

MAINE STATE LEGISLATURE

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Maine Community College System

Maine Quality Centers Annual Report October, 2011

Summary

The Maine Quality Centers (MQC) was created in 1994 by the Maine Legislature as an economic development program within the Maine Community College System. This Report is submitted to the 125th Maine Legislature and its Joint Standing Committee on Labor, Commerce, Research and Economic Development in compliance with various reporting requirements. The Report is divided into two sections, including major program elements and a summary of projects active from July 1, 2010 through June 30, 2011. Data regarding MQC projects active during this reporting period includes the total dollar investment and projected job creation, as well as the actual numbers trained and hired, as of June 30, 2011. The Report's primary findings follow.

Project Activity

Active projects:	8
• MQC project expenditures:	\$336,260
• Total projected MQC investment in active projects:	\$850,499
• Total projected job creation:	732
• Total trained as of 06/30/11:	337
• Total hired as of 06/30/11:	160
• Average project wage:	\$15.20
• Total estimate of related private investment:	\$113,421,000

The Program

MQC's dual statutory mission is "...to meet the workforce education and training needs of new and expanding businesses in the State and provide new employment and career advancement opportunities for Maine people." The statute defines three primary purposes for the program; *job creation*, *workforce preparation* and *creating partnerships*. The program's public benefit is to serve the employer's need for additional skilled workers, give trainees portable work skills to compete in today's workforce and establish and maintain relationships that support regional economic growth.

The program is coordinated by a State Director, with individual project services delivered by the seven colleges of the Maine Community College System. Project funding supports customized training activities, as well as applicant recruitment and screening when appropriate. Most services are provided directly by a Community College, although the statute provides for coordination with other education and training providers if necessary. The program's budget for the fiscal year 2011 was \$859,726.

Interested businesses complete an application which is reviewed by the State Director for the number of net new jobs, skill level of new positions, wage and benefit levels, training required, rate of return on public investment and other pertinent labor market considerations. Once an application is initially approved, the business and a designated Community College develop a training plan that defines the customized services and training for the project. The parties sign a Memorandum of Agreement prior to the beginning of any training.

Individual projects vary in length, and training schedules frequently cross academic, fiscal and calendar years. Training may include academic credit, if appropriate, and may take place either before or after the business makes a hiring decision. A single project may include multiple cycles of training. Throughout the project, the Community College and the employer monitor the training activities and make adjustments as needed.

Program activities

During the reporting period the MQC expended \$336,260 on seven (7) separate projects located in different municipalities. Due to a postponement of scheduled training, one project that began in FY10 did not have expenses in FY11. The range of project expenditures was \$1,661 to \$138,081 with a median expenditure of \$31,469 and a mean expenditure of \$42,032. The range of total project grant award, over multiple years, was \$16,000 to \$254,508 with a median award of \$97,384 and a mean award of \$106,312. In their entirety the projects represent 732 projected new jobs. As of June 30, 2011, 337 people had been trained and 160 hired. The average project wage was \$15.20. The total MQC investment in the eight active projects over multiple fiscal years is expected to be \$850,499. These projects represent a projected private capital and payroll investment of \$113,421,000.

The attached table summarizes all projects that were active during the reporting period. Each project is summarized in its entirety and includes the projected total number of new jobs and actual data reported through the end of the fiscal year. Numbers of trainees and hires are project totals and may include numbers from previous years. The year listed reflects the date the project was approved and if another date appears, it represents a project amendment. Individual columns capture both the total value of the project, an expenditure that may be made over multiple fiscal years, and the actual expenditure level for the reporting period. Training and hiring activity may not yet be reportable for some newer projects. The chart also includes an employer estimate of the value of the planned workforce expansion's increase of annual payroll and capital investment.

Maine Quality Centers Annual Report to the Legislature

July 1, 2010 – June 30, 2011

FY11 Expenses	PROJECTS	LOCATION	COLLEGE	START DATE	PROJECT-ED JOBS	# of APPLI-CANTS	# TRAINED	# HIRED	PROJECTED AVG. WAGE	MQC INVESTMENT	PRIVATE INVESTMENT
\$1,661	Backyard Farms	Madison	KVCC	2006/09	172	62	62	62	\$14.02	\$43,346	\$53,700,000
\$0	Disability RMS	Westbrook	SMCC	2010	25	25	25	25	\$14.74	\$28,300	\$1,721,000
\$29,989	Fisher Engineering	Rockland	KVCC	2009	40	162	33	17	\$12.21	\$138,926	\$4,700,000
\$36,800	General Dynamics	Saco	YCCC	2010	30	45	16	0	\$20.73	\$102,465	\$4,000,000
\$32,950	Mid-State Machine	Winslow	KVCC	2006/08/10	98	74	59	42	\$11.56	\$254,508	\$12,000,000
\$138,081	PlumChoice	Scarborough	SMCC	2010	350	655	61	9	\$14.00	\$174,650	\$27,300,000
\$4,475	Resilient Communications	Brunswick	SMCC	2011	9	2	2	2	\$12.02	\$16,000	\$8,000,000
\$92,304	The Jackson Laboratory	Bar Harbor	EMCC	2010	8	3	79	3	\$22.30	\$92,304	\$2,000,000
\$336,260	8				732	1028	337	160	\$15.20	\$850,499	\$113,421,000