the DAS "blue book" to record their daily work processes. The apprentice is then required to turn-in this book before they are advanced to the next level of training and receive a wage increase.

The employer provides work evaluations every six months. The program will notify the employer and apprentice when advancements are earned insuring timely upgrades and employer being aware of proper rates of pay and benefits.

To keep the apprentice on schedule the program will send out written notices on class schedules, employer letters and evaluations. Apprentices failing to meet requirements are cited and notices are mailed with a request to explain why they should not be disciplined or terminated.

(b) Recommendations:

There are no recommendations at this time.

Section 3073.1, 3076, 3078(e) of the Labor Code, and Sections 208, 210, 212(a) (4) (5) (7) (8), (b) (9), (c) (2) (6) (8) (9) (16) (18), of the California Code of Regulations. The program must offer training and supervision in all the work processes defined in its standards and has a system to ensure that apprentices cover all the work processes. The program must have a system of documenting and maintaining records that will assist in the review and evaluation of the apprentice's progress in job performance. The program must have a procedure for recording and maintaining accurate records, and a procedure for periodic review and evaluation of progress.

5. RELATED AND SUPPLEMENTAL INSTRUCTION (RSI)

The objective of our examination was to determine if apprentices are progressing on schedule, attending classes, covering the entire course of study, and to ensure the programs are maintaining accurate records with adequate systems in place to provide training.

(a) Findings:

The program has Related and Supplemental Instruction (RSI) and a Local Education Agency (LEA), which is City College of San Francisco, School of Applied Science and

Technology. All training is conducted at the Apprenticeship office in South San Francisco.

The Program uses the same semester system (sixteen weeks) as City College of San Francisco. The apprentices enroll in one class each semester, attending one night per week. All attendance records are given to the LEA for credit. Classes begin at 5:00 PM and end at 9:00 PM.

A minimum of 144 hours per year is needed before graduation. There are no costs to the apprentice for attending classes. Plastering instruction is from Operatives Plasterers' National Curriculum. There are from two to three classes held each semester to cover each year of the apprentices.

(b) Recommendations:

There are no recommendations needed at this time. .

Section 3073.2, 3078(d), of the California Labor Code, and Section 205(e)(h), 212(a)(3)(6)(7) (c)(13)(14) of the California Code of Regulations states that it is recommended that the program provide a minimum of 144 hours per year of supplemental instruction for each year of apprenticeship and adequate arrangements for related and supplemental instruction, and have the ability and commitment to train apprentices with current industry standard criteria.

6. TRAINING CENTER

The objective is to ensure the program has adequate facilities, tools, materials and equipment to train apprentices, and to determine if the facilities are utilized and adequate for training.

(a) Findings:

The training center is located at 132 Starlite Street in South San Francisco. The training center consists of one classroom and one shop lab, which is utilized for demonstrations and hands-on working booths to allow apprentices to make special projects.

Each apprentice must complete a variety of shop projects and show competency in applying the trade. There are sufficient supplies, tools and equipment for each apprentice to use while constructing the mockup displays. The instruction is done with good health and safety practices in mind.

(b) ***Recommendations:***

There are no recommendations at this time.

Section 3074 of the California Labor Code—Section 212(a) (3) (4) (8), (c) (13) (12), 212.3 of the California Code of Regulations states that the program sponsor must have adequate arrangements for related and supplemental instruction.

7. MECHANISM TO KEEP APPRENTICES RESONABLY EMPLOYED

Our objective is to determine if apprentices are kept reasonably employed, to ensure the program has adequate systems in places to rotate apprentices so they cover all work processes, and to provide apprentices with continuing employment in the event of a layoff.

(a) ***Findings:***

The review found the program has an established system to keep apprentices reasonably employed and to provide them with continuing employment in the event of a layoff.

In the event of a layoff, the apprentice must report to one of the hiring halls and notify the Business Manager of the Union within seven working days in order to obtain a job with another employer. The apprentices need to report to the hiring halls at least three out of five working days. It is the apprentice responsibility to keep the office advised of any phone or address changes that may occur. It is also the responsibility of the apprentice to be current in all fees or dues to the Local 66 to be eligible for dispatch.

Currently layoffs are widespread because of the down turn in the California economy. The Coordinator is in communication with the employers and the apprentices on a weekly base to connect the two for open positions

(b) ***Recommendations:***

There are no recommendations needed at this time.

Section 3080 of the Labor Code, and Section 212 (b) (7) (9), (c) (16) (18) of the California Code of Regulations. The program(s) must have a mechanism to keep apprentices reasonably employed and maintain accurate documentation Section 3080 of the Labor Code, and Section 212 (b) (7) (9), (c) (16) (18) of the California Code of Regulations.

8. JOB SITE VISIT

A review of the job site offers an opportunity to view a job in progress, observe the work that is being done, and allows us to discuss the operation of the program with the apprentice. It enables direct contact with the apprentice to determine the following:

- If the apprentice is performing the various task listed within the work processes of their trade.
- If advancements are made on schedule.
- If the apprentice is receiving the correct pay and benefits.
- If the apprentice is kept employed on a reasonably continuous basis.

  If the programs' mechanism to keep apprentices reasonably employed is adequate.

(a) Findings:

The Auditor requested that ten employers be called with apprentices at job sites. However, after calling the employers there were only five job-sites conducted.

There were two apprentices at Mills Hospital in Millbrea spraying fireproofing plaster under the supervision and direction of a journeyman. They were employed at tasks defined within the work processes of the program standards.

The next visit was at a private residence where a third year apprentice had the privilege of doing outside molding on a home getting refaced to the original style. He was using his experience in creating forms and molding.

In San Francisco, two apprentices were working on an apartment building using their knowledge of basecoat, browning, finishing work processes.

The next day the Auditor visited two apprentices working on a Mall in San Rafael. They were in their second year of the program and using the work processes of interior scratching, browning, white coat and exterior finishing.

The last site visit conducted was in Concord at a church. The first year apprentice was using veneer plastering and ornamental cornice work processes.

Interviews were conducted with the eight Apprentices and found they all had the equipment, materials and tools of the trade sufficient to train each apprentice. The Apprentices are receiving proper pay and benefits and are attending OJT classroom training. The interviews confirmed apprentices are advanced on schedule. It was confirmed that each Apprentice records their work processes each day in the Blue Books. The book is signed by the job site supervisor validating the work processes and OJT work hours. The interview with the supervisor confirmed there is a proper ratio of journeyman to apprentice and adequate supervision.

(b) Recommendations:

There are no recommendations at this time.

Section 208, 212(a) (1) (2) (4), (b) (4) (5) (6), (c) (6) (13) (14) of the California Code of Regulations states that all on-the-job training will be performed by journeymen, that all related and supplemental instruction required by the apprenticeship standards will be provided, that all work processes in the apprenticeship standards are being covered, and that graduates have completed the apprenticeship program's requirements.

9. SELF-ASSESSMENT REVIEW AND PROGRAM IMPROVEMENT PLAN

The objective is to determine if the program has submitted the annual Self-Assessment Review and Program Improvement Plan. The California Code of Regulations Title 8, Section 212.3 requires programs to perform an annual self-evaluation and to create an improvement plan. The DAS now requires that each program submit a copy of their Annual Self-Assessment Review and Program Improvement Plan to their apprenticeship consultant by December 1 of each year.

(a) ***Findings:***

The required annual Self-Assessment Review and Program Improvement Plan was submitted to the DAS Consultant for 2008 year.

(b) ***Recommendations:***

There are no recommendations at this time.

Section 212 (a) (6) (7), (c) (2) (11), 212.3 of the California Code of Regulations states that the program sponsor must submit annually a Self-Assessment Review and Program Improvement Plan to the DAS.

10. COMMITTEE MEETINGS AND MINUTES OF MEETING

Joint apprenticeship committees have equal representation from labor and from management. Each committee also includes a consultant representing the Division of Apprenticeship Standards or the Bureau of Apprenticeship and Training, U.S. Department of Labor. There is also an advisor from the local public school district and such other advisors and the apprenticeship consultant act without vote. This committee is responsible for administering the Standards for this program. In carrying out its functions, the committee has certain authority under the law. The actions, therefore, must be in accordance with approved apprenticeship standards and should be recorded in the minutes.

The objective is to determine if the apprenticeship committee is meeting on a regular basis, documenting actions, discussing and reviewing apprenticeship records, and making appropriate assessments and evaluations.

(a) Findings:

The committee provided the program meeting minutes for the past year. The meetings are held monthly on the third Tuesday. The frequency of the meetings are established and written in a trust document.

The programs rules and regulations state that this committee is a Labor/Management Co-Operative. Also noted in the rules and regulations are the three Labor Trustees and three Management Trustees. The committee also includes the apprenticeship coordinator and Local Education Agency Representative (LEA).

The minutes include the names of the committee members, prior meeting minutes, communications, Consultant report, raises, disciplinary actions, and outreach/women in the trade.

(b) Recommendations:

There are no recommendations at this time.

Section 3076, 3080(b), 3078(d)(f), 3079, 3093(k), of the California Labor Code, and Section 213, 218, 212(7), 208(5), 205(e)(f)(g)(i), 212(c)(1)(6) (9), 224 of the California Code of Regulations states that the program sponsor must maintain adequate documentation and records.

11. COMMENTS FROM PROGRAM SPONSOR

Comments, if submitted by the program sponsor during the 14-day review and comment period, will be included with this report to the Chief of DAS and ultimately to the California Apprenticeship Council.

12. CORRECTIONS AND TIMELINE

The audit findings and recommendations are set forth in this report. The program has 14 days from the receipt of this report to review and submit comments on the report.

Within 10-days following the receipt of comments or the completion of the comment period, a final report will be submitted by the Chief of DAS to the California Apprenticeship Council.

The final report will detail the findings with recommendations for remedial actions. The programs must remedy all deficiencies and be in full compliance with their apprenticeship standards. The programs must notify the DAS in writing when deficiencies have been remedied. A DAS representative will schedule an appointment to review the completion of the remedial actions. Failure to comply may be grounds for withdrawing state approval of the apprenticeship programs.

13. REMARKS

The results of this audit do not modify, replace or negate other duties and requirements or any previous notices you may have received regarding the fulfilling of your obligations prior to or after the audit period. In addition, law changes or new rulings might result in different findings in future audits.

Respectfully submitted by,

Linda C Knox — March 11, 2009

Linda Knox — Date

Apprenticeship Consultant-Auditor
DAS San Francisco and
San Jose District Offices

STATE OF CALIFORNIA
DEPARTMENT OF INDUSTRIAL RELATIONS
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Arnold Schwarzenegger, *Governor*

Date: March 12, 2009

To: Mr. Robert J. Noto, Coordinator
Bay Area Plastering Industry, JATC
132 Starlite Street
South San Francisco, California 94080

DAS File #00018

Ref: **Apprenticeship Program Preliminary Audit Report**

Dear Mr. Noto,

The audit of the Bay Area Plastering Industry, JATC, conducted in accordance with the provisions of the State of California Labor Code Section 3073.1, is complete. The audit resulted in the findings noted in the preliminary audit report.

The audit findings and careful examination of your apprenticeship program are outlined in the report attached with this cover letter. The program now has 14 days from the receipt of this letter in which to review and submit comments on the report. Within 10 days of the close of your comment period a final report will be submitted to the California Apprenticeship Council.

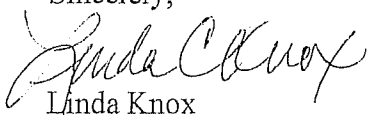
At the time of the audit you were informed of the audit procedures and informally presented with a brief overview of audit findings. If you have any questions regarding the report, please contact me for assistance. If there are any formal comments you wish to make, please submit them in writing to me at the above address, so that I may forward them to the Chief/DAS for his review.

The results of this audit do not rescind or replace other duties and requirements or any previous notices you may have regarding the fulfilling of your obligations prior to or after the audit period. Also, law changes or new rulings may result in different findings for future audits.

Please feel free to call on us any time we can be of service.You may contact me at the above address, or my cell phone at (415) 516-0513, or by Email at www.lknox@dir.ca.gov.

Thank you, to both you and your staff, for your assistance and cooperation during the audit.

Sincerely,



Linda Knox
Apprenticeship Consultant Auditor
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Bay Area Plastering Industry
Joint Apprenticeship Training Committee

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March 13, 2009

Ms. Linda Knox
Apprenticeship Consultant Auditor
Division of Apprenticeship Standards
455 Golden Gate Avenue, 10th Floor
San Francisco, CA 94102

Re: Receipt and Review of Apprenticeship Program Preliminary Audit Report

Dear Ms. Knox:

This letter is being written to inform you that the Bay Area Plastering Industry Joint Apprenticeship training committee has received and reviewed the Apprenticeship Program Preliminary Audit Report. The Committee has no comments on the report.

Sincerely,

Robert Noto
Apprenticeship Coordinator

CC: Chester Murphy, Business Manager, Plasterers' Local Union # 66