

# MAINE STATE LEGISLATURE

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**Maine Community College System  
Maine Quality Centers  
2008 Annual Report  
October, 2009**

**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 124th Maine Legislature and its Joint Standing Committee on Business, 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 during calendar year 2008. Next year's report will move to a fiscal year to be consistent with other reporting requirements and will also include the first six months of CY09. Data regarding MQC projects active in 2008 include their total dollar investment and projected job creation, as well as the actual numbers trained and hired, as of December 31, 2008. The Report's primary findings follow.

**Project Activity**

Active 2008 projects:	24
• 2008 MQC project expenditures:	\$547,637
• Total projected MQC investment in active projects:	\$1,142,125
• Total projected job creation:	1,067
• Total trained as of 12/31/08:	895
• Total hired as of 12/31/08:	702
• Average project wage:	\$13.17
• Total estimate of related private investment:	\$206,531,348

**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 2009 was \$850,495.

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 2008 the MQC expended \$547,637 on twenty-four (24) separate projects, with at least one project at six of the State's seven Community Colleges. The range of project expenditures in 2008 was \$144 to \$215,673 with a median expenditure of \$6,999 and a mean expenditure of \$22,818. The range of total project grant award, over multiple years, was \$3,457 to \$243,616 with a median award of \$25,913 and a mean award of \$47,589. In their entirety the projects represent 1,067 projected new jobs. As of December 31, 2008, 895 people had been trained and 702 hired. The average project wage was \$13.17. The total MQC investment in the twenty-four (24) projects over multiple fiscal years is expected to be \$1,142,125. These projects represent a projected private capital and payroll investment of \$206,531,348. Given the recent changes in the economy, MQC is beginning to explore piloting additional delivery methods to expand our ability to improve the skill levels of the unemployed and underemployed.

Last year MQC client businesses were included in the Comprehensive Economic Development Evaluation coordinated by the Department of Economic and Community Development. This effort evolved from a report by the Legislature's Office of Program Evaluation and Government Accountability. The survey was completed in 2008 and a report was made to the Legislature in 2009. The program will continue to work with its clients to support compliance with this evaluation effort.

The attached table summarizes all projects that were active in calendar year 2008. 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 calendar 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 calendar year 2008. 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 Legislative Report for Calendar Year 2008

CALENDAR YEAR EXPENSES	PROJECTS	LOCATION	COLLEGE	START DATE	PROJECTED JOBS	# of APPLICANTS	# TRAINED	# HIRED	PROJECTED AVG. WAGE	MQC INVESTMENT	PRIVATE INVESTMENT
\$5,152	Aroostook Starch	Fort Fairfield	NMCC	2006	26	26	14	16	\$14.69	\$30,235	\$5,492,575
\$7,822	Backyard Farms	Madison	KVCC	2006/2007	97	97	62	62	\$8.25	\$78,880	\$22,100,000
\$8,134	Burnham & Morrill (B&G Foods)	Portland	SMCC	2007	26	26	21	21	\$17.90	\$10,709	\$7,372,701
\$5,552	BurrellesLuce	Presque Isle	NMCC	2007	26	26	23	23	\$8.53	\$15,944	\$519,225
\$215,673	Cianbro	Pittsfield/Brewer	KVCC/EMCC	2007	64	75	58	57	\$13.47	\$243,616	\$2,246,400
\$14,069	Connect North America	Presque Isle	NMCC	2007	105	32	32	32	\$10.10	\$32,941	\$2,350,000
\$11,752	Disability RMS, Inc.	Westbrook	SMCC	2008	42	42	33	42	\$14.65	\$16,700	\$1,659,500
\$3,457	Flotation Technologies	Biddeford	YCCC	2008	16	18	18	18	\$12.33	\$3,457	\$661,635
\$89,556	General Dynamics	Saco	CM/SM/YC	2008	120	36	98	36	\$18.73	\$89,597	\$9,300,000
\$38,466	Global Contact Services	Pittsfield	KVCC	2008/2008	100	101	66	69	\$8.49	\$38,466	\$2,700,000
\$5,636	Group Main Stream	Westbrook	SMCC	2008	12	12	6	12	\$9.50	\$7,700	\$451,526
\$22,655	Jackson Laboratory (The)	Bar Harbor	EMCC	2007	48	48	102	44	\$12.08	\$84,840	\$13,047,562
\$2,513	JJUS, Inc.	Westbrook	SMCC	2007	23	23	24	24	\$14.88	\$16,321	\$1,786,732
\$3,645	Kenway Corp.	Augusta	KVCC	2007	30	23	32	11	\$10.00	\$21,660	\$1,850,000
\$20,803	Lohmann Animal Health Intl	Winslow	KVCC	2008	41	39	26	34	\$13.17	\$35,500	\$2,302,900
\$5,376	Louisiana-Pacific Corp.	New Limerick	NMCC	2007/2008	70	55	76	55	\$16.72	\$80,000	\$107,000,000
\$2,662	Maine Woods Pellet Co	Athens	KVCC	2007	16	37	18	7	\$12.00	\$20,600	\$7,500,000
\$7,476	Mid-Coast Mental Health Center	Rockland	KVCC	2006	30	43	10	20	\$11.75	\$40,473	\$465,920
\$40,806	Mid-State Machine	Winslow	KVCC	2006/2008	80	72	78	40	\$10.05	\$195,708	\$12,000,000
\$6,521	Mom's Fudge	Madawaska	NMCC	2008	6	6	4	4	\$11.66	\$12,400	\$287,000
\$144	Orion Ropeworks	Winslow	KVCC	2007	20	14	2	2	\$8.25	\$6,995	\$1,020,000
\$21,385	Pattison Sign Group	Limestone	NMCC	2007	15	43	43	29	\$11.19	\$30,165	\$877,475
\$3,643	Seligman Data Corp.	South Portland	SMCC	2007	19	19	19	11	\$20.22	\$11,793	\$140,197
\$4,738	VingTech	Biddeford	YCCC	2007/2008	35	33	30	33	\$27.41	\$17,425	\$3,400,000
<b>\$547,637</b>	<b>24</b>				<b>1067</b>	<b>946</b>	<b>895</b>	<b>702</b>	<b>\$13.17</b>	<b>\$1,142,125</b>	<b>\$206,531,348</b>