



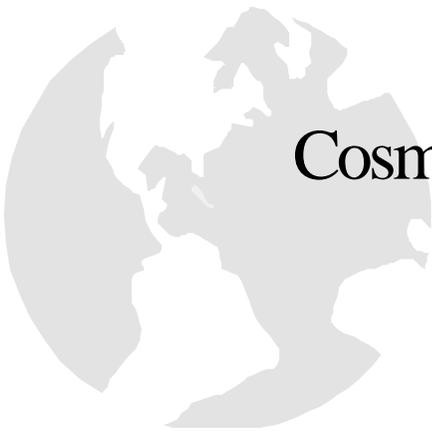
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STATE OF CALIFORNIA
DEPARTMENT OF INDUSTRIAL
RELATIONS
DIVISION OF APPRENTICESHIP
STANDARDS

AUDIT REPORT

For

**Cosmetica Cosmetology & Barbering
UAC, File 05083**



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.

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SUMMARY

The Division of Apprenticeship Standards (DAS) presents its audit report concerning the Cosmetica Cosmetology and Barbering Unilateral Apprenticeship Committee (UAC) program; DAS file number 05083, (hereafter "Program"). The Cosmetica Cosmetology and Barbering Unilateral Apprenticeship Committee (UAC) was selected randomly by the DAS for an audit. The audit was performed during December 16, 2008 and was conducted pursuant to California Labor Code §3073.1.

During the initial preliminary audit preparation it was discovered that the number of registered apprentices reported to the DAS were 77. The program satisfactorily accounted for all registered apprentices'. The program currently reports all withdraws and/or terminations requests to the DAS.

FINDINGS AND RECOMMENDATIONS

As noted in the detailed report which follows, the auditor found that some specific actions are necessary to bring the program into compliance with their approved standards and legal requirements. The program is doing a good job at keeping apprentices on schedule. The training facility and its instructor 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 and apprentices are keeping continuously employed.

Detailed findings and recommendations are included in this report. The coordinator was presented with a summary of the findings and a recommendation was presented to assist him in preparing the appropriate corrective action. The DAS will visit the program in the future to verify compliance with the recommendations. These DAS audit procedures allow the program to respond to the recommendations and their response will become part of this formal report.

AUDIT HIGHLIGHTS.....

Our review of the Cosmetica Cosmetology and Barbering Unilateral Apprenticeship Committee (UAC) program; Division of Apprenticeship Standards (DAS) file number 05083, (hereafter "Program") found that:

- Our review found that the program submitted revision of standards on November 2007.
- The program requires all apprentices to sign and confirm that they understand the programs Rules and Regulations. The apprentice files did contain signed copies of this document.
- The program made requests to DAS to cancel or complete apprentices. The number of registered apprentices for this program was correct.
- The program files contain consistent verifiable OJT work hours. The apprentice is required to complete a Daily Record form to track work processes. Work processes are consistent with program apprenticeship standards. All record of disciplinary actions due to poor work performance or excess absences are documented and found in apprentice file.
- The job site review found that the apprentices are completing the Daily Record form to track all work processes.
- The program completes and submits the annually required Self-Assessment Review and Program Improvement Plan to DAS.
- The program committee meeting minutes include formalize motions to approve indentures, upgrades, prior credit, cancellations, completions, evaluations and discipline of apprentices.

INTRODUCTION/BACKGROUND

On December 16, 2008 the auditor met with key administrative personnel, examined records, observed administrative activities, conducted a walk-through of the training facility and visited jobs sites in connection with the audit. The Cosmetica Cosmetology and Barbering Unilateral Apprenticeship Committee (UAC) program operates in coordination with the Southern California Cosmetology and Barbering Employers Association. The program has an Apprentice Trust Fund. The programs funding mechanism comes from employer contributions, Related Supplemental Instructional (RSI) Funds and state training fund contributions.

The Daily operations, management and administrative functions are run by two primary staff, the Business Representative and the Apprenticeship Coordinator, both use 100% of their time for apprenticeship, and both are full-time certified Training Instructors. The program office is located at 9050 Telegraph Road, Suite 201, Downey, CA 90241.

Employers are approved to train when they have completed an Agreement to Train Apprentices, DAS-7 form. The program indicated that employers 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: Cosmetologist
Term of Apprenticeship: 3,200 hours/ 24 months

Name of Occupation: Barber
Term of Apprenticeship: 3,200 hours/ 24 months

Number of Apprentices: 77

The Related and Supplemental Instruction is provided by the programs training center which is at the same site as the program operations. Each apprentice enrolled receives a comprehensive orientation packet that includes the rules and regulations, an explanation of the program standards, the Daily Record form and a class schedule. Hacienda La Puente Unified School District 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 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

- (1) Our review found that the program submitted revision of standards in November 2007. The program submitted a revision of wage and standards to the DAS in November 2008.

(b) Recommendations

- (1) Continue to submit revisions of the program standards and wage and standards to the DAS as needed. .

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

- (1) This review found that the apprentice files contained signed copies to show that the apprentice had received, read, or understood this document.
- (2) The rules and regulations for this program were adopted and contain 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.

- (3) The apprentice files contained copies of citation letters and after a review of the program committee minutes for the last 12 months, we found documentation of individual apprenticeship disciplinary actions.

(b) Recommendations

- (1) Review Rules and Regulations Apprenticeship Guidebook annually and update as needed.
- (2) Continue to document disciplinary actions and file in individual apprentices' files.

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

- (1) The program has requested completion requests and the numbers of registered apprentices for this program were correct.
- (2) The program is monitoring the apprentice progress as they proceed through training by reviewing elevations from the employer, training instructor and the apprenticeship coordinator.

(b) Recommendations

- (1) The program will continue to keep the DAS informed of indentures, cancellations and completions in a timely manner.
- (2) The program should continue to monitor the apprentice progress in the program at least every 30 days.
- (3) All changes affecting the status of the apprentices in the program must be submitted to the DAS.

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.

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

- Daily Record Form to verify work processes and track work hours. The form must be signed by the employer before turning in the book to the program.
- School Evaluation form from the instructor and Apprentice Record of Absence or Late form (school attendance) to assure required supplemental instruction is complete. Each apprentice is also required to use a time clock when attending school which recognizes the apprentice by using the last four numbers of their social security number. The apprentice is required to skill level evaluation test at the end of each semester before progressing on to the next level of training and must maintain a "c" grade average or above.
- The employer provides work evaluations every six months and may contain work hours completed. 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.
- The program keeps separate "advancement cards" on record for each apprentice. Each card keeps track of how many work and class hours the apprentice has completed. This card is used to advance the apprentice to the next level and receive a wage increase. The committee reviews each level change and the program keeps the date of change in the apprentices' file.
- 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.

The program issues all newly indentured apprentices the Daily Record Form to record their daily work assignments. The apprentice is then required to turn-in this form before they are advanced to the next level of training and receive a wage increase. Our audit of the files found that all apprentice files reviewed contained copies of the daily record form. In addition, the work processes listed were consistent with the program standards.

(a) Findings

- (1) The apprentice files verified all work hours.
- (2) The review found evidence of disciplinary actions due to poor performance or excess absences. We also reviewed the programs committee minutes for the last 12 months and found evidence of disciplinary actions or possible termination of apprentices.

(b) Recommendations

- (1) Continue to document all work hours and work processes and keep in apprentice individual files.

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.

The program has Related and Supplemental Instruction (RSI) and a Local Education Agency (LEA) which is Hacienda La Puente Unified School District in City of Industry, California. The classroom training center is located at the same location as the program.

The apprentice files included records of attendance, classroom hours, and evaluations/grade reports from the instructor. The apprentices will attend 120 hours of instruction and are scheduled each semester. Each student is issued a calendar with the schedule of classes. Classes start promptly at 10:00 A.M for a five hour period two Mondays per month.

Apprentices are required to sign in and out of class on an attendance form provided by their class instructor.

The program has several tracking systems in place that monitor the progress of the apprentices.

The apprentice files contained a consistent record of all absences related to school attendance. The files also contained grade and completion reports from the instructor with a recommendation that the apprentice is ready for the next level in training.

(a) Findings

- (1) Our review found the program is doing a good job of monitoring the apprentice progression through the required supplemental instruction and is providing the appropriate courses for this occupation.

(b) Recommendation

- (1) Explore and continue to provide updates to the program and the apprentice(s) on how the apprentice(s) is progressing in their required educational courses. Review curriculum and develop new courses to cover additional needs when needed.

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.

There are two certified instructors in this program. One instructor is dedicated full-time and one part-time to assist in the instruction. During our visit classes were not in session due to the end of school year period. The auditors spoke with the instructor who reviewed his records with us and toured the facility. The training center is located in the same location as the program office. The training center consists of one large classroom and shop labs utilized for demonstrations and on-hand working booths to make special projects. Each apprentice must complete a variety of shop projects and show competency in applying the trade. The instruction is done with good health and safety practices in mind.

(a) Findings

(1) Our inspection of the training facility found it to be sufficient to train apprentices.

(b) Recommendation

(1) The program should continue current practices and insure plans for growth are based upon the current successful model.

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 REASONABLY EMPLOYED

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

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. The program is associated with the Southern California Cosmetology and Barbering Employers Association and meets with business owners in the community to promote the apprenticeship program and the employment of apprentices.

(a) Findings

- (1) The program has a process in place to send out apprentices to employers.
- (2) The records found the referral system keeps the apprentices employed within their industry.

(b) Recommendation

- (1) The program should continue the system they have in place and encourage additional employer involvement.

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.

The program suggested five job site locations to visit. Telephone calls were made to arrange a review of the job site and contact was made with one location.

The auditor visited Oasis Beauty Salon and Exquisite Studio Hair and Nail Salon. The auditor found one apprentice working at each location under the supervision and direction of journeyman. The apprentices were employed at task defined within the work processes of the program standards.

Interviews were conducted with the two apprentices and found they have the equipment, materials and tools of the trade sufficient to train apprentices. Each apprentice receives proper pay and benefits and attends OJT classroom training. The interviews confirmed apprentices are advanced on schedule. We confirmed that each apprentice writes in the total hours of training in the apprentice Daily Record form. The apprentices state they rely on their classroom instructor and journeyman to ensure they are completing all work processes and OJT work hours. The form 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. Both apprentices are receiving proper wages and their job sites are properly covered by workers compensation insurance.

(a) Findings

- (1) The auditor(s) found that apprentices are properly completing the Daily Record forms provided by the program.

(b) Recommendations

- (1) The program should continue to monitor job sites ensuring apprentices are adequately employed at the work processes, recording OJT work hours, working under the direction of a journeyman and paid the proper wage rates and benefits.

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

- (1) The required annual Self-Assessment Review and Program Improvement Plan were submitted to the DAS for 2008, as required.

(b) Recommendations

- (1) Continue to submit the Self-Assessment Review and Program Plan as required by the DAS.
- (2) Use the Self- Assessment and Program Improvement Plan as a tool for setting goals for your program and adapt the listed changes during the previous 12 month period.

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

Unilateral apprenticeship committees have equal representation from Employers and Employer Associations. 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.

The committee provided the program meeting minutes for the past year. The meetings are held quarterly, unless more meetings are necessary to address certain issues. The frequency of the meetings was established and written in a trust document. As a reminder, a one week advance notice is sent out to all members and guest of the committee.

The programs rules and regulations state that this committee is an advisory panel. Also noted in the rules and regulations are the three (3) Apprentices and three (3) Management Trustees. The committee also includes the apprenticeship coordinator and Local Education Agency Representative (LEA).

The program stated that all disciplinary actions must be reviewed by the committee.

(a) Findings

- (1) Our review of the committee minutes for the last 12 months found records of disciplinary actions reviews, assessments and evaluations of apprenticeship records.

(b) Recommendations

- (1) The program committee should continue to document these actions in their committee minutes.
- (2) Ensure that DAS apprenticeship consultant is advised of committee meetings well in advance and the consultant will participate in meetings when possible.

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,

Alma Venable
Apprenticeship Consultant Auditor
DAS, Los Angeles District Office

Date