

To: Gulf Coast Workforce Board Members

From: Rodney Bradshaw
Mike Temple

Date: July 29, 2009

Subj: Board Meeting Materials for Tuesday, August 4, 2009

The next meeting of the Gulf Coast Workforce Board is scheduled for **10:00 a.m., Tuesday, August 4, 2009**, in the second floor Conference Room A, 3555 Timmons, Houston.

Chairman's and Committee Reports. Chair Thompson will recognize Monitoring and Audit Committee Chair Joe Garcia for the latest report following the Committee's meeting at our Humble location. Employer Services Committee Chair Gerald Andrews will review plans for the Recovery Act funds procurement and efforts to match training with emerging jobs. Career Office Committee Chair Kathy Shingleton includes material on customer satisfaction with service in our offices, discussion on improving efficiency in service delivery, and possible recognition for good customer service. The Committee will meet at 9:00 a.m., immediately prior to the Board meeting.

Action Items. The Early Education and Care Committee will conclude the public hearing on increasing child care provider rates. Chair Bobbie Henderson will present final rate recommendations resulting from the Committee's meeting immediately prior to the Board meeting. Our staff brings an action item requesting extension of current contracts for one month, through October 31, 2009. Staff recommend the Procurement Committee include review of current contracts for one-year renewal at the time it meets to review Recovery Act fund proposals. Contract renewal recommendations and Recovery Act fund recommendations, to be presented by the committee at the Board's October meeting. At our last meeting, we discussed how fund reductions are negatively impacting our ability to support core services in our offices. It is for that reason that staff does not recommend extension or renewal for our research project contract with Search. We propose to continue our close working relationship with Search in serving the homeless, but not continue funding for an office.

Information. Staff will review system performance and expenditures. The labor market report will provide an update on trends.

We hope to see you next Tuesday and encourage you to call if you have any questions.

The Gulf Coast Workforce Board Tentative Agenda

Tuesday, August 4, 2009 10:00 a.m.

H-GAC Conference Room A

3555 Timmons Lane, Second Floor, Houston, Texas 77027

1. Call to Order and Determination of Quorum

2. Adoption of Agenda

3. Public Comments

4. Minutes from June, 2009 meeting

5. Declarations of Conflict of Interest

6. Chairman's and Committee Reports

The Board Chair will discuss activities and information from the Texas and National Associations of Workforce Boards.

- a. *Audit/Monitoring.* The Committee Chair will report on the most recent meeting.
- b. *Employer Service.* The Committee Chair will discuss the committee's efforts to make sure Recovery Act funds for training are spent wisely.
- c. *Career Office.* The Committee Chair will report on the recent meeting.

7. Action Items

- a. *Early Education & Care. Public Hearing.* Consider increasing child care provider rates by up to 5%.
- b. Authorize staff to negotiate one-month contract extensions for Workforce Solutions contractors and Collaborative for Children through October 31, 2009.

8. Information

- a. *System Performance.* Staff will summarize current performance against Board measures and grantor requirements.
- b. *Expenditures.* Staff will report on current 2008 expenditures.
- c. *Recovery Act Update.* Staff will provide a brief report on programming for Recovery Act dollars.

9. Labor Market Report

Staff will provide monthly report on employment statistics and trends in the Gulf Coast Labor Market

10. Adjourn

The Gulf Coast workforce system helps employers meet their workforce needs and individuals build careers so both can compete in the global economy.



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**MINUTES OF
THE GULF COAST WORKFORCE DEVELOPMENT BOARD
TUESDAY, JUNE 2, 2009**

MEMBERS PRESENT:

Gerald Andrews	Elaine Barber	Ron Bourbeau
Carl Bowles	Charles Cook	Bill Crouch
Mary Duran	Joe Garcia	Mark Guthrie
Barbara Hayley	Bobbie Henderson	Tracie Holub
Guy Robert Jackson	Birgit Kamps	Jeff Labroski
Ray Laughter	Kathleen Long	Steve Lufburrow
Lynn Lumsden	Carolyn Maxie	Mindy May
Linda O'Black	Janice Ruley	Allene Schmitt
Richard Shaw	Myles Shelton	Kathy Shingleton
Frank Thompson	Evelyn Timmins	Massey Villarreal
Sarah Wroblewski		

H-GAC STAFF MEMBERS PRESENT

Rodney Bradshaw
Mike Temple
David Baggerly
Barbara Murphy
Joel Wagher

Mr. Frank Thompson, Chair, called the meeting to order at approximately 10:00 a.m., on Tuesday, June 2, 2009, in the 2nd floor, H-GAC Conference Room A, at 3555 Timmons Lane, Houston, Texas. Mr. Thompson determined that a quorum was present.

ADOPTION OF AGENDA

Mr. Thompson asked for an adoption of the agenda as presented. A motion was made and seconded to adopt the agenda. The motion carried.

PUBLIC COMMENT

Mr. Lance LaCour – Katy Area Economic Development Council and Ms. Ann Hodge - Katy Area Chamber of Commerce – spoke to the Board about a potential new Katy Career Office location.

MINUTES FROM APRIL 7, 2009

Mr. Thompson asked if there were any additions or corrections to the minutes for the April 7, 2009. A motion was made and seconded to approve the minutes as presented. The motion carried.

DECLARATION OF CONFLICT OF INTEREST

Ray Laughter declared a conflict of interest on item 7b/c.

CHAIRMAN'S AND COMMITTEE REPORTS

Audit/Monitoring

Mr. Joe Garcia explained that the Audit & Monitoring Committee met at the Spring Branch Career Office on May 27, 2009 to discuss multiple topics. During May, the regional quality assurance team visited the Northshore and Humble offices and began work on visits to Pasadena and Westheimer. Columbus, Sealy, Waller, Rosenberg, Downtown and Cypress Station will also be visited. Board staff visited the Employer Services division to complete the first of two reviews. Mr. Garcia recommended that an award banquet should be considered to recognize the exceptional efforts of field staff.

- Staff continue to see a large number of people looking for work – our largest locations have exceeded 1,200 visits a day. Poor quality job applications and less than acceptable record keeping continues to be a problem.
- Texas Workforce Commission will conduct its regular annual monitoring in mid-July and the U.S. General Accounting office will visit in June to observe summer jobs activity. U.S. Department of Labor will likely visit in early fall to review public services jobs as a result of Hurricane Ike.

Education

Ms. Allene Schmitt explained that to help increase graduation rates for high school students across the region, the Education Committee has focused on providing parents, students and teachers the best labor market information available about good jobs and how to prepare for them. Gilbreath Communications has put together material and training for a grass-roots public relations campaign and will start presentations in July 2009. There will be a brief training session after the August 2009 Board meeting for any Board members interested in making career planning presentations in their community. Material for the campaign include:

- A 6-minute flash video talking about the importance (and power) of career planning, the career planning tools, information we offer, and the different ways people can connect to us.

- Companion mini brochures
- Tools to help book, promote and prepare presentations to community organizations and schools
- Leave-behind materials such as a USB stick with the Workforce Solutions logo that contains a camera-ready article to include an organization’s newsletter, a sample email to send to parents, a flyer, a poster about the Career Cube and a DVD copy of the career planning video.

Early Education and Care

Dr. Bobbie Henderson explained that the Workforce Board sets maximum rates that child care providers can charge parents who receive our financial aid for child care expenses. Rates are normally set based on market survey data and adjusted accordingly. Dr. Henderson stated that we have not changed our rate structure in several years and have fallen behind the market.

- The Workforce Commission asked us to freeze rates several years ago, which has lead to a situation where inflation has driven rates paid by private individuals significantly higher than those paid by Workforce Solutions. The following chart illustrates how our current rates for licensed child care centers fall below the 75th percent of the median recommended by U.S. Department of Health and Human Services.

Licensed Child Care Centers	GCWB Current Reimbursement Rates		Market Rate Survey Conducted February 2008		
	Maximum Daily Rate	Maximum Daily Rate - 5% Diff	Mean	50 th Percentile (Median)	75 th Percentile (Recommended by US DHHS)
Infants	\$24.72	\$26.22	\$35.15	\$33.78	\$43.97
Toddlers	\$21.63	\$22.94	\$33.11	\$32.83	\$43.14
Pre-School	\$19.57	\$20.76	\$29.66	\$26.57	\$39.19
School Age	\$18.54	\$19.47	\$31.12	\$31.13	\$37.38

- In all age groups, even our quality vendor rates (paid to Texas Rising Star/TEEM/School Ready centers and 6% higher than rates paid normal vendors) is well below the median price in our area.
- Rates for registered homes show that Workforce Solutions rates for some age groups are below the average for our area, while others slightly above the average.

Registered Homes	GCWB Reimbursement Rates		Market Rate Survey Conducted February 2008		
	Maximum Daily Rate	Maximum Daily Rate - 5% Diff	Mean	50 th Percentile (Median)	75 th Percentile (Recommended by US DHHS)
Infants	\$20.60	\$21.85	\$21.66	\$21.10	\$25.00
Toddlers	\$18.54	\$19.66	\$18.44	\$17.10	\$22.00
Pre-School	\$17.51	\$18.57	\$16.97	\$16.13	\$20.00
School Age	\$13.35	\$14.06	\$14.52	\$15.00	\$16.05

- We have heard that more and more vendors are charging parents the difference between what Workforce Solutions pays and their published rate, resulting in parents paying much more than the usual and normal parent fee.
- While Texas Rising Star (TRS) vendors still sign agreements that restrict them from charging customers the difference, we have had one provider drop out of TRS in order to be able to charge the difference to their parents.
- The increase in the minimum wage this summer will additionally increase costs for many providers as their workforce is largely paid at or near that level.

Dr. Henderson stated that the Board should consider increasing the maximum rate paid to all providers by 3.5%, not to exceed the median rate charged by vendors in our region for each age group and vendor type.

- For this year, the Financial Aid Payment Office projects a rate increase that will decrease the numbers of families we can provide financial aid to by approximately 1%. This would not affect our ability to meet the state's production requirements this year.
- The proposed rate increase will not affect our current open enrollment status for child care financial aid.
- The Financial Aid Payment Office also projects that the 3.5% increase will not affect our ability to meet the state's production targets for next year.
- Based on current allocation formulas, by increasing vendor rates, we believe we will bring more funds to the region in the long term.

Next steps will be to move forward with public notice and public comment on the proposed rate increase. The committee will present final recommendations for Board action at the August 2009 meeting.

ACTION ITEMS

- a. Public Hearings: State Compliance Plan. Consider updates to the Board's state compliance plan for 2010.

Ms. Barbara Murphy explained that each year we prepare a compliance planning document for the Texas Workforce Commission to ensure a continued flow of funds for operating the regions workforce system. This document addresses both the Board's strategic vision and its operations.

The Board's strategic plan stands as the organizing and driving force for the workforce system and includes statements of the Board's core values, mission and vision that explain what its members value most, why they exist as a Board and where they want to be at some point in the future. The compliance plan document describes our system of career offices and the employer services division, our collaboration with community partners, the financial aid we provide customers and our approach to measuring performance and the customer feedback processes.

Using our current experience as a guide, we expect to serve more than 33,000 employers and more than 450,000 residents this coming year. Initially we expect to have about \$178 million in total resources available for the year.

Following is a brief summary of key operations information:

Employer Service

▪ Employers served	35,000
▪ Market share	26%
▪ Repeat customers (loyalty)	18,000
▪ Jobs filled	50,000
▪ 50 staff	

Resident Service

▪ Residents served	416,600
▪ Residents entering employment	300,000
▪ New jobs created	2,000
▪ Residents with 20% earnings gain	124,000
▪ Total financial aid	\$100,000,000
▪ Customers receiving financial aid	40,000
▪ 29 local offices and 800 staff	

A motion was made and seconded to approve the state compliance planning document for submission to the Texas Workforce Commission. The motion carried.

- b. Budget Committee: Consider committee's recommendations to amend 2009 budget and include American Recovery and Reinvestment Act funds of \$54.4 million for a total amended budget of \$232.7 million.**

Mr. Mark Guthrie stated that each year the Board approves a budget showing how it uses the revenue it receives to achieve the results set out in the Board's strategic plan. Mr. Guthrie explained that we recently received \$31.7 million in additional revenue from the federal stimulus legislation known as American Recovery and Reinvestment Act. We are expecting an additional \$22 million in the near future. The Board also received a small increase in two special state revenue sources bringing the revised 2009 budget to \$232.7 million.

There is more guidance than usual on the Recovery Act money

- Both the federal and state government have asked us to spend about \$8 million of our Workforce Investment dollars on scholarships and financial assistance, particularly for individuals training in our high-skill, high growth occupations and "green" jobs
- At the last Board meeting, we committed \$14.7 million of the Recovery Act funds for summer youth jobs.
- We have just under \$5 million of Recovery Act money committed for staffing. This money will provide 78 much-needed Employment Service positions for about 16 months to help with the current influx of unemployed workers.
- We will propose that additional Child Care Development Block Grant money, when it becomes available, be used for both direct financial assistance to parents for early education expenses and allowable improvement activities for early education/care providers.
- We are proposing an increase in the staff operations budget of about \$330,000 or 7%.
 - We would like to bring on some temporary staff during the summer to help us manage the large summer jobs project. We are not asking for any additional permanent positions, just temporary workers. We've also projected some additional money for temporary staff travel expenses.
 - We're proposing additional marketing dollars to advertise summer jobs and provide more workshops for unemployed workers.
 - We are also proposing adding a second financial monitoring contractor to make sure we are adequately checking on our additional contractors and the large summer payroll.

We are also proposing these next steps to appropriately spend Recovery Act funds.

- Develop and implement a policy to provide needs-related payments. “Needs-related payments” are a form of income assistance we can provide to customers who are in school on our scholarship dollars. This type of payment is available to unemployment compensation recipients—usually our “dislocated workers” when their unemployment benefits end.
- Identify and support training and re-training for green jobs and critical employer demand. We are beginning to explore with area employers their needs for skilled green-job workers, as well as ways we can help unemployed workers move more quickly into jobs employers have with some training or retraining. We would plan to commit some Recovery Act funds to projects developed with and for employers. This could involve directly soliciting and contracting with providers, such as our community colleges, for the training.
- Develop stronger relationships for service to youth. We anticipate some funds remaining at the end of the summer jobs. We would propose using any leftover funds to help strengthen our relationship with the region’s foster care system and explore how we might assist county juvenile probation departments with career information, financial aid, and job matching/placement.
- Support other Recovery Act initiatives as appropriate. Recovery Act funds are becoming available for other kinds of service and projects in the region, including housing and transportation. Through the strategies noted above, we would plan to support these efforts.

A motion was made and seconded to approve amending the 2009 Board budget to \$232.7 million, including an expected additional \$54.4 million in Recovery Act funds. The motion carried.

INFORMATION

What Are Green Jobs

Ms. Nancy Tootle explained that there is no standard definition of a green job, and green work can be found in a variety of industries and occupations. The U.S. Department of Labor says that “green” jobs and careers involve new and better ways of conducting work activities that benefit the environment, such as through reductions in waste and pollution and excessive energy use. Industry sectors in our region that are or will be supporting green jobs include Energy, Construction, Transportation, Advanced Manufacturing, Agriculture and Natural Resources. New jobs will be created, but in general, they will require the same skills and certifications as many current jobs.

We believe the best the best place to start - is conversations with our local employers needing new workers or skill upgrading for current workers for green-related work. We plan to have those discussions over the next several months and bring initial

recommendations from these employers on the use of Recovery Act funds for green jobs to the Board's Employer Service committee in late July 2009.

System Performance

Mr. David Baggerly reviewed the System Performance measures for October 2008 through April 2009. These measures gauge progress toward meeting the results set out in the Board's strategic plan. There are two sets of measures: one for the regional workforce system and one for the Board's operating affiliate, Workforce Solutions. The report is based on Workforce Solutions measures.

For Workforce Solutions

More Competitive Employers –

Employers Receiving Services (Market Share) – we expected to provide services to 32,200 employers this year which is 25% of the 128,708 employers identified for the Gulf Coast area. Through April, we provided services to 25,657 employers.

Employer Loyalty – our performance indicates our employer customers value our services and return to us for additional services. Of a possible 17,680 employers, 13,610 returned to The Workforce Solutions for additional services.

More and Better Jobs –

New jobs created – This information is captured quarterly and reflects a two year average. We worked with employers who added 2,374 new jobs annually.

Customers employed by the 1st quarter after exit – with two quarters of data, 224,953 of the 284,764 customers who exited from services were employed in the quarter after exit.

Higher Real Incomes –

Exiters with Earnings Gains of at least 20% - Reporting for three quarters, 92,998 of the 266,476 who exited had earnings gains of at least 20%.

A Better Educated and Skilled Workforce –

Customers pursuing education diploma, degree or certificate who achieve one – through April, 428 of the 2,051 customers pursuing an education diploma, degree or certificate achieved one.

In addition to the Board's measures, we agree to meet the state's expectations for performance on seventeen indicators related to the money we receive from Texas Workforce Commission.

Of these fifteen measures we are not meeting the target for two measures.

- WIA Adult Average Earnings – The target for this measure is \$12,400. Our performance for three quarters was \$11,487.
- Claimant Reemployment – the target for this measure is 67%. Our performance for two quarters was 63.1%.

We continue to work closely with our customers to improve performance on all measures.

Expenditure Report

Mr. Rodney Bradshaw reviewed the Financial Status Report for two months ending April 30, 2009. Mr. Bradshaw explained that everything was on target and looked good.

Revenue Reductions for 2010

Mr. Mike Temple stated that last year we experienced a sharp drop in the core revenues for our career office system – the Workforce Investment Act money. Again in 2010, we will see a drop in those revenues. The formulas which distribute funding around the country are largely based on unemployment statistics. The Workforce Investment Act formulas also tend to lag current conditions- the number of unemployed workers in our area are rising now, but the data used in the national formulas represents the situation as much as a year ago. Significantly higher numbers of unemployed workers in places such as Florida, Michigan, Ohio, Pennsylvania, and California have the effect of redirecting money from places such as Texas, with relatively lower unemployment.

With recent revenue planning estimates from the state, we expect to see a reduction of about \$3.5 million or a little more than 10% in Workforce Investment Act funds for next year. The following chart summarizes drops in this core part of our system revenue for the past two years.

	2008	2009	Chg	2010	Chg
Workforce Investment, Total	\$42,210,421	\$33,022,755	-22%	\$29,608,423	-10%
Adult	14,019,456	12,014,830	-14%	11,199,937	-7%
Dislocated Worker	13,875,792	8,902,355	-36%	7,081,013	-20%
Youth	14,315,173	12,105,570	-15%	11,327,473	-6%

We have received \$26.8 million in Recovery Act Workforce Investment dollars with approximately \$23 million of those funds reserved for financial aid (scholarships and financial assistance) and all of the Recovery Act money is to be spent on supporting additional and extra activities, not our basic operations.

LABOR MARKET REPORT

Mr. Joel Wagher explained that the Gulf Coast Region lost 35,300 jobs from April 2008 to April 2009. This was the largest year-over-year decline since May 1987. April's

unemployment rate is at a six year high and initial claims for unemployment benefits continue to grow. Local economists are forecasting that our area might lose around 50,000 to 60,000 jobs this year. There is still some growth in a few sectors – retail trade, mining & logging, government and education and health services. The Gulf Coast Region’s unemployment rate for April 2009 was 6.3 percent, up from 3.9 percent in April 2008.

LEGISLATIVE UPDATE

Mr. Frank Thompson stated that the past legislative session was an interesting and busy session. “Mr. Thompson reported that he and Vice Chairman Guthrie were successful in halting legislation that would have broken Harris County out of the Board’s service area by educating legislators on the negative consequences of the proposal to residents and businesses. He reported that they had also worked to educate legislators on the negative impact of separate legislation that would have changed the composition of the Houston-Galveston Area Council. He noted that monitoring public policy proposals can be an important part of the job of being a Board member, and urged Board members to do so in the future.

Mr. Bradshaw, on behalf of the Houston-Galveston Area Council and the Board, thanked Mr. Thompson for his hard work during the legislative session.

ADJOURN

There was no further business to come before the Board, the meeting was adjourned.

Audit/Monitoring Committee

July 2009 Monitoring Update

Recent Activity

Visits. During June, the regional quality assurance team visited the Pasadena, Westheimer, Rosenberg and Cypress Station offices and began work on visits to Downtown and Lake Jackson.

- Staff continues to see large numbers of people looking for work. We continue to see poor quality job applications and less-than-acceptable record-keeping in the offices.
- While we need to improve the quality of job applications, the quality of job postings—the responsibility of Employer Service—is good.

Summer Jobs. We have hired temporary staff to help review the summer jobs project. They have monitored 11 of the 13 managing contractor's worksites for a total of 267 visits.

- We found payroll issues for the first part of the summer, but that is now working much better.
- We have found many worksites who were expecting youth workers, who have not received any.
- We have closed one worksite due to inadequate supervision.
- A few youth have been terminated due to inappropriate activity at the worksite.
- The summer monitors have also reviewed the remaining hurricane Ike worksites.
- The summer monitors and the QA team did a summer youth eligibility review and found no problems.

Financial Reviews. We completed annual financial compliance reviews for NCI, Arbor and ETC. NCI's report is issued with several findings. Arbor and ETC have not been issued yet.

Other Activities

- The QA team will be visiting Downtown and Lake Jackson and begin work on Northline and Conroe.
- We hired an additional financial monitoring firm to help with reviewing summer jobs contractors and payroll.
- The Texas Workforce Commission has made its regular annual monitoring visit. The U.S. General Accounting Office has made its first visit to observe the summer jobs activity. We will see them several times during the stimulus money activities. The U.S.

Department of Labor will visit in August to review summer youth activities and return early fall to review public service jobs we put in place after Hurricane Ike.

Employer Service

Using Recovery Act Funds

The Employer Service committee met on Tuesday, July 28, 2009 at 10:00 a.m. in H-GAC's Conference Room C. Chairman Gerald Andrews and members Mark Guthrie, Lynn Lumsden, and Bill Weaver attended.

The Federal Vision

The Recovery Act is intended to preserve and create jobs, promote the nation's economic recovery, and to assist those affected by the recession. Examples cited include helping:

- A engineer on lay-off refine her resume,
- A construction worker develop skills in using in "green" technology, and
- A nurse's aide enroll in training that puts her on the road to higher skilled and higher paying jobs

Additionally, Recovery Act workforce dollars should help "transformational efforts" which make it easier for individuals move more easily between the labor market and continuing education/training. The legislation encourages integrated regional approaches which focus on renewable energy, broad and telecommunication, health care, advanced manufacturing and other high-demand industries.

Guidance

As we noted before, the Recovery Act money comes with somewhat more guidance than usual. The U.S. Department of Labor wants to make sure we all do the following things:

- Ensure transparency and accountability in committing and spending the money;
- Implement projects and spend money in a timely manner;
- Use current labor market data to guide strategic planning and service delivery; and
- Increase workforce system capacity and service levels.

We have to spend Recovery Act money concurrently with our regular allocations, and we cannot use the Recovery Act dollars to "fill in" for our normal and usual system costs.

In addition:

- The federal government wants us to focus on assisting lower-income, less-skilled individuals as well as those who have recently lost jobs and "disconnected" youth.
 - This mean—practically speaking—that we direct service we buy with Recovery Act dollars to those kinds of customers.

- Where possible, we should use our dollars to support other Recovery Act-funded activities, such as public works projects.
 - Currently there are not many of these projects up and running. As they come up, we will work with the employers engaged on these projects to help them with hiring and training requirements, if necessary.
- Where possible, we should use the Recovery Act dollars to support training for green jobs.
 - We're not sure yet how to focus on green jobs in this region.
- We can use our Recovery Act money to contract directly with training providers for specific training.
 - We plan to take advantage of this change to the federal regulations governing our money by soliciting class-size and specific project training.

Training for Jobs

Over the past 30 days, we have been working with area employers to understand current and future needs for workforce development. We have learned the following:

- Global and nation-wide companies are continuing to restructure and downsize. We see more layoffs and fewer new job openings.
- Larger employers across the region have indicated that they do not anticipate creating new jobs until early in 2010 but they are actively reviewing options for meeting future energy-efficiency goals which could mean an increased need for green workers.
- Medium and smaller businesses are also experiencing economic challenges. There is generally less hiring, and businesses face a better market for finding new workers.

We talked also with business consultants to find out what kinds of employers were hiring and what their needs for new workers and skills were. The following chart summarizes what we learned.

Occupation	Employers	Focus Area
Electricians	Grant Electric	Work-based ESOL for current workers
	Independent Electrical Contractors Association	Basic Electrical
I&E and Green Energy Designers/Engineers	Industry Consortium	Basic skills for design, energy efficiency, and installation of solar energy systems
Welders/Pipefitters	S&B Engineering / Petrochem Collaboration	Basic to Apprentice Level Training/Women, Minority and Veterans
	Fluor	Basic skills training for future projects
HVAC	Commerical building services, school districts, hotels	Includes EPA certifications/other specialized training for energy efficiency
Forklift	Igloo and Other employers in area	Stand-up forklift operation
Crane Operators	Port Operations and Petrochem	Basic crane operations for new equipment
Manufacturing line workers	Igloo, others	Blow mold injector machine operations
Unspecified health care	Gateway to Care	Community health care workers

With all of this information in mind, we've developed a request for proposals that will use our Recovery Act funds to

- Provide occupational skills education and training that meets the needs of employers in our region's key industries by preparing people for well-paying, high-skill, high-growth jobs
- Operate classroom-sized education and training project and place successful graduates in good jobs
- Provide services, in conjunction with training, to help engage and promote success for people with little work experience and few jobs skills such as intensive mentoring, counseling and coaching
- We will entertain project proposals from employers, employer associations, community colleges, universities, licensed career schools, community-based organizations, and consortia of organizations.

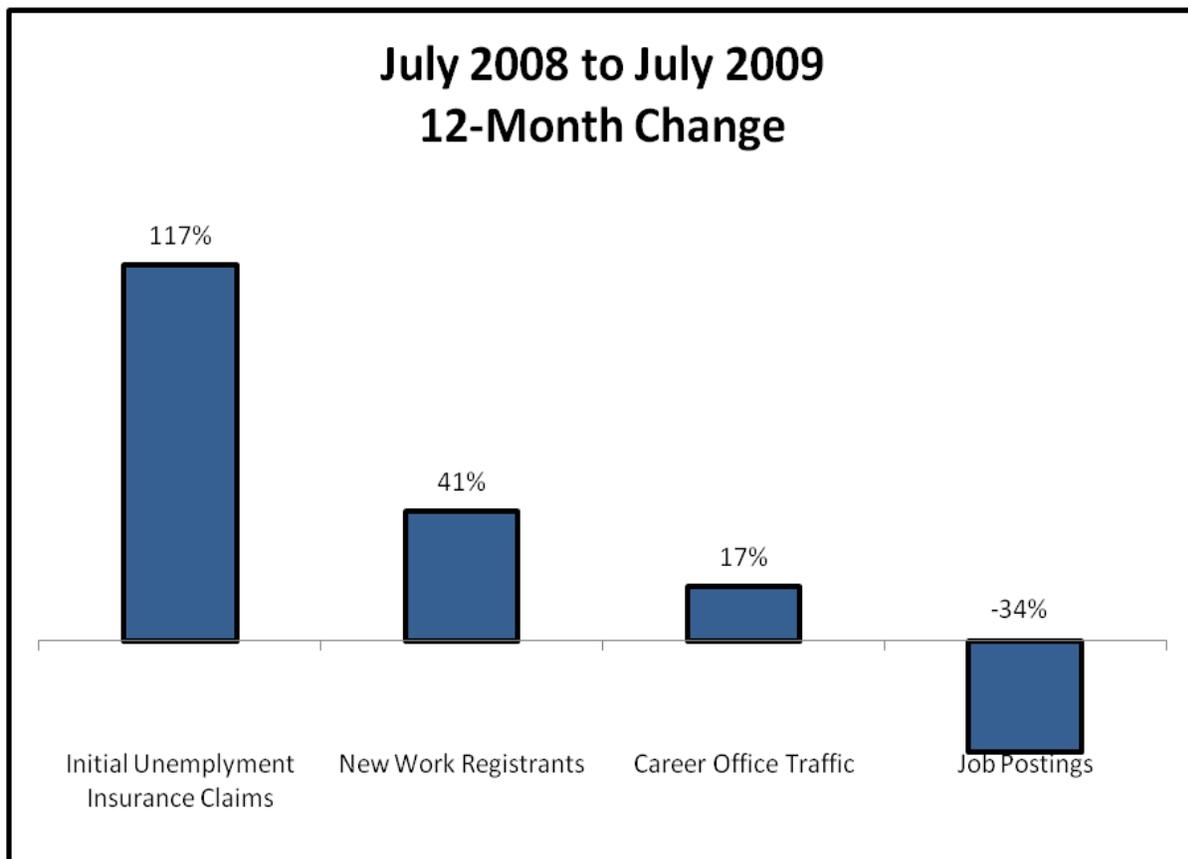
We think this will allow us to put resources in place that help the employers we identified above and meet the federal expectations for using Recovery Act dollars.

The Board will see proposals from this request in September and October, and we hope to put contracts in place November 1 that will appropriately spend our resources by June 2011 – and provide a significant number of well-trained workers for our local employers' critical needs.

Career Office Committee How Are We Doing?

More people are asking us for help

- For the most recent 12-month period new unemployment claims are up 117% over the previous 12-monhs
- For most recent 12-monthstth period, new registrations in WorkInTexas.com increased 41%
- Office traffic has increased 17% to more than 2.5 million visits to 6 fewer offices
- We expect to serve 470,000 individuals through September 30, 2009
- New job postings are down by 34% from 59,176 in the 12 months ending June 2008 to 38,857 new postings in the last 12 months ending June 2009



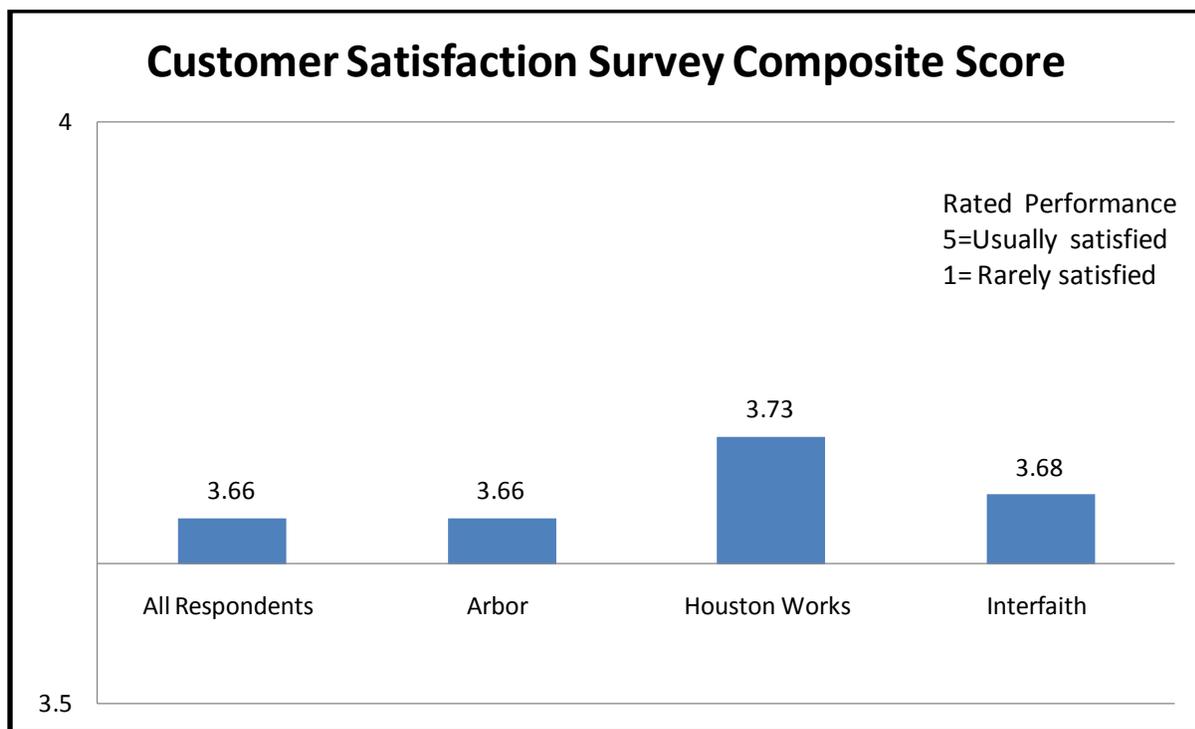
What our customers think of us

In March 2009, Saurage Research sent an email survey to 121,324 Workforce Solutions customers. 7,466 customers responded to seven questions. The customers rated six questions for importance on a scale of 1 – 5 in the following order.

- Workforce Solutions has knowledgeable staff
- I receive the help I request
- I am satisfied with serviced received
- Workforce Solutions services help me get a job
- I am confident I will get a job using Workforce Solutions
- I was promptly greeted in a friendly manner
- The last question on the survey asked all customers to answer “yes” or “no” - “I would recommend Workforce Solutions to others”

Each respondent then rated their satisfaction with our service on each questions.

Your packet contains ratings for the system, by office, and by contractor. The chart below shows the composite scores by contractor.



What we think about ourselves

Regional Quality Assurance Team

We formed a team of 10 people from each of our contractors and Board staff. They visit each of the career offices, the Employer Service division, and our other contractors to conduct service quality and compliance reviews. Currently, we are completing an initial review of all 28 career office locations.

Career Offices

Before we go to an office, we do a comprehensive desk review that includes looking at records representing all aspects of our customer service (basic service, expanded service, and financial aid). When we go on-site, we: (1) ask any questions we have about particular customers or records from our desk review, (2) pull physical files to check service and compliance issues, (3) observe the office during business hours, (4) talk with staff and management about their jobs, and (5) talk with customers.

We check to see that

- The staff provides good professional advice to our customers;
- Management is making sure the office works well for our customers and that staff are trained and productive;
- Our customer service records are complete, accurate, up-to-date, and compliant with all requirements;
- The office follows Workforce Solutions franchise operational requirements, policies and procedures; and
- The office complies with basic federal and state requirements.

To date the teams have found

- technically qualified staff don't always offer the high quality professional advice customers say is important
- applications in the matching system are poor
- notes on employment plans for customers with extraordinary needs often relate more to a discussion of rules than progress toward employment
- staff entered job postings are good
- follow up with employers is inconsistent – some offices do it well and others don't
- high error rates on both service and compliance records are not always serious errors
- a wide disparity in the overall quality of the office operation including effectiveness of management and quality of customer service

Summer Jobs Update

- Using approximately \$14 million of stimulus money we contracted with fourteen organizations to recruit low income young people for subsidized summer jobs. Our career offices determined the youth's eligibility.
- To date, we've placed about 3,500 young people in jobs and provided some level of service for more than 4,000.
- Many more 14 and 15 year olds wanted jobs than we could place.
- Our contractors are arranging several two-week work activities for some of these youngsters. They will earn minimum wage for each hour they work.

Career Office Committee

Recognizing Exceptional Work

Background

At times we have discussed ways in which to recognize outstanding work in our system. Board members have suggested different approaches, including providing some kind of award or holding an awards event. There are several factors to consider in designing a recognition program.

- What do we want to achieve?
- What criteria should we use?
- How and who makes the judgment?
- What kind of recognition do we give?

Encouraging Good Work

We think it's most important to encourage staff to deliver high quality service to our customers. That means rewarding staff who demonstrate this ability, either individually or in groups – including work teams, offices, or service units.

Criteria and Judgment

Quality service isn't always about hard outcomes or production data. Although it's important for our offices, Employer Service and the Financial Aid Payment Office to deliver results and meet production targets, we think that recognition for exceptional work ought to focus on what our customers says is most important to them: a knowledgeable staff.

Criteria for making awards would most likely be based on observation and/or customer feedback. Consequently, we would limit the recognition to specific behaviors or demonstrated abilities and be careful about who judged if the work was exceptional.

Kinds of Recognition

We are a public organization and therefore limited in the ways in which we can recognize staff. Some of the ways we can do this include:

- On-the-spot, one-time, small cash or in-kind awards
- Bonuses or one-time merit pay
- Certificates or plaques
- Public recognition in front of the Board

Next Steps

We recommend forming a workgroup to bring the committee a plan for recognizing exceptional work. The workgroup would make suggestions about the criteria for recognition, who would make the judgment that some work was exceptional, and what kind of recognition would mean the most to staff.

Career Office Committee

What's Next

Background

We expect to see the money we use for basic system operations continue to shrink. Last year, we had to close six career offices because of this reduction in basic revenue. We did open three smaller, different locations—dubbed “self-service” offices—and are currently experimenting with other ways to serve individuals without requiring them to physically come to an office.

What's New

- **Self-Serve Locations**
 - Smaller footprint (about 3,000 square feet) and fewer staff (six to eight)
 - On-line, real-time connections to “virtual” staff for service not normally available at a self-service site (i.e., financial aid)
 - Varied experience so far

- **Social Networking**
 - A workgroup of young staff members from each of our major contractors meets to discuss how we can use social networking sites in our business.
 - The employer Service Division has a group of four special recruiters who work to fill jobs in our targeted industries. Another group of four staff works to connect with, and serve, the hospitality industry. Both groups use social networking sites extensively to recruit candidates.

- **Electronic Service**
 - We have had preliminary talks with representative of Microsoft about how do use technology in our business. We would like them help us develop a system that allows our customers to apply for financial aid on-line.

- **Seminars through electronic media and in community locations**
 - Our goal is to allow our customers to attend a seminar using electronic media or in community locations
 - More than 3,500 customers have attended seminars in community locations since January 1, 2009

- **Call Center Activities**
 - An additional 13 temporary positions paid from stimulus funds were added to our telephone placement unit. The unit will become a call center for new Unemployment Insurance recipients who must contact us to keep their benefits.

Where is our future?

- ✓ People get information differently now than in the past. What does that mean for our business?
 - Do our customers need something new from us as job search methods change?
 - How can we use new forms of communication to help people get a job, keep a job or get a better job?

- ✓ Our major cost is staff – almost three-quarters of our budget is spent for staff in Employer Service and the offices. Even though donated or inexpensive space helps, it cannot alone result in a significant reduction in our costs.

- ✓ Call centers might allow us to give information to customers in all thirteen counties that results in quicker, less expensive help for some customers?

Early Education & Care

Proposed Rate Increase for Child Care Providers

Background

The Workforce Board sets maximums for the rates child care providers charge parents who receive our financial aid for child care expenses. We normally set these rates based on market survey data and adjust them from time-to-time.

Current Situation

Because we have not changed our rate structure in several years, we appear to have fallen behind the market.

- The Workforce Commission asked us to freeze rates several years ago. This has led, we believe to a situation where inflation has driven rates paid by private individuals significantly higher (in some cases) than those paid by Workforce Solutions. The following chart illustrates how our current rates for licensed child care centers fall below the 75th percentile of the median recommended by U.S. Department of Health and Human Services.

Licensed Child Care Centers	GCWB Current Reimbursement Rates		Market Rate Survey Conducted February 2008		
	Maximum Daily Rate	Maximum Daily Rate - 5% Diff	Mean	50 th Percentile (Median)	75 th Percentile (Recommended by US DHHS)
Infants	\$24.72	\$26.22	\$35.15	\$33.78	\$43.97
Toddlers	\$21.63	\$22.94	\$33.11	\$32.83	\$43.14
Pre-School	\$19.57	\$20.76	\$29.66	\$26.57	\$39.19
School Age	\$18.54	\$19.47	\$31.12	\$31.13	\$37.38

- In all age groups, even our quality vendor rates (paid to Texas Rising Star/TEEM/School Ready centers and 6% higher than rates paid normal vendors) is well below the median price in our area.

- Rates for registered homes show that Workforce Solutions rates for some age groups are below the average for our area, while others slightly above the average.

Registered Homes	GCWB Reimbursement Rates		Market Rate Survey Conducted February 2008		
	Maximum Daily Rate	Maximum Daily Rate - 5% Diff	Mean	50 th Percentile (Median)	75 th Percentile (Recommended by US DHHS)
Infants	\$20.60	\$21.85	\$21.66	\$21.10	\$25.00
Toddlers	\$18.54	\$19.66	\$18.44	\$17.10	\$22.00
Pre-School	\$17.51	\$18.57	\$16.97	\$16.13	\$20.00
School Age	\$13.35	\$14.06	\$14.52	\$15.00	\$16.05

- Anecdotally, we hear more and more of vendors that charge parents the difference between what Workforce Solutions pays and their published rate, resulting in parents paying much more than the usual and normal parent fee.
- While Texas Rising Star (TRS) vendors still sign agreements that restrict them from charging customers the difference, we have had one provider drop out of TRS in order to be able to charge the difference to their parents.
- The increase in the minimum wage this summer will additionally increase costs for many providers as their workforce is largely paid at or near that level.
- We no longer are required to freeze our rates.

Proposed Rate Change

Consider increasing our maximum rates paid to all providers by 5%, not to exceed the median rate charged by vendors in our region for each age group and vendor type.

- For this year, the Financial Aid Payment Office projects a rate increase will decrease the numbers of families we can provide financial aid to by approximately 1%. This would not affect our ability to meet the state's production requirements this year.

- The proposed rate increase will not affect our current open enrollment status for child care financial aid.
- The Financial Aid Payment Office also projects that the 5% increase will not affect our ability to meet the state's production targets for next year.
- Based on current allocation formulas, by increasing vendor rates, we believe we will bring more funds to the region in the long term.

Attached are two charts showing proposed increases for vendors by type.

Action

Recommend increasing rates for child care providers by up to 5% not to exceed the median rate charged by providers in our region for each age group and vendor type.

Current and Proposed Maximum Rates for Regulated Providers								
	Infants (0-17 months)				Toddlers (18-35 months)			
	Current Rate for Full Day	Proposed Rate for Full Day	Current Rate for Part Day	Proposed Rate for Part Day	Current Rate for Full Day	Proposed Rate for Full Day	Current Rate for Part Day	Proposed Rate for Part Day
Licensed Child Care Centers	24.72	25.96	16.34	17.15	21.63	22.71	15.45	16.22
Licensed Child Care Homes	20.60	21.63	15.45	16.07	18.54	19.00	15.45	15.45
Registered Child Care Homes	20.60	21.10	14.21	14.92	18.54	18.54	12.36	12.36
	Preschool (3-5 years)				School Age (6 years and up)			
	Current Rate for Full Day	Proposed Rate for Full Day	Current Rate for Part Day	Proposed Rate for Part Day	Current Rate for Full Day	Proposed Rate for Full Day	Current Rate for Part Day	Proposed Rate for Part Day
Licensed Child Care Centers	19.57	20.55	15.45	16.22	18.54	19.47	12.36	12.98
Licensed Child Care Homes	18.54	18.54	16.22	16.22	13.80	14.49	10.30	10.82
Registered Child Care Homes	17.51	17.51	12.36	12.36	13.39	14.06	10.30	10.30

Current and Proposed Maximum Rates for TRS, TEEM and Texas School Ready!™ Providers

	Infants (0-17 months)				Toddlers (18-35 months)			
	Current Rate for Full Day	Proposed Rate for Full Day	Current Rate for Part Day	Proposed Rate for Part Day	Current Rate for Full Day	Proposed Rate for Full Day	Current Rate for Part Day	Proposed Rate for Part Day
Licensed Child Care Centers	26.22	27.25	17.33	18.01	22.94	23.85	16.38	17.03
Licensed Child Care Homes	21.85	22.71	16.38	16.87	19.66	19.95	16.38	16.22
Registered Child Care Homes	21.85	22.16	15.07	15.67	19.66	19.47	13.11	12.98

	Preschool (3-5 years)				School Age (6 years and up)			
	Current Rate for Full Day	Proposed Rate for Full Day	Current Rate for Part Day	Proposed Rate for Part Day	Current Rate for Full Day	Proposed Rate for Full Day	Current Rate for Part Day	Proposed Rate for Part Day
Licensed Child Care Centers	20.76	21.58	16.38	17.03	19.47	20.44	12.98	13.63
Licensed Child Care Homes	19.66	19.47	17.21	17.03	14.49	15.22	10.82	11.36
Registered Child Care Homes	18.57	18.39	13.11	12.98	14.06	14.76	10.82	10.82

2009 Workforce Solutions System Contracts

Extension

Background

We have five system contracts for basic operations of Workforce Solutions and two special contracts.

- Employment and Training Centers, Inc. (Employer Service)
- Arbor E & T (Career Offices)
- Houston Works (Career Offices)
- Interfaith of the Woodlands (Career Offices)
- Neighborhood Centers, Inc. (Payment Office)
- Collaborative for Children (Special)
- SEARCH (Special)

The five system contracts were procured last year and are in the first year of their five year term. The two special contracts are at the end of their terms.

Current Situation

We will propose second year system contracts for the Board's consideration in October, 2009.

- To allow sufficient time for the Board's committees to make recommendations on these contracts, we are requesting the authority to extend the five system contracts (Employment and Training Centers, Inc.; Arbor E&T; Houston Works; Interfaith of the Woodlands; and Neighborhood Centers, Inc.) for one month.
- System operations contracts for 2010 would start November 1, 2009 and go through September 30, 2010.
- We are also proposing a one month extension for Collaborative for Children. We are re-procuring the service Collaborative currently provides for us, and the Board will see recommendations from its Procurement Committee on contracts at its October 2009 meeting.

We are not proposing to re-procure the demonstration project that SEARCH has operated for us. Our funding for basic system operations has been cut again this year, and we do not project that we have enough money to continue that project.

We are also requesting the authority to negotiate one-month contract budgets for the six contracts we want to extend. The amount of money each contractor may need for the one-month extension will vary, and we want to be able to negotiate as lean an extension budget as possible for each.

Action

Authorize staff to negotiate one-month extensions to 2009 contracts for Arbor E&T: Collaborative for Children; Employment and Training Centers, Inc.; Houston Works: Interfaith of the Woodlands; and Neighborhood Centers, Inc. through October 31, 2009.

Gulf Coast Workforce Board
System Performance
October 2008 through June, 2009

Board Measures

These measures gauge progress toward meeting the results set out in the Board's strategic plan. There are two sets of measures: one for the entire regional workforce system and one for the Board's operating affiliate, Workforce Solutions.

We report on the Workforce Solutions measures at each Board meeting.

More Competitive Employers

Measure	Annual Target	Current Performance	Performance Last Year
<u>Employers Receiving Services</u> (Market Share) We expect to provide services to 32,200 employers this year which is 25% of the 128,708 employers identified for the Gulf Coast area. Through June, we provided services to 31,013 employers.	25%	24.1%	24.5%
<u>Employer Loyalty</u> Our performance indicates our employer customers value our services and return to us for additional services. Of a possible 22,084 employers, 16,796 returned to Workforce Solutions for additional services.	72%	76.1%	70.7%

More and Better Jobs

Measure	Annual Target	Current Performance	Performance Last Year
<u>New jobs created</u> This information is captured quarterly and reflects a two year average. We worked with employers who added 2,374 new jobs annually.	1,500	2,374	2,234
<u>Customers employed by the 1st Qtr after exit</u> With three quarters of data, 225,444 of the 284,783 customers who exited from services were employed in the quarter after exit.	78%	79.2%	78.9%

Higher Real Incomes

Measure	Annual Target	Current Performance	Performance Last Year
<u>Exiters with Earnings Gains of at least 20%</u> Reporting for three quarters, 95,742 of the 266,480 who exited had earnings gains of at least 20%.	40%	35.9%	38.0%

A Better Educated Workforce

Measure	Annual Target	Current Performance	Performance Last Year
<u>Customers pursuing education diploma, degree or certificate who achieve one</u> Through June, 671 of the 2,412 customers pursuing an education diploma, degree or certificate achieved one.	40%	27.8%	38.0%

Production

In addition to the Board’s measures, we agree to meet the state’s expectations for performance on fifteen indicators related to the money we receive from the Texas Workforce Commission.

Of these fifteen measures, we are not meeting the target for four measures.

- WIA Adult Average Earnings. The target for this measure is \$12,400. Our performance for three quarters was \$11,486.
- Claimant Reemployment. The target for this measure is 67%. Our performance for the year is 63.1%. We expect performance to improve somewhat before the end of the contract year on September 30.
- Claimant Reemployment within 10 Weeks. The target for this measure is 53.7%. Our performance for three quarters is 48.3%. We expect performance to improve somewhat before the end of the contract year.
- WIA Youth Literacy/Numeracy Gains. The target for the measure is 35%. Our performance is 29.3%.

We continue to work closely with our contractors to improve performance on all measures.

**GULF COAST WORKFORCE DEVELOPMENT BOARD
FINANCIAL STATUS REPORT
For the Six Months Ended June 30, 2009**

	ANNUAL BUDGET	BUDGET YEAR TO DATE	ACTUAL YEAR TO DATE	DOLLAR VARIANCE
WORKFORCE REVENUES				
WORKFORCE REVENUES	232,699,952	107,400,196	90,129,433	17,270,763
WORKFORCE EXPENDITURES				
BOARD ADMINISTRATION	4,913,536	2,456,768	2,483,278	(26,510)
EMPLOYER SERVICES	6,210,000	3,105,000	2,565,756	539,244
RESIDENT SERVICES	202,626,855	101,313,428	83,809,938	17,503,490
OFFICE OPERATIONS	54,574,559	27,287,280	26,540,753	746,527
FINANCIAL AID	148,052,296	74,026,148	55,657,784	18,368,364
RESEARCH & DEMONSTRATION	1,050,000	525,000	637,519	(112,519)
RECOVERY PROJECTS	17,899,561	3,579,912	2,615,330	964,582
<i>TOTAL WORKFORCE EXPENDITURES</i>	232,699,952	110,980,108	92,111,821	18,868,287

VARIANCE ANALYSIS

Note: "Budget Year to Date" column reflects straight-line estimate of expenditures for the twelve-month period, assuming equal expenditures every month in order to fully expend the budget in a year.

Recovery Act Update

Fund Commitments

Background

At the last several meetings, we've discussed the money coming to the Board from the American Recovery and Reinvestment Act of 2009. Since February, 2009, the Board has:

- Amended its budget to include estimated Recovery Act dollars for 2009
- Approved \$14.7 million in contracts for summer jobs projects

Total Recovery Act dollars with final allocations from the state are \$73.7 million. Our initial estimates for child care dollars were low.

Update

The following chart provides an update on the programming of all Recovery Act dollars.

Funds		Current Status	Next Steps	
Workforce Investment	Wagner-Peyser	\$4.9 million	78 direct customer service positions in offices; staff hired	Committed
	Youth	\$14.7 million	Contracts for 4,500 summer jobs; currently active	Committed
	Adult	\$6.5 million	Funds to be used for training and other direct financial aid	Board to award contracts in October from request for proposals issued July 30
	Dislocated Worker	\$7.2 million		
Child Care	Financial Aid	\$33.6 million	Additional financial aid for child care expenses	Committed
	Quality	\$6.5 million	More money than usual for quality activities	Board to award contracts in October from request for proposals issued early August

GULF COAST WORKFORCE BOARD
Employment Trends

AUGUST 2009
JUNE 2009 DATA

Job losses continued in June at levels not seen since 1987. The Gulf Coast Region¹ lost 69,600 jobs from June 2008 to June 2009. This was the largest year-over-year decline since March 1987, when 82,600 jobs (-5.2%) were lost over the year. The rate of growth from June 2008 to June 2009 was -2.7 percent. To find a decline of this level, one would have to go back again to 1987 when May 1987 was down 2.7 percent (41,000 jobs) from the previous year. Texas has recorded a net loss of 274,600 jobs (-2.6%) since June 2008, compared with job losses of 5.8 million (-4.2%) nationwide during the same period. The national over-the-year growth rate for June was the lowest since April 1958 (-4.2% also); a lower rate cannot be found until one reaches back to October 1949 when the over-the-year change was -4.9 percent, or 2.2 million jobs.

Some growth continues in a few sectors. The data on the next page, Table 1, shows the levels of employment for the current month, month ago, and year ago for the Gulf Coast Region. June's job count was up for government (9,200) and educational & health services (6,300). Mining (oil and gas extraction) had its first over-the-year job loss since December 2002, reporting a loss of 700 jobs from June 2008 (-0.8%). The loss can be found in support activities for mining, which was down 1,800 jobs, or 4.3 percent, from last June. Manufacturing was only down 1,900 jobs in March 2009, but has increased its losses to 13,200 jobs over-the year in June.

June's unemployment rate at a seventeen year high. The Gulf Coast Region's unemployment rate for June 2009 was 8.0 percent, up from 5.0 percent in June 2008. This was the highest rate for June since 2003, when the rate was 8.1 percent, with a total of 180,384 unemployed. Total unemployment for June 2009 was up 87,180 from June 2008 to 227,116. The national unemployment rate climbed from 5.7 percent in June 2008 to 9.7 percent in June 2009.

Initial Claims for unemployment benefits continue to grow. There were 28,120 claims filed in June 2009, up 12,387 (79 %) from June 2008 (Chart). This was the largest net gain for the month of June in this time series, which goes back to 2000. Continued Claims were up 75,712 (102%) from June 2008, to 150,163 in June 2009.

From June 2008 to June 2009, total insured unemployed for the Gulf Coast Region increased by 42,226 (190%) to 64,468. All major industry groups were up over the year. Services, up 11,344 (152%), increased the most over the year. Over the year, the number of people who are listed as unemployed '15 weeks or over', was up 20,381 (286%) to 27,505.

¹ The Houston- Sugar Land-Baytown MSA is the only geographic area with monthly job count data in the Gulf Coast Region. Houston-Sugar Land- Baytown MSA includes the following counties: Austin, Brazoria, Chambers, Fort Bend, Galveston, Harris, Liberty, Montgomery, San Jacinto, and Waller
Source – U. S. Department of Labor, BLS and Texas Workforce Commission

Table 1

Industry	Houston-Sugar Land-Baytown MSA					
				NET CHANGE FROM		% Chg.
	Jun-09	May-09	Jun-08	May-09 TO Jun-09	Jun-08 TO Jun-09	Jun-08 TO Jun-09
Total Nonfarm	2,550,900	2,548,700	2,620,500	2,200	-69,600	-2.7%
MINING & LOGGING	89,700	89,500	90,400	200	-700	-0.8%
CONSTRUCTION	188,700	188,800	206,200	-100	-17,500	-8.5%
MANUFACTURING	230,000	228,800	243,200	1,200	-13,200	-5.4%
DURABLE GOODS	147,400	146,900	159,200	500	-11,800	-7.4%
NONDURABLE GOODS	82,600	81,900	84,000	700	-1,400	-1.7%
TRADE, TRANSP., & UTILITIES	507,800	510,600	533,900	-2,800	-26,100	-4.9%
WHOLESALE TRADE	127,900	128,700	140,500	-800	-12,600	-9.0%
RETAIL TRADE	262,700	263,600	265,600	-900	-2,900	-1.1%
TRANSP, WAREHOUSING, & UTIL	117,200	118,300	127,800	-1,100	-10,600	-8.3%
INFORMATION	35,200	35,300	36,800	-100	-1,600	-4.3%
FINANCIAL ACTIVITIES	141,700	140,800	144,600	900	-2,900	-2.0%
PROFESSIONAL & BUSINESS SERV.	370,300	364,000	387,500	6,300	-17,200	-4.4%
EDUCATION & HEALTH SERV.	291,100	291,100	284,800	0	6,300	2.2%
LEISURE & HOSPITALITY	238,400	236,900	242,500	1,500	-4,100	-1.7%
OTHER SERV.	92,000	90,800	93,800	1,200	-1,800	-1.9%
TOTAL GOVERNMENT	366,000	372,100	356,800	-6,100	9,200	2.6%
FEDERAL	29,100	29,200	29,000	-100	100	0.3%
STATE	71,700	72,900	67,600	-1,200	4,100	6.1%
LOCAL	265,200	270,000	260,200	-4,800	5,000	1.9%

Chart

